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APRIL 1, 1993 - SEPTEMBER 30, 1993

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M E M O R A N D U M

TO: Joseph Stepanek, LAC/DP
FROM: Robert S. ^{Queener} Queener, Mission Director
DATE: December 30, 1993
SUBJECT: Mission Director's Portfolio Review for the Period
April 1, 1993 to September 30, 1993

USAID/Jamaica has used this most recent SAR to undertake a critical review of our portfolio in terms of its fit with the Agency's emerging strategic policy areas and guidelines on participation. The review has demonstrated for the most part a solid correspondence in the Mission's activities and strategic objectives with USAID's new strategic framework. Where we did not find a clear fit between a project component and the Agency's strategic policies, we are taking action to refocus the activity as appropriate. As an example, we are focusing the export support component on EDIP to support small/medium size firms.

In light of the Agency's new program priorities, we also reassessed the relevance of the strategic objectives around which we had recently structured our portfolio. This exercise demonstrated that our three strategic objectives themselves mesh well with the Agency's new policy areas. Of note, all Mission projects contribute to at least one of the Agency's four policy areas.

- o Strategic Objective #1, "increased foreign exchange earnings and employment"--Fifty-seven percent of the Mission's LOP funding supports the economic growth policy area: Mission activities under this S.O. are essential to Jamaica's broad-based, sustainable economic growth;
 - o Strategic Objective #2, "improved environmental quality and natural resource protection"--Eighteen percent of LOP funding supports the environmental protection policy area: these activities fully correspond with USAID's strategy to protect the environment;
 - o Strategic Objective #3, "healthy, smaller families"--Twenty-one percent of LOP funding supports the health and population growth policy area: S.O.#3 activities directly support USAID's strategy to stabilize world population growth and protect human health.
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- o One project outside the Mission's strategic objectives, the Sustainable Justice Reform Project, fits squarely within the Agency's fourth policy area, Democracy. One large component under another Mission project, Primary Education Assistance Project, also contributes to this area. In total, 4.9 percent of LOP funding is dedicated to the democracy policy objective.

The SARs were also used as fora to review the implications of "rightsizing" for our portfolio. Discussion focused how to allocate diminished resources and staff between projects to best support USAID objectives. It was also noted that despite an orderly project closeout schedule, a rapid USDH staff reduction (50% in three years) was taxing management resources over the short/medium term.

Significant effort over this period was devoted to prudent phasing out of activities scheduled for closeout and in assuring adequate management attention to our projects as staff declines. Consistent with the FY 94/95 Action Plan and the FY 94/95 ABS, we have begun no new projects during the SAR period. One project scheduled for closure during the period, the Agricultural Research Project, was extended to December 31, 1993 to allow for an orderly completion of project activities. During the review period, three projects ended (PRISPI, SDAF and Agricultural Education). Assuming adequate resource levels, the Mission plans to have eleven active projects at the end of FY 95 after closing out another eight projects in FY 94 and 95.

With a reduction in the project portfolio and in overall program mortgages and with a moratorium on new starts, the Mission over the next SAR period will be reviewing potential areas for new project activity beginning during the FY 95/96 period. The upcoming Action Plan will propose new areas of involvement consistent with Agency objectives and based on our findings through a renewed level of dialogue with USAID's development partners in Jamaica.

As part of the Action Plan process, the Mission will also be undertaking a management review in the second quarter FY 94. The review will be conducted with TDY assistance and it will consider how the Mission can best organize to manage its project portfolio with reduced staff and program resources and maintain necessary levels of control.

Portfolio Performance

Economic Growth

While projects in Strategic Objective #1 make strong contributions to economic growth through increased foreign exchange earnings and employment generation, the focus in some projects, notably EDIP and Ag Export Services, has not been explicitly on

inclusion of the small or poor entrepreneur or farmer. With the high priority now accorded broad-based participation, we are considering--and acting on--how best to modify these projects to encourage increased participation and distribution of the project benefits.

The **Export Development and Investment Promotion (EDIP) Project** is central to Strategic Objective #1. Following a project evaluation last Spring, the project was amended to authorize an additional \$6 million over three additional years. During the amendment design and pre-implementation planning, USAID/Jamaica selected activities for their potential impact on increased foreign exchange earnings and employment, while paying careful attention to participation and benefits to a wide range of economic groups. The result is a set of activities that do both.

Specifically, the Mission will continue its support for privatization, but has worked with the IDB to develop an Employee Stock Ownership Program under the MIF to help promote ownership by employees affected by the privatization. EDIP will also expand its support for the Fair Trading Commission, which will protect consumers from unfair trading practices and monopoly abuse. The amended project will seek to strengthen financial markets and institutions, to help ensure the security of individual equity investments and pensions. Selected export support for apparel, information services and non-traditional agriculture will be structured to assist smaller firms to export. USAID support should result in more equitable trade administration. And lastly, EDIP will help finance an NGO, the International Executive Service Corps, to provide technical assistance for small- and medium-size tourism enterprises.

EDIP received a B rating in the latest SAR reviews.

The **Agricultural Export Services Project (AESP)** was designed to strengthen Jamaica's agricultural export market through efforts to improve access to high quality export-related services. Given the priorities of the Agency's new economic growth strategy, we are in the process of refining this project's focus and approach to ensure that it is sufficiently responsive to the needs of the less advantaged. The project, rated B, will direct its efforts more specifically toward small producers, processors and exporters.

To further involve the private sector, we are exploring possibilities for creating a partnership between the project and the Jamaica Exporters' Association (JEA), a dynamic local NGO. The JEA would take a lead role in sub-project development and design and establishment of producer groups. We are also seeking to involve local financial institutions in the proposal review and selection process to improve the quality of proposals. Another role for the JEA is the management of the soon to be privatized export pre-clearance facility at Kingston airport. That facility is supported by USDA through AESP project funding, and is expected

to significantly increase Jamaican exports of non-traditional crops.

During the SAR period, the project continued its successful efforts to support small-scale producers of both traditional and non-traditional export crops. Among the traditional export crop sub-projects supported by AESP, the Tryall Banana Sub-project has transformed 400 acres of bush into an income-generating enterprise which is producing an average of 10 tons per acre on small plots, netting five-acre lease-hold farmers as much as US\$9,000 per year. The National Yam Export Development Sub-project has supported a method of cultivation which has produced yields of US\$1,000 per half acre, i.e., more than 50 percent higher than that produced by traditional methods and using inputs costing less than half that of traditional methods.

The **Microenterprise Development Project** was evaluated during the SAR rating period, and following positive reviews by the GOJ, recipient credit institutions, microentrepreneurs and other donors, the project was amended for an additional three years and \$3 million, including a \$600,000 anti-poverty loan component. In the past six months credit was extended to 442 new microenterprises, for a total of 1,244 assisted enterprises, 50% of which are women-owned. The short-term training totals expanded to over 4,000, and the evaluation estimated that over 2,600 jobs have been created or strengthened. The Mission has also agreed to develop stricter benchmarks for both institutions, EDT and ASSIST, to better monitor progress toward self-sufficiency. The mid-term review highlighted the fact that self-sufficiency expectations were overly optimistic and that these projections are to be revised accordingly. The project retains its **B** rating.

The **Hillside Agriculture Project** continued to make significant progress in the extension of improved techniques for tree crop production and in strengthening farmer organizations. To date, sub-projects have helped over 11,000 farmers raise their incomes, frequently doubling to quadrupling their production from tree crops. During this last reporting period, the geographic area of focus was expanded to include a new sub-project in the parish of Portland. The PMU became more involved in policy issues and project sustainability through a series of sustainability seminars out of which a requirement was established that all new sub-project proposals specifically address this concern. An evaluation scheduled for later this FY will consider the sustainability of the HAP process.

In addition to its contribution to economic growth, HAP makes strong contributions to the environmental protection program priority, having made a positive change in values and attitudes related to soil management among participating farmers. We are currently working to refine and establish indicators which will allow documentation of the project's conservation effect. This project retained its **A** rating.

The **Inner Kingston Development Project** continues to assist the recovery of the downtown as a center for economic activity. During the rating period, progress was made towards the development of a private sector syndication that would purchase a package of properties. The purchase is expected to greatly benefit the cash flow situation of the implementing NGO, the Kingston Restoration Company. A master plan for downtown redevelopment was nearly completed, and is being lauded by independent urban groups as an excellent planning tool. Urban Development Corporation funds were proposed for subgranting to KRC for development of downtown management districts, which would allow downtown businesses to collectively finance and manage urban services. The Harbour Street Sewer continued to be slow in construction, and doubts persist regarding the GOJ's commitment to providing its contribution to complete the project. The project maintains its B rating.

The **University of the West Indies (UWI) Management Education Project** continues to gain acceptance and impact on the Jamaican community. Key accomplishments during the period have been the graduation of the third cohort of twenty-eight students under the Executive Masters of Business Administration Program. In addition, the Institute of Business has been legally incorporated with a related Instrument of Affiliation that assures operational autonomy and full academic recognition for the IOB. The Mission has also drafted a PP Supplement aimed at consolidating progress and ensuring full project sustainability by the PACD of September 30, 1995. Although there have been some problems in the design and marketing of the International Executive Management Development Program, the project's overall strong performance has resulted in the maintenance of its B rating.

The **Primary Education Assistance Project (PEAP) II** has made significant strides in all project components during the SAR reporting period. Important achievements have been 5 workshops to promote community participation in education for 624 participants, as well as three parish expositions in which 55 private sector companies and 55 schools participated. Other accomplishments include the completion and analysis of the baseline study of mathematics teaching; the Ministry of Education and Culture's acceptance of the report on the review of the Primary Mathematics Curriculum; and an intensive review of data/planning needs of the MOE resulting in specifications for hardware and software subsequently approved by the Government of Jamaica. These achievements have resulted in the project being upgraded to an A.

Under the **Crop Diversification/Irrigation Project**, the supervising project engineer arrived and the GOJ and NIC signed a contract with a local construction contractor to begin work on the reconstruction of the flood-damaged Rio Cobre dam in late June. Progress, however, has lagged behind schedule with the contractor citing foreign currency shortages (which have made equipment procurement difficult) and labor problems as major impediments. The Task Force continued to make progress toward the rehabilitation of irrigation blocks A & B, passage of sandmining and zoning

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regulations, and in ensuring security of project lands until farmers take up occupancy. In view of the significant progress made toward resolving outstanding problems and ensuring an orderly project close-out, the project's rating was upgraded from C to B.

Environmental Protection

Jamaica is facing a series of critical environmental issues whose resolution will determine the future of the country's agricultural and tourism sectors, as well as the health of its population. Among its most threatening problems are watershed degradation, water pollution resulting from industrial waste and unplanned community development, deforestation resulting from poor agricultural practices and deterioration of the country's marine resources. Our portfolio addresses each of these concerns, engaging broad participation through community groups and NGOs in the process.

The **Development of Environmental Management Organizations Project**, currently in an early implementation phase, made significant progress in preparation for the mobilization of the TAC. DEMO funded the preparation of action plans for key units of the National Resource Conservation Authority, including the Division of Pollution Control and Waste Management and the Division of Parks and Protected Areas. A key accomplishment was the development of effluent discharge procedures to guide industry and government activities. The project also assisted in the completion of the National Environmental Societies Trust's business plan and recruitment of staff of the Environmental Foundation of Jamaica. Another important part of the project's groundwork was laid with the launching of SITE activities in Negril. DEMO is rated as a B project in this early stage of implementation.

Activities supported by the **Protected Areas Resource Conservation Project** continued as the project approached its PACD of October 15, 1993. Under PARC, all major project targets were met or exceeded. All staff positions were filled and planned local and overseas training was completed. The project resulted in the establishment of Jamaica's first two national parks, one of which is a marine park. Some small eco-tourism enterprises are operating successfully in the parks and dozens of others will continue to benefit in other parts of Jamaica. At the close of the project on October 15, PARC became a new component of DEMO through a project amendment, ensuring that these important efforts will be expanded through this new project facility. PARC closed as an A project.

The **Technical Support for Shelter Project** developed in the SAR reporting period a proposal for the GOJ to adopt affordable standards for environmentally sound disposal of waste water in squatter-upgrade projects and other informal settlements. Studies of household liquid waste disposal in squatter-upgrade schemes for the Montego Bay area may lead to a replicable extension program of environmentally acceptable options. However, such a program is

dependent on the GOJ's willingness to implement USAID's housing guarantee programs prior to September 30, 1995. The project maintained its B rating.

The **North Coast Development Support Project** completed repair of 80 percent of leaks in the Negril-Lucea water system. Consultants working on the environmental monitoring of Montego Bay documented a data baseline (based on one year's samples collected from 15 stations in Montego Bay and Bogue Lagoon) and presented it in a report issued in September. The report indicates that the Bogue Lagoon is already environmentally-stressed and cannot receive effluent from the proposed facultative lagoons. This finding has led to the decision to discharge effluent into the Bay, thereby increasing sub-project cost but averting adverse environmental impacts. The OECF-financed portions of the project are about one year behind schedule due to delays in obtaining GOJ and OECF approvals at different junctures of the contracting process. The project retains its B rating.

Population Growth and Human Health

Jamaica faces severe challenges as the government reduces public expenditures in the health sector in favor of a shift to private provision of both health and family planning services. Despite the dynamic changes in service delivery, remarkable progress is being made.

In the area of population growth, the **Family Planning Initiatives Project** has made exceptional progress in promoting contraception, the results of which came to light during this last SAR reporting period. A preliminary CDC report indicates that contraceptive prevalence increased from 55 percent in 1989 to 66 percent in 1993, with condom use increasing by 90 percent since 1989. CDC is also analyzing total fertility rate as part of the study. Also during this reporting period, the Ministry of Education agreed, at the urging of the project, to develop a policy to include Family Life Education in school and the Women's Center submitted a proposal for a community program to delay first pregnancy among Jamaican teenagers. The project maintains its A rating.

Complementing our efforts in population growth, the **AIDS/STD Prevention and Control Project** continued its support of 11 STD clinics that provide AIDS testing and counseling in low-income areas. During this SAR period, the laboratory screening systems for the case management of syphilis and gonorrhea were improved and screening for gonorrhea increased by 57 percent. While certain STD incidence rates have gone down, other STD incidence rates went up--with rising trends in part attributable to more comprehensive, accurate data collection. The reports of the CDC consultants who conducted training of regional contact investigator supervisors were reviewed and follow-up action was taken. Short-term overseas training for four individuals was conducted in the areas of STD

laboratory diagnosis and STD case management. A longstanding issue concerning the procurement and leasing of vehicles for the STD contact investigators needs to be resolved. This project was given a B rating (down from an A) for this period as it sorts through the vehicle and data rationalization issues.

Good progress was made by the **Health Sector Initiatives Project** during this SAR period. The revised fee schedule was drafted and is being prepared for Cabinet; the first phase of the management development training was completed; divestment contracts for the laundry, cleaning and portering operations at Spanish Town Hospital are in place; and studies to guide the planned decentralization were completed. Five new private sector sub-grants were executed. This project was again rated B.

The **Drug Abuse Prevention and Control Project** resumed implementation with the award of an 8-A contract and purchase of project commodities. The Mission expects to complete the project in 1994, but may require a three months extension of its PACD to December 31. With the contract in place, a workplan being drafted, and activity set to begin in the next SAR period, the project was promoted to a B grade, up from C six months ago.

Democracy

Although Democracy is not a Mission strategic objective, USAID is making important contributions to this area through the **Sustainable Justice Reform Project**, which has just completed its first year. The Project is moving at a steady pace with the final outstanding CP, consolidation and maintenance of courthouses, having been met in June. In the area of training, a six-month deputy clerk's training course came to an end and the Chief Justice attended a Judicial Reform Roundtable Conference in Williamsburg, VA. A pre-award survey conducted to assess the management control systems of the Bar Association revealed a need to strengthen the Association's management and accounting structure. Work is underway to address this need, after which USAID intends to enter into an agreement with the Bar. A similar survey was carried out with a local NGO, United Way, which will provide financial management of funds for alternative dispute resolution on behalf of the Mediation Council. The project is rated a B.

Cross-cutting Projects

The **Caribbean Latin America Scholarship Program (CLASP)** continues to provide training in support of all four USAID policy objectives. During the period participants began training in the areas of business, environmental law, forestry and health and population. In addition, in keeping with CLASP II's mandate to provide training to youth leaders, five senior high school students were selected to attend a six week summer program for top achievers at the Universities of Pennsylvania and Harvard. The participant data base was also updated and adjusted in order to make up-to-date

information on participants more readily available. The project retained its B rating.

Significant Problems and Delays

The Mission continues to commit extensive effort on the **Housing Guarantee Programs**. With progress towards the closeout of HG-013 at the end of CY 93, which earned the project a B rating for the period, there has been only slow progress on the HG-012 programs which remain rated C. Although the Cabinet agreed that the GOJ would meet U.S. dollar repayments under the HG-012 programs, the mechanics of implementing the agreement have yet to be worked out. (Note: on December 9, the Ministry of Finance issued the long-awaited policy letter realigning Jamaican-financial responsibilities for HG-012. We are hopeful that the implementation "log-jam" has at last been broken.) If the program proceeds, there is agreement on two squatter/serviced-site projects near Montego Bay. In order for these projects to begin, however, the GOJ needs to determine which option it prefers for household liquid waste disposal. The program is also faced with problems of slow liquidations as a result of delays in lot sales and construction delays at the Montego Bay sites.

Two of the Mission's previously rated C projects, Drug Abuse Prevention and Crop Diversification/Irrigation, were upgraded to B status for the rating period following improved performance.

Financial Performance

During this period USAID/Jamaica reduced its mortgage by 5 percent, while its pipeline fell only slightly. Reductions in mortgage were increased through scaling back of planned project amendments. Pipeline levels were virtually unchanged, as a result of obligations of \$11 million over the last two quarters of FY 93, roughly equalling program expenditures for the same period. The Mission anticipates a sharp reduction in the pipeline over the next SAR period, with increasing expenditure rates and with expected reductions in the Mission's OYB in FY 94. With this trend, the Mission will begin to explore new project concepts as part of the upcoming Action Plan for starts during the FY 95/96 period.

Only four Mission projects have pipelines of over two years, based on FY 93 expenditure rates:

- EDIP (3.5 years): the pipeline increased sharply at the close of FY 93 with late obligations including \$1 million under a newly authorized account, ESF. Expenditures were slow in FY 93 as the project was redesigned. The Mission expects at least US\$2.4 million in expenditure in FY 94 and a reduced pipeline by the end of FY 94;

- Hillside Agriculture (2.6 years): obligations have been high due to the project being 100% environmentally earmarked, and recent devaluations of the Jamaican dollar have build up a temporary surplus in the dollar earmarks. However, the pipeline will drop sharply this year as expenditures increase and the Mission plans no new obligations in FY 94;

- DEMO (5.4 years): this project is new, and the pipeline years will fall steadily as implementation begins;

- Family Planning Initiatives (3.7 years): this project has had accelerated obligations to meet earmarks, but with increasing expenditures, the pipeline years will drop through the PACD. No new obligations will be made in FY 95 if we are able to obligate POP funds for our AIDS/STD project as currently proposed.

FINANCIAL SUMMARY OF USADJAMAICA PORTFOLIO
(APRIL 1, 1983 - SEPTEMBER 30, 1983)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Project Number	Project Title	CATE GORY	DATE OF INF. OBL.	LAST REVISED PACO	% OF LOP ELAPSED	% OF OBLIG EXPD.	AUTH LOP AMOUNT	CURR FY OBLIG. TO DATE	CUM. AMOUNT OBLIG.	MORTGAGE	BEGINNING FY PIPELINE	PLAND SEM. EXPD.	ACCRD SEM. EXPD.	ACC. AS % OF PLANNED	CUMULAT. ACCRUED EXPD.	ENDING PIPE-LINE	PLANNED EXPEND (NOT SEM)
S.O. #1: Increased F/E & Employment																	
8320136 00	EXPORT DEV & INVESTMENT PROM.	(C)	B 29-Mar-80	18-Mar-87	80	44	13,000	2,878	7,865	8,048	2,878	1,308	946	18	3,480	4,478	1,808
8320156 00	MICROENTERPRISE DEVELOPMENT	(C)	B 30-Aug-80	20-Sep-87	44	88	8,000	1,278	2,811	2,388	724	800	378	47	1,482	1,188	800
8320186 00	AGRICULTURAL EXPORT SERVICES	(C)	B 14-Sep-80	20-Sep-88	87	88	10,000	481	8,388	4,841	3,088	1,000	714	71	2,880	2,878	1,000
8320101 00	HILLSIDE AGRICULTURE	(C)	A 28-Feb-87	28-Feb-87	88	88	8,824	748	7,708	2,218	2,831	800	880	112	8,088	2,848	800
8320128 00	AGRICULTURAL RESEARCH PROJECT	(C)	C 30-Jul-83	31-Dec-83	87	88	8,861	0	8,861	0	1,480	1,088	882	84	8,784	187	87
8320120 01	INNER KINGSTON DEVELOPMENT/JDC	(L)	B 31-Jul-88	20-Sep-84	88	100	4,887	0	4,887	0	1,187	888	428	78	4,887	18	0
8320120 01	INNER KINGSTON DEVELOPMENT/JDC	(C)	B 30-Jul-88	20-Sep-88	70	81	1,808	0	1,337	1,488	1,088	388	388	100	818	827	488
8320120 02	INNER KINGSTON DEVELOPMENT/JDC	(C)	B 30-Jul-88	20-Sep-88	70	84	10,373	888	8,804	4,888	848	800	832	87	8,318	488	488
8320120 02	NORTH COAST DEVELOPMENT SUPPORT	(C)	B 27-Aug-81	31-Jul-88	43	48	8,000	0	3,870	1,130	3,047	483	481	100	1,871	1,888	878
8320188 00	CLASP 2	(C)	B 08-Apr-80	20-Sep-88	41	83	8,800	1,082	4,822	878	2,384	800	883	138	2,884	2,888	700
8320128 00	UNI SCHOOL OF MGT IMPROVEMENT	(C)	B 11-Sep-87	20-Sep-88	78	83	4,440	870	4,232	308	713	300	488	188	3,800	732	800
	SUB TOTAL S.O.#1:				84	71	78,481	7,882	67,138	18,348	22,087	7,878	8,788	78	48,403	18,738	8,888
S.O. #2: Imprv Environ, Light & Prot.																	
8320148 00	PROTECTED AREAS RESOURCE CONSERV	(C)	A 28-Aug-88	18-Oct-83	88	100	2,480	0	2,480	0	738	383	292	108	2,448	8	292
8320173 00	DEV. ENVIRON. MGT. CTRLS/PARC E.	(C)	B 28-Sep-82	20-Sep-87	20	18	11,180	2,882	2,782	8,358	708	408	348	82	438	2,384	400
8320148 00	TECH SUPP FOR SHELTER & URBAN SV	(C)	B 28-Jun-88	20-Sep-83	100	83	3,000	488	1,844	1,088	787	880	848	42	1,228	718	880
	SUB TOTAL S.O.#2:				73	87	18,800	2,882	7,188	9,414	2,822	1,273	783	88	4,111	2,878	1,272
S.O. #3: Healthy, Smaller Families																	
8320152 00	HEALTH SECTOR INITIATIVES	(C)	B 27-Jul-88	27-Jul-88	80	83	8,000	0	2,822	2,078	2,318	888	1,088	212	1,848	1,874	888
8320183 00	FAMILY PLANNING INITIATIVES	(C)	A 31-Jul-81	31-Jul-88	31	23	7,000	878	4,183	2,817	3,088	308	800	187	881	3,882	308
8320181 00	DRUG ABUSE PREVENTION	(C)	B 21-Sep-88	20-Sep-84	88	48	800	100	800	0	188	78	(334)	-477	348	388	100
8320183 08	AIDS/STD PREVENTION & CONTROL	(C)	B 28-Aug-88	31-Aug-87	88	82	8,800	884	4,428	1,071	1,888	488	880	181	2,748	1,881	888
	SUB TOTAL S.O.#3:				87	48	18,800	2,038	12,034	8,988	7,887	1,288	2,084	188	8,822	8,212	1,788
OTHER CONCERNS																	
8320123 00	CROP DIVERSIFICATION/IRRIGATION	(C)	C 28-Sep-88	20-Sep-84	88	82	11,887	0	11,887	0	1,281	488	143	32	18,877	888	388
8320123 00	CROP DIVERSIFICATION/IRRIGATION	(L)	C 28-Sep-88	20-Sep-84	88	100	7,828	0	7,828	0	183	182	(18)	-7	7,828	0	0
8320029 00	SPECIAL DEVELOPMENT ACTIVITIES	(C)	U 01-Oct-82	20-Sep-83	100	82	1,328	100	1,328	0	132	100	34	34	1,228	108	108
8320188 00	PRIMARY EDUCATION ASSISTANCE B	(C)	B 28-Apr-88	31-Aug-88	84	41	8,800	1,488	3,884	1,708	1,888	808	828	108	1,888	2,384	1,800
8320082 00	AGRICULTURAL EDUCATION	(C)	B 31-Aug-84	31-Aug-83	101	88	2,844	0	2,844	0	288	287	187	88	2,414	138	0
8320082 00	AGRICULTURAL EDUCATION	(L)	B 31-Aug-84	31-Aug-83	101	100	8,008	0	8,008	0	0	0	0	0	8,008	0	0
8320187 00	FOOD AID MONIT. & SUPP. GRANT	(C)	B 21-Aug-88	20-Nov-83	88	71	1,288	0	1,288	0	818	284	14	4	884	371	288
8320178 00	SUSTAINABLE JUSTICE REPORTS	(C)	B 01-Jul-82	31-Aug-88	20	8	2,000	1,000	1,884	1,318	884	238	73	32	108	1878	200
	SUB TOTAL S.O.#4:				4	88	40,882	2,888	27,840	3,022	8,188	2,383	1,238	82	22,132	8,408	2,008
TOTAL ACTIVE PROJECTS:							72	180,843	14,883	113,888	28,747	28,088	8,888	78	82,488	31,428	18,872

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FINANCIAL SUMMARY OF LIBARD/ JAMAICA PORTFOLIO
(APRIL 1, 1983 - SEPTEMBER 30, 1983)

(1)	TERMINATED PROJECTS (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Project Number	Project Title	Category	Date of Init Cbl	LAST REVISED PACD	% OF LOP ELAPSED	% OF OBLIG EXPD	AUTH LOP AMOUNT (000%)	CURR FY OBLIG TO DATE (000%)	CUMULAT AMOUNT OBLIGTD	MORTGAGE	BEGINNING FY PIPELINE	PLAND SEM EXPD (000%)	ACCRD SEM EXPD (000%)	ACC AS % OF PLANNED	CUMULAT ACCRUED EXPD (000%)	ENDING PIPE - LINE (000%)	PLANNED EXPEND (NXT SEM)
5320079 00	TC & TG	(0)	08-Jun-81	31-Dec-80		100	24,883		24,883						24,882	1	
5320158 00	HURRICANE RECONSTRUCTION	(0)	B 18-Feb-88	31-Mar-82		100	28,358		28,358						28,358	0	
5320182 00	CARIBBEAN JUSTICE IMPROVEMENT	(0)	A 30-Jul-88	30-Dec-82		100	703		703						703	0	
5320246 08	CARIBBEAN JUSTICE IMPROVEMENT	(0)	A 01-Sep-88	30-Dec-82		100	1,732		1,732						1,732	0	
5320286 00	REVENUE BOARD ASSISTANCE	(0)	A 07-Jan-83	31-Mar-82		100	4,561		4,561						4,561	0	
5320286 00	REVENUE BOARD ASSISTANCE	(L)	A 07-Jan-83	31-Mar-82		100	4,522		4,522						4,522	0	
5320289 00	POPULATION & FAMILY PLANNING	(0)	A 31-Mar-82	31-Mar-82		100	8,700		8,700						8,887	3	
532017 02	URBAN SECTOR TECH ASSIST.	(0)	B 28-JUN-80	31-Jan-83		100	548		548						548	0	
SUBTOTAL TERMINATED PROJECTS							72,480		72,480						72,448	4	

(1)	ACTIVE PROGRAM (2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Project Number	Project Title	Category	Date of Init Cbl	LAST REVISED PACD	% OF LOP ELAPSED	% OF OBLIG EXPD	AUTH LOP AMOUNT (000%)	CURR FY OBLIG TO DATE (000%)	CUMULAT AMOUNT OBLIGTD	MORTGAGE	BEGINNING FY PIPELINE	PLAND SEM EXPD	ACCRD SEM EXPD (000%)	ACC AS % OF PLANNED	CUMULAT ACCRUED EXPD	ENDING PIPE - LINE	PLANNED EXPEND (NXT SEM)
5320184 00	POL REFORM IN SUP OF PVT INV	(0)	B 30-Sep-81	28-Sep-83	101	100	28,000	17,000	28,000	0	18,000	2,000	2,000	100	27,000	2,000	0
SOURCE	PSR	PSR	PSR	PSR	PSR	(16/10)	PSR	MISSION RECORDS	PSR	(8/10)	MISSION RECORDS	LAST PSR	PSR	(14/13)	PSR	(12-14)	PSR

X 11

USAID/JAMAICA
April 1, 1993 - September 30, 1993
ANALYSIS BY FY 93 OBLIGATIONS
PORTFOLIO FIT WITH PROGRAM PRIORITIES (\$ MILLION)

ECON GROWTH	ENVIRONMENT	POP & HEALTH	DEMOCRACY	OTHER
<p>a) Strong:</p> <p>EDIP (2.88) Microenterprise (1.28) Hillside Agr. (0.53) Inner Kgn. (0.67) Ag. Export (0.47) PEAP II (0.94) UWI (0.57) CLASP II (.48) Crop Divers/Irrig (0.0)</p>	<p>a) Strong:</p> <p>DEMO (1.88) Hillside Ag. (0.23) North Coast Dev. (0.0) Tech. Supp.for Shltr. (0.12) CLASP II (0.33)</p>	<p>a) Strong:</p> <p>Family Plng. Initiatives (0.98) AIDS/STD Prevention (0.96) Health Sector Initiatives (0.0) CLASP II (0.18)</p>	<p>a) Strong:</p> <p>Sustainable Justice Reform (1.0) PEAP II (0.36)</p>	<p>a) Strong:</p>
<p>b) Secondary</p> <p>North Coast Dev. (0.0) DEMO (0.10) Tech. Supp.for Shltr. (0.25)</p>	<p>b) Secondary</p> <p>Ag. Export (.02)</p>	<p>b) Secondary</p> <p>DEMO (0.10) Tech. Supp.for Shltr. (0.12) PEAP II (0.15)</p>	<p>b) Secondary</p> <p>CLASP II (0.07)</p>	<p>b) Secondary</p>
<p>S-T \$8.17 Percent 55.69%</p>	<p> \$2.58 17.59%</p>	<p> \$2.49 16.97%</p>	<p> \$1.43 9.75%</p>	

XIV

USAID/JAMAICA
April 1, 1993 - September 30, 1993
ANALYSIS BY LOP LEVELS
PORTFOLIO FIT WITH PROGRAM PRIORITIES (\$ MILLION)

ECON GROWTH	ENVIRONMENT	POP & HEALTH	DEMOCRACY	OTHER
<p>a) Strong:</p> <p>EDIP (13.0) Microenterprise (5.0) Hillside Agr. (7.0) Inner Kgn. (3.0) Ag. Export (9.5) PEAP II (3.6) UWI (4.5) CLASP II (2.5) Crop Divers/Irrig (2.0)</p>	<p>a) Strong:</p> <p>DEMO (10.03) Hillside Ag. (3.0) North Coast Dev. (1.3) Tech. Supp.for Shltr. (.75) CLASP II (1.7)</p>	<p>a) Strong:</p> <p>Family Plng. Initiatives (7.0) AIDS/STD Prevention (5.5) Health Sector Initiatives (5.0) CLASP II (0.9)</p>	<p>a) Strong:</p> <p>Sustainable Justice Reform (3.0) PEAP II (1.4)</p>	<p>a) Strong:</p>
<p>b) Secondary</p> <p>North Coast Dev. (3.7) DEMO (.56) Tech. Supp.for Shltr. (1.5)</p>	<p>b) Secondary</p> <p>Ag. Export (.5)</p>	<p>b) Secondary</p> <p>DEMO (0.56) Tech. Supp.for Shltr. (.75) PEAP II (0.6)</p>	<p>b) Secondary</p> <p>CLASP II (0.4)</p>	<p>b) Secondary</p>
<p>S-T \$55.86</p> <p>Percent 56.74%</p>	<p> \$17.28</p> <p> 17.59%</p>	<p> \$20.3</p> <p> 20.66%</p>	<p> \$4.8</p> <p> 4.89%</p>	

X:V

USAID/JAMAICA
April 1, 1993 - September 30, 1993

STRATEGIC FIT		RANKING OF APPLICABLE STRATEGIC FIT SUBCOMPONENTS BY PROJECT										
1. ECONOMIC GROWTH		Employment, Income and Services for the Poor	Investments in Human Capital (Hlth, Pop. Ed)	Appropriate Macro Policies and Sector Reforms	Micro/Sm Enterprise Development and Lending	Broader, Deeper, More Efficient Markets	Participation, in Design and Results					
	Export Dev. & Inv. Prom. Microenterprise	2		3	1	1						
	Hillside Agr. DEMO	2	3	1	1		4					
	Ag Export Svc.	2		3	1	4	5					
	Inner Kingston Dev. PEAP II	1	2		4		3					
	UWI Mgmt.		1				2					
	North Coast Dev. Support	1										
	CLASP II	2	4	1	5	3						
	CDI	1	2									
	Technical Support for Shelter											
2. ENVIRONMENT		Sustainable Agricultural Practices	Ind./Energy Pollution Control	Biodiversity	Mgmt of Sewage & Solid Waste	Climate Change	Deforestation & Ecosystem	Environmental Research and Education	Conservation Policies & Incentives			
	DEMO		5	2	4		3	6	1			
	Hillside Agr.	1					2					
	North Coast Dev. Technical Support for Shltr.				1							
	Ag Export Svc.	1					2					
	CLASP II	1	2					3				
3. POPULATION GROWTH & HUMAN HEALTH		Reduce Infant, Child and Maternal Mortality	Improved Reproductive Health	Lower Fertility and Fewer High Risk Births	Improved Health and Pop Service Delivery	Reduced HIV/AIDS Incidence	Increased Contraceptive Prevalence	Integrated National Health and Pop Plan	Promotion of Changed Male/Female Attitudes	Increased Female Education and Empowerment	Higher Levels of Immunization	
	Family Planning Initiatives	4	3	1			2		2			
	AIDS/STD Health Sector Initiatives		3		1	1		2		1		
	PEAP II											
	Technical Support for Shltr.	1			1							
	DEMO									1		
CLASP II												
4. BUILDING DEMOCRACY				Promoting Human and Civil Rights	Respect for Rule of Law	Institutionalizing Democratic Elections	Promoting Civil Society	Transparent and Accountable Governance	Transition to and Consolidation of Democracy			
	Sustainable Justice Reform				1		2					
	PEAP II			1								
CLASP II												

CENTRALLY FUNDED PROJECTS
CATEGORY A - Supports Mission S.O. and can be Managed by Mission

<u>Project Title & Number</u>	<u>Funding Level</u>	<u>PACD</u>	<u>Project Purpose</u>	<u>Nature and Extent of Mission Management</u>	<u>Project Rating (A,B,C)</u>
Strategic Objective #1: Increased F/E & Employment					
Growth and Equity through Microenterprise Investment and Institutions (GEMINI) 936-5448	98,705	8/30/95	To provide technical support to carry out studies and surveys on the micro and small enterprise sector	Mission oversees the implementation of the GEMINI project work in Jamaica. This is a buy-in under the Microenterprise Investment Project 532-0156	A
Strategic Objective #2: Improved Environmental Management and Protection					
Strategic Objective #3: Healthy, Smaller Families					
Co-operative Association of States for Scholarships 506-0861 *	700,000	9/30/98	To train youth leaders in practical skills	Provide guidance, monitor, and assistance in processing and pre-departure orientation	A
Options for Population Policy (OPTIONS II) 936-3035	1,005,000	8/30/86	To assist developing countries in formulating and implementing population policies that increase access to and use of voluntary FP Services; to encourage the mobilization of national resources to support the expansion of FP service delivery	Mission oversees the implementation of OPTIONS II project as with the NFPB. This is a buy-in under the Family Planning Initiatives Project 532-0163	B
Association for Voluntary Surgical Contraception	363,142	8/31/88	To make high quality voluntary surgical contraceptive (AVSC) services available as an integral part of developing country health and FP programs	Mission oversees the implementation of AVSC project with the NFPB. This is a buy-in under Mission's Family Planning Initiatives Project 532-0163	B

* The amount stated here is estimated and may vary slightly from year to year

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CENTRALLY FUNDED PROJECTS
CATEGORY A - Supports Mission S.O. and can be Managed by Mission

<u>Project Title & Number</u>	<u>Funding Level</u>	<u>PACD</u>	<u>Project Purpose</u>	<u>Nature and Extent of Mission Management</u>	<u>Project Rating (A,B,C)</u>
AIDS/CAP - Technical Support Project 936-5672	1,465,000	8/26/96	Improve the health of the Jamaican people by preventing and controlling HIV/STDs	Lead technical assistance agency for our Mission's AID bilateral program	B
Family Planning Management Development (FPMD) 936-3055	230,000	2/28/96	To promote institutional development and strengthen the management capabilities of public and private (non-profit) FP organizations in LDCs	Mission oversees the implementation of FPMD Project with NFPB. This is a buy-in under Mission's Family Planning Initiatives Project 532-0163	B
Family Planning Logistics Management 936-3038	159,865	8/31/96	To improve the management and operation of FP programs in developing countries through the use of more effective logistic systems, the collection and analysis of demographic data, and the use of targeted epidemiology activities	Mission oversees the implementation of FPMD Project with the NFPB. This is a buy-in under Mission's Family Planning Initiatives 532-0163	B
Contraceptive Social Marketing III 936-3051	461,800	9/30/96	To assist the NFPB to effect the transfer of social marketing activities to the private sector	Mission oversees the implementation of the Future Group Contractor with the NFPB. This is a buy-in under the Family Planning Initiatives Project 532-0163	B
Health and Nutrition Technical Services Support 936-0657	364,392	9/25/94	To improve the quality and efficiency of current and future health service by assisting the GOJ to analyze and formulate policy options	Mission oversees the implementation of the university research company contractors with the MOH. This is a buy-in under the Mission's Health Sector Initiatives Project 532-0162	B

Strategic Objective #4:
Other Concerns

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**CENTRALLY FUNDED PROJECTS
CATEGORY B - Supports Mission S.O. and is
Beyond Mission Capacity to Manage**

	<u>Project Title</u>	<u>Project Number</u>
Strategic Objective #1: Increased F/E & Employment	Agricultural Bio- technology for Sustainable Produc- tivity	938-4187
Strategic Objective #2: Improved Environmental Management and Protection	The Nature Conservancy	938-0158
Strategic Objective #3: Healthy, Smaller Families		
Strategic Objective #4: Other Concerns	International Disaster Assistance Project	938-2320

**CENTRALLY FUNDED PROJECTS
CATEGORY C - Does Not Support Mission S.O.**

	<u>Project Title</u>	<u>Project Number</u>
Strategic Objective #1: Increased F/E & Employment		
Strategic Objective #2: Improved Environmental Management and Protection		
Strategic Objective #3: Healthy, Smaller Families		
Strategic Objective #4: Other Concerns	International Disaster Assistance Project	968-2320

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PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

I. BACKGROUND DATA

Project Title: Export Development & Investment Promotion
 Project Number: 532-0135
 Date of Authorization: original: 03/28/90 amendment 09/28/93
 Date of Obligation: original: 03/29/90 amendment 09/28/93
 PACD: original: 03/15/94 amendment 03/15/97
 Implementing Agencies: Jamaica Promotions Corporation (JAMPRO), International Executive Services Corps (IESC) and National Investment Bank (NIBJ) Tourism Action Plan (TAP), Ministry of Finance (FPMU), Jamaica Fair Trading Commission (JFTC), and the Private Sector Organization of Jamaica (PSOJ).
 AID Project Managers: William Craddock/Michael Kaiser/Timothy O'Connor/
 Claudia Hunter/Valerie Marshall
 Status of CPs/Covenants: Original CPs met, CPs for amendment not yet met.
 Date of Last Evaluation: 03/93 Next Evaluation: PACD
 Date of Last Audit: None done
 Planned No. of non-Fed Audits: 8
 No. of Audits contracted for/completed: 3

FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$7,000,000	amended to	\$13,000,000
Amount Obligated:	DA Grant: original	\$1,000,000	amended to	\$7,955,000
Amount Committed:	Period:	\$ 815,329		
	Cumulative:	\$4,482,429		
Accrued Expenditures:	Period - Projected:	\$1,300,000		
	Period - Actual:	\$ 491,846		
	Cumulative:	\$3,479,764		
	Period - Next	\$1,500,000		

Counterpart		<u>Period</u>	<u>Cumulative</u>	<u>Life of Project</u>
Contribution:	Planned:	\$500,000	\$1,893,000	\$5,592,000
	Actual	\$485,877	\$1,687,681	

% LOP Elapsed:	36%
% of Total Auth. Oblig.	61%
% of Total Oblig. Exp.	44%
% of Total Auth. Exp.	27%

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. PROJECT PURPOSE

To increase exports and diversify investment, leading to expanded sources of foreign exchange, diversification of ownership and products. This will be achieved primarily by reducing obstacles to effective policy implementation by the GOJ and by easing constraints to private sector investment.

B. (i) RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

The project's contribution towards the primary strategic objective of increased foreign exchange earnings and employment comes from its several components. It provides production and marketing support to key labor intensive export oriented industries, increases private sector participation in the country's economic recovery via the privatization component, promotes financial sector reform which allows for a more open and broader based securities market, and works to help the GOJ implement policy reform and provide private sector investment through its policy implementation activities.

(ii) PERCENTAGE OF LOP RELATING TO STRATEGIC OBJECTIVES - 100%

III. PROJECT DESCRIPTION

The project finances a series of activities grouped around four pillars that provide assistance in economic policy management to sustain Jamaica's adjustment process along with policy implementation and export technology to encourage private sector investment in export oriented production. The four pillars are: Policy Implementation; Privatization; Financial Market Strengthening and Export Development.

IV. PROJECT STATUS

A. Planned EOPS

- | | |
|--|--|
| 1. Implementation of reforms agreed to with international donor/lender agencies. | <u>Progress to Date</u>
Fair Trading and Securities Legislation passed. ESOP approval expected shortly. Customs and privatization reform conditionalities of adjustment loan supported by project activities. Exchange rate freed up, foreign exchange allocation liberalized |
| 2. Divestiture of 40 major state owned enterprises. | Privatization well underway with 23 entities divested. |
| 3. 10% annual increase in export earnings of selected sectors. | Growth in apparel sector's foreign exchange earnings of 36% during LOP attributable in part to JAMPRO's TA program |
| 4. Increase in employment in assisted firms/sectors. | Significant increases in employment in apparel sector overall (25,000 in '91, 30,000 in '93) and in project assisted firms (49% increase last year). |

B. Major Outputs

- | | | |
|---|--|---|
| | <u>Planned</u> | <u>Accomplished</u> |
| 1. Improved fiscal policy management. | FPMU functioning as integral sustainable part of MOF's budget making structure. | FPMU established. Export economist positions filled and working with Jamaican leader and MOF counterparts on workplan analyses. |
| 2. Enhanced consumer protection and competitiveness among businesses. | Fair Trading Commission protecting consumers and promoting competitive business practices. | JFTC established, public information campaign underway. TA PASAs with US FTC and DOJ initiated |

BEST AVAILABLE DOCUMENT

3. Public/private dialogue and action on investment policy reforms.	Task force recommendations on regulatory/administration environment, tax administration and collecting and private sector investment in infrastructure development.	Business behavior survey conducted on impact of liberalization. Three task forces established.
4. Facilitated export trade and professionalization of Jamaican operations with increased revenue from customs.	TA to assist with preparation of procedures manual, training courses, integrity enhancement; 10-15% increase in customs revenue.	Incorporation of evaluation design teams recommendations into an Action Plan developed by US customs representative.
5. Government owned entities divested.	40 entities over LOP.	23 entities to date
6. Fully functional Securities Commission regulating activities and participants in securities markets.	Complete set of regulations and the establishment of a monitoring and enforcement system.	Preparation of an action plan listing immediate and longer range steps needed to establish functioning Commission.
7. Increased exports and employment in firms in apparel sector assisted by EDIP.	10% annual increase in earning and employment from firms assisted.	The firms directly assisted by JAMPRO's garment consultant had a 49% increase in employment over the last year.
8. Increased productivity, employment and export earnings in data processing sector through a training efforts.	15% annual increase in earnings and increased employment.	\$100,000 worth of training equipment purchased and ready for use in training program.
9. Increased productivity and employment in IESC assisted firms.	20 firms (including tourism related industries) receiving technical assistance.	Tourism feasibility study conducted recommending adoption of IESC support program.
10. Enhanced export development in other sectors	Institutional contract to design and implement focused export promotion program for one or more targeted sectors.	

C. Other Accomplishments and Overall Status

\$5,816,993 has been earmarked and \$3,235,498 has been expended to support productivity improvements, privatization programs, trade and investment promotion, tourism, financial market improvements and policy initiatives.

Several activities referred to in the last semi-annual review were carried out over the period. Foremost among these was the design and authorization of a \$6 million amendment which

increases the LOP for an additional three years, extends selected project activities and adds new elements to build upon project successes and to take advantage of the improved macroeconomic policy environment

New project activities include support for the establishment of the Jamaica Fair Trading Commission (JFTC) including Participating Agency Service Agreements with both the U.S. Fair Trade Commission and Department of Justice to provide ongoing technical assistance and training to JFTC staff. Other new activities that were initiated during this period include the development of action and implementation plans for programs geared to Customs Services reform, the establishment of a Securities Commission and the development of a technical services support program for the tourism industry.

The fiscal Policy Management Unit is now staffed and operational with two contracted economists acting as counterparts to the Jamaican team leader fiscal economist. The National Action Plan Secretariat conducted a Business Behavior survey to ascertain the impact of liberalization on the various sectors of private industry. The Project Evaluation Summary for EDIP evaluation was prepared and three non federal audits of project elements were carried out (JAMPRO, NIBJ and TAP). All financial discrepancies between the PROAG and its amendment and the MACS reports have been resolved.

I. POLICY IMPLEMENTATION

1. The Fiscal Policy Management Unit (\$1,000,000 obligated) The expatriate senior economist and fiscal economist positions have been filled and the consultants are in place in Jamaica. The UNDP funded data specialist and the management specialist have been recruited. The Management specialist is on board and the data specialist is expected in the next month. The Jamaican team leader and fiscal economist are also on board and working with their expatriate counterparts.

The Unit has put up several new data bases on the MOF computer system, and already done several economic analyses requested by the Minister and by the Financial Secretary. The Unit is in the process of clearing a draft six-months workplan within the Ministry, and has begun planning a workshop on the FPMU for the GOJ's permanent secretaries and other senior officers.

2. Fair Trading Commission (\$250,000 obligated) - AID financed short-term technical assistance consultancies to help establish the Jamaica Fair Trading Commission and a public information campaign to educate the public on the nature and scope of the Fair Competition Act and to advise companies on compliance with provision of the Act. In addition, the Mission entered into PASAs with both the US Fair Trade Commission and the Department of Justice to provide commodities and ongoing technical assistance training to the JFTC staff.

3. National Action Plan Secretariat (\$340,000 obligated) - The National Action Plan (NAP) steering committee held a series of meetings and formulated three task forces to deal with Tax Administration and Collection; removing obstacles to private sector investment in infrastructure development; and creating a more favorable investment climate by simplifying licensing, certification and registration requirements. The NAP also financed and conducted a Business Behavior survey to ascertain the impact of liberalization on the private sector and is currently reviewing the findings with public and private enterprises.

4. Custom's Service Reform (\$100,000 obligated) - USAID financed consultants to design a program to support Jamaica Customs Departmental (JCD) and a U.S. Customs professional to prepare an action plan. A Memorandum of Understanding will be signed during the next period with JCD which will include simplification and codification of customs procedures; staffing and training; and enhanced integrity of the customs service.

II. PRIVATIZATION (\$1,859,114 obligated)

Over the last six months, one entity underwent the sale of its residual shares, Caribbean Cement Company, 14 million shares with proceeds of J\$168 million. Contracting of a study to determine the optimal industry structure and regulatory framework for privatization of the National Water Commission was initiated. Best and final offers of bidders being reviewed.

The Employee Stock Ownership Plan (ESOP) legislation has yet to be passed. As a result of discussions with the Interamerican Development Bank (IDB), it was decided that responsibility for assistance in the implementation of the ESOP program would be assumed by IDB through their management of the Multilateral Investment Fund.

III. FINANCIAL MARKETS STRENGTHENING (\$105,000 obligated)

This is a new activity stemming from the passage of the Securities Act last March. The Mission contracted a consultant to develop, in conjunction with relevant authorities an action plan for the establishment of the Securities Commission, prioritization of its initial activities and a framework for ongoing technical assistance.

BEST AVAILABLE DOCUMENT

As with the ESOP program, support for modernization of the operations of the Jamaica Stock Exchange will be assumed by the IDB under the Multilateral Investment Fund. The next steps are the signing of a Memorandum of Understanding with the Ministry of Finance and start up of technical assistance activities.

IV EXPORT DEVELOPMENT

1. JAMPRO (\$1,830,500 obligated) The project will continue its support to enhance productivity and export earnings in sectors identified as having a comparative advantage. In the garment industry, the long-term advisor provided technical assistance and training to 13 firms and 91 persons (78 females and 13 males). Upcoming activities will increasingly focus on the upper end of the sector and include training for engineers and operators in higher value added activities such as pattern making, cutting room engineering and fabric design. In Information Processing, the computers and related equipment for the specialized training program for new entrants in the data processing field have been purchased and classes at the Heart Academy will begin shortly. Discussions are also underway on means to address the higher end needs of the market through training programs in technologies such as document imaging and telemarketing.

2. IESC (\$639,348 obligated) - The IG concluded its audit of the IESC core grant and the program can now receive additional funding. IESC will focus on firms involved in exports and foreign exchange earnings, tourism and recently privatized firms. Five short term projects were undertaken during the reporting period. These involved such things as support for the development of small non-traditional export businesses; an NGO revitalizing Kingston's inner city; and the development and production of low cost generic drugs.

An assessment of the prospects for implementing a tourism support project through the IESC identified a strong interest in the program on the part of enterprises catering to tourists such as hotels, restaurants and attractions. This program will be administered by IESC on a cost shared basis and will focus on providing professional technical services directly to the tourism sector and in particular, target small and medium sized firms. Activities will include assistance in general and small business management, preventive maintenance of physical facilities, food and beverage services and community planning.

D. Problems and Delays

The pipeline is too large. This is attributable primarily to the emphasis on evaluation and design work carried out over the last year. This has resulted in the decision to phase out certain activities and provide support for new activities such as the Fiscal Policy Management Unit, the Fair Trading Commission, Customs Reform and the Securities Commission. All these programs are currently in their start up phase and we expect that this problem will be rectified as the newly designed elements are implemented.

The pace of privatization slowed as a result of the increasing complexity of upcoming transaction and the extended vacancy in the Presidency of NIBJ. The office has now been filled and NIBJ has now implemented a fast track approach under which nine entities are expected to be brought to the point of sale by the end of CY 1993.

TAP is still experiencing difficulties in carry out its implementation responsibilities. Funds not used by the end of their current cooperative agreement (May 1994) will be de-earmarked and reassigned to other project activities.

The Mission has decided to channel any future support to NDF through its Microenterprise Project and therefore the non-utilized NDF funds will also be de-earmarked and reassigned to other project activities.

V. MAJOR ACTIVITIES DURING NEXT SIX MONTHS

A. Corrective Actions Expected

- o De and re-earmarking and committing under utilized funds within elements.

B. Work Plan for the next six months

Policy Implementation
FPMU

- o Plan and conduct strategic planning workshop on FPMU for Permanent Secretaries and other senior government officials.
- o Work with IMF and GOJ quarterly targets. Provide technical support for GOJ negotiations

Customs

- o Negotiate and prepare Memorandum of Understanding on the objectives of AID support for Customs reform as well as the relationship and responsibilities of all parties involved in the program.
- o Develop and compete a Scope of Work for a long term program of technical assistance and training for customs reform.
- o Prepare a Scope of Work for a short term "bridge" PASA with US Customs to provide interim support until long term contract is negotiated.

National Action Plan

- o Follow up work on the activities of the three task forces by the NAP Secretariat including recommendations for legislative or other solutions to problems identified.
- o Follow up on the funding of the Business Behavior survey with a public/private sector seminar geared to formulating policy adjustments to the problems identified.
- o Peace and Love (PAL) conflict resolution program initiated in primary schools through the NAP Secretariat.

JFTC

- o Technical assistance consultancies and commodity procurement under the USFTC and USDOJ PASAs initiated.
- o Install computerized consumer complaint tracking system in JFTC.

Privatization

- o Conduct a workshop with NIBJ & USAID staff regarding AID's support of the GOJ privatization program. This will lead to agreement on the priorities within the program and increased cooperative among all parties involved. An additional outcome will be an agreement to develop and put in place a plan to make the privatization program self-sustaining upon completion of project activities.
- o Contract a study to determine the optimal industry structure and regulatory framework for privatization of the National Water Commission.
- o Work with NIBJ on the contracting of a local consultant within NIBJ to help troubleshoot and facilitate the privatization process.
- o Conduct a seminar on Valuation Strategies and techniques for NIBJ staff and other interested parties

Financial Markets

- o Negotiate and prepare a Memorandum of Understanding with the Jamaican Securities Commission on the objectives of AID support to the Securities Commission as well as the relationships and responsibilities of all parties involved in the program.
- o Develop and compete a Scope of Work for a long term program of technical assistance and training in securities market regulation and financial strengthening.
- o Prepare Scope of Work for a short term IQC type contract to provide interim financial market support

Export Development

- o Negotiate and prepare Memorandum of Understanding with JAMPRO on their roles and responsibilities under the amended project. The MOU will include agreement on a plan for a revised cost-sharing/service fee system for technical assistance provided by JAMPRO. The MOU will also stipulate that, in accordance with Section 599 guidelines, no support for institutional development or strengthening will be provided and allow for monitoring of the activities of JAMPRO and its sub grantees for compliance with Section 599 proscriptions.
- o Prepare and sign a Cooperative Agreement with IESC that details the roles and responsibilities of both parties in the implementation of the AID financed VE and tourism support programs
- o Develop and compete a Scope of Work for a "design and implement" contract for an export development program in specific targeted sectors demonstrating significant growth potential

VI IMPACT FOR THE NEXT SIX MONTHS

POLICY IMPLEMENTATION

- o Fiscal Policy Management Unit fully staffed and carrying out needed institutional analyses regarding the Revenue Protection Division and the tracking of public enterprise expenditure data.

FAIR TRADE COMMISSION

- o Consumer awareness/protection campaign concluded.

PRIVATIZATION

- o Five day seminar on Valuation Strategies and Techniques focusing on complex privatization entities such as sugar estates and airlines conducted in Jamaica.
- o Contract for NWC privatization framework completed.

FINANCIAL MARKETS STRENGTHENING

- o Securities Commission established and implementing regulations formulated.

EXPORT DEVELOPMENT

- o Data processing training program operational.
- o IESC tourism support program initiated.

BEST AVAILABLE DOCUMENT

EXPORT DEVELOPMENT AND INVESTMENT PROJECT

Supplement

Host Country Contribution

The sources of information for the counterpart contributions in the SAR are the implementing agencies and their periodic progress reports or, in the cases where reports are not current, responses to specific requests for information on counterpart financing for the previous six months.

Summarized below are the amounts and sources of counterpart contributions included on this period's SAR.

JAMPRO

JAMPRO reports that their counterpart contributions for the current period were in kind support for two garment consultants and totalled. \$ 12,400

NIBJ

NIBJ's financial office prepared a breakdown of their privatization division's operating and administrative expenses for the period April - September, 1993. The contribution of NIBJ totalled J\$9,743,459 which is the equivalent of \$405,977. \$405,977

IESC

Client contributions to AID funded IESC projects carried out over the past six months totalled: \$ 19,550

PSOJ

Special analysis by the NAP Secretariat indicated a total contribution by both the PSOJ and the GOJ for this period of \$40,750. \$35,000 of this was provided by the PSOJ and corresponded to the costs of the Project coordinator and office space and facilities. The \$5,750 from the GOJ was the salary for the consultant seconded to the project. \$ 40,750

JFTC

A total of \$7,000 relating to the use of office facilities and salary of the project coordinator was provided by the Jamaica Fair Trading Commission during the period. \$ 7,000

Total counterpart contributions \$485,677

Office Director Certifies that he/she has reviewed and cleared the SAR for Mission review:



William C. Craddock

Project Status Report
April 1, 1993 - September 30, 1993

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A ___ B X C ___

BACKGROUND DATA

Project Title: Microenterprise Development
Project Number: 532-0156
Date of Authorization: original: 08/24/90
Date of Obligation: original: 08/30/90 amendments 03/31/91, 12/31/92
PACD: original: 08/31/94 amendment 09/30/97
Implementing Agencies: Enterprise Development Trust (EDT), Agency for the Selection and Support of Individuals Starting Trade (ASSIST), Office of the Prime Minister (OPM).
Proposed Implementing Agencies: Kingston Credit Union, Small Business Assoc/Peace Corp, National Development Foundation (NDF), Jamaica Higgle & Vendor Association (JHVA), Credit Organization for Pre-Micro Enterprises (COPE).
AID Project Managers: William Craddock/John Owens
Status of CPs/Covenants: EDT
 CPs to fourth disbursement ceiling met

ASSIST

CPs to first disbursement ceiling met

Date of Last Evaluation: 06/93 **Next Evaluation:** 6/95
Date of Last Audit: ASSIST audit in progress **Next Audit:** EDT audit 11/93
Planned non-Fed Audits: 4
Completed non-Fed Audits: 1

FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$2,000,000	amended to	\$5,000,000
Amount Obligated:	DA Grant: original	\$ 720,000	amended to	\$2,610,900
Amount Committed:	Period:	\$ 404,083		
	Cumulative:	\$1,572,487		
Accrued Expenditures:	Period-Projected:	\$ 800,000		
	Period-Actual:	\$ 376,116		
	Cumulative:	\$1,451,911		
	Period-Next:	\$ 500,000		

Counterpart Contrib.:	<u>Period</u>	<u>Cumulative</u>	<u>Life of Project</u>
	Planned	461,000	1,260,000
	Actual	434,081	1,369,742
% LOP Elapsed		44%	
% of Total Auth. Oblig.		52%	
% of Total Oblig. Exp.		56%	
% of Total Auth. Exp.		29%	

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To accelerate the development of microenterprises into more productive, dynamic enterprises.

B. (i) Relationship to Mission Strategic Objectives:

The project's contribution towards the strategic objectives of increased foreign exchange earnings and employment comes from its several components. The credit component is geared toward increasing the ability of micro and small enterprise financing organizations to offer credit and technical training on a sustainable basis, this credit will lead to the creation and strengthening of 6000 jobs. Assistance is also to be provided to micro and small business support organizations to expand their ability to assist these businesses on a sustainable basis. Policy research and reforms will further the integration and growth of this sector.

(ii) **PERCENTAGE OF LOP RELATING TO STRATEGIC OBJECTIVES: 100%**

III. PROJECT DESCRIPTION

The project will strengthen the capacity of microenterprise credit organizations through training and systems development; provide credit programs with program and commodity support; create a more supportive environment by pursuing policy reforms and supporting advocacy groups; and improve markets and products.

B. Major Outputs

		<u>Planned</u>			<u>Next Period</u>	<u>Accomplished</u>			
		<u>LOP</u>	<u>Period</u>	<u>Cum.</u>		<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>	
1.	6000 new micro-enterprises started or expanded	M	3000	190	578	250	223	568	19%
		F	3000	290	862	250	219	676	23%
2.	12000 loans disbursed in assisted programs	M	6000	240	747	500	240	638	11%
		F	6000	360	1012	500	231	778	13%
3.	Training (persons) short-time (8000 persons)	M	4000	400	1456	400	747	1934	48%
		F	4000	600	1817	400	722	2067	52%
4.	Institutional training in improved microenterprise lending practices								
	Overseas	M	9	0	0	3	0	0	0
		F	3	0	0	1	0	0	0
	Local	M	40	0	0	20	0	0	0
		F	10	0	0	5	0	0	0

BEST AVAILABLE DOCUMENT

IV. PROJECT STATUS

A. Planned EOPS

1. Establish two sustainable microenterprise credit programs.

Progress to Date

EDT has been in the process of restructuring their program after management weaknesses were identified. A new Credit Manager and a Financial Controller were hired as were two loan officers. Most of the period was spent in adding new staff and in controlling arrears, as a result the approval and disbursement of new loans were slowed down. EDT covered only 56% of operational costs during the past 6 months. The Cooperative Agreement is to be amended in October.

ASSIST continues to expand their program, covering 37% of their operational costs during the past six months. ASSIST is still planning for operational viability by 1994 and is currently lending at a level which, if maintained over the next 12 months, will achieve this objective by the end of 1994.

2. Strengthen and improve sustainability of 3 additional credit programs.

Representatives from the implementing organizations under the GOJ/GON Microenterprise Project, the EEC Micro and Small Scale Enterprise Credit Scheme, the GOJ Micro Investment Development Agency, and the IDB have met with the MDP Project Manager to begin a collaborative training program for all small and microenterprise lending institutions which include several credit unions, a governmental lending agency, and four NGOs.

3. Credit disbursed to microenterprises by assisted institutions increases by 300%.

EDT provided the equivalent of US\$258,000 in loans in 1992 compared to US\$183,000 in 1990. ASSIST provided US\$343,000 in loans in 1992 compared to US\$203,000 in 1991.

4. Develop a core group of implementors knowledgeable about sustainable lending strategies.

A macro policy workshop, organized by the Office of the Prime Minister under the Memorandum of Understanding signed between the GON, USAID and UNIFEM with the GOJ was held in June. The results of studies and surveys being conducted under the Memorandum of Understanding were presented to policy makers in the private and public sectors. These studies should lay a base to inform policies for the microenterprise sector. Information from the workshop was utilized in the amended project.

5. Improve productivity and profitability of 150 firms through non-credit assistance.

An agreement was reached with the Negril Chamber of Commerce and the Itinerant Vendors Association in setting up a separate company to own and manage the TAP-funded market in Negril. Work has started on the market and is still expected to be completed in 1994.

- 7 -
6. Create 6,000 new jobs or equivalent in full-time employment.

During this period EDT and ASSIST created/strengthened 755 jobs for a total of 2627 jobs to date.

7. Improve data base on microenterprises and the environment they work in.

A report on the STATIN survey for 1992 was presented at the workshop in June. The quarterly panel surveys are currently being carried out by STATIN, however there have been delays in the field. MSU is sending a representative to review STATIN's progress this next quarter and work with EDT and ASSIST on their quarterly data.

Other Accomplishments and Overall Status

1. Contract with Project Manager is amended to June 1994.
 2. The mid-term evaluation was completed in June.
 3. The project amendment was signed on August 30, 1993 adding an additional \$3 million to the project. The project has been extended to October 1997.
 4. Buy-in agreement with GEMINI amended to continue to support quarterly survey being conducted by STATIN.
 5. Proposal to the APPLE Fund was approved and \$400,000 allocated to support anti-poverty lending. Under the amended MDP this will be augmented with \$600,000 of AID funds to support this new component of the project which will provide loans of US\$300. ASSIST will be the first MDP assisted lending agency to disburse APPLE loans and it is estimated that at least 2,000 loans will be disbursed by ASSIST over the next 3 years.
 6. EDT and ASSIST financed 442 new microenterprises during this period and trained 1469 owner/operators to improve business practices.
- D. Problems and Delays
Incidences of fraudulent loans were discovered at EDT during May and reported to USAID in July. The staff members responsible were dismissed and a loan audit was conducted by AID in September. Loans identified as fraudulent will not be reimbursed by AID.
- E. Major Activities or Corrective Actions During the Next Six Months

1 Major Corrective Actions Expected

Closer review of loan recipients will be conducted by the Project Manager every quarter in order to prevent incidences of fraudulent loans.

2 Workplan for the Next Six Months

- i) The Project management unit is to be set up and located in the Mission with a technical advisor being hired to facilitate both the training program and to strengthen microenterprise lending institutions.
- ii) A needs assessment and training schedule will be completed in the next period.
- iii) The training program will be instituted for staff of lending agencies to cover: business skills, minimalist credit practices, credit analysis, branch management, business planning, strategic planning, board development, development and use of appropriate management information systems. This program will be coordinated with all other projects instituted by the GOJ, GON, IDB, GTZ, and CIDA, and should be implemented by early 1994.

- iv) The project will work along with a representative from the IDB's MIF to develop standard reporting and performance requirements for institutions working in the sector. Work is to begin during the next period and will continue in 1994. A formal arrangement between the GOJ and other donors will be explored.
- v) Senior staff and a board member from ASSIST as well as a representative from the main auditors for EDT and ASSIST, Coopers & Lybrand, will visit ADEMI and FONDOMICRO for one week during October to increase their knowledge of minimalist lending practices and internal audit procedures. This visit, which is a follow-up to the one in January, will help ASSIST as they expand their program.
- vi) Senior staff from several wholesale and retail lending institutions in Jamaica will join a group from the Dominican Republic for a study tour to visit the successful Bank Rakyat Indonesia and the Badan Kredit Kecamatan.
- vii) Amendment to EDT and ASSIST Cooperative Agreements will be completed in the next period and will encourage more anti-poverty lending practices in order to make use of APPLE resources. One other organization will be invited to participate in the project. Requests for proposals will be formally sent to NDF, COK, COPE, Self Start Fund and the Workers Bank. Proposals will be rated based on criteria set out in the Project Paper Supplement.

3 Expected Impact of Next Six Months

- Training program to be started with at least 25 persons receiving training.
- Approximately 1,000 new jobs created/strengthened.
- 500 new microenterprises started or expanded.
- 1,000 loans disbursed by assisted institutions.
- 800 owner/operators to receive training to improve business practices.
- 8 persons to attend overseas study tours to visit the Dominican Republic and institutions in Indonesia.

BEST AVAILABLE DOCUMENT

SEMI-ANNUAL REPORT SUPPLEMENT - PROJECT MONITORING ISSUES

Period: April 1, 1993 - September 30, 1993

Project: Microenterprise Development Project

Project Number: 532-0156

1. Commodity Procurement

EDT had acquired computer hardware, software, and a vehicle during the early part of 1992. This included an AST Premium computer and backup unit, Epson LQ-1170 Printer, and a Ford Escort motor car. A MITA 1205 Photocopier was acquired, however, EDT has requested permission to sell this due to the poor operation of the unit. A letter was sent to the Ministry of Finance to allow EDT to sell and replace the copier.

All other equipment is presently insured and is being properly serviced. The Project Officer conducts site visits at least once per month.

2. Audits

The audit for ASSIST is presently in progress. EDT's second audit is being prepared and will begin in October.

3. Host Country Contribution

Total contribution by the Host Country was US\$414,081 for the period. EDT was able to generate the equivalent of US\$60,621, ASSIST generated the equivalent of US\$353,460, and the GOJ/GON contribution was estimated at US\$20,000 under the M.O.U. signed with USAID last year. Host Country contributions have exceeded total counterpart contributions expected under the initial project.

4. Centrally Funded Projects

Growth and Equity through Microenterprise Investment and Institutions (GEMINI) 936-5448. Core funds are US\$38,954 and Mission funds US\$98,705. This project provides technical support to carry out studies and surveys on the micro and small enterprise sector. USAID oversees the implementation of the GEMINI project work in Jamaica. This is a buy-in under the Microenterprise project. The GEMINI project PACD is 8/30/95.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.

W Craddock 10/15/93
William Craddock
Office of Private Enterprise

PROJECT STATUS REPORT
April 1, 1993 - September 30, 1993

A ___ B ___ C ___

I. BACKGROUND DATA

Project Title: PL480 Title 1 Section 108 Auction Program
 Project Number: N/A
 Date of Authorization: original 12/23/85
 Date of Obligation: original 07/21/87
 PACD: original 07/01/2021
 Implementing Agencies: N/A
 Major Contractors: Deloitte Touche Tomatsu and Various Financial Institutions (e.g. Banks, Credit Unions etc.)
 AID Project Manager: Valerie Marshall
 Status of CPs/Covenants: CPs met; no covenants
 Date of Last Evaluation: 06/30/91
 Date of Last Audits: None done
 No. Contracted/ Completed: None

FINANCIAL DATA

Amount Authorized:	Total Deposits	J\$408,747.176
Amount Obligated:	Total Deposits	J\$408,747,176
Amount Committed Auctioned):	Period:	J\$ Nil
	Cumulative:	J\$222,440,000
Balance Available for auctioning:	Reflows *	J\$ 14,694,266
	Approved:	J\$255,567,176
	Total:	J\$270,261,442

* Not yet approved by USDA
 % LOP Elapsed: 19%
 % of Total Auth. Oblig. 100%
 % of Total Oblig. Exp. 54.4%
 % of Total Auth. Exp. 54.4%

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose

This project supports Mission objectives related to "Other Concerns".

The PL480 Title 1 Section 108 program allows developing countries to pay part of their PL480 obligations (25%) to the United States Government (USG) in their own currencies for subsequent on-lending for productive private investment in that country.

B. (i) RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Specific Linkage to Mission Strategic Objectives. The project's contribution towards the Strategic Objectives of increased foreign exchange earnings and employment comes from the on-lending of funds to the private sector. It has generated and continues to generate new employment, foreign exchange, and technology, new entrepreneurs, macroeconomic policy priorities and agricultural development.

(ii) PERCENTAGE OF LOP RELATING TO STRATEGIC OBJECTIVES - 100%

III. PROJECT DESCRIPTION

The project provides that the USG loan the local currency funds to privately owned intermediary financial institutions (IFIs) for on-lending to the private sector. IFI must agree to use the local currency borrowed under this program to make loans "to private individuals, cooperatives, corporation, or other entities.. at market determined rates of interest for the purpose of financing...productive private enterprise investment within such country".

IV. PROJECT STATUS

A. Progress to date

1. Developments in interest rates and monetary policy.

A review of the method used for on-lending the funds is under constant supervision because of interest rate volatility. There were no auctions held during this period due to the unattractiveness of the interest rates. Interests are on the rise once more and requests for these funds are now being solicited.

2. Overview of the Auctions.

Between August 1989 and September 1989, six auctions were held for a total of J\$189.94 million (See Annex 1). The only discernable trends over these auctions appears to be an increase in the amount of funds demanded. The Section 108 allows these IFIs to structure loans for productive investment with longer maturities. There is approximately J\$255.57 million available for the next auction on which is scheduled for early December.

3. Development Impact of Sub-loan.

When the PL480 Section 108 passed, the intent was to direct more foreign assistance to the productive sector. It was stated that the program would be judged on the quality of the investments made, not on volume of funds directed to the IFIs.

Five development criteria were established to ensure that sub-loans will contribute to our strategic objective. All projects that have benefitted from use of these funds have met at least one of the development criteria.

The Contractor (DTT) will provide analysis of the sub-loans indicating how these loans contributed to our strategic objectives.

SUMMARY OF THE AUCTIONS PROCESS TO DATE

AUCTION	DATE	BANK	AMOUNT J\$ mil.	BID RATEX
1	Aug. 1989	Eagle Merchant	10.00	19.00
		Mutual Security	10.00	19.00
2	Feb. 1990	George & Brandy	9.00	28.00
		Century National	9.40	27.00
		Century Merchant	7.60	27.00
		BNS	3.00	27.00
3	Jul. 1990	Eagle Merchant	47.00	31.00
4	May 1991	Century National	11.00	30.01
		Century National	11.00	31.01
		Century Merchant	11.00	30.00
5	Sept. 1992	Corporate Merchant	20.00	33.07
		Corporate Merchant	10.00	35.0042
		Workers Bank	28.94	32.004
6.	Oct. 1992	Trafalgar Dev. Bank	2.00	24.00
		Trafalgar Dev. Bank	0.33	22.00
		National Dev. Found.	0.67	22.00
TO DATE		TOTAL	189.94	

FUNDS AVAILABLE FOR CURRENT AND FUTURE AUCTIONS

	J\$Mil
Amount available for auction (US Treasury account No. 72FT785)*	J\$255.57
Amount of reflows currently in US Treasury Account No. 20FT686**	J\$ 14.69
TOTAL AVAILABLE FOR AUCTIONING	J\$270.26

*72FT785 - AID account for IFI lending

**20FT686 - Reflows (interest bearing where allowed)

B. Major Outputs

	Planned			Accomplished			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Auctions of Section 108	10	1	6	0	0	6	60%

C. Other Accomplishments and Overall Status

The winners of the fifth and sixth auctions (see Annex 1) all requested total disbursement of funds during the period.

A two year contract was signed with Deloitte Touche Tomatsu (DTT) to conduct the operations needed to have another auction which is schedule for December, 1993.

D. Problems and Delays

The auction that was originally slated to take place in September 1993 was delayed because of the length of time taken by potential contractors to submit their proposals, and the process of negotiating and preparing the contract for the selected contractor.

VI. MAJOR ACTIVITIES DURING NEXT SIX MONTHS

A. Corrective Actions Expected

- o The present loan agreement stipulates that IFIs have eighteen months to request disbursement. We will undertake the revision of Section 16(c) of the Section 108 Loan Agreement and amend this stipulation before signing future loan agreements.

B. Work Plan for next six months

Project Management

- o Contractors to review the IFIs and to periodically (every six months) evaluate the quality of the sub-loans.
- o Develop a method to be used when calculating the interest floor rate needed for each auction.
- o First tier auction of J\$255 million scheduled for December, 1993 under Section 108.

VII. IMPACT FOR THE NEXT SIX MONTHS

- o More loans will be generated to the private sector for productive investment.

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PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A _____ B X C _____

I. BACKGROUND DATA

Project Title: Agricultural Export Services
Project Number: 532-0165
Date of Authorization: original: 09/14/89 amendment 09/27/89
Date of Obligation: original: 09/24/89 amendment 06/30/92
PACD: original: 09/30/96
Implementing Agencies: Ministry of Agriculture (MOA)
AID Project Managers: C. Ornstein\C. Brown
Status of CPs/Covenants: CPs to First Disbursement - All Met
CP requiring Environmental Assessment (EA) completed, AID/W approval received; contract signed to implement EA recommendations. All covenants met.
Date of Last Evaluation: 00/00/00 Next Evaluation: 3/15/94
Date of Last Audit: 06/01/92 Next Audit: 1/15/94

IV. FINANCIAL DATA

Amount Authorized:	DA/ESF Grant:original	US\$10,000,000	
Amount Obligated:	ESF Grant:original	US\$ 1,000,000	amended to \$5,359,404
Amount Committed:	Period:	US\$ 382,915	
	Cumulative:	US\$ 4,382,713	
Accrued Expenditures:	Period-Projected:	US\$ 1,000,000	
	Period-Actual:	US\$ 713,930	
	Cumulative:	US\$ 2,980,176	
	Period-Next:	US\$ 1,000,000	
Counterpart Contrib.:*	Period	Cumulative	Life of Project
Planned	US\$67,568	US\$ 1,767,568	US\$ 8,850,000
Actual	US\$50,000	*US\$ 965,361	US\$
% LOP Elapsed:	57%		
% of Total Auth. Oblig.	54%		
% of Total Oblig. Exp.	56%		
% of Total Auth.Exp.	30%		

*Preliminary

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose:

The Project purpose is to increase exports of selected traditional and non-traditional agricultural products.

B. Relationship to Mission Strategic Objectives:

Addresses S.O.#1 by providing grant assistance to increase production and export of Jamaica's traditional and non-traditional crops and thus increase foreign exchange earnings. Project provides funding for subprojects which expand production and marketing of crops, promote yield increasing technologies, and reduce or eliminate post harvest constraints. The project also provides support for essential public sector functions, like an export preclearance facility. The intention of all activities is to increase the volume and value of commodities for export. The Project also monitors environmental impact of subprojects and takes corrective action, as necessary, thus directly addressing S.O. #2, improved environmental management and protection.

III. PROJECT DESCRIPTION

The Project is a US\$10 Million, seven year effort, with three components. The Export Production Subproject component designs and implements subprojects to expand the production and export of agricultural commodities. The Production and Post-harvest Export Services component supports key public and private sector agencies in improving/expanding essential services to the producers and exporters of agriculture products. The Export Project Design and Management Services component develops sectorial and technical analyses, new subproject proposals as well as seminars, and funds attendance at trade shows and fact finding missions to promote increased agricultural exports.

V. PROJECT STATUS

A. Planned EOPS

1. 8% annual growth in the volume of selected traditional agricultural exports.

Progress to Date

To date, the project has provided support for two selected traditional export crops: banana and cocoa. One banana subproject came to an end during the previous period; two continue in progress. One cocoa project is currently in progress.

a. Banana subprojects were initiated through Tryall Banana in February 1991; All Island Banana Growers in May, 1991; and Western Banana in September, 1992. Between 1990 and 1992, exports of bananas from Jamaica increased from 61,1000 tons to 76,700 tons. In 1993, banana exports are expected to reach 85,000 tons. The average annual increase over the period exceeds the 8% target.

At Western Banana, which is responsible for 5% of Jamaican banana export production, individual small farmers have seen yields increase by 50% with a corresponding increase in earnings. Before implementation, on land for which assistance is being provided by Westban, only 400 boxes a week were produced for export; current production exceeds 2,500 boxes.

At Tryall, a land that was previously in bush, 400 acres have been established, producing an average of 10 tons an acre after only 2 years of production. Production acreage of as little as 5 acres is netting leasehold farmers as much as J\$250,000 a year.

b. A cocoa subproject at Richmond Fermentary was initiated in February, 1992. Production figures are not yet available from the PMU.

NOTE: An impact assessment system, under development by VOCA, is intended to provide impact data for the project beginning in the next reporting period.

To date, the project has provided support to one non-traditional export crop - yams. The National Yam Export Development subproject came on stream in April, 1992. During the reporting period 132,000 pounds of yams were harvested under the yam subproject. Fifty-one thousand pounds were exported.

Yields per acre for farmers using the mini-sett method have produced yields in excess of 50% above traditional methods using inputs costing less than half that of traditional methods.

Approximately 40% of all persons involved in subproject activities are women.

C. Other Accomplishments and Overall Status

1. Component 1 - Production Subprojects

a. The Tryall Banana subproject (February, 1991 - May, 1993) has the objective of increasing banana exports by bringing 460 acres of bananas into production through leases to small-scale farmers. During the reporting period, achievements included clearing 56 acres for planting, bringing the subproject total to 410 acres; seventy-five acres were planted, reaching a subproject total of 380; seven farmers were added to the subproject, with 48 now active. Production was at 1,242,000 lbs. of which 919,000 were exported. Five-acre farmers are able to net as much as J\$250,000/year as a result of project assistance.

b. The Cocoa Production - Richmond Fermentary Area subproject (Feb., 1992 - March, 1994) seeks to increase cocoa production by 300% in three years and 500% in five years by providing input material on credit to selected farmers. At the end of Sept., 1993, farm plans had been prepared and approved for 92% of the 2,500 acres targeted. During the reporting period the following inputs were distributed: 30,075 cocoa seedling and 860 coconut seedlings. The Project Manager reports that other intercropping seedlings such as ackee (250), nutmeg (325), and soursop (640) have also been distributed.

Other activities included the pruning of 564 acres, weed control for 720 acres, shade management on 462 acres. Soil conservation activities resulted in digging 264 chains of trenching; planting of 51 chains of grass barriers and 43 chains of gully plugs.

Production figures are not yet available from the PMU.

A farmers cooperative has been formed which is making arrangements for the marketing of subproject crops.

c. The Western Banana subproject (September 1992 - October, 1994) seeks to expand banana production and foreign exchange earnings by establishing banana production on 3,000 acres of under-utilized land in western Jamaica. USAID funding supports technical assistance to strengthen education and communication components, the objective being to implement appropriate technology and increase yields. During the reporting period, up to Sept., 1993, 691 tons of bananas were shipped from the subproject. Producing farmers have increased per acre production by 50% as a result of project assistance.

The Project Manager indicates that the target of 3,000 acres of production will most likely not be met until Summer, 1995.

d. The Minard Estate Seed Stock Development subproject (December 1991 - February, 1994) has the objective of upgrading the quality of livestock in Jamaica through a program of preservation, consolidation, and expansion of the national beef-cattle gene pool; provision of information on the performance of several breeds; and the selection for multiplication of breed cattle from which farmers can purchase seedstock. Funding was scheduled for this project in two equal tranches, with the second tranche to be provided upon the achievement of production objectives and movement towards privatization of the facility. The first tranche has been fully disbursed and the second is being withheld until the subproject can show that conditions for disbursement of the second tranche have been met.

e. The Non-Blue Mt. Coffee Cooperative subproject (Feb. 1992 - Feb. 1995) seeks to improve the management capability of lowland coffee cooperatives in an effort to

2. 8% annual growth in the volume of selected non-traditional agricultural exports.

B. Major Outputs

	Planned		Next		Accomplished									
	LOP	Period	Cum.	Period	Period	Cum.	% of LOP							
1. Export Production Subprojects														
a) Proposals received	20	4	16	4	0	21	105							
b) Proposals approved	20	3	12	4	0	7	35							
c) Proposals completed	20	0	0	2	3	21	105							
2. Production and Export Services														
a) Preclearance Inspections	9000	2000	7610	1390	2000	10350	115							
b) Upgrade Facilities	1	0	0	1	0	0	0							
3. Export Project Design & Support														
a) Sector/technical studies	20	1	10	2	1	8	40							
b) Workshops/Seminars	25	2	11	3	2	13	52							
4. Training														
Long Term	60	40	0	0	6	3	0	0	0	0	4	2	7	5
Short Term	300	200	30	20	150	100	30	20	35	25	355	150	118	75

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increase yields and production, and improve efficiency and accountability. Production figures for the period are not yet available from the PMU.

- f. The National Yam Export Development subproject (April, 1991 - Dec., 1993) aims at increasing the export of yams by promoting an improved production system based on the mini-sett technique. One-thousand farm plots, totaling 500 acres, are planned to promote the use of the technique during the subproject period. To date, over 600 farms have been established.

During the reporting period 176 new nurseries were established and 169 were transplanted into the field. Harvesting has begun from plots which were previously established. During the period 132,000 pounds were harvested, bringing the total to 222,000 pounds. Of this, 51,000 pounds have been exported.

Yields per acre for farmers using the mini-sett method have produced yields in excess of 50% above traditional methods, earning as much as J\$6,000 per half acre.

- g. The Leather Leaf Fern subproject (Nov., 1991 - Feb. 1993) was discontinued as the findings of the consultant indicated a soil toxicity problem requiring extended research to resolve. The subproject sought to improve management in leather leaf fern nurseries and provide pest and disease management.
- h. Status of new and previously-tabled proposals are as follows:

- 1) A tissue culture proposal to develop micropropagation facility in Jamaica was turned down due to the high level of risk and the absence of a sufficient market for planting material produced.
- 2) A revised proposal for the development of yield-enhancing papaya technology has yet to be presented before the project technical committee for reconsideration.
- 3) A redraft of a proposal for the enhancement of the Caribbean Spiny Lobster has been submitted by the proposer to the Project Manager.
- 4) A critique of an orchard crop development proposal has resulted in the proposal being returned to the proposer for rework to address market issues.
- 5) A proposal for the expansion and development of the peppermint industry was returned to the proposer to develop a more equitable mechanism for sharing benefits and risks with producers.
- 6) A revised proposal for assistance to growers of Scotch Bonnet Pepper presented in the previous period has yet to be presented before the project technical committee for reconsideration.
- 7) A proposal to perform field trials of various strains of anthuriums was rejected because of input source and original issues.
- 8) A request to fund the development of a Market Information Service was submitted for review. A USAID critique of the proposal does not support funding for the subproject as conceived due to its weak conceptual framework, poor technical basis, and focus on production information over marketing information.

2. Component 2 - Export Services

- a. Funding for the AMC Refurbishment subproject has been exhausted and the subproject has requested a funding increase from J\$4 million to J\$11 million. The Jamaican dollar increase would not increase in the US\$ earmark levels due to the

devaluation of the Jamaican dollar since subproject inception. During the reporting period the site was visited by USAID to review progress to date. Subproject management was requested to submit a justification for additional funding based on an identification of foreign exchange driven inputs, planned facility rental schedules, a comparative analysis of market rental rates, and an estimate of demand based on the performance of a market survey.

- b. The tender for a new concessionaire for management of the preclearance facility at Norman Manley Airport was developed during the period. The tender was advertised beginning Oct. 3. Bids are to be submitted by Oct. 30, 1993.
- c. Negotiations for privatization of the management of the preclearance facility, with funding for APHIS staff to be paid by a private sector association within three years, were initiated during the period with JEA.
- d. During the reporting period over 8 million lbs. of fruits, vegetables, cut flowers, and cut foliage valued at US\$4.4 million were moved through the Norman Manley Airport Preclearance Facility. Four and one-half million lbs. of yams were fumigated. A second fumigation chamber, repaired with project funds, was placed in service during the period.
- e. Funds for repairs to the cold room facility at the airport preclearance facility were earmarked during the reporting period and a contract award for repairs approved.
- f. The Jamaica Exporters Association (JEA) is continuing to lobby with mango growers to form a mango growers association and fund construction of a mango hot water dip facility necessary for the export of mangos from Jamaica to the U.S. No significant objectives reached during the period.

3. Component 3 - Design and Management Services

A PASA with USDA/OICD was signed to provide technical assistance in-country and in the U.S. to assist Jamaican producers reach the U.S. market. The PASA assists Jamaica exporters through the provision of technical teams, workshops, seminars, and business opportunity missions. During the reporting period a technical team on orchard crops visited Jamaica for field days and seminars on papaya and mango; a Jamaican advisory team on ackee imports into the U.S. met with USDA and FDA officials to discuss steps for the approval of ackee imports based on research performed under the Jamaica Agricultural Research Project (JARP).

4. Other

- a. A VOCA team visited the island during the reporting period to develop an impact assessment system for the Proj. Mngmt Unit (PMU). Requirements analysis and system design were completed during the reporting period. Implementation was begun but not completed. Completion is planned for the next reporting period.
- b. An internal management review of the subproject was performed by USAID and PMU staff to identify adherence to objectives and goals of the project to date and to identify impediments to successful implementation. Recommendations to improve project implementation have been submitted to the Project Coordinating Committee. Where no management approval is needed, recommendations have been adopted by project management.
- c. A representative of the Jamaica Exporters Assoc. (JEA) was added to the PCC. The addition of a second representative from the private sector was proposed in the management review report and approved by the PCC.
- d. Subproject reimbursement requests unprocessed from the current and prior periods

(April 1, 1992 to June 30, 1993) were processed and funds disbursed within the limits of subproject budgets. Several subprojects - Yam, Cocoa, AMC - have requested budget increases which would increase the Jamaican dollar budget but would not change the US dollar equivalents budgeted at the inception of the activities. Tryall has submitted a request for both increased J\$ and US\$ budgets as well as an extension to the life of the subproject.

- e. A USAID Project Specialist was hired during the reporting period. Interviews for the position of a Technical Advisor for the PMU were conducted and an individual selected. Negotiations are continuing with the nominee for the position.
- f. The Project Manager of the PMU has submitted her resignation which is effective November 30, 1993. Consultations with the Min. of Ag. (MOA) have begun to structure a competitive selection process for her replacement.
- g. To strengthen the implementation capabilities of the PMU, the project approved the creation of a Field Coordinator/Deputy Project Manager position for the PMU and the upgrading of an existing clerical officer position.
- h. Implementation of project and subproject audits have not been executed. The project manager has been instructed to select an auditor for these activities by Oct. 30, 1993.
- i. Because recommendations from the internal project management review are still pending before the PCC, the external evaluation scheduled for the reporting period has been rescheduled for the next reporting period.

D. Problems and Delays

Lack of adequate PMU staff is hampering full coverage for monitoring and reporting on subproject activities.

Funding for Tryall, AMC, cocoa, and the yam subprojects have reached their Jamaican dollar limits. Until budget increases can be approved based on appropriate justification for increases, requested of subproject management by USAID, the project cannot honor further reimbursement or advance requests for these activities. Although the Jamaican dollar budgets have reached their limits, the US dollar equivalent cannot be achieved because of devaluation since the inception of these projects. Devaluation and pending approval of increases have contributed to the maintenance of a significant pipeline for this project.

Minard Estate has received no further funding during the reporting period because of the outstanding requirement to perform an analysis of the achievement of production and privatization objectives by the project.

The position of the APHIS inspector for the preclearance activity was vacant during Aug. and Sept. due to the rotation of the incumbent to a new position. Approval of the PASA for a replacement was not obtained until the last week in Sept. The replacement did not arrive until Oct. 6 and will be required to be absent from post on a TDY in the Philippines from early November to January, 1994. USDA will provide a TDY to replace him during the interim.

E. Major Activities or Corrective Actions During the Next Six Months

- Execute project and subproject audits.
- Execute an external project evaluation.

Fill the vacant PMU staff positions: Project Manager, Field Coordinator, Technical Advisor, Clerical Officer.

Implement required commodity control procedures of subprojects, including collection of fees for personal use of project vehicles.

Complete VOCA-developed impact assessment management system.

Resolve budget issues necessary to either close out or continue funding for Tryall, Yam, AMC, cocoa, and Minard Estate subprojects.

Select and install a new concessionaire for the Preclearance Facility at Norman Manley Airport.

Work with the JEA to lobby for organization of mango exporters association. Provide any funding necessary for ancillary studies required for the construction of a hot water dip facility.

Complete negotiations for privatization of the Norman Manley Preclearance Facility.

Implement recommendations from the AESP internal management review report.

Visit all subproject sites one time during the reporting period and perform commodity review.

F. Impact Over Next Six Months

- Repair of Cold Room Storage Facilities at the preclearance Facility at Norman Manley Airport will increase total volume and value of agricultural commodities moved through facility and increase fee collections necessary to provide sustainability of the complex.
- An agreement to privatize the Preclearance Facility at the Norman Manley Airport will establish a mechanism for continued operation of the facility after USAID assistance is discontinued, reducing a key constraint to export of commodities to the U.S.
- Work with the JEA to broker construction of a hot water dip facility for mangos will result in opening the substantial U.S. mango market to Jamaican producers and increasing foreign exchange earnings.
- Use of the preclearance facility by exporters will reduce loss of commodity material through rejection of disallowed commodities at U.S. ports of entry. This will result in increased earnings of foreign exchange.

**SAR Supplement
Agricultural Export Services Project (AESP)
532-0165**

1. Commodity Procurement

Site visits were performed for two subprojects: Minard Estate (seed stock development) and the AMC refurbishment. A July 6, 1993 memo records observations and conclusions for the Minard Estate visit; a July 7 memo records observations and conclusions regarding the AMC visit. Both include discussions of commodity control and informal samples of subproject commodities and facilities. Complete lists of subproject commodities were not provided for the sites by the PMU so there was no opportunity to perform a formal sample review of commodity status. In the next period the PMU will be directed to provide full commodity lists for subprojects for field verification by USAID personnel.

Due to the heavy workload related to project status review and clean up related to outstanding issues, it was not possible to schedule field visits to the other subproject sites. A site visit to each of the other subprojects is scheduled as an activity during the next reporting period.

In April, the Program Manager provided a completed inventory of vehicles purchased under the project, including purchase date, description, chassis number, license number, engine number, and location. During the next reporting period, site visits at subprojects will include sample verification of vehicles.

PIL number 45, issued August 8, 1993 communicated the responsibility of the Ministry of Agriculture to maintain and control project commodities. The requirement that Ministry charge and collect for personal use of project vehicles was communicated in this letter. The Ministry has not yet responded with notification of implementation of a commodity control system. During the next reporting period, the Ministry of Agriculture will be required to implement a commodity control system.

PIL number 52, issued August 30, 1993 communicated to CARDI the requirement that they maintain and control project granted commodities provided to them. A letter from the ONRAD Director of October 1, 1993 reiterated USAID's requirement that a commodity control system be implemented and that the details of this system must be communicated to USAID. During the next period, CARDI will be required to complete implementation of a commodity control system.

2. Audits

Audits planned for the project and subprojects during the reporting period were not executed by PMU program management. On October 4, USAID forwarded a letter to the Program Manager requesting that an auditor be selected by October 30, 1993. This letter followed up a previous request of January 8, 1993 reminding the Program Manager that annual project and subproject audits are a required project activity.

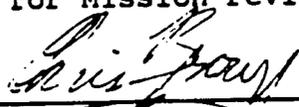
3. Host Country Contribution

Period information is not yet available from the Program Manager. Based on the rate of expenditure from previous reporting, counterpart spending is running significantly behind original estimates.

4. Centrally Funded Projects

N/A

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



Christopher Brown

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

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BACKGROUND DATA

Project Title: Hillside Agriculture Project
 Project Number: 532-0101
 Date of Authorization: original: 02/26/87
 Date of Obligation: original: 02/28/87 amendment 07/31/92
 PACD: original: 02/28/94 amendment 02/28/97
 Implementing Agencies: Ministry of Agriculture
 Major Contractors: InterAmerican Institute for Cooperation on Agri,
 Cocoa Industry Board, Coffee Industry Board,
 Forestry Department, NGOs
 AID Project Managers: Chris Brown
 Status of CPs/Covenants: CPs and Covenants - all met
 The Project is in compliance with all covenants
 Date of Last Evaluation: 04/15/92 Next Evaluation: 02/28/94
 Date of Last Audit: 03/15/92 Next Audit: 12/31/93
 Planned No. of non-Fed Audits: 1
 No. of Audits contracted for/completed: None

FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$10,000,000	
Amount Obligated:	DA Grant: original	\$ 800,000	Amended to \$6,959,221
Amount Committed:	Period:	\$ 555,099	
	Cumulative:	\$ 6,746,416	
Accrued Expenditures:	Period-Projected:	\$ 500,000	
	Period-Actual:	\$ 559,707	
	Cumulative:	\$ 5,509,008	
	Period-Next:	\$ 500,000	
Counterpart Contrib.:	Period	Cumulative	Life of Project
Planned	\$400,000	\$1,600,000	\$3,346,000
Actual	\$473,965	\$2,593,109	\$2,593,109
% LOP Elapsed		65%	
% of Total Auth. Oblig.		77%	
% of Total Oblig. Exp.		66%	
% of Total Auth. Exp.		51%	

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To increase the productivity and expand the acreage of both export oriented, and domestic use perennial crops in selected watersheds. The targeted increase in agricultural production is expected to result in greater productive employment of hillside residents, and in more disposable income. The project will enhance conservation of the soil, and protection of the watersheds, through the promotion of economic based incentives for the increased production of deep rooted crops.

B. Relationship to Mission Strategic Objectives:

The Project directly supports the objective of increased Foreign Exchange Earnings and Employment through increasing the production of two traditional export crops: coffee and cocoa. Also through the extension of improved orchard management techniques the project is contributing to enhanced employment in the agricultural sector. The Project also directly contributes to the Mission objective of improved environmental management and protection through expansion of tree crops that provide permanent ground cover, through the extension of inexpensive soil conservation techniques such as gully plugging, and through the promotion of safe use of agricultural pesticides. The Project also indirectly supports the objective of healthy, smaller families through increasing the incomes of subsistence producers which lessens the need of these individuals to have larger families.

C. Percentage of LOP contributing to strategic objective:

Funds are attributed at 70 percent for foreign exchange and employment, and 30 percent for environment.

III. PROJECT DESCRIPTION

The Project is implemented by a small autonomous Project Management Unit under the Ministry of Agriculture which administers grants to self-managing sub-projects. The sub-projects must be community based, focused on tree crop technology dissemination among small farmers, and contain viable implementation plans. In addition, the PMU facilitates the use of technical assistance and training in support of project goals, as well as coordinates networking and communication activities among sub-projects, and to wider agricultural community.

IV. PROJECT STATUS

A. Planned EOPS

1. Technology packages for the viable production of tree crops on hillsides.
2. Successful strategy for development of hillside lands in Jamaica.
3. Active participation of farmers in adoption and dissemination of appropriate technologies.

Progress to Date

Technology package for coffee and cocoa production successfully demonstrated, and being adopted by nearly 10,000 farmers. Project model is extremely effective in reaching small hillside farmers. Impact Evaluation has documented production increases of 3-400% for participating farmers.

Community level sub-projects with Local Mgmt. Committees have incorporated farmer input through on-farm demonstration plots, and organized farmers to provide input supply and extension services.

4. Widespread use by farmers of contractual arrangements to market produce.

While farmers are resistant to entering into formal contracts, two sub-projects are improving farm linkages through increased information flow and product delivery.

5. Increased production of domestic and export use crops.

Impact Evaluation documented increases of 200 - 300% productivity by project farmers through utilization of proper orchard management techniques. HAP has had a remarkable impact on Jamaica's cocoa industry, which was devastated in 1989 from Hurricane Gilbert. In North Clarendon, for example, the output from the nation's largest cocoa fermentary rose from less than 39,000 boxes in 1989 to a record 118,000 in 1992. The principal supplier group there (Frankfield Cocoa Cooperative), a HAP sub-project group, now accounts for about 80 percent of national production, but its share is dropping in the face of competition from other HAP assisted watersheds.

6. Enhanced watershed protection via shift annual cropping to perennial cropping

Increased use of tree crops has led to reduced tillage, reduced use of pesticides, increased ground cover and more organic matter in soil.

B. Major Outputs

	Planned		Accomplished		% of LOP									
	LOP	Period	Cum.	Next Period		Period	Cum.							
1. Acre Resuscitated	15,000	500	8,850	300	200	9,620	64%							
2. New Acre planted	6,000	200	1,700	200	200	2,605	43%							
3. Sub-Projects	28	3	32	6	2	24	86%							
4. Farmers Involved	10,000	1,000	11,000	1,000	1,100	11,256*	112%							
5. Demo. Plots est.	30	12	74	10	5	91	303%							
6. Training (Persons)	M	F	M	F	M	F	M	F						
short-term	750	250	75	25	750	250	80	30	80	20	819	193	109	77

* based on surveys, 24% of farmers involved are women.

C. Other Accomplishments and Overall Status

1. The Project continued to make significant progress during the reporting period, especially in the extension of improved techniques for tree crop production and in the strengthening of farmers organizations. To date, sub-projects directly impact over 10,000 farmers in 175 districts of 6 parishes. The project has become increasingly integrated with the programs of the two principal sponsors: the Ministry of Agriculture, and the Jamaica Agricultural Society. The crop focus has been expanded to include coconut, ackee, avocado, sour sop, mango and guava, but coffee and cocoa continue to be the crop of choice among farmers. A large number of lumber seedlings has been planted mostly as line boundaries or wind breaks. To date the Project has resuscitated over 1.65 million fruit trees, and planted over 870,000 new trees.

2. Recommendations from the Project Impact Evaluation continue to be implemented during the period. The Jamaican project documentalist selected last period began work this period. This person is to be assisted by a consultant contracted through Devres.

The geographic area of focus was expanded, and new sub-projects developed in the parishes of St Andrew and Portland in areas with similar characteristics. The PMU became more involved in policy issues and project sustainability through a series of sustainability seminars. A Project Evaluation Summary was prepared and submitted to AID Washington.

3. The Farming Systems Research and Development Project, with the assistance of new personnel from IICA, was restructured to consolidate field experiments and produce research findings. The farmers have taken a great interest in continuation of the trials, FACT groups are operating, extension outreach activities are continuing, and dissemination of results is underway. Several project related reports have been published. A budget amendment has been granted to cover increased Jamaican dollar costs.

4. The two coffee resuscitation sub-projects at Guys Hill, and N.W. St. Catherine implemented by the Coffee Industry Board were phased out. Final audits are in progress. The PMU is implementing a set of close out procedures for phasing out sub-projects including closure all project books, disposal of commodities acquired, storage of records, final reports, and ensuring the sustainability of the initiatives begun under that sub-project.

5. The Agroforestry Project managed by the Forestry Department continued during the period with emphasis on farmer training, and lining and establishment of new orchards. The University of Florida completed its technical assistance through Dr. P. K. Nair. The project started close-out procedures. No extension is foreseen.

6. The St. Mary Cocoa Farmers Support Project continued to be very active during the period with the organization of field days, outreach activities and on-farm resuscitation work. Farmers and staff training continued. Cooperative development activities were on track. A budget amendment was granted to cover rising costs of inputs. Its cocoa sales have nearly doubled from 7,749 boxes to nearly 13,000 in 1992, and they already exceeded 13,000 boxes in the first half of 1993.

7. The North Clarendon Processing Company sub-project progressed rapidly with the establishment of several orchards. Upgrading of the factory facilities began during the period.

8. The two projects with the St. Catherine RADA at Bermaddy and Giblatore requested amendments to accommodate RADA salary increases and input price hikes.

9. The Kallita/Crofts Hill Cocoa Resuscitation project implemented by the Clarendon RADA focused on extended technology for rapid resuscitation of cocoa fields. The project is moving quickly towards meeting its goals, and has already doubled from 3,410 boxes of cocoa in 1990/91 to over 6,600 in 1992/93.

10. A new sub-project entitled Long Road and Environs started in the watershed above Annotto Bay (Wa Water River). The Catholic Church implements the sub-project, which focuses on new orchard establishment, mango top-working and coffee and cocoa resuscitation. The project builds on an existing cooperative and will expand production of the "long" mango, unique to the ecosystem of this area.

11. A new sub-project started in the Mammee River area centering on the Jacks Hill Community immediate to the north of Kingston. It is implemented by the Jacks Hill Community, an active citizens group. The project focuses on establishment of coffee, mango top-working, and establishment of mini orchards, miscellaneous fruit trees.

12. The Watershed Inventory Project with the Rural Physical Planning Division of the MOA continued with the production of Geographic atlases on sub-project areas. Procurement of a new GIS system was completed.

13. HAP staff are taking steps to assure financial sustainability for all sub-projects. The first step was a series of seminars with field staff to stress the issue and identify success stories on which to build. Cooperative input buying, enhanced support from commodity boards, pooled product marketing arrangements and efforts to interest young people to stay in farming stand out as successful sustainability strategies. The seminars also resulted in the requirement that all new sub-project proposals will specifically address the concern. Sustainability will continue to be a critical priority for the the PMU and project field staff.

14. The series of one-day Training of Trainers courses continued with courses on cost benefit analysis, cooperative development, and pest control. This series is a successful mechanism for disseminating technologies and upgrading skills of project sponsored extension personnel.
15. The program of regularly scheduled monitoring visits, and unscheduled spot checks continued. During the scheduled visits a comprehensive review of sub-project progress is made, and field visits are made to randomly selected farmers. These visits ensure the quality of work performed is high and projects are on track. 26 such visits were conducted during the reporting period and project files contain detailed reports of each.
16. The following table summarizes the USAID and Sub-Project contribution towards the approved sub-projects in Jamaican dollars, as well as the percent expenditure and percent time complete for the 23 sub-projects as of 9/30/93. In addition, each sub-project has an implementing agency and farmer contribution ranging from 20-50%.

APPROVED SUB-PROJECTS	SUB-PROJECT AID-HAP	CONTRIB.	% OF FUNDS EXPENDED	% OF TIME ELAPSED
1. Blackwoods JAS	389,417	191,670	100	100
2. Windsor JAS	444,056	258,680	100	100
3. Elgin JAS	360,500	157,448	100	100
4. JAS Support	80,000	15,000	51	95
5. Rio Minho Cocoa Exp.	10,316,036	2,167,700	93	100
6. Mango Top-Working	100,000	17,000	74	100
7. IICA/MOA Farming Systems	10,240,295	5,469,928	90	95
8. Above Rocks/FISH	581,845	280,349	100	100
9. Manchester Land Authority	708,463	108,127	100	100
10. UNITAS	946,333	200,590	99	100
11. Agroforestry Promotion	1,799,545	554,000	92	90
12. St. Mary Cocoa Farmers	3,637,017	1,217,000	100	100
13. N.W. St. Cath. Coffee	2,228,215	1,253,100	77	95
14. Guya Hill Coffee	1,596,595	853,900	72	95
15. Baseline Survey	541,475	0	100	100
16. Rural Physical Planning	2,468,768	2,804,682	100	99
17. N. Clarendon Proc. Co.	3,459,500	674,000	69	85
18. Bermaddy Area	1,144,105	205,000	94	100
19. Giblatore Area	759,690	353,000	100	100
20. Kellits/Crofts Hill	1,090,752	1,146,600	99	75
21. Long Road	3,639,636	1,181,000	20	20
22. Mammee River	3,040,040	1,292,500	16	20
23. W. St. Andrew	9,426,175	3,007,100	6	10
TOTAL	59,814,522	23,037,584		

17. Host country contracts for all the key staff in the Project Management Unit have been executed.
18. Financial Concerns: The Regional Investigator General conducted a quality review of the recipient contracted audit for the period January 1, 1990 to December 31, 1991, and requested additional information from the local audit firm that conducted the audit. The revised report has not been received as yet.

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D. Problems and Delays

1. On-going project activities as well as development and approval of new sub-projects slowed during the period due to the extended illness of the Project Manager and the departure of the USAID PSC Project Manager. The Project Manager returned to work early September. A new USAID PSC Project Manager will be hired before the end of 1993.
2. The Ministry of Agriculture has made some progress, but has not yet fully resolved, contracting problems with PMU staff. Although the Accountant has now signed her contract, and the Project Manager and his Deputy received offers, the latter two have not yet signed. The Ministry of Public Service's authorized package for the Project Manager was particularly disappointing, and USAID, as a member of the Project Coordinating Committee which recommended an appropriate package for the Project Manager, will continue to urge a suitable settlement in the coming SAR period.
3. The financial management and accounting for HAP is burdensome for project management and the Mission's Controller Office. ONRAD will work with the Controller's staff to streamline and simplify the Mission financial management while retaining and auditing detailed accounting records at the HAP PMU.

E. (a) Major activities or Corrective Actions During the Next Six Months

1. HAP's budget will be streamlined. Detailed financial management and accounting will continue at the PMU, supplemented by a yearly recipient-contracted audit.
2. Complete hiring of new USAID project officer.
3. USAID to work directly with MOA Permanent Secretary and PCC members to resolve contractual problems.

(b) Workplan for the Next Six Months

1. Continue activities designed to ensure project sustainability including all aspects of staff and farmer training, development of input supply stores, development of supporting cooperatives and working with lead farmers to disseminate technologies.
2. A total of ten new sub-projects will be launched, accounting for the bulk of remaining new start-through end of project.
3. The one-day training of trainers series will continue in the following areas: crop technology pesticide safety, production techniques, and management skills.
4. Reorganization and reformulation of management information system is anticipated following the MIT consultancy scheduled for October 1993. Once the new MIS system is operational HAP will be able to provide precise timely reports to meet project management needs as well as monitoring of the Mission strategic objectives targeted by HAP.
5. Finalize arrangements for annual audit of all sub-projects with annual expenditures of over \$25,000. Review audit findings and make appropriate responses.
6. Put performance tracking system into action at PMU and throughout subproject.

Impact (Results) over the next six months

1. HAP sub-projects will continue to increase significantly national cocoa production and export.
2. The North Clarendon Processing Plant will significantly increase production and sales and exports by installing new equipment recommended last period by the IESC Volunteer, and by expanding supplies from the cooperative's new orchards.

HILLSIDE AGRICULTURE PROJECT (532-0101)

Semi-Annual Review - Supplement

1. Commodity Procurement:

During bi-weekly site visits to the Project Management Unit headquarters, scheduled quarterly visits to each sub-project site (24 during the six month reporting period), and ad hoc visits to sub-projects, the proper use of commodities procured was verified. All participants were reminded of marking requirements, and appropriate decals were provided. Copy of project inventory compiled and received. Maintenance of commodities procured, budgeted and implemented.

2. Audits

The RIG office performed a quality control review of the recipient contracted audit done for years 1990 and 1991, and requested additional information from the local firm (Coopers and Lybrand) to substantiate conclusions drawn. Final revised report has not been received.

HC audit of Rio Minho Cocoa Expansion sub-project is complete, but the audit report has not been received. The annual audits of sub-projects disbursing more than US\$25,000 will start at the end of 1993. Five sub-projects will be audited: St. Mary's Farmer Support, Guys Hill Coffee Co-op., NW St. Catherine Co-op., Agroforestry Promotion, and IICA/MINAG. The overall HAP will also be audited for the two year period ending December 1993.

3. Host Country Contributions

Project on-track and in compliance with HC Contribution requirements. HC contributions originate from several sources including Government of Jamaica for PMU expenses and MOA and RADA sub-projects, implementing agencies (e.g. commodity boards or NGOs), and farmers contributions to project activities. Information is compiled in a quarterly report prepared by the PMU accountant.

4. Centrally Funded Projects

Not applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



Chris Brown

BEST AVAILABLE DOCUMENT

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

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BACKGROUND DATA

Project Title: Agricultural Research Project
Project Number: 532-0128
Date of Authorization: original: 07/25/86
Date of Obligation: original: 07/30/86 amendment 09/01/92
PACD: original: 07/29/93 amendment 12/31/93
Implementing Agencies: Jamaica Agricultural Development Found.
Major Contractors: University of Florida
AID Project Managers: Karen McClaw/Christopher Brown
Status of CPs/Covenants: All conditions for disbursement of funds stated in the Substantial Involvement Understandings of the Cooperative Agreement have been met.

Date of Last Evaluation: 04/09/92 Next Evaluation: None
Date of Last Audit: 04/14/92 Next Audit: 4/94
Planned No. of non-Fed Audits: 5
No. of Audits contracted for/completed: None

FINANCIAL DATA

Amount Authorized:	DA Grant:original	\$ 7,600,000
Amount Obligated:	DA Grant:original	\$ 100,000 Amended to \$5,851,000
Amount Committed:	Period:	\$ 15,587
	Cumulative:	\$ 5,784,315
Accrued Expenditures:	Period-Projected:	\$ 1,000,000
	Period-Actual:	\$ 992,222
	Cumulative:	\$ 5,784,054
	Period-Next:	\$ 66,685
Counterpart Contrib.:	Planned:	N/A*
Planned	Actual:	N/A*
Actual		
% LOP Elapsed		97%
% of Total Auth. Oblig.		77%
% of Total Oblig. Exp.		99%
% of Total Auth. Exp.		76%

* Counterpart contribution not required under a Cooperative Agreement

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To identify solutions to current constraints to increased production and productivity by carrying out applied research in priority commodity areas.

B. Relationship to Mission Strategic Objectives:

The project addresses S.O. #1, increased foreign exchange earnings and employment, through the development, on-farm testing and dissemination of production enhancing technologies for export crops. The project also addresses S.O. #2, improved environmental management and protection, through research in areas such as integrated pest management and studies of rare and endangered plant and animal species in the Blue Mountains, but its funding is not counted as part of that objective.

C. Percentage of LOP contributing to strategic objective:

100% foreign exchange and employment.

III. PROJECT DESCRIPTION

The project is a US\$7.6 million, seven-year activity, created in response to the need for an agricultural research system to arrest declining production and to enhance development in the sector, especially among small farmers. In order to achieve the purpose, the Project aims to: 1) strengthen the local research base, 2) support research activities directed at small farmers, 3) bring local researchers into contact with colleagues around the world and 4) establish more effective linkages between research, extension and farmers. The Project concentrates on applied research, that is, the use of available knowledge to solve problems. On-farm research receives major emphasis with farmers actively participating in the evaluation process.

IV. PROJECT STATUS

A. Planned EOPS

1. RAC (Research Advisory Council) established and functioning.

Progress to Date

The RAC met twice during this review period. The meetings concentrated on reviewing the status of the JARP project: still in train and on having the JARP Directorate indicate arrangement for orderly termination of the project, inclusive of organization of a final reporting workshop.

The stalemate in the negotiations with the Ministry of Agriculture or implementation, either partially or otherwise, of the recommendation of the JARP Sustainability Assessment Report was discussed and the RAC concluded that as no real progress towards agreement had been made, JADF would need to consider taking its own initiative in pursuing a program of agricultural research.

No meetings of the Executive Committee of the RAC were scheduled a project review and approval had been suspended in FY 1992, with impending completion of JARP in 1993. Projects completed during the review period and those to close by December 1993 will be reported on in the 1993 JARP Annual Report now being prepared.

Up until the date after which no further project proposals were considered one hundred and thirty six (136) had been submitted to the JARP Directorate, of these eighty seven (87) received approval of the Executive Committee of the RAC. Five approved projects were never initiated because of failure of the Proposer/Investigator to follow through.

2. Strong linkages established among relevant research/extension groups and producers, US\$4.2 million grant/contract research funded.

Linkages previously forged with Research/Extension groups and producers were maintained and efforts made to encourage their collaboration with any new entity(ies) which could be established to pursue agricultural research, after the termination of JARP. These linkages have resulted in the hiring of several research scientists trained under JARP by successor research programs in which JADF is involved and by collaborating entities such as ALCAN and Serge Island Dairies.

3. Scientific Interchange/Short-Term Training/Long-Term Training.

Over 50 Jamaican agricultural researchers have been trained to the masters or doctoral level. Approximately 55 short-term training programs have been completed which includes various assignments to learn specific techniques, and attendance at conferences, seminars, and workshops. This has provided a pool of expertise for use in public or private funded research and employment in the productive sector.

4. Research being applied to enhance production and processing of export crops.*

JARP research findings have contributed to the significant increases in the export of anthuriums, papayas and orchard crops. The research program has provided solutions to problems affecting productivity of these commodities.

There has been positive impact in a number of areas such as:

-Adoption and commercial export development for blast freezing and vacuum packing of breadfruit and ackee;

-Development of technique for prolonging the shelf life of selected ornamental products;

-Introduction of new aeration techniques in fish ponds increasing stock densities;

-Virology research on papaya identified the disease affecting large numbers of papaya growers in southern St. Catherine and has permitted them to control the condition and remain profitable;

-JARP's research in the forage value of African Stargrass is now being used by one of Jamaica's largest dairy producers, Serge Island Dairies; and

-Commercial orchid adaptation trials in St. Thomas gave rise to a total of 10 new farms selling orchids in that area. Those farms are cooperating, with support from the College of Arts, Sciences and Technology, in a self-financed expanded second phase to the JARP sub-project.

* EOPS has been included to reflect the impact of the project.

B. Major Outputs

	Planned		Next		Accomplished		% of LOP
	LOP	Period	Cum	Period	Period	Cum	
1. Improved research capacity							
a) TA (p/m)	125	0	80	0	0	90	72
b) Workshops/seminars	50	2	39	2	0	38	76
2) Improved research quality							
a) Linkage with IARCs	5	0	5	0	0	7	140
b) Linkage with USLG	5	2	9	0	0	12	240
c) Monitoring visits	60	0	125	18	15	205	342
3) Improved research quantity							
a) Proposals* reviewed	95	0	125	0	0	141	148
b) Proposals approved	60	0	50	0	0	61	101
c) Proposals completed	60	1	18	12	25	42	70
d) On-farm trials	55	3	51	3	0	54	98
4. Training (persons)	M/F	M/F	M/F	M/F	M/F	M/F	M/F
Long-term	15/10	0/0	12/7	5/5	12/11	31/24	207/240
Short-term	30/20	4/4	24/14	0/0	0/0	30/25	100/125

* Proposals refer to research projects. Not all projects are executed by students.

C. Other Accomplishments and Overall Status

Training:

Review by the Office of International Training (OIT) of JARP training programs was completed in August 1993. The review team addressed concerns noted in the last SAR period including a number of training programs which would not be completed until after the PACD.

Training conducted outside of HB 10 regulations was an additional issue with which the team was confronted. Long-term training necessary for the advancement of research projects was incorporated into JARP with an amendment to the Cooperative Agreement in 1991. JARP entered into contracts with universities for cooperative research activities and master's and doctoral degree training. Since the project clearly maintained research as the primary focus, though graduate training subsequently emerged as a principal means of reaching project objectives, the project defined the experience of those individuals enrolled in universities in the context of their thesis research activities rather than as "training" programs. This interpretation resulted in misunderstanding regarding the applicability of agency regulations regarding training and, consequently, Handbook 10 was not followed.

Based on the OIT findings, the following corrective actions were taken:

- a) The USAID/Jamaica Director extended the PACD until December 31, 1993 to effect an orderly closeout of the project and to honor commitments to students' programs.
- b) JADF agreed to fund the remaining students in the program, both in U.S. universities and at the University of the West Indies, after December 31, 1993, through their completion dates in 1994, since available funding was sufficient to cover activities planned through the PACD, there was no need to obligate additional funds.

c) The Office of International Training issued a waiver permitting the remaining students in the U.S. to continue to be administered outside the regulations of Handbook 10 for the remaining five months of the project's life, through December 1993. This was done to avoid unnecessary disruption in students' programs and the impracticality of bringing them under HB 10 procedures in the short time left in the project.

d) The USAID/Jamaica Director issued a waiver of the HB 10 requirement for host country payment of international travel, both past and future, for JARP students.

As a result of the findings and corrective actions taken on the training programs, the financial review of training by a local audit firm was no longer necessary.

The existing Cooperative Agreement was amended and existing funds are being used to cover research activities and training costs up to December 31, 1993.

As of July 1993, JARP's method of financing is on a cost reimbursement basis based on the submission by JARP/JADF of monthly vouchers and monthly statements.

JARP operates on a cash accounting basis, therefore, payables are not recorded on accounting books. KPMG Peat Marwick will provide a list of accounts payable as at September 30, 1993 which will be attached to their audit report for the year ending September 30, 1993.

Research Activities:

In view of the impending conclusion of the program no new projects were considered. Eight short-term projects which were initiated earlier were completed by July 30, 1993. Of those eight, five yielded valuable initial results. These also have the potential for yielding benefits in the medium term. Work on two of these projects, "The evaluation of trees and locations for hypoglycin content of ackee fruit" and "Land quality and rejuvenation of reclaimed bauxite lands" will continue with external funding to extend the time frame over which the data are collected, thereby improving reliability.

a) The field test phase of the low energy technology on-farm study has been completed and the graduate student submitted her dissertation and graduated. However, it is being recommended that the Rural Agricultural Development Authority (RADA) extension services be encouraged to collaborate with farmers at selected locations to demonstrate the equipment and its utility, as a means of testing its acceptance on a wider basis, which could warrant more vigorous promotion.

b) The land quality evaluation and restoration of "mined-out bauxite land" trials being executed in collaboration with Texas A&M University are continuing with the final phase of data analysis and interpretation to be funded under a Trop-Soils Program.

c) The field and laboratory work on "Evaluating Harvesting and Transportation Techniques for Producing Hypoglycin-Free Canned Ackee" has also been completed and the relevant thesis concluded and lodged for examination. The results provided inputs into the proposals for recommending lifting of the ackee alert imposed by USA.

Of the remainder, 12 are planned to end before or not later than December 31, 1993, the new PACD and budgetary provision made to ensure this. Four, in which graduate student training is involved, will extend into 1994. JADF has taken responsibility to finance the student training in 1994 which this overrun involves.

Conferences and Meetings:

Activities in this area were confined to two events. The first related to JARP support for the Fourth Annual Conference of JSAS in which several JARP-funded students presented papers on their research.

The second was a mission to Washington led by the Project Director to discuss with USDA and FI personnel the existing alert placed on importation of ackee into the USA. This was sponsored by the Export Services Project. Two projects funded by JARP have contributed to providing information which should facilitate lifting of the alert. The progress made is being followed up by a series of actions by the Bureau of Standards, and processors and distributors of ackee.

Other Activities:

The earlier initiative through which a modicum of agreement by the GOJ to participate in Government/Private Sector Collaborative Agricultural Research Program was secured has not been pursued. This is in light of the change in U.S. food aid programs which transferred management of the PL 480 Title I program to USDA and precluded JADF from receiving proceeds, and the ambivalence of GOJ in joining the development of an independent research program. The relevant Cabinet Submission drafted by JARP has not yet resulted in a decision.

The JARP 1992 Annual Report was received and a summary of the project achievements will be reported in the PACR.

D. Problems and Delays

Cooperative Agreement Amendment covering July - December 31, 1993, was delayed by the need to reconcile JARP and USAID accounts. The amendment was signed in September 1993.

Resolving the participant training and financial management issues described above prevented JADF and USAID from developing, as thoroughly as desired, the concept for a post-JARP sustained Jamaican research effort. JADF has undertaken, however, to develop a research team which will incorporate and other partners to help address its clients' research needs.

E. Major Activities or Corrective Actions During the Next Six Months

1. Major Corrective Actions Expected

a) Assist JADF to expedite reimbursement requests.

b) JADF to refine and put in place its own research arm.

2. Workplan for the Next Six Months

a) Ensure that JARP submits inventory of fixed assets and recommended disposal for USAID approval.

b) Ensure that JARP completes Annual Report for the period October 1992 - December 1993.

c) Completion of PACR.

3. Impact in the Next Six Months

None.

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SEMI-ANNUAL REVIEW SUPPLEMENT - PROJECT MONITORING ISSUES

Period: April 1, 1993 - September 30, 1993

Project: AGRICULTURAL RESEARCH PROJECT

Project No. 532-0128

1. Commodity Procurement

JARP is currently reviewing their commodity records and conducting a final inventory of all fixed assets and recommended disposal. This activity will be completed in the next reporting period. USAID will conduct a site visit during the coming SAR period, as soon as we receive the inventory report.

2. Audits

JARP operates on a cash accounting basis, therefore, payables are not recorded on accounting books until funds are on hand to cover them. It was agreed in a recent meeting with JARP, JADF, KPMG Peat Marwick and USAID, that JARP will continue operating on a cash accounting basis. However, KPMG Peat Marwick, will provide a listing of accounts payable as at September 30, 1993 which will be attached to their audit report for the year ending September 30, 1993. This audit will be completed in November.

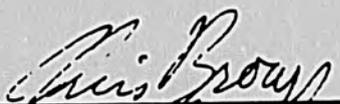
3. Host Country Contributions

- Not applicable

4. Centrally-funded Projects

- Not applicable

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



Christopher M. Brown

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

I. BACKGROUND DATA

Project Title: Inner Kingston Development Project
 Project Number: 532-0120, 532-W-055
 Date of Authorization: original 06/30/86 amendment 08/29/91
 Date of Obligation: original 07/30/86 amendment 08/29/91
 PACD: original 09/30/89 amended to 09/30/96 (KRC) 09/30/94 (UDC)

Implementing Agencies: Kingston Restoration Company (KRC) and Urban Development Corporation (UDC)

Major Contractors: Urban Institute (Phase I)
 AID Project Manager: Ken Kopstein
 Status of Cps/Covenants: Cps in Phase II except for Building Demolition have been met

	KRC	UDC
Date of Last Evaluation:	12/91	12/91
Next Evaluation:	10/94	10/94
Date of Last Audit:	9/30/92	3/31/93
Next Audit:	9/30/93	3/94
Planned No. of Yearly Non-Federal Audits:	5	4
No. of Audits Contracted For/Completed:	2	3
RIG Audit	Completed August 20, 1992; closed-out March 15, 1993	

FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original \$10,000,000 amended to \$13,000,000
 Amount Authorized: Loan: original \$ 5,000,000
 Amount Obligated: DA/ESF Grant: original \$10,500,000 amended to \$10,961,355*
 Amount Obligated: Loan: original \$ 5,000,000 amended to \$ 4,586,262*
 Amount Committed: Period: \$ 42,103(G)*, \$ (250,073)(L)*
 Cumulative: \$10,356,196(G), \$ 4,586,862 (L)
 Accrued Exp.: Period - Projected: \$ 800,000(G), \$ 569,258 (L)
 Period - Actual: \$ 807,756(G), \$ 156,120 (L)
 Cumulative: \$ 9,946,627(G), \$ 4,586,862 (L)
 Period - Next: \$ 450,000(G), \$ - 0 - (L)

	Period	LOP
Counterpart Contribution:		
KRC:		
Planned:	US\$ 693,980	US\$ 6,635,000
Actual:	US\$ 160,702	US\$11,109,970
UDC:		
Planned:	-0-	US\$4,465,000
Actual:	US\$1,086,159	US\$4,277,242
% LOP Elapsed:	70%(KRC)	88%(UDC)
% of Total Auth. Oblig.:	85%(G),	92%(L)
% of Total Oblig. Exp.:	91%(G),	100%(L)
% of Total Auth. Exp.:	77%(G),	92%(L)

M Account Funds Outstanding:
 UDC: US\$-0-
 KRC: US\$-0-

*For the UDC component, \$469,619 in grant funds were deobligated on May 31, 1993 and \$413,138.32 in loan funds were de-obligated on September 30, 1993.

II. A. PROJECT PURPOSE

To help restore Inner Kingston as a center for economic activity and job creation.

B. 1. RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Increased Foreign Exchange Earnings and Employment:
 i) Project property renovations and community development activities promote private sector investment and jobs downtown.
 (ii) Completion of Harbour Street Sewer will improve conditions to attract investment along major commercial corridor.

2. PERCENT OF LOP FUNDS RELATING TO S.O.: 100% for S.O.1.

III. PROJECT DESCRIPTION

- A. Kingston Restoration Company (KRC): (A private redevelopment company)
1. Strategic Investment Component (Phase II) - KRC will finance major real estate developments and other downtown investment generating activities.
 2. Community Development Component (Phase I & II) - KRC serves the needs of the downtown low income population through operation of health clinic and youth programs.
 3. Restoration Grants Component (Phase I) - KRC provides grants to property owners of up to 25% to upgrade building facades.
 4. Public Purpose Projects (Phase I & II) - KRC manages area-wide projects such as improvements to King Street and Justice Square.

B. Major Outputs (1)

	Planned			Next		Accomplished		% of LOP
	LOP	Period	Cum.	Period	Period	Cum.		
1. Factory Sf (000)	324(2)	0	272	0	0	177	55%	
2. Commercial Sf (000)	200(2)	0	111	46	0	36	18%	
3. Restoration Sf (000)	100	14	224	20	0	224	210%	
4. Pub. Prop. Dev SF (000)	100	0	83	83	0	0	0%	
5. Rural Bus Sta. (X)	100	0	100	0	0	100	100%	
6. Harbour St Sew. Lnft(000)	7	3.5	4.2	2.8	.7	4.2	61%	
7. Sts/Sewer/Water (X)	100	0	0	0	0	0	0%	
8. Jobs:Permanent (000)	6.0	(3)	(3)	(3)	(3)	2.456	41%	
9. Strategic Projects	3	0	0	2	0	0	0%	
10. Land Cleared SF (000)	100	0	0	10	0	0	0%	
11. YESS Participants	125	7	118	3	2	120	96%	
12. Clinic Visits/yr (000)	35	12	24	12	12	24		

- (1) Project indicators and components to be re-evaluated with assistance from Urban Institute Baseline Data Update Study proposed for FY 94.
- (2) Total for Phase I and Phase II.
- (3) Not quantified in Project Paper or by monitoring at this time; monitoring methodology and update to be contracted for in FY 94.

III. PROJECT DESCRIPTION (Cont'd.)

5. Building Demolition Component (Phase II) - KRC will finance the demolition of unsafe buildings and the development of urban parks.
 6. Downtown Development Plan Component (Phase II) - KRC oversees downtown planning process to provide a vision for future development and investment.
- B. Urban Development Corporation (UDC): (A GOJ parastatal)
1. Rural Transportation Center - UDC is charged with constructing a new station for buses from the rural areas.
 2. Harbour Street Sewer - UDC is responsible for improvements to the 84-year old sewer and water mains.

IV. PROJECT STATUS

Planned EOPS

EOP # 1. Rekindling of Private Investment And Economic Demand In Kingston

Progress # 1. Substantial private investment occurring and land values and rents substantially increasing; progress will be quantified in Baseline Update study. Downtown plan well underway and has achieved better than anticipated community involvement. Convention Centre utilization will be reviewed as part of World Trade Centre feasibility study in FY 94. Harbour Street sewer nearing completion which will spur major redevelopment.

EOP # 2. Community Involvement in Redevelopment

Progress # 2. KRC focusing more attention on Community Development; proposal to establish separate foundation to attract increased funding. YESS program highly successful and expanding. Clinic visits increasing but AID funding decline may impede future expansion. KRC serving as catalyst to focus increased attention on micro-enterprise, skill training and housing development in community. KRC expanding King Street Merchants Association format into more formal NGO management through Business Improvement District concept in larger downtown area.

EOP # 3. KRC To Be Self-Financing Entity

Progress # 3. KRC still dependant on AID funds. KRC initiating major private syndication; if successful will yield substantial long-term income. KRC initiating corporate planning process to assess future resources/activities.

C. Other Accomplishments and Overall Status

1.0 KRC Component

1.1 STRATEGIC INVESTMENTS: KRC investments and PR efforts foster renewed interest by private sector and Government (GOJ) in Inner Kingston investment. (1) KRC preparing two private sector property syndications:

- a) J\$100 million for 8 commercial properties acquisition, rehab and rental for 111,000 net rentable sf. and b) J\$80 million mixed-use housing/retail complex of 73,734 sf. Public syndication is innovative financing structure with little or no precedent in Jamaica. Government agencies and private companies requesting KRC to rehab space for office relocation downtown. (2) GOJ gave preliminary approval to issue first tax free bonds for urban renewal; procedures being finalized. Tax-free bonds position KRC to form more joint ventures with private sector. (3) Public Buildings West (PBW) highly visible 83,000 s.f. building renovation, will return about 400 white collar jobs to downtown and complete improvements to Justice Square and King Street. Construction nearing completion on J\$30 million project. (4) KRC assisted in the sale and financing of the Coronation Building for the Unite Way/CVSS which will own, occupy and rent space; KRC received a brokerage fee. (5) ICD Group (major Jamaican company) rehabbing and expanding corporate headquarters on Harbour St.; KRC assembled some sites and sold them to ICD, which also plans major housing/commercial development in area.
- 1.2 DOWNTOWN DEVELOPMENT PLAN: KRC initiated master plan process is nearing completion. KRC brought together GOJ, Parish Council, parastatal, private sector and area low-income resident representatives in a process which is being lauded as a model for other urban centers. Plan being used as tool to promote vision and interest in downtown.
 - 1.3 RESTORATION GRANTS: Restoration Grants given for four projects over past 6 months period; total period grants were J\$194,000 and fostered J\$1,922,000 private sector investment for renovation of 14,500 s.f. in commercial buildings. Budget problems continues to hamper more aggressive grant program and will, therefore, be modest over next year.
 - 1.4 PUBLIC PURPOSE PROJECTS: (1) KRC organized the King Street merchants and raised J\$100,000 needed to deal with garbage and trash removal problems. In addition, contributions supported landscaping activities. (2) KRC is bringing together Government and private sector interests to study feasibility for a World Trade Center.
 - 1.5 COMMUNITY DEVELOPMENT: New component director appointed. New directions being planned to focus on economic development, housing and environmental programs. Emphasis given to obtain new funding sources and create profit-making community enterprises. New funding sources include: (IDA, Rotary Club, Ministry of Education, Ni-Tech International and local foundations. Housing program serving low, medium and high income households and 3 to 4 projects in planning, with financing being negotiated on two. Youth component has received growing support and recognition. 1 participants were selected to attend an international environmental study tour in Brazil. One student was selected for a CASS college scholarship to study in the U.S. Efforts are underway to supplement AID grant funds for scholarships with a permanent endowment, e.g. a local foundation granted J\$100,000. (2) The health clinic has proved to be a vital community service with about 2,000 clinic and home patient visits per month.
 - 1.6 BUILDING DEMOLITION: Project has been approved by City Council and initial sites designated for clearance. Final agreement between KRC and City Council now in negotiation.
 - 1.7 KRC BUSINESS PLAN: KRC has engaged Price Waterhouse to assist in formulating a 3-year business plan.
 - 1.8 DOWNTOWN MANAGEMENT DISTRICT: KRC has reached agreement with UDC for sub-grant to organize a Downtown Management District and has received significant support from downtown private sector leaders and government officials for the DMD. The DMD will focus private sector financial resources and management on improving security, street

cleanliness and festival marketing to improve over-all Jamaican perceptions about safety and desirability of downtown as a place to work, shop and seek entertainment.

- 1.9 **AWARDS AND HONORS:** KRC was presented with a special achievement award for its youth program by the International Downtown Association in Minneapolis in September 1992. KRC Executive Director was elected to the Board of Directors of the International Downtown Association.
- 1.10 **RIG AUDIT:** RIG Audit completed in 1992 with only minor exceptions. Audit findings indicated satisfactory KRC financial records and management. All exceptions answered and audit closed-out.
- 1.11 **CONDITIONS PRECEDENT:** KRC has met all but one of the Conditions Precedent (CP) contained within the Phase II grant. Only the Demolition Component remains to be submitted and approved. Refer to 1.6 above.
- 1.12 **AID to allow KRC overhead rate on grant funds, overhead funding not incorporated in Phase II previously and has resulted in KRC budget problems.**

2.0 **UDC COMPONENT**

- 2.1 **RURAL TRANSPORTATION CENTRE:** The Rural Bus Terminal is fully operational. 95% of rural buses arriving Kingston use terminal. Fees are being collected and being adjusted periodically to meet operational costs.
- 2.2 **HARBOUR STREET SEWER:** Considerable progress toward completion has been made and the project is scheduled for completion in the next six months. See problems/delays.
- 2.3 **TRAFFIC SIGNALS:** UDC has requested transfer of funds to purchase traffic signals for Harbour Street and adjoining streets to improve traffic flow.
- 2.4 **Tour of major revitalization areas in U.S. cities being planned to further understanding of Downtown Plan potential for Kingston.**

D. **Problems and Delays**

KRC Component

1.0 **AID PROJECT ISSUES**

- 1.1 **Repeated delays continue to occur in developing new projects due to (a) lack of experienced project management staff and (b) lack of financial resources. Reduction in US TA has left KRC less capability. KRC still remains dependent on AID funds and has only recently begun developing other funding sources, e.g. public real estate syndication.**
- 1.2 **KRC divestiture of its properties has not been accomplished therefore it lacks funds for new projects and expanded staff capacity. Failure to sell properties, however, appears warranted for two primary reasons: (a) rents in KRC properties were at very low fixed lease rates for 5 years; renegotiated rents at anticipated much higher levels will significantly increase property values and (b) real estate values had remained relatively low in Inner Kingston until recently, with upward price pressures just beginning to emerge. KRC should achieve favourable sales prices for its properties over the next 2 years.**

1.3 **Harbour Street Sewer Project has not yet been completed and continues to experience some very serious problems, thereby stifling further investment along Harbour Street. AID has de-obligated remaining funds and UDC must now obtain G funds to complete project.**

1.4 **No funding programmed to follow-up successful Downtown Master Plan activities; KRC needs additional funds for continued planning and implementation.**

2.0 **ISSUES OUTSIDE AID SCOPE AFFECTING PROJECT IMPACT**

- 2.1 **IDB funding for West Kingston Market has lapsed prior to completion of project and this unfinished project has major consequences for downtown revitalization.**
- 2.2 **Need identified to improve urban services in Project Area in addition to physical structures. Services needing priority attention are: security, solid waste collection, enforcement of street vendor and bus location and street cleansing. KRC had started voluntary King Street Merchants Association to concentrate on a major commercial street, however, voluntary contributions have not proved sustainable. Concept being expanded to review feasibility of implementing larger Downtown Management District (DMD) with more formalized revenue structure, e.g. special assessments on property taxes, and NGO management of DMD area.**
- 2.3 **Need to provide microenterprise, housing and environmental improvements in low-income residential portion of Project Area to stabilize neighbourhood and remove underlying causes of violence and crime: Other agencies not effectively serving project area and KRC Community Development component has grossly inadequate funding to undertake necessary expanded activities or serve catalytic role.**
- 2.4 **Housing development for upper, middle and lower-income groups needed to stabilize Project Area, improve retail/entertainment/tourism draw and avoid business "gho town" syndrome after darkness; housing, however, not included in Project design and so AID funds cannot be used to assist KRC's new housing efforts.**

Major Activities or Corrective Actions During the Next Six Months

A. **Major Corrective Actions Expected (KRC Component)**

1. KRC will continue to engage local technical assistance for financial planning, and management.
2. When existing leases expire, KRC will renegotiate new leases that are more reflective of higher market rate.
3. KRC will continue toward structuring joint ventures and third-party project management for future projects.

Major Activities or Corrective Actions During the Next Six Months

4. KRC will begin to approach other funding sources, such as accessing capital markets, lenders and other donors and structuring joint ventures with financial partners.
5. KRC will finalize agreement with City Council and begin implementing building demolition component.

BEST AVAILABLE DOCUMENT

6. Community Development component to be restructured and activities expanded to include housing, microenterprise and job development, subject to KRC obtaining additional local and donor resources.
7. EOPS to be reviewed and Project Amendment executed if indicated from review.
8. Funds from overhead rate allocation will strengthen KRC financial position and reduce or eliminate budget deficits.
9. Work Plan Over the Next Six Months (KRC Component)
 1. Renovation of Public Buildings West will be completed.
 2. Downtown Development Plan will be completed; follow-on implementation to be underway. U.S. tour of major city revitalization areas in final preparation.
 3. KRC's property syndication will be structured and issued.
 4. Housing strategy and projects will be identified and syndication established with major investors; not project funded.
 5. KRC will engage outside expertise to improve project implementation; focusing on contract project management and local consultants.
 6. Downtown Management District will be in organizational stage with Steering Committee and project manager in-place.
 7. Feasibility study underway, for establishing a World Trade Center.
 8. Baseline Data Update Study will be underway which will also review project indicators and EOPS.
 9. Community Development component will be restructured into separate foundation and seek other funding sources.
 10. Identify two youth participants for college scholarships.
 11. KRC will complete corporate planning process to address future priorities and staff/financial resources required to achieve program objectives. The corporate plan may serve as basis for restructuring KRC and Project Amendment.
 12. Commodity inventory and monitoring procedures to be implemented.

C. Major Corrective Actions Expected (UDC Component)

1. AID will assist UDC in closely monitoring progress on Harbour St. Sewer Project. AID will require completion with GOJ funds as agreed to in 1990.

D. Work Plan Over the Next Six Months (UDC Component)

1. Continue monitoring UDC's performance on the Harbour Street Sewer.
2. Re-program remaining project funds to high impact small projects and seek to have KRC implement some components.

E. Impact Over the Next Six Months

*Implementation of property syndication will establish this financing technique in Jamaica and enable KRC to raise funds for strategic investments.

*Completion of Harbour Street Sewer to spur redevelopment of major commercial corridor and surrounding area.

*Public Buildings West will be completed 400 new employees will be added to Inner Kingston market for goods and services and its opening will consolidate courts and legal administrative functions downtown.

E. Impact Over the Next Six Months (Cont.)

*Restructuring Community Development activities will focus on project area stability, and enhance downtown image as secure investment area and safe environment for workers.

*Downtown Management District organization activities will focus solutions on private sector supplemental financing and management of urban services in downtown.

RHJDO:SAR0120.93:KK:jps

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INNER KINGSTON DEVELOPMENT PROJECT
PROJECT NO. 532-0120
LOAN NO. 532-W-055

SEMI-ANNUAL REVIEW SUPPLEMENT
FOR PERIOD APRIL 1, 1993 - SEPTEMBER 31, 1993

1. COMMODITY PROCUREMENT

Office of Engineering And Energy to undertake commodity inventory update under the UDC component. Commodity monitoring plan to be initiated jointly by OEE and RHUDO. Previous commodity inventory reviews conducted by OEE.

2. AUDITS

- a) RIG Audit completed August 20, 1992 and closed-out March 15, 1993.
- b) Annual Audits: KRC and UDC complete non-federal annual audits. Last audits received for period ending September 30, 1992 for KRC and March 31, 1993 for UDC.

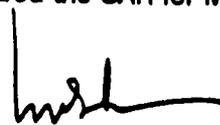
3. HOST COUNTRY CONTRIBUTIONS

<u>Planned LOP</u>	<u>Actual</u>
KRC - US\$6,635,000	JS\$37,322,000
UDC - US\$4,465,000	US\$4,052,727

4. CENTRALLY FUNDED PROJECTS

Not applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission Review.



William Gelman

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

BACKGROUND DATA

Project Title: North Coast Development Support Project
 Project Number: 532-0168
 Date of Authorization: original: 07/19/91
 Date of Obligation: original: 08/27/91, tranche 6/23/92
 PACD: original: 07/31/96
 Implementing Agencies: Project Management Unit (PMU) of the Planning Institute of Jamaica (PIOJ)
 Major Contractors: Louis Berger International, Inc.
 AID Project Managers: Hasan A. Hasan/John Tennant
 Status of CPs/Covenants: CPs met 10/2/91; Covenants: grantee in conformance
 Date of Last Evaluation: Next (first) Evaluation: February 1994
 Date of Last Audit: March-April 1993
 Planned No. of non-Fed Audits: Next Audit: To be scheduled
 No. of Audits contracted for/completed: 4
 for/completed: None

FINANCIAL DATA

Amount Authorized:	DA grant:	\$ 5,000,000
Amount Obligated:	DA grant:	\$ 3,270,000 Amended to 3,870,000
Amount Committed:	Period:	\$ 653,247
Accrued Expenditures:	Cumulative:	\$ 3,685,907
	Period-Projected:	\$ 493,000
	Period-Actual:	\$ 491,269
	Cumulative:	\$ 1,871,397
	Period-Next:	\$ 678,000
Counterpart Contrib.:	Total Committed	\$15,050,000
Planned Program'd.	Period:	\$ 1,350,000
	Cumulative:	\$ 430,000
Actual Program'd.	Period:	\$ 1,350,000
	Cumulative:	\$ 2,940,000
% of Total Auth. Oblig.		77.4%
% LOP Elapsed:		40%
% of Total Oblig. Exp.		48.7%
% of Total Auth. Exp.		37.7%

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To support the provision of adequate infrastructure facilities in Jamaica's key tourist areas to permit tourism growth to continue at a minimum of 5% per annum until 2000.

B. Relationship to Mission Strategic Objectives:

- (1) This project contributes toward the Mission's strategic objective of increasing employment and foreign exchange earnings.
- (2) Percent of LOP Funds Relating to S.O.: 100%

III. PROJECT DESCRIPTION

The USAID/OECF (Overseas Economic Cooperation Fund of Japan) Co-financed Northern Jamaica Development Project (formerly North Coast Development Project) consists of the design, construction and startup operation of five infrastructure subprojects on the North Coast of Jamaica targeted to overcome what is considered major constraints to tourism development. The project will benefit the Jamaican Tourism Sector directly and the Jamaican economy in general. Financing of the project will be from a Japanese loan of approx. US\$63.0 M, USAID grant (US\$5.0 million), and approx. US\$15.05 million in GOJ local currency. Japanese loan funds will finance engineering and construction services for all five subprojects: Montego Bay Sewerage expansion, Lucea-Negril Water expansion, North Coast Highway Improvement, Montego Bay Drainage/Flood Control, and Ocho Rios Port Development. The Montego Bay Sewerage improvement sub-project will include interim measures to reduce the flow of raw sewage into the Bay until the plant is completed. Local currency will finance land acquisition, local procurement and construction costs.

The North Coast Development Support Project (NCDSP), provides a \$5 million USAID grant and will support the project through overall project management and coordination, expatriate advisory services, an environmental monitoring program in Montego Bay and the design and implementation of a water loss management program for the Lucea-Negril Water supply system.

IV. PROJECT STATUS
Northern Jamaica Dev. Project (NJDP)

- 1. Improved Water supply in Lucea-Negril These two subprojects constitute package #1 to be implemented by the National Water Commission (NWC). DHV Consultants were selected competitively to do the detailed design and construction supervision. The contract with DHV (approximately \$3.4 million) was signed on 3/4/93 and was concurred in by OECF in April 9, 1993. DHV mobilized and began work at that time, although the letter of credit in their favor was not yet ready. DHV has completed the preliminary design reports and submitted them to the NWC for review in July. DHV awaits NWC comments and approval before proceeding with the final design.
- 2. Improved sewerage disposal in MoBay

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3. Improved road transport on the North Coast

These two subprojects constitute package #2 to be implemented by the Ministry of Construction (MOC). Stanley Consultants of Muscatine, Iowa was selected competitively to do the design and construction supervision. The contract between Stanley and the MOC (approx. \$4.5 million) was signed on July 6, 1993 and OECF concurred in it on August 12, 1993. The MOC and the PMU are finalizing a letter of credit in favor of Stanley. Stanley is scheduled to begin work by October 1, 1993.

4. Improved storm drainage and flood control in Montego Bay

This constitutes package #3 to be implemented by the Port Authority of Jamaica (PAJ). The firm of Wallace Evans of Jamaica in association with Harza Engineering and Pacific Engineers were selected competitively to do the design and construction supervision. The contract between Wallace Evans and the PAJ (\$819,000) was signed on 3/29/93. The OECF concurred on May 7, 1993. Wallace Evans began work on June 1, 1993. They completed their preliminary design report in July and submitted it to the PAJ. Wallace Evans awaits the PAJ's review and approval before proceeding with the final design.

6. Reduced volumes of raw sewerage going into the bay in Montego Bay for the interim period until plant is

One of the consultant's (DHV) first tasks is to make recommendations regarding interim wastewater treatment measures. They have recommended the renovation of the primary treatment facilities at the existing plant as the interim solution. This recommendation does not involve new land and it is now under review by the NWC, as part of the preliminary design report.

North Coast Dev. Support Project (NCDSP)

7. Reduced water losses in Lucrea-Negril

Leak detection work on the Negril-Lucea system was completed in mid-December 1992. About 400 leaks were identified and their locations documented. Of these, approximately two thirds are the responsibility of the NWC and the remaining third the responsibility of property owners. The consultants estimated that these leaks result in the loss of 500,000 gallons of water per day. These losses are much smaller than the over one million gallons projected in previous studies. Repair of leaks and related rehabilitation work has commenced under a USAID fixed amount reimbursement agreement, and is about 40% complete.

8. Systematic Environmental Monitoring in MoBay

The consultants have collected and documented one year cycle of monthly water quality data based on testing of water samples from 15 stations in Montego Bay and the Bogue Lagoon. They have also obtained two semi-annual sets of data on water exchange between the Bay and the Lagoon based on readings from six stations. They have documented a data base line based on data thus collected and have included it in a report which was issued in early September, 1993. The report also included the results of computer modeling to test the ability of the Bogue Lagoon to accept effluent that contains nutrients. The NWC and DHV are now considering the preliminary design in light of these environmental findings.

B. Major Outputs

	<u>Planned</u>		<u>Next</u>		<u>Accomplished</u>	
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Period</u>	<u>Period</u>	<u>Cum.</u> % of LOP
1. Montego Bay Sewerage	100%	7	20	9	5	14 14%
2. Lucrea-Negril Water	100%	7	20	9	5	14 14%
3. North Coast Highway	100%	7	17	9	3	10 10%
4. Montego Bay Drainage and Flood Control	100%	7	17	6	3	10 10%
5. Ocho Rios Port Dev.	100%	7	20	11	5	14 14%
6. MoBay Sewerage Interim Measures	100%	20	33	20	10	16 16%
7. Lucrea- Negril Water Loss Mgmt.	100%	10	51	25	25	49 49%
8. MoBay Environmental Monitoring	100%	10	36	10	8	32 32%

(Note: percentages indicating progress achieved are based on time allowed to complete tasks and not on expenditures.)

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C. Other Accomplishments and Overall Status
NJDP

1. The financial advisory team was mobilized and began work at the PMU on May 10, 1993. The three person team established a project accounting system for the NJDP. Contrary to our earlier understanding, the team's scope of services does not include assistance in opening letters of credit and in similar areas that would make easier the drawdown of OECF loan funds.
2. Utility pole relocation is on track. All utility poles to be relocated have been identified by both the Jamaica Telephone Co. (JTC) and the Jamaica Public Service Co. (JPS). Both JTC and JPS are reviewing draft agreements with the MOC to relocate their respective facilities. JTC has already submitted a preliminary estimate of cost which appears to be within budget. JPS is still working on its estimate. Both utility companies are working on preliminary designs. The GOJ's 1993-1994 budget includes the first J\$30 million, the first tranche of the total J\$55 million estimated total budget.
3. The land acquisition task force continues to meet on a monthly basis. The most demanding land acquisition action has been that of the 100 acre parcel of land for facultative lagoons in Montego Bay, which remains on hold until public hearings by the NWC take place in late September or early October. The Minister of Agriculture has had the second public notice toward compulsory acquisition on his desk since November, 1992 and has indicated he would not sign until public hearings are held. Other project land acquisition actions, Negril Water, Highway, Ocho Rios Port, are progressing well with the exception of the acquisition of Washington House in Montego Bay for the South Gully. Of the 25 separate pieces of property that will be required, all are on track, except for Washington House. The MOC has made the owners a firm offer, and negotiations continue.
4. The second donors' meeting was held on July 21-23, 1993. The two consulting engineers who are on-board participated actively in the meeting. The OECF provided firm guidance on implementation issues such as pre-qualification of contractors, and remaining within the original scope of the project. The next donors' meeting has been tentatively scheduled for February, 1994.
5. Pre-qualification notices for three construction contracts, two for the Negril Water subproject and one for the Ocho Rios Port, were issued during this period. The notice for the Negril contracts allowed only 45 days for receipt of pre-qualification data. We protested that the closing date did not allow enough time for U.S. firms to respond, and the time was extended to 60 days. Twenty-four firms returned filled pre-qualification questionnaires, three of which were U.S. firms. The pre-qualification notice for the Ocho Rios Port also allowed only 45 days. We again protested that the closing date would not allow U.S. firms to respond, and time was extended to 60 days. We were promised by the PIOJ that all future pre-qualification notices will allow 60 days.
6. The Prime Minister has taken an interest in the project. The implementation of the project was discussed during the cabinet retreat in April, and the Prime Minister was surprised at the low rate of progress. The Prime Minister asked the PIOJ to prepare a list of actions that the Cabinet could take to relieve implementation constraints. The PIOJ did, and the Cabinet in June approved the following actions based on PIOJ's recommendations: (1) hire additional staff to help the implementing agencies with work the project generates; (2) request the Jamaican Ambassador in Tokyo to intervene with OECF's Tokyo Headquarters to approve, on a timely basis, project procurement actions; (3) instruct those concerned to expedite the clearance of project commodities at ports of entry; (4) give priority to pending land acquisition actions; (5) have the PMU enter into memoranda of understanding with implementing agencies to better define their respective roles.

NCDSP

7. Berger's contract was amended to expand the scope of service of the Water Loss Management Program (WLMP) in Negril to include the renovation of the Logwood Water Treatment Plant. The renovation will increase the output of the plant by one million gallon per day (43%). Because of the changing scope of the WLMP, Berger in early September replaced their Water Maintenance Supervisor with a professional engineer licensed to operate water treatment plants. Berger will procure about \$286,000 worth of filters and pumps toward rehabilitation work. The NWC will undertake the civil works and install the equipment.
8. The second group of commodities procured by Berger for the WLMP, primarily 1,000 residential water meters, arrived in Jamaica in late August. All commodities included in Berger's original contract are now stored at the Logwood Plant in Negril. There are approximately 500 line items. All are stored and controlled through the stock control system that the NWC uses, but remain under Berger's control until the NWC will install them in the field under FARA #1. FARA #1, of which USAID's fixed amount is \$70,000, is behind schedule, but the President of the NWC has instructed his staff in Montego Bay to accelerate work now that all commodities are available.
9. Berger submitted two important reports to the PMU/NWC in early September. The first documents the results of one year cycle of environmental monitoring in Montego Bay; its most important finding is that the Bogue Lagoon is already environmentally over-stressed and cannot receive effluent from the proposed facultative lagoons with any nutrients at all. This may lead to radical changes in the current design concept of the Montego Bay Sewerage subproject and may increase costs substantially. The second report is a generic study of facultative lagoons and their use in the world. The NWC will use both reports in its public hearings in Montego Bay.
10. Environmental Solutions Limited (ESL), which the NWC had contracted in 1991 to undertake the In Stream Flow Study in Negril, completed the study and submitted it to the NWC in August. The NWC submitted three copies of the final report to us. The final report includes substantive comments which we had provided to the NWC in March 1993. The final report meets the requirements of the scope of work. We are processing payment of the fixed amount (J\$234,000) to the NWC. We should make payment and close the books on this study by the end of September.
11. We prepared a lessons learned paper on USAID-OECF co-financing based on two years experience in implementing this project. The paper will be shared with AID/W and OECF.

D. Problems and delays

NJDP

1. Project Delays: The project remains about one year behind schedule with the prospect that it will slip further. Land acquisition remains a potential source of project delays, particularly the 100-acre track for the sewerage project and Washington House for the South Gully, both in Montego Bay. Another potential source of delays will be failure of the implementing agencies to approve intermediate reports submitted by their respective engineering consultants within the 30 day period specified in the respective contracts before the consultants can move to the next design stage. Additionally, concurrence by the OECF and lack of decisive action by the PMU remain potential sources of further delays.
2. Workings of the PMU: The Program Manager continues to treat the Technical Advisor with benign neglect. The Technical Advisor has had little input in the review of the three preliminary design reports submitted by the engineering consultants thus far. Participation in the review is an explicit part of the scope of work of the Technical Advisor and his firm through short term visits by technical experts in each area. We need to assure adequate technical oversight to help avoid possible design errors, cost overruns and delays.
3. Pre-qualification of Contractors: The time allowed for international firms to respond to pre-qualification notices has thus far been 45 days which is not enough for U.S. firms to respond. We have obtained the PIOJ's agreement to allow 60 days in all future pre-qualifications. This could continue to be a problem area if some of the implementation agencies fail to heed the PIOJ's decision.

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NCDSP

4. Lack of Progress on FARA#1: There has been little progress on work under this FARA during this period. We have conducted an in-depth review and discovered the primary reason: no equipment or other resources have been devoted to the FARA; their regular maintenance crews simply did what they could within the time available after carrying out their regular duties.

E. Major Activities or Corrective Actions During the Next Six Months

1. Major Corrective Actions Expected:

NJDP

- a) Land Acquisition: With the preliminary design accepted and public meeting held, we will press for the 100 acre parcel for the facultative lagoons and the Washington House for the South Gully in Montego Bay to be acquired.
- b) PMU Workings: Discuss with the GOJ the appropriate role and need for the PMU and technical advisor after the engineering firms have been contracted.
- c) Pre-qualification of Contractors: All future pre-qualification notices to allow 60 days for submission of pre-qualification data.

NCDSP

d) FARA#1 Progress: Through the intervention of its President, the NWC to devote more personnel and equipment to complete the work under this FAR.

2. Workplan for the Next Six Months:

NJDP

- a) DHV, the Consultants on Negril Water and Montego Bay Sewerage, to have its preliminary design reports approved and to complete the first (50%) phase of the final design. Pre-qualification lists of contractors to be developed and approved by OECF.
- b) Stanley, the consultants on the North Coast Highway and the South Gully, to mobilize and begin work on the highway, to complete the preliminary design reports and have them approved, to begin final design, and to develop pre-qualification lists and have them concurred in by OECF. On the South Gully, to have the preliminary design report approved, complete final design and tender documents, to develop pre-qualification lists and have OECF concurrence, and to be ready for tender.
- c) Wallace Evans Limited, the consultants on the Ocho Rios Port, to have their design report approved, their final design and tender documents completed, to have the pre-qualified list developed and approved by OECF, and to be ready for tender.
- d) The JPS and JTC to sign agreements with the MOC to relocate utility poles; field work to be underway.
- e) The third donor meeting to take place in Kingston in February 1994.

NCDSP

- f) Work under FARA#1 (leak repair, rehabilitation of water mains, installation of bulk and residential meters) completed, fixed amounts paid, and FARA closed.
- g) Commodities for the rehabilitation of the Logwood plant to be procured and some components, if not all, delivered to Jamaica. Meanwhile, civil works for the new filters and pumps to be completed by the NWC at the plant.
- h) Berger to continue Environmental Monitoring activities in Montego Bay adding six months of sampling toward establishing a baseline.

3. Impact for Next Six Months

The project remains in the early stages of implementation. There have been two modest impacts thus far. The first is a small increase (about 250,000 gallons per day (MGD) in water available to the residents of Negril as a result of water loss reduction measures. This is an increase of about 10% over the 2.3 MGD that the plant has been producing and will assist in meeting the demand in the interim until the Logwood Plant is rehabilitated in 1994 and the new plant comes on stream in 1996. The second is the sensitizing of the people of Montego Bay to environmental issues that had evoked substantive public debate. This public scrutiny should contribute to the selection of the appropriate wastewater management option.

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SEMI-ANNUAL REPORT SUPPLEMENT - PROJECT MONITORING ISSUES

Period : April 1, 1993 - September 30, 1993
Project : North Coast Development Support Project
Project Number : 532-0168

1. Commodity Procurement:

The prime contractor, Louis Berger International, Inc., completed the procurement of commodities included in their contract for the Water Loss Management Program in Negril-Lucea during this project.

These commodities, worth about \$250,000, were procured in three discrete tranches. The first tranche included vehicles, computers and leak detection equipment (\$70,000) was procured early in 1992. Berger is responsible for the maintenance of the three project vehicles purchased and has entered into an agreement for that purpose with the local Ford dealer. I have noted in my monthly field visits (the last such visit on 9/10/93 that these vehicles are well maintained and in use.

Berger, completed the procurement of the second tranche of commodities early in 1993. The second tranche included assorted leak repair tools, bulk water meters, valves and fittings, saddles, pressure recorders and pressure gauges (\$100,000). These commodities (about 400 line items) were released by customs on April 8, 1993 and are stored at the Logwood Plant in Negril.

The third tranche (\$80,000) consisted of 1,000 residential water meters, meter boxes and related reducers and connectors. These were released by customs on September 11, 1993 and are also stored at the Logwood Plant.

Berger did all of the procurement through competitive procedures in accordance with USAID guidelines. The great majority of the 500 line items procured in the second and third tranches, are expendable commodities, which will be installed throughout the Negril Lucea Water System under FARA #1 over the next six months. In the meantime, these commodities are stored under a NWC stock control system and will remain under Berger's control until installed in the field. I inspect these commodities during my monthly visits to the project site.

Berger's contract has just been amended to include the procurement of an additional \$286,000 worth of commodities for the rehabilitation of Logwood Water Treatment Plant in Negril. The commodities involved are large items, primarily pressure filters and high lift pumps. Berger is now preparing the technical specification for these commodities in collaboration with the NWC.

The target date for arrival in Jamaica is March-April, 1994.

In addition to commodities procured by Berger, the PMU procured a management information system (MIS) and a photocopying machine with project funds. The MIS consists of two desk-top computers, one lap-top computer, and associated monitors, printers and software. In the course of my weekly visits to the PMU, I have observed the computer and the photocopying machine in operation. They are being maintained, as needed, by the local firms that had supplied them.

Both Berger and the PMU have adopted an inventory and control system based on what the commodity supply management officer who visited the Mission earlier this year (from Panama) recommended. We will ask both to modify the inventory system to meet the requirements of our inventory control system which the Mission is finalizing. We plan also to enter all of these commodities in our own inventory list once the final version is adopted.

2. Audits:

In March 1993 AID auditors conducted an audit of Berger's contract within their system audit of the Mission's technical services contracts. We have not heard from auditors regarding their findings.

3. Host Country Contribution:

The host country contribution was estimated in the PP at US\$15.05 million equivalent. The first amounts of the host country contribution required for land acquisition, were listed in the JFY 92-93 at J\$30 million (US\$1.35 million). None of these funds have been disbursed because of delays in land acquisition, and were carried over to the new (93-94) Jamaican fiscal year. Additional funds are budgeted for land acquisition in 93-94, but the level is not determined yet. An additional J\$30 million have been budgeted in JFY93-94 for utility pole relocation, out of a total estimate of J\$55 million. The remaining J\$25 million will be made available in JFY94-95.

The source of information for host country counterpart contribution is obtained from the PMU.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



John Tennant
Director, OPPD

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A B X C

I. BACKGROUND DATA

Project Title: Caribbean & Latin American Scholarship Program II
 Project Number: 532-0169
 Date of Authorization: original: 10/23/89
 Date of Obligation: original: 04/06/90
 PACD: original: 09/30/98
 Implementing Agencies: Direct AID/W contract to Partners for International Education and Training
 ***Ministry of the Public Service

Major Contractors: None
 AID Project Managers: Joan Davis/Marsha Rigazio
 Status of CPs/Covenants: N/A

Date of Last Evaluation: August 1991 Next Evaluation: Ongoing
 Date of Last Audit: N/A Next Audit: N/A
 Planned Non-Fed. Audits: None
 No. of Audits Contracted For/Completed: None

IV. FINANCIAL DATA

Amount Authorized: DA Grant: original US\$5,500,000 amended to n/a
 Amount Obligated: DA Grant: original US\$ 700,000 amended to \$4,821,806
 Amount Committed: Period: US\$ 888,633
 Cumulative: US\$3,877,169
 Accrued Expenditures: Period - Projected: US\$ 500,000
 Period - Actual: US\$ 693,062
 Cumulative: US\$2,563,756
 Period - Next: US\$ 700,000

Counterpart Contrib.:	Period	Cumulative	Life of Project
Planned	US\$2,000	US\$31,000	US\$115,000
Actual	US\$9,450	US\$62,850	54.6%
Planned-Next	US\$1,000		

X LOP Elapsed: 40.5%
 X of Total Auth. Oblig. 87.6%
 X of Total Oblig. Exp. 53%
 X of Total Auth.Exp. 46.6%

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose:

To equip a broad base of leaders and potential leaders in Latin America and the Caribbean countries with technical skills, training and academic education and an appreciation and understanding of the workings of a free enterprise economy in a democratic society.

B. Relationship to Mission Strategic Objectives:

This project contributes to all Mission strategic objectives with broadbased training in various areas that will contribute to the social and economic stability necessary for achieving economic growth and sustainability.

C. Percentage of LOP relating to Strategic Objectives: - 80%

Objective No. 1: Increased Foreign Exchange Earnings	35%
Objective No. 2: Improved Environmental Management and Protection	30%
Objective No. 3: Healthy, Smaller Families	15%

III. PROJECT DESCRIPTION

The CLASP II project provides scholarship opportunities to approximately 1,750 individuals from the Dominican Republic, Haiti, Jamaica and the nations of the Caribbean and Latin American region. It is part of a much larger initiative whose purposes are: a) to increase the number of U.S. trained individuals from socially and economically disadvantaged classes; and b) the number of U.S. trained individuals at the planning, implementation, technical, managerial and administrative levels in Latin America and the Caribbean.

V. PROJECT STATUS

A. Planned EOPS

1. Short-term training programs for 285 candidates, 70% of whom are disadvantaged and 60% of whom are women, will be focussed largely in areas that support Mission strategic objectives.
2. 74 candidates will pursue long-term training in Bachelors and Masters degree programs in Business and Engineering, Agriculture and Environmental studies and Law, and Health related studies. Youth leaders will also be a focal area.

Progress to Date

During the period, emphasis was placed on youth leaders who pursued summer programs at University of Pennsylvania and Harvard University.

Sixteen (16) long-term candidates departed in August to begin training in the fall semester. They will pursue B.S. and M. S. degrees in Environmental Studies and Law, Business Management and Administration and Social sciences.

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B. Major Outputs

	Planned						Accomplished			
	LOP	Period		Next Period		Period		Cum. % of LOP		
		M	F	M	F	M	F	M	F	
1. Short-term Training										
a) Women's Organization	24	0 0	0 10	0 4	0 1	0 0	0 4			
b) Private Sector	24	3 4	8 15	1 2	1 2	7 10	78 67			
c) PVO	50	0 0	10 20	2 2	0 0	3 0	15 0			
d) Youth Leaders	20	2 3	3 06	1 1	1 4	1 4	13 33			
e) Agriculturists	15	0 0	9 06	1 1	0 0	7 5	116 56			
f) Tourism	15	1 3	2 05	1 1	0 1	0 1	0 11			
g) Cultural Groups	05	0								
h) Environmentalists	15	0 0	4 04	1 1	0 0	1 1	17 11			
i) Media workers	05	1 0	4 01	0 0	1 0	4 0	200 0			
j) Health workers	20	1 2	3 15	1 1	0 1	1 14	13 116			
k) Skills Training	10	0 0	2 01	0 0	0 0	2 0	50 0			
l) Human Resources Dev. and Education	60	0 0	5 30	0 0	0 0	1 24	04 67			
m) Other	22	0 0	5 02	0 0	0 0	9 1	100 08			
2. Long-term Training										
a) Business & Engineering	25	2 5	12 13	1 0	2 5	11 09	110 60			
b) Environment & Agri.	20	2 1	10 05	0 0	3 2	11 04	138 33			
c) Social Sector	15	1 1	05 10	0 0	0 4	05 17	83 189			
d) Youth Leaders	14	0 1	3 04	0 0	0 1	2 03	33 38			
3. Training (Persons)										
Long Term	30/44	5/8	30/32	1/0	5/12	29/33	97/75			
Short Term	114/171	8/12	55/115	8/12	2/9	36/60	32/35			

C. Other Accomplishments and Overall Status

a. During the period under review sixteen participants departed to pursue degree programs. Of the 16 who departed, eleven were female and five were male. Six, or 37%, are attending Historically Black Colleges and Universities (HBCU's). In addition, eleven departed for short-term training. With the exception of one who is expected to commence his program in January 1994, all participants who were selected for long-term training in April of 1992 are now studying in the U.S. Of the total, 43% are in programs that support Strategic Objective No. 1 and 22% support Objective No. 2, but only 7% support Objective No. 3.

In keeping with CLASP II's mandate to provide training for Youth Leaders, five high-school students who are in the final year of their "A" level programs were selected to attend a special six-week Summer Program for top achievers at the University of Pennsylvania and Harvard. The students were selected based on their extremely high SAT scores and consistently high academic achievements at their respective schools, with credits for university studies being granted on completion of the program. Their programs were co-financed through local fund-raising efforts.

The "Experience America" component of CLASP II continues to provide opportunities for participants to establish meaningful contacts with organizations and persons in the U.S. For example, one participant from

Caribbean Products Company Ltd., a local company which manufactures edible oils and fats for local use, benefitted from a homestay with two American families and participated in a number of cultural activities with them. In addition, she acquired well-needed updated technology as a result of a visit with a Food Technologist from USDA Research Center and gained the offer of additional technical assistance from USDA.

The Training Office is making a special effort to monitor the return of participants by calling them and having return interviews with them as soon as they are back in the island. Prior to departure for training the pre-departure orientation places heavy emphasis on their commitment to return promptly on completion of training. These methods are responsible for maintaining a non-returnee rate of less than 1% of total participants trained. Of 94 returned short-term participants, all are gainfully employed in the following occupational areas: Health/Family Planning, 13%; Agriculture, 11%; Media, 3%; Parastatal, 9%; Public Sector, 15%; NGO's, 7%; Education, 26%; Private Sector, 10%; Students/Youth Leaders, 6%. Of 28 returned long term participants, all are gainfully employed in the following occupational areas: Agriculture, 11%; Education, 43%; Parastatal, 14%; Health, 3%; Private Sector, 29%.

The returned participants continue to make a positive impact at their workplace and in the wider society by utilizing the skills acquired during their training. A female participant who completed her Masters in Science Education returned to the island on December 15, 1992, and is currently teaching Science Methodology, Integrated Science and Biology at Mico Teachers College. During this time she assisted I.C.W.I. in a science project for schoolchildren and as a member of the Association of Science Teachers in Jamaica, has been asked to present a paper on Science Education at their next conference in November. Similarly, Rhoen Kerr, who returned from a one-year computer technology course in 1992, was recruited by the I.C.W.I. Group to strengthen their science and computer training at their Science Learning Center, with a special focus on the primary education system. His rapid career growth links directly back to CLASP training as his work, which includes the design and conduct of annual computer workshops for teachers, is gaining island-wide attention for its contribution to the goal of keeping Jamaica technologically current.

A major clean-up of our database (the C.I.S.) was undertaken with a view to correcting inaccuracies and providing accurate information on participants. Information was updated and adjusted so that up-to-the-minute information will be easily accessed by the Mission and the LAC Bureau.

D. Problems and Delays

The proposed Project Paper Amendment has been put on hold in view of funding constraints. Selection of academic participants for 1994 has not yet been addressed, pending a review of our funding situation. Additional funds for participants already pursuing degree programs will be allocated before scholarships are offered to new applicants for long-term training.

E. Major Activities or Corrective Actions During the Next Six Months

Review and short-list applications received and send out responses to all applicants. Follow-On Strategy developed and initiated with design to include future support of follow-on activities by cognizant AID projects.

F. Impact Over Next Six Months

The continuing impact of CLASP II is the return of participants with improved skills to key positions in organizations involved with Jamaica's development.

G. AID/M Actions - None

SEMI-ANNUAL REPORT SUPPLEMENT

PROJECT MONITORING ISSUES

Period: April 1, 1993 - September 30, 1993
Project: CLASP II
Project: 532-0169

1. Commodity Procurement

N/A

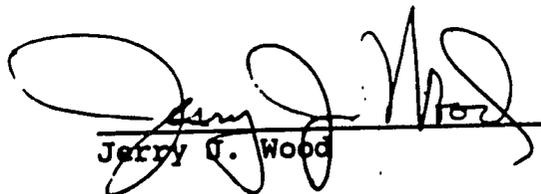
2. Audits

None to date.

3. Host Country Contributions

This is based on the return international airfare paid by the participant as his/her contribution to the training program, and is calculated at US\$400 per participant.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.


Jerry J. Wood

April 1993 - September, 1993

A_ B_ C_

FINANCIAL DATA

I. BACKGROUND DATA

Project Title: UWI Management Education Project
 Project Number: 532-0129
 Date of Authorization: original 09/10/87 amendment 04/19/90
 Date of Obligation: original 09/11/87 amendment 07/06/90
 PACD: original 09/30/90 amended to 09/30/95
 Implementing Agencies: University of the West Indies (UWI), Mona Campus
 Major Contractors: Pennsylvania State University
 AID Project Managers: Nola Mignott
 Status of CPs/Covenants: All CP's and covenants have been met.

Date of Last Evaluation: 02/93 Next Evaluation: 09/95
 Date of Last Audit: None Next Audit: 6/93 (USAID-funded)*
 Planned Non-Fed. Audit: 4 Next Audit: 12/94
 No. contracted/completed: 4

NB: *Planned but not implemented.

Amount Authorized: DA Grant: original \$2,450,000 amended to \$4,450,000
 Amount Obligated: DA Grant: original \$2,450,000 amended to \$4,172,631**
 Amount Committed: Period: \$ 680,571
 Cumulative: \$4,087,107
 Accrued Expenditures: Period - Projected: \$ 300,000
 Period - Actual: \$ 284,130 (Disbursements)
 Cumulative: \$3,500,454
 Period - Next \$ 500,000

Counterpart

Contribution (expressed in US\$):

	Period	Cumulative	Life of Project
Planned	\$100,000	\$1,112,750	\$1,574,000
Actual	\$125,090	\$1,437,840	% LOP = 91%
Planned-Next	\$100,000		

% LOP Elapsed: 76% (to 9/95)
 % of Total Auth. Oblig. 95%
 % of Total Oblig. Exp. 83%
 % of Total Auth. Exp. 79%

NB: *Total obligation reduced by amt. de-obligated.

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose: To assist in the development and strengthening of the management education and training capability of the UWI's Department of Management Studies (DOMS).

B. Relationship to Mission Strategic Objectives

- 1) Specific Linkage to Mission Strategic Objectives: This project contributes to Mission Strategic Objective for "Increased Foreign Exchange Earnings and Employment - by improved human resource development for the private sector." Participants in the Executive MBA degree program and in the Executive Development Seminars are key personnel in private sector firms with large export potential portfolios. Likewise, specialized seminars and sponsored research/consultancy operations are focused on growth oriented private sector firms.
- 2) Percentage of LOP Funds: 100 per cent.

III. PROJECT DESCRIPTION

The primary focus of the project is institutional development of the UWI Department of Management Studies (DOMS) through the development of relevant undergraduate, graduate and executive management programs to meet the needs of the business community. The Project was conceived as a 10 year project to be implemented in three phases. We have completed the third year of Phase II which aimed at capitalizing on achievements under Phase I, to include: furthering staff development, operationalizing the Institute of Business (IOB) and developing a program that makes it financially self-sustaining.

IV. PROJECT STATUS

A. Planned EOPS

By the end of Phase II (9/95) the Project status should be as follows:

- (1) An Institute of Business (IOB) that is fully operational with

- (a) a consultancy portfolio to serve the private and the public sector.
- (b) a research portfolio to serve as teaching instruments for the DOMS undergraduate BSc degree programs, for the Executive MBA, the Diploma in Management Studies, and for other programs in the Faculty of Social Sciences.

- (c) The IOB should be recovering its direct costs for research and consultancy service.

Progress to Date

The IOB was legally incorporated August 31, 1993, and to ensure academic recognition, an Instrument of Affiliation was approved by UWI's legal counsel on Sept. 11, '93. The Instrument will provide for appropriate Ordinance and Statute to govern the IOB.

Four proposals have been submitted for contracts valued at J\$2.5 m. Three research projects sponsored under the Project have been completed; and one is 25% complete. Other research projects sponsored by the ILO, IADB and OAS are in progress.

Research projects are now covering variable costs and contributing to overheads.

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- (2) A fully established Executive MBA degree program, with planned objectives as follows:
- (a) - graduating 30 students per/yr;
- (b) - charging fees to cover all of its local variable costs;
- (c) - at least 50% of lecturing staff should be from local and/or regional sources (by 1993).

The program is fully established and coping with competition from offshore U.S. universities. In 1990/91 - 28 graduated; Nov. 1991/92 - 28 graduated; Nov. 1992/93 - 28 should graduate. (84 graduating out of 95 enrolled) Fees presently cover approx. 85 percent of variable costs; increasing from J\$14,500 to J\$85,000 per/yr over 3-year period; and to J\$100,000 for 1993/94.

While a majority of courses continue to have input from off-shore lecturers, there is a significant shift in the workload taken on by DOMS, other UWI faculty and other local staff, which represents over 50 percent of total teaching time.

- (3) An upgraded BSc degree program in terms of quality and relevance to meet the needs of the business community; also three new areas of specialization.

All Year I, Year II, and Year III courses upgraded and redesigned for semesterization. This work will be reviewed in early 1994. Three new specializations were offered, i.e. Production, marketing, Banking and Finance; and six courses: Introduction to Computer; Introduction to Mgt; Human Relations at work; International Mktg; Int'l Business Mgt; and Product & Quality Management.

- (4) Extension and equipping of the DOMS Building; and Computer Center installed.

Building completed early 1990; Furniture and equipment installed; Computer system in place, i.e., two laboratories (one for teaching staff and one for students.)

- (5) Long term training (Phase II):
5 PhD candidates;
7 MS candidates.

Five (5) PhD candidates in training. Of the four (4) MS who were in training, two completed and returned to Jamaica, December 1992 and the others should return by the December 1993.

Note: At least four of the five PhD candidates will not complete their dissertation work before the PACD. However, the UWI has agreed to finance the programs after the the PACD. This agreement will be formally recorded in the next Project Amendment.

B. Major Outputs

	LOP	Planned		Accomplished		% of LOP	
		This Period	Cum.	Next Period	Period		Cum.
1. Computers	63	0	63	0	0	62	99.9
Printers	26	.0	26	0	.0	26	100%
2. Prog. Development							
EMBA modules	15	0	15	0	0	15	100%
3. Library books	1165	0	890	275		0890	76%
4. Local Training:	M	F	M	F	M	F	M/F
EMBA students	50/50	17/14	50/50	30/10	16/12	49/35	98/70%
3-D sem/students	100/50	0/0	45/30	12/8	0/0	45/30	45%/30%
1-D sem/students	400/200	200	200	0/0	60/25	60/25	15%/12%**
1-Wk sem/faculty	20/10	0/0	0/0	10/5	0/0	0/0	0
2-Wk Exec.sem	6	1	4	1	1	4	66%
4-Wk Exec.Sem.	50/10	20/5	20/5	16/4	16/2	32/3	60%/40%
5. Training (Overseas)	M	F	M	F	M	F	M/F
Long-term (M.S.)	9/7	0/2	10/6	1/1	1/0	5/7	55%/100%
Long-term (Ph.D.)	2/3	2/3	2/3	0/0	2/3*	2/3*	"
Short-term	24/10	3/2	9/3	3/2	1/2	11/5	46%/50%

- * PhD programs scheduled for completion Summer 1996.
- ** This activity (1-day seminars) has been discontinued and it is not planned to reactivate these seminars for the remainder of Phase II.

C. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

Highlights of Major Accomplishments:

- (1) Evaluation and Project Extension - As a follow up to the external evaluation conducted by Dr. Thomas O'Brien, Dean, School of Management, University of Massachusetts, and a Proposal from the UWI, a design consultant was employed during June-July to assist with the preparation of a Project Paper Supplement to Phase II. The PP Supplement aimed to incorporate the following recommendations made by the evaluator with a view to achieving self-sustainability for key programs developed under the Project:
- (a) the need for changes in organizational structure to maximize success and gain the respect of the business community;
 - (b) rapid development of executive seminars and short courses;
 - (c) reassessment of role in business consulting as against contract research;
 - (d) inclusion of more participants from the public sector;
 - (e) articulation and certification of programs for other management training institutions; and
 - (f) the need for a strategy to attract financial support and long term commitment from the business community.

By the end of September, a draft Supplement had been submitted to the UWI; a meeting held with the Vice Chancellor and other key personnel of the University and our Mission Director; and a second draft is being prepared for submission by end October 1993.

C. Other Accomplishments (Cont'd)

The Supplement will provide additional resources to consolidate progress to date for activities that will be completed within the existing PACD. The focus will be: (a) the enhancement and strengthening of the graduate degree programs, sponsored research and executive development programs; (b) upgrading and modernization of the undergraduate business programs of DOMS; (c) development and installation of an endowment program; (d) architectural and engineering design of a new building; and divestiture of short-term programs at certificate level to other management training institutions.

- (2) Staff Training - Four (4) candidates for MS degrees at U.S. universities were selected and placed for the Summer of 1993. They will specialize in: Industrial Relations at University of Minnesota; Manufacturing Management and Marketing Management at Kellogg, Northwestern University; and Finance at Georgia State. In addition, one Ph.D graduate who received partial funding under the project resumed his position as a lecturer in economics in the Faculty.
- (3) Overseas lecturers - Host country PSC contracts finalized with U.S. lecturers who kept their commitments for the EMBA program.
- (4) Nineteen (19) occasional students enrolled to pursue elective courses in the EMBA.
- (5) The second 4-week Executive Management Development Seminar was conducted during June 12 - July 13, with great success. Eighteen (18) candidates participated. The Hon. Edward Seaga, leader of the Opposition was the guest speaker for the opening ceremony.
- (6) Discussions are far advanced with Alcan Jamaica for the IOB to share responsibility for an annual senior management seminar previously offered by Alcan.
- (7) Orders for library materials have been placed by the UWI and these should be in place by end of December, 1993.
- (8) Masters of Public Sector Management Degree: Plans for the delivery of a Masters of Public Sector Management program to commence September 1994 are far advanced. The course has been advertised and is expected to attract 20 students for academic year 1993/94. This program will serve the three campuses and might be offered jointly by the Department of Government and the Department of Management Studies. Delivery of the program will address earlier concerns that the EMBA should increase public sector managers in its program. The program is being sponsored by the EEC, the World Bank, and CIDA.

- (9) Computer facilities: An order has been placed for UPS equipment to upgrade/regulate the electrical supply serving the computer network.
- (10) Women in Development (WID): Of a total of 84 graduates to date under the Executive MBA program, 35 or 40 percent are women; and of the five PhD candidates in training three are women; and in the overall DOMS programs approx. 40 percent are women.

D. PROBLEMS AND DELAYS

The project continues to gain acceptance from and to impact on the Jamaican community. However, a new International Executive Management Development Program focused on international export strategies within the LAC region, has not gotten off the ground. The seminar, scheduled for September 1993 was cancelled for the second time. The program has experienced some marketing and design difficulties.

To address the problem, the IOB has decided to redesign the program to focus on export strategies in general which can be applicable to all sectors and interest groups.

The operational difficulties cited in the previous report have been resolved:

- a) UWI Salary Issue: After long deliberations with UWI, USAID approved increased salary packages for the IOB staff. However, the UWI was requested to cover additional allowances which were mandatory in accordance with the University's compensation plan.
- (b) New Location for IOB Office: A portion of the IOB staff has been relocated off campus, but the Project Director is still housed on the campus. Space is still extremely limited and inconvenient for the IOB staff.

E. MAJOR ACTIVITIES FOR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

- A. Major Corrective Actions Expected
None.
- B. Work Plan for the Next Six Months

- (1) Finalize Draft Supplement for PACD of September 30, 1995 for all activities, for an amount not to exceed US\$1,250,000.
- (2) Support Faculty review of DOMS program, tentatively scheduled to start early 1994.
- (3) Support preliminary development of a full-time MBA;
- (4) Commission design of new IOB physical facilities (a new building);
- (5) Recruit assistance for establishment of an endowment program to give permanence to UWI management education programs.

Note: The above planned activities are based primarily on the assumption of an approved Supplement for the next two years.

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F. Expected Impact over the Next Six Months

- (a) The private/public sector will benefit from the training of the 18 senior managers who participated in the 2nd 4-week EMOP seminar held mid-June to mid-July 1993. These managers have returned to their firms equipped with new skills in strategic planning, program development and financial analysis. Most of these managers and their firms stand to benefit from case studies done on each firm with recommendations for implementation.
- (b) The private/public sector will benefit significantly from the 28 new EMBA graduates who will receive their degrees in November 1993.
- (c) Linkages with the Business Community - The Department of Management Studies and the IOB continue to forge links between the UWI and the business community. This will benefit UWI's fund-raising campaign for J\$100,000,000 launched under the dynamic leadership of Vice Chancellor McIntyre. The funds will be used for capital/structural investment on the Mona campus.

AID/W Actions

None.

UWI MANAGEMENT EDUCATION PROJECT - Supplement
No. 532-0129

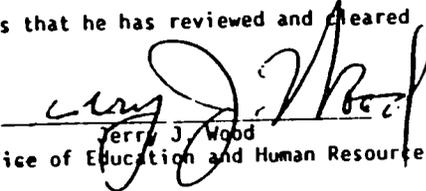
PROJECT MONITORING ISSUES

- (1) Commodity Procurement
There will be some procurement of computer hardware/software and training materials, assuming availability of funds under the proposed Supplement.

Computer equipment valued at US\$360,000 has been in use for the past two years and is well utilized. This equipment is covered by insurance, and maintenance contracts are in place to ensure proper servicing.

The Project Officer visits the project site at least once per month. A site inspection report should be completed by December 1993. This report will aim to verify the physical location of the items based on UWI's inventory register.
- (2) Audits
The first external audit of the project which was scheduled for June 1993 was postponed and an external evaluation conducted instead to facilitate the preparation of a PP Supplement to ensure continuity and self sustainability of the progress made so far. A new date will set to coincide with the end of the first year of the proposed extension. In the interim, a professional accounting firm has installed an accounting system to serve the IOB operations.
- (3) Host Country Contribution
The UWI is ahead of it planned contribution to total project funds. The main reason for this favourable position is that UWI over the past two years have been expanding its physical facilities which directly serve the Faculty of Social Sciences which in turn serve the interests of the IOB and the DOMS.
- (4) Centrally Funded Projects
This funding source is not applicable to this project.

The Office Director certifies that he has reviewed and cleared the SAR for Mission review.


Jerry J. Wood
Office of Education and Human Resources

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PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

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BACKGROUND DATA

Project Title: Protected Areas Resources Conservation Project
 Project Number: 532-0148
 Date of Authorization: original: 08/28/89 amendment 09/18/90
 Date of Obligation: original: 08/28/89 amendment 08/31/92
 PACD: original: 05/31/93 amendment 10/15/93
 Implementing Agencies: Planning Institute of Jamaica, Forestry Dept
 Natural Resources Conservation Authority
 Major Contractors: The Nature Conservancy, Univ. of the W.I.
 Ja. Conservation & Devt. Trust
 Christopher Brown
 AID Project Managers: CPs and Covenants - all met
 Status of CPs/Covenants: 06/92 Next Evaluation: None planned
 Date of Last Evaluation: 02/93 Next Audit: None planned
 Date of Last Audit: 1
 Planned No. of non-Fed Audits: 1
 No. of Audits contracted for/completed: 1

FINANCIAL DATA

Amount Authorized: DA Loan: original \$1,750,000 Amended to \$2,450,000
 Amount Obligated: DA Grant: original \$ 550,000 Amended to \$2,450,000
 Amount Committed: Period: \$ 38,367
 Cumulative: \$2,448,653
 Period-Projected: \$ 293,433
 Period-Actual: \$ 291,602
 Cumulative: \$2,448,172
 Period-Next: \$

	Period	Cumulative	Life of Project
Counterpart Contrib.: Planned	\$200,000	\$1,000,000	\$1,204,000
Actual	\$280,000	\$1,236,488	\$1,236,488
% LOP Elapsed		99%	
% of Total Auth. Oblig.		100%	
% of Total Oblig. Exp.		99%	
% of Total Auth. Exp.		99%	

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To plan and implement two pilot parks, and to lay the foundation for a new National Parks and Protected Areas System. These dual purposes are complementary because of the necessity of acting quickly to conserve specific habitat areas to gain experience in natural areas management, and to begin the process of taking a systematic look at national parks and the optimal institutional arrangements for their establishment.

B. Linkage to Mission Strategic Objectives:

The Project directly supports the objective of Improved Environmental Management and Protection through the establishment of national parks and protected areas that will work to conserve the biological diversity of Jamaica, provide protection to forests in critical watershed areas, and provide mechanisms for the coordination of diverse government, private sector and NGO interests in land use. The Project also indirectly supports the objective of increased Foreign Exchange Earnings and Employment through the opening of new opportunities in ecotourism, improving employment in service industries, and contributing to a more sustainable economic development in the future.

C. Percentage of LOP devoted to strategic objective:

One hundred percent to environmental management and protection.

III. PROJECT DESCRIPTION

The PARC Project was designed to initiate immediate action to implement two pilot national parks: a terrestrial park in the Blue Mountain range, and a marine park at Montego Bay. It also funds a series of activities leading to the establishment of a National Parks and Protected Areas System. These include: a National Parks Systems Plan; a National Parks Trust Fund; a Conservation Data Center, and National Parks Legislation. An amendment allows for the execution of a Debt-for-Nature swap that will finance long-term recurrent expenditures.

IV. PROJECT STATUS

A. Planned EOPS

1. Establish Blue Mountain Park

Progress to Date

Staff hired and trained, 3 Local Advisory Committees functioning community outreach program on-going, boundary marking underway, renovation of facilities complete, required commodities in place, management plan drafted, park officials declared.

2. Establish Montego Bay Marine Park

Staff hired and trained, community outreach program operational, local advisory committee functioning, commodities in place, mooring and marker buoy installed, supporting research activities on-going, management plan drafted, park officials declared.

3. National Parks Systems Plan

Plan complete and presented to GOJ for approval. Requested changes made, preliminary approval granted.

- 4. Establish N.P. Trust Fund Trust established, board named, second debt-for-nature swap underway, capital campaign "Jamaica Splendor" launched.
- 5. Conservation Data Center Center established, data entry continuing, staff training continuing, strategic program plan prepared.
- 6. National Park Legislation Marine and terrestrial park regulations approved. Education campaign underway. Enforcement begun.

regulations and prosecution of violators continued. The park was officially declared open on February 28, 1993 before an audience of Jamaican and international dignitaries. An article on the park was published in the AID Frontlines magazine.

B. Major Outputs

	Planned				Accomplished				% of LOP					
	LOP Period		Phase		Period		Cum							
	Period	Cum.	Out	Period	Cum	Period	Cum							
1. Key Park Staff hired	13	0	13	0	0	15	115%							
2. Public Ed. events	30	5	30	0	20	82	273%							
3. Visitor usage	20	10	20	0	17	117	585%							
4. Systems Plan (% Comp)	100	10	100	0	100	100	100%							
5. Trust Fund (US\$000)	140	20	140	0	0	100	514%							
6. Training (Persons)	M	F	M	F	M	F	M	F						
Short-term	150	50	30	5	152	34	0	0	18	7	168	53	100	92

- 5. Project activities in the Montego Bay Marine Park continued. Staffing issues were addressed with the hiring of an operations manager and Community Outreach Officer. Location of the Montego Bay Marine Park office is unresolved. The articles, public presentations and the publication of brochures, newsletter and posters. A vibrant group of volunteers continued to undertake supporting initiatives such as fundraising events and beach clean-ups. The Local Advisory Committee composition and mandate is under review by the NRCA. A seminar to present the results of the Rapid Ecological Assessment is scheduled for October 1993.

C. Other Accomplishments and Overall Status

- 1. All major project targets have been met or exceeded. All staff are in place, and both local and overseas training complete. The PMU has been instrumental in administering and directing the activities of the implementing agencies. All contracts and sub-contract amendments have been executed, and all additional procurement for the transition period have been completed or underway.
- 2. Project Implementation Letter No. 56 extended the PACD to October 15, 1993. This was done to give sufficient time to fully complete all project outputs, finalize procurement, allow time for development of PARC II integration into DEMO, and to ensure a smooth transition period from PARC I to PARC II.
- 3. Recommendations from the project impact evaluation conducted in July 1992 were enacted: the PACD was extended to allow for a transition period to finish PARC I activities and allow sufficient time to design the follow-on phase. The administrative responsibility for the Blue and John Crow Mountain National Park moved from the Forestry Department to the NRCA. Management plans were drafted and vetted to the public for both parks. The design for the PARC II component of DEMO allows for phasing out support for the two existing parks. The National Parks Systems Plan was adjusted based on feedback received. A Project Evaluation Summary was prepared and submitted.
- 4. In the Blue and John Crow Mountain National Park all staff are in place and park rangers are trained. The three local advisory committees continued to address local issues such as training of tour guides, water shortages, land distribution issues, ecotourism and buffer zone agricultural projects. Rehabilitation work continued on the park headquarters building, and recreation facilities at Portland Gap, Hollywell and Chysdale. Community outreach activities continued. A successful enforcement workshop was held bringing together over 100 concerned individuals from the public and private sectors to learn about new regulations and develop mechanisms for effective enforcement. The park management plan has been extensively rewritten and vetted publicly. Enforcement of

- 6. The National Parks Systems Plan has been revised based on comments received from the NRCA Board. Preliminary approval has been granted. The final plan contains sections on: government policy, classification scheme for national parks, description of proposed park areas and manager requirements of the National Parks Systems. The primary recommendation for long term national park development is to establish recommendation for long term national parks. Recommendations from the plan incorporated into Phase II design.
- 7. The board of the National Parks Trust Fund continued to meet regularly. At the end of the reporting period, the balance in the Fund stood at J\$20M. An international fund raising campaign entitled "Jamaica Splendor" was launched with the assistance of The Nature Conservancy. Since March 1993 the Trust Fund has paid most salaries in the two pilot national parks.
- 8. The Conservation Data Center (CDC) at the University of the West Indies continued to process element occurrences and source abstracts. The CDC has logged element occurrences for most of Jamaica flora and fauna. Collection, recording, formatting and storing of natural resources data from the two pilot parks has continued. The CDC has begun to sell outputs from its data base to local and international consultants to supplement income. The CDC's long-term financial and institution sustainability is addressed in Phase II of the PARC Project with the proposed development of a business plan and strategy to seek funding from non-USAID sources.
- 9. The implementing regulations for both marine and terrestrial parks were approved. Penalties for infringement of regulations have been set at realistic levels to ensure enforcement. The fine prosecutions for violations have been successfully completed, although fines imposed by the courts have been light.
- 10. The Nature Conservancy continued to provide high quality technical assistance to all aspects of project development. Short-term technical assistance was provided in management plan development, fundraising and the capital campaign, and for data base development. A no-funds grant extension was given to TNC coinciding with the new PACD.
- 11. The Project Paper Supplement for the second Phase of the PARC Project as a major component of the DEMO Project is complete. Phase II will involve consolidation of work on existing parks, establishment of up to 2 new parks (Cockpit Country, and Black River Morass), further work on capitalization of the Trust Fund, the establishment of a Jamaica National Parks Institute, and continued data collection and monitoring. A project Agreement Amendment is expected to be signed by mid-October 1993.
- 12. The Project Management Unit continued to implement an Administrative and Accounting Procedures Manual that describes procedures for accounting of funds, procurement of goods, and contracting services.
- 13. Women continue to play an integral role in all aspects of project implementation including PMU staff key staff positions in the JCDT, TNC, NRCA, the Blue Mountain Park, and in project sponsored training programs. U.S. Peace Corps Volunteers are also in several aspects of project implementation such as the Blue Mountain Park, the Montego Bay Marine Park, the JCDT, and the NRCA.

14. Collaboration under the Sister Forest Program of the U.S. Forest Service continues with the National Forests of North Carolina. Several staff members from the Blue and John Crow Mountain National Park visited North Carolina in September 1993.
15. Collaboration with the U.S. National Parks Service continued with the assistance of The Nature Conservancy. Following the training of 21 persons from the project at the St. John's National Park in U.S. Virgin Islands, an individual from the St. John's National Park visited Jamaica and conducted follow-up training. This training included improvement of guide and interpretive skills and development of tourism and concession businesses in and around the Blue and John Crow Mountain National Park boundaries.
16. A recipient-contracted audit was conducted in February and March for the two year period ending December 31, 1992 by the local firm of Coopers and Lybrand. In his reporting period, actions were taken in response to the draft audit report. The final audit report will be available in October 1993.

D. Problems and Delays

Montego Bay Marine Park: Relations between Montego Bay Marine Park and the local community need improvement.

E. Major Activities or Corrective Actions During the Next Six Months

(a) Major Corrective Actions Expected

N/A

(b) Workplan for the Next Six Months

1. Finalize the Project Paper Supplement to the DEMO Project and sign a DEMO Project Agreement Amendment by October 15, 1993.
2. Complete Project Assistance Completion Report.
3. Complete the second debt-for-nature swap before the PACD.
4. Facilitate the transition from Phase I of the Project to Phase II under the DEMO Project.

BEST AVAILABLE DOCUMENT

PROTECTED AREAS RESOURCES CONSERVATION PROJECT (532-0148)

Semi-Annual Review - Supplement

1. Commodity Procurement

During monthly visits to the Project Management Unit headquarters, and visits to each national park site, the proper use of commodities procured was verified. All participants were reminded of marking requirements, and appropriate decals were provided. Copy of project inventory compiled. Maintenance of commodities procured budgeted and implemented.

2. Audits

A recipient contract audit was completed for the period ending December 1992. The draft report was received and audit findings addressed. The final audit report will be available in October 1993.

3. Host Country Contributions

Project on-track and in compliance with HC contribution requirements. HC contributions originate from several sources including the Government of Jamaica for PMU expenses and national park expenses, implementing agencies (e.g. UWI and JCDT). Information is compiled in a quarterly report prepared by the PMU accountant.

4. Centrally Funded Projects

Not applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



Chris Brown

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A___ B___ C___

BACKGROUND DATA

Project Title: Development of Environmental Mgmt. Org.
 Project Number: 532-0173
 Date of Authorization: original: 09/29/92
 Date of Obligation: original: 09/24/92
 PACD: original: 09/30/97
 Implementing Agencies: Ministry of Public Service & Environment
 Major Contractors: Natural Resources Conservation Authority
 AID Project Managers: Stephen Reeve
 Status of CPs/Covenants: All CPs met except hiring of PMU team
 Date of Last Evaluation: N/A Next Evaluation: 9/29/94
 Date of Last Audit: N/A All AID direct funding to date planned
 Planned No. of non-Fed Audits: N/A
 No. of Audits contracted for/completed: N/A

FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$ 7,750,000	
Amount Obligated:	DA Grant original	\$ 700,000 amended to \$2,792,000	
Amount Committed:	Period:	\$ 146,266	
	Cumulative:	\$ 513,653	
Accrued Expenditures:	Period-Projected:	\$ 400,000	
	Period-Actual:	\$ 107,957	
	Cumulative:	\$ 437,957	
	Period-Next:	\$ 800,000	
Counterpart Contrib.:	Period	Cumulative	Life of Project
Planned	\$ 50,000	\$ 100,000	\$ 2,650,000
Actual	\$ 36,300	\$ 68,300	\$ 68,300
% LOP Elapsed		20%	
% of Total Auth. Oblig.		36%	
% of Total Oblig. Exp.		16%	
% of Total Auth. Exp.		6%	

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:A. Project Purpose

To strengthen the capability of public and private environmental organizations to manage Jamaica's most economically important natural resources. The Project will strengthen lead environmental institutions and enable them to expand and sustain their efforts well beyond completion of the project.

B. Relationship to Mission Strategic Objectives:

The Project directly contributes to the Mission objective of improved environmental management and protection through strengthening key public and private organizations, developing local environmental management capacity, expanding awareness of natural resources management issues, and demonstrating the application of practical techniques to solve on-the-ground problems of waste management, watershed restoration and natural resources protection. A project emphasis to address those aspects of natural resources management which support tourism and other economic development directly contributes to another mission objective: to increase foreign exchange and employment.

III. PROJECT DESCRIPTION

The Project will support the evolution of two national organizations: the Natural Resources Conservation Authority (NRCA) and the National Environmental Societies Trust (NEST), an umbrella NGO group. The project targets four geographic areas where environmental management activities will be promoted to protect economically important natural resources and ecological systems and to resolve critical environmental issues. The Project is to be implemented by a small Project Management Unit within the NRCA which is supported by a Technical Assistance Contractor (TAC). USAID will contract directly with the TAC to provide technical assistance, financial management and procurement services.

IV. PROJECT STATUSA. Planned EOPS

1. NRCA providing leadership on priority natural resource management issues, especially in support of economic growth.
2. NRCA receiving revenue from user fees, penalties and other resources equal to at least 15% of its operating costs.
3. NEST delivering membership services including focussed training programs and technical outreach services that expand NGOs capacities to become self-sustaining.
4. NEST receiving revenue from membership service fees and project support funds from local and other international donors and achieving continuity of financing recurrent expenses.
5. Ten technically and financially viable NGOs engaging in environmental management projects in at least four geographic areas of environmental concern.

Progress to Date

- Action plans prepared for key functional units. Key senior staff positions in place. Priority effluent discharge procedures in place.
- Initial evaluation of revenue-generating measures prepared.
- NEST strategy prepared to assist NGOs to participate in Environmental Foundation of Jamaica (EFJ) grant program.
- NEST Business Plan completed and staff development activities initiated.
- Established Local Environmental Management Council in Montego Bay (Greater Montego Bay Redevelopment Company): GMRC Business Plan completed; recruitment for Executive Director underway; Montego Bay protected areas plan drafted.

6. Public awareness of, and concern for, environmental management issues will be heightened. Environmental education materials prepared for Montego Bay.

B. Major Outputs

	Planned		Accomplished		Cum	%	of LOP
	LOP	Period	Next Cum.	Next Period			
1. NRCA Support							
Policy issues addressed	4	1	1	1	1	25	
Policy reforms enacted	2	0	0	0	0	0	
Env. info. base established	1	0	0	0	0	0	
Training (persons)	20	0	0	2	1	5	
2. NEST and NGO Support							
NEST NGO sustaining program	1	0	0	1	0	0	
NGO Training (persons)	50	0	0	5	5	10	
NGOs sustaining Services	10	0	0	0	0	0	
3. SITE Activities							
LEMCA sustaining programs	4	0	0	1	0	0	
SITE sub-grants issued	8	0	0	1	0	0	

C. Other Accomplishments and Overall Status

1. Project Start-up Activities:

Review of proposals and qualifications of offerors for the long-term Technical Assistance Contractor (TAC) is essentially complete; key Project-related leadership positions in NRCA are now in place including all essential division directors, financial managers and the PMU director; and PMU subordinate staff are now being recruited.

2. Pre-TAC Implementation Activities

NRCA Support: Prepared NRCA organizational strategy and action plans for key units (including the Division of Pollution Control and Waste Management and the Division of Parks and Protected Areas) developed; effluent discharge procedures to guide industry and government activities; guided the Division of PC&WM in its initial encounter with industrial polluters to assure appropriate establishment of pollution control measures; launched update of the earlier USAID-financed, highly successful Country Environmental Profile; and prepared a policy analysis paper for an NRCA national protected area system.

NEST/NGO Support: Completed NEST "Business Plan"; initiated procurement of computer equipment; assisted design of the EFJ grant program, recruitment of EFJ staff and review of initial grant applications.

SITE Activities: Established Local Environmental Management Council in Montego Bay (Greater Montego Bay Redevelopment Company); completed GMRC business plan; completed selected

components of Montego Bay Development Plan; initiated environmental baseline studies and prepared public participation/environmental education materials for assisting local determination of environmental activities to be Project-financed in Montego Bay; launched SITE activities in Negril.

D. Problems and Delays

1. Project Start-up Activities

Selection/deployment of Technical Assistance Contractor is behind schedule due to pending finalization of IDB-assisted NRCA activities and insufficient NRCA absorptive capacity due to delays in filling staff positions. Final CP of hiring PMU Director not completed at time of this report.

2. Pre-Tac Implementation Activities

NRCA Support: Some redirection of planned activities due to overlap of donor assistance; recruitment of PMU subordinate staff delayed pending recent selection of PMU Director.

NEST Support: Preparation of EFJ grant proposal guidelines and related training of NGOs postponed due to delays by the AID/W Contracts Office in negotiating the IQC work order (submitted in June and not yet processed by the end of this Project Status Report period).

SITE Activities: Montego Bay and Negril activities postponed due to same delays of AID/W Contracts Office in processing IQC work order.

E. Major Activities or Corrective Actions During the Next Six Months

(a) Major Corrective Actions Expected

Selection of TAC to be made in November; TAC to be deployed by January; PMU Director to be hired in October and PMU subordinate staff to be recruited immediately thereafter; improved donor coordination expected to assure more efficient delivery of technical assistance services to NRCA, NEST assistance to EFJ and training services to NGOs to receive emphasis with implementation of pending IQC work order; and Montego Bay and Negril SITE activities to be re-commenced in October

(b) Workplan for the Next Six Months

1. Project Start-up Activities

- Select and assist deployment of Technical Assistance Contractor (TAC).
- Provide orientation to NRCA Director of Projects.
- Assist recruitment of balance of PMU team.

2. Pre-TAC Implementation Activities

NRCA support

- Assist Pollution Control and Waste Management Division to implement effluent discharge and EU procedures.
- Complete camera-ready copy of Country Environmental Profile update.
- Implement computer training program for NRCA project-related staff.
- Assist Protected Area Division to formulate protected area classification system, establish NRCA policy regarding creation/management of protected areas, and designate at least one new protected area (Negril).
- Carry out initial design of NRCA environmental information system, including determining role of Conservation Data Center.

BEST AVAILABLE DOCUMENT

NEST and NGO Support

- Assist NEST staff recruitment and training.
- Complete EFJ grant proposal guidelines.
- Conduct initial NGO training activities in support of EFJ grant program.
- Assist provision of NGO technical outreach services for EFJ grant proposal preparation.

SITE ACTIVITIES

1. **Montego Bay**
 - Assist GMRC staff recruitment and training.
 - Assist preparation of "Action Framework" including conduct of public workshops.
 - Provide TA for feasibility analysis of GMRC priority actions.
 - Assist implementation of priority SITE activities.
 - Conduct survey of public awareness of local environmental issues.
2. **Negril**
 - Form Negril Local Environmental Management Council.
 - Assist preparation of LEMC Business Plan.
 - Prepare environmental baseline studies as a basis for Action Framework.
 - Prepare draft protected area system.
 - Conduct survey of public awareness of local environmental issues.

PARC ACTIVITIES

- Complete authorization of PARC II Project.
- Complete transition from PARC I to incorporation of PARC II under DEMO Project.
- Conduct retreat with key PARC II implementors to assess efficacy of the PMU team and its linkages with GOJ and NGOs, surface priority implementation issues, and suggest project design refinements.
- Prepare PARC II first annual project implementation plan.
- Assist preparation of Conservation Data Center business plan.
- Assist establishment of JCDT Capital Campaign and management guidelines for National Park Trust Fund.

(c) Impact (Results over the Next Six Months)

- Designation by NRCA of at least one new protected area to provide management of nationally-significant natural resources, as a result of policy assistance provided through SITE activities.
- Environmental NGOs launching sound projects funded principally from sources other than DEMO, as a result of management and proposal development training provided by NEST.
- Recognition by industry and government institutions of appropriate effluent discharge guidelines and environmental impact assessment procedures as well as NRCA resolve to enforce related regulations, as a result of policy and technical assistance to NRCA.

BEST AVAILABLE DOCUMENT

SAR SUPPLEMENT: DEMO PROJECT MONITORING ISSUES

(4/1/93 - 9/30/93)

1. Commodity Procurement

No commodities have been purchased under the DEMO Project. The long-term contractor will procure all DEMO Project commodities with the exception of computers for NRCA. The computer purchase is underway: a PIO/C has been cleared and PIO/T for a commodity procedures review has been prepared.

2. Audits

No audits have been conducted of the DEMO Project. Neither NRCA nor the participating NGOs have received funds from AID directly.

3. Host Country Contributions

PIL#1 specifies that the NRCA Project Management Unit will provide USAID with quarterly reports identifying the specific HC in-kind contribution and expenditures for the preceding quarter. In the absence of that unit up to this date, I have worked with each of the principal representatives of participating organizations to estimate the time expended by organization members on activities directly-related to the Project. That report is attached to the SAR.

The Project Management Unit is now being established. The Director has recently been appointed and subordinate members of the unit are being actively recruited. I have discussed the HC contribution reporting responsibilities of the PMU with the new Director and fully expect that beginning with this quarter (October-December, 1993), the PMU will properly carry out this reporting responsibility.

At the end of the GOJ fiscal year, NRCA will request that the Auditor General review a statement which documents the entire year's host country contribution. Similar statements will be prepared for review by the Boards of Directors of the various NGOs who will be participating in the Project

4. Centrally Funded Projects

The DEMO Project is not a centrally funded project.


Chris Brown
Director, ONRAD

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

I. BACKGROUND DATA

Project Title: Technical Support for Shelter & Urban Services Proj.
 Project Number: 532-0149
 Date of Authorization: original 09/20/88
 Date of Obligation: original 01/14/89 amendment 07/22/93
 PACD: original 09/03/95 amendment
 Implementing Agencies: Ministry of Finance, Office of the Prime Minister, Ministry of Construction (Housing), Urban Development Corporation, National Water Commission, Town Planning Department, Planning Institute of Jamaica, National Housing Trust, National Housing Corporation
 Major Contractors: none
 AID Project Managers: George Williams/Carol Brown
 Status of CPs/Covenants: All CPs and Covenants met
 Date of Last Evaluation: 2/93 Next Evaluation: None scheduled:
 Date of Last Audit: n/a Next Audit: None scheduled
 Planned No. of yearly Non Federal Audits: 3
 No. of Audits Contracted for/Completed: None

FINANCIAL DATA

Amount Authorized:	DA/ESF Grant: original	\$3,000,000
Amount Obligated:	DA/ESF Grant: original	\$ 600,000 amended to \$1,944,001
Amount Committed:	Period:	\$ 192,389
	Cumulative:	\$1,351,580
Accrued Expenditures:	Period - Projected:	\$ 580,000
	Period - Actual:	\$ 244,530
	Cumulative:	\$1,225,362
	Period - Next	\$ 463,000
Counterpart Contribution:		\$ 350,000*
	Actual	
% LOP Elapsed:		71%
% of Total Auth. Oblig.		65%
% of Total Oblig. Exp.		63%
% of Total Auth. Exp.		41%

* GOJ counterpart contributions are in the process of being quantified.

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose
 To provide technical support services to assist in carrying out the Jamaica Shelter and Urban Services Policy Program, 532-HG-013 and the Jamaica Shelter Sector Support Program, 532-HG-012B and C.

B. Relationship to Mission Strategic Objectives
 1) Specific Linkage
 This project contributes to meeting the Mission's Other Concerns, for providing adequate shelter, especially in Kingston and the burgeoning North Coast towns, where tourism and service industry employment have grown rapidly. It also contributes to meeting Strategic Objectives #2 and 3 (Improved Environmental Management and Protection and Health, Smaller Families) in that the project supports identification and implementation of cost effective and environmentally appropriate technologies for the provision of safe water and the disposal of sewage and solid waste disposal to protect public health and avoid degradation of the marine environment.

2) Percent of LOP Funds Relating To Strategic Objectives
 50% to Objectives 2 & 3.

III. PROJECT DESCRIPTION

The project funds are used to provide both short and long term technical assistance to key shelter, infrastructure urban service and environmental regulation institutions, with the long term objective of assisting them in increasing the production of environmentally appropriate shelter solutions and urban services, by both the public and private sector.

B. Major Outputs

	Planned		Accomplished		Cum.	% of LOP
	LOP	Period	Next	Period		
1. Program managers in place at NWC	3	0	3	0	3	100%
2. Computer systems installed	2	0	2	0	2	200%
3. Field projects and studies	15	2	12	5	10	67%
4. Program managers MFDP	1	0	1	0	1	100%
5. Develop Sectoral Monitoring System	1	1	1	1	12%	200%
6. Training (Persons)	M E	M E	M E	M E	M E	M E
Long-term	0 0	0 0	0 0	0 0	0 0	0% 0%
Short-term	20 20	2 1	40 25	22 9	0 0	11 11 52% 52%

IV. PROJECT STATUS

A. Planned EOPS

1. Enhance ability of the NWC to provide services to low income families

2. Provide monitoring and management support to sectoral program

3. Complete field projects and studies to provide support for policy and program goals.

Progress to Date

TA provided to implement programs & negotiate specific policy changes. Management and Privatization Study and Tariff Study completed.

SCC established and Sectoral Monitoring (including a GIS component) systems have been developed. Management Information and Accounting Systems have been developed and are in place.

Policy studies completed on land titling system, local gov't, urban environment; Land Policy, NWC Tariffs & NWC Management and Privatization; appropriate sewage disposal solutions in squatter settlements.

C. Other Accomplishments and Overall Status

1. The Program Agreement was amended to extend the PACD to 9/31/95 and to allow grant funds to be used in support of HG-012 as well as HG-013.
2. The current phase of development of the GIS system at PJOJ to support shelter sector monitoring has been completed.
3. The close out of HG-013 will reduce the number of projects being carried out by the 0149 supported NWC staff. A work program for the remaining NWC activity, which is limited to construction of Norwood offsite water facilities, will be developed and the staff support provided will be reduced to what is needed to carry out the work program.
4. A study will be undertaken to examine the public sector's role and capacity to provide solid waste management service in Montego Bay and Negril.
5. The study of appropriate sewage solutions in squatter settlements has been completed and its recommendations are being incorporated into HG-012C projects. Additional 0149 funds will be used to design a program for installation and maintenance of on-plot sewage solutions in low income residential areas, with emphasis on Rosemount and Norwood.
6. The study by the Urban Institute which compared the costs and environmental effects of formal versus informal shelter settlements has been completed. Its salient findings and conclusions will be presented to the Sector Coordinating Committee and other groups to be determined, for discussion of their policy implications.
7. A seminar was held on the benefits of and mechanics for establishing a Business Development District in Downtown Kingston as a way to link the delivery of urban services to assessment and service management districts for purposes of public cleansing, security or other needed services. This has led to decision to undertake the development of a District using KRC grant funds.
8. A study designed to revise the rate structure charged by NWC for its services is being undertaken.

D. Problems and Delays

1. The Annual Review of the program has not occurred because of the need to focus on the difficult program implementation issues and because of the changes in the chairmanship and the staff coordinator for the Sector Coordinating Committee. Given the composition of the committee it is not likely that a policy agenda focusing on the shelter sector as a whole will be developed during the next SAR period.

E. Corrective Actions

1. Given the inability to focus GOJ on a comprehensive shelter policy agenda, the technical support group should be used in support of specific needs as they are identified by the Committee.

F. Work Plan over the Next Six Months

1. The NWC Financial Analysis and Tariff Study will be completed.
2. An analysis of property taxes and the extent to which and under what conditions they can be used to meet the urban service and infrastructure needs of rapidly growing urban areas will be initiated. The GOJ has made a policy decision to remove payment for urban services from the budget and to shift the burden finance them by the communities themselves. The study will analyze how property taxes can fill the gap between revenues and expenditures for urban services.
3. The design of a program for the installation and maintenance of environmentally appropriate on-plot sewage disposal systems will be completed.
4. The study of solid waste disposal problems and solutions in Montego Bay and Negril will be completed.

G. Impact over the Next Six Months

1. For the first time, the NWC will be able to have a detailed analysis of operational costs to take a series of decisions on continued reform for the program and to establish a new rate structure next year.
2. A government policy regarding appropriate sewage collection and disposal techniques in squatter settlements can be formulated. This will have significant impact on the quality of the country's drinking water and on protection of marine environments in Jamaica's rapidly urbanizing coastal zone.

SAR0145.03

BEST AVAILABLE DOCUMENT

SEMI-ANNUAL REVIEW - SUPPLEMENT

532-0149

H. SUPPLEMENT

1. Commodity Procurement

Not applicable

2. Audits

None

3. Host Country Contributions

Counterpart contributors are being documented

4. Centrally Funded Projects

Not applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



William Gelman

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A B X C

I. BACKGROUND DATA

Project Title: Health Sector Initiatives Projects
 Project Number: 532-0152
 Date of Authorization: original: 07/07/89
 Date of Obligation: original: 07/27/89 amendment 02/12/92
 PACD: original: 07/27/96
 Implementing Agencies: Ministry of Health
 Private Sector of Organization of Jamaica
 Pan American Health Organization of Jamaica
 Major Contractors: University Research Corporation (URC)
 Association of University Programs in Health Administration (AUPHA)
 Betsy Brown/Cheryl Davis-Ivey
 AID Project Managers: All CP's have been met
 Status of CPs/Covenants: Management Review: 02/92 Next Evaluation: 02/94
 Date of Last Evaluation: 07/93 Next Audit: 07/94
 Date of Last Audit: 4
 Planned No. of non-Fed Audits: 4
 No. of Audits contracted for/completed: One

IV. FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$5,000,000
Amount Obligated:	DA Grant: original	\$ 468,000 amended to \$2,922,494
Amount Committed:	Period:	\$ 462,621
Accrued Expenditures:	Cumulative:	\$2,667,862
	Period-Projected:	\$ 500,000
	Period-Actual:	\$1,057,802
	Cumulative:	\$1,847,739
Counterpart Contrib.:	Period-Next:	\$ 800,000
	Period Planned:	\$ 183,376
	Period Actual:	\$ 167,777
	Cumulative Planned:	\$ 918,048
	Cumulative Actual:	\$1,535,064
	Life of Project:	\$1,855,000
% LOP Elapsed:		57%
% of Total Auth. Oblig.:		58%
% of Total Oblig. Exp.:		48.7%
% of Total Auth. Exp.:		28.5%

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To improve the quality and efficiency of future health services delivery

B. (i) Relationship to Mission Strategic Objectives:

Deteriorating health services are likely to inhibit economic growth and development particularly for disadvantaged families. This project supports essential health care policy and management reform which will enhance the quality and efficiency of the public and private service delivery. Privatization and cost recovery are being undertaken to ensure quality health services for those who can afford to pay, while reducing the burden on the public health system and conserving resources for those with little or no ability to pay.

(ii) Percentage of LOP funds relating to strategic objective 100%

III. PROJECT DESCRIPTION:

To analyze and formulate long term policy options for sustainable mechanisms to finance health care in Jamaica. Increase cost recovery through improved systems of user fees; improve the quality of health care services through improved management and planning structures and rationalized health care services in both primary and secondary health care; and increase role of the private sector in financing and providing health care.

IV. PROJECT STATUS

A. Planned EOPS

Progress to Date

- | | |
|---|---|
| 1. Restructured and strengthened MOH with decentralized management structure. | Final report on decentralization completed. MOH discussions pending. |
| 2. Revised policies for fee structures and administrative systems in place. | Revised fee schedule and suggested indexation method approved. |
| 3. Improved management of health care activities through rational use of resources. | Vial, Essential and Necessary drug list ready. IMS restructured. Evaluation of Catherine Hall complete. |
| 4. Divestment of selected hospital support services and health facilities. | Full activities at Spanish Town to begin Oct 15. Redundancy exercise underway |
| 5. Development of private sector financing and provision of health services. | Two new proposals approved. Two more in the pipeline |

B. MAJOR OUTPUTS

-57-

	Planned				Accomplished		
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Administrative system for fee collection in place in hospitals	23	6	23	0	3	23	100%
2. Divestment studies completed	5	5	5	0	5	5	100%
3. Social Marketing Campaign complete	4	1	2.5	.5	.5	2	50%
4. CEO's in place at designated hospitals	8	0	5	1	5	5	63%
5. Curriculum developed for ASC	100%	30%	100%	0	30%	100%	100%
6. Completed hospital administrative training program	3	1	1	1	1	1	33%
7. Private Sector Grants in place	15	2	5	2	2	5	33%
8.* No. of persons trained (short term)	M 500 F 500	75 100	488 662	50 100	36 131	769 987	175% 175%

*Because of the amendment to the project the training figures have been increased above what was originally projected.

C. ACCOMPLISHMENTS AND OVERALL STATUS

During the period April 1 to September 30, 1993, impressive strides were made on the Health Sector Initiatives Project. The revised fee schedule was drafted and is being prepared for Cabinet, the first phase of the management development training was completed, divestment contracts for the laundry, cleaning and pottering are in place and the studies to guide the planned decentralization were completed.

1. DIVESTMENT

The long awaited start up of the divestment contracts for the laundry and cleaning and pottering contracts for the Spanish Town Hospital were delayed due to delays in refurbishing and rewiring of the building to house the contractors. The buildings are now in the final stage of completion and the equipment has been installed. The Ministry expects the full activities for both laundry and cleaning and pottering to begin by October 15. The redundancy exercises to lay off hospital staff is underway and the contractors have begun training of their staff. In anticipation of the start up of activities, the hospital management has formed a divestment committee to assist in the coordination of activities and the monitoring of the contractors. A management procedure manual has also been developed to as a reference tool for use in monitoring the standards of performance of the contractors. The divestment of these initial support services has provided some useful lessons about the amount of time and detail that is required to successfully make these changes. Future contracts of this nature should not be as time consuming as precedents have now been set.

Work also began to privatize the Island Medical Stores. A Government owned but privately managed corporation is being established to run the pharmaceutical procurement and distribution functions of the Government's pharmaceutical services.

With technical assistance, the MOH is also developing a divestment plan. When this is complete some discussion is expected and a decision regarding the divestment of support activities in other hospital is anticipated.

2. COST RECOVERY BEST AVAILABLE DOCUMENT

The revised fee schedule and suggested indexation methodology has been approved by the Ministry of Health and has been forwarded to the Ministry of Finance for approval before being submitted to Cabinet. The new fee schedule features charges for specialist services such as radiotherapy, laboratory services and x-ray. The indexation method will be based on the percentage increase in the government wage index, the consumer price index on a 60 to 40 ratio. The Ministry of Finance has set a target of \$70 M for hospital to collect for the 1993-94 fiscal year.

Classification of positions for hospital assessment officers was completed. The placement of these officers should positively contribute to the collection of fees as they should improve the efficiency of assessment and exemption at hospitals.

Through additional training, extended collection hours and a widening of the fee collection net to cover charges from insurance claims, all hospitals have increased the amount of fees collected over the period. The amount collected over the six month period represented 100% of what was collected last fiscal year. The target for this fiscal year is 70 M which will represent 12% of cost.

Preliminary work on the evaluation of collection of fees at the primary level has started. The aim of the Ministry of Health is to exempt charges for preventive and promotive services and focus on collecting for curative and some family planning services. An interim fee schedule has been developed and the relevant training is being planned.

3. COST CONTAINMENT/EFFICIENCY

The vital, essential and necessary (VEN) drug list is now complete and preparation to print and circulate underway. This list will help to standardize the prescribing habits within the public sector as well as coordinate drug availability in the public sector.

The installation of computers at the Island Medical Stores (IMS) is complete and training has started. With project financed technical assistance, the IMS was restructured and is now a para-statal corporation which will focus on the procurement and distribution of medical supplies and drugs for the public sector. An independent management board drawn mostly from the private sector has been appointed to manage the company. The Pharmaceutical Services Division of the Ministry of Health will continue to focus on maintaining its regulatory standards. A review of the fee schedule for the services it provides to private sector pharmacies is now underway.

The work on the evaluation of the Catherine Hall Health District is complete. The MOH is yet to make a decision on what further steps will be taken. The evaluation identified that the operation of the model can be very cost efficient and beneficial but the proper support systems must be in place to make it work. It concluded that the program has shown some measure of success in some areas and identified the specific difficulties as being shortage of staff, lack of transportation and the cost and supply of drugs. The evaluation recommended that the necessary support systems would have to be strengthened in order to make the operation work.

4. DECENTRALIZATION

The final reports on MOH Headquarters reorganization, regionalization and hospital restructuring are complete. A workshop for senior MOH staff is scheduled for October 12. Based on the results of the workshop, the MOH expects to develop key policy decisions as to how the MOH will operate in the future terms of organizational structure and functions.

The appointment of hospital boards is also linked to this workshop. Presently the old regional Boards are

functioning in the interim. However, in order to establish truly decentralized facilities, the appointment of

4.

DECENTRALIZATION CONT'D

autonomous hospital boards will be imperative.

In spite of aggressive advertising, the CEO positions for KPH and Cornwall Regional Hospital have not been filled. In the meantime the MOH is looking at innovative ways in which this can be achieved. This includes mentoring to develop a local person as well as a short term expatriate to work in the initial stages. The Ministry is particularly interested in ensuring that some local talent is developed from whatever option is used to ensure long term management. At the other five emphasis hospitals, the CEO's are having a positive impact on the development of more efficient management systems as well as the quality and management of patient care. For example at Spanish Town Hospital, the administrative departments were reorganized and two new departments created. The Materials Management department is responsible for the coordination and control of hospital purchases, storage, inventory control and distribution. The Patient Accounts department handles patient accounting matters and the new functions of the collection of fees twenty four hours per day. At Bustamante Children's Hospital, a special committee has been set up to achieve and monitor a system which would improve quality of service and care.

The Ministry is impressed with activities to date and preliminary steps to absorb these positions into the MOH's recurrent budget are underway. The positions should be fully established when A.I.D. funding ends in October 1994.

5.

PRIVATE SECTOR

Two new projects were funded during this period. The Hyacinth Lightbourne Visiting Nursing Service received funding for the development of a business plan for further improvement in its convalescent care, geriatric day care and community visiting nursing services. The project is expected to assist in reducing the stress on the public health facilities by facilitating community health care for convalescent care services and strengthen its operations to expand the visiting nursing service. The second project will generate and test a framework for organizing practice data and information so as to enhance the overall efficiency of health care delivery in the private sector.

A review of the local insurance sector done by J.A. Young Research Limited confirmed the willingness of individuals to pay for health care through insurance. However, the premium limits that were identified were below market levels. The MOH is now looking at the possibility of a National Insurance Plan which will be facilitated through the use of public health facilities.

6.

SUPPORT COMPONENTS

(A)

MANAGEMENT DEVELOPMENT

The first giving of the Hospital Management course in which nine hospitals participated concluded on July 15. The four module program was designed to enhance the strategic and management skills of hospital management teams as well as further develop the awareness of the participants towards effecting change in their organization. So far the program has been successful in achieving these objectives. An evaluation of the first course has identified a greater willingness on the part of the hospital teams trained to take on some of the development responsibilities associated with their institution. Also reported, was an increased level of enthusiasm among staff at these hospitals as the teams have in turn begun to focus on training and development activities for their staff as well as greater involvement of the staff in the planning and coordination of activities.

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A second round of the course is expected to begin on October 5. This will cover another nine hospitals in the north east region.

BEST AVAILABLE DOCUMENT

(B)

SOCIAL MARKETING

The Social Marketing program has been reformulated since March to incorporate a stronger healthy lifestyle message. The marketing program is being redesigned and a new promotion program is being developed. The new programs will be ready later in 1993. A new coordinator was appointed to fill the gap which was left when the previous coordinator became Project Manager.

As a complement to the advertising campaign, staff at Spanish Town Hospital (pilot hospital) were trained in the importance of cost recovery and the linkages between fees and quality of care. The training sessions were also useful in helping to provide support to increase the commitment for improving standards in health care.

(C)

LEGISLATION.

The recommended changes to the Mental Health Act as well as changes in the legislation pertaining to the practice of Nurse Practitioners, Mental Health Officers and Nurse Anaesthetists have been adopted by the Ministry of Health. A final paper is being prepared for submission to Cabinet. Review of other laws impacting on the practice of health care delivery and hospital management are being proposed. These include the Hospitals Act, Financial administration and Audit Act, as well as the Civil Service Act and its impact on the personnel related issues in hospitals.

7.

PERFORMANCE INDICATORS

The project has assisted the Planning Institute of Jamaica with including in its World Bank funded Survey "Living Conditions the relevant questions to measure the coverage and satisfaction with the public health system.

8.

WOMEN IN DEVELOPMENT

Four of the first five CEO's are women

D.

PROBLEM AND DELAYS

The effectiveness and authority of the CEOs and MOH's decision on the framework of decentralization. This decision has been pending for a year.

The issue of the divestment of selected support services and the use of commodities funded for the process remains a problem. A.I.D. financed commodities meant to facilitate and expedite divested services have not been put into use at Spanish Town Hospital. At KPH there has been a reported loss of A.I.D. financed commodities. In the case of KPH an audit was done. In both cases we have sent a letter to the Minister, and have had follow-up meetings, and are awaiting the Ministry of Health's decision on a timetable for divestments and corrective measures concerning the loss of commodities.

E.

MAJOR ACTIVITIES FOR CORRECTION OVER THE NEXT SIX MONTHS

(i)

Major Corrective Actions Expected

- Hold a workshop with the IADB and MOH to develop a concrete workplan for decentralization
- Work with the MOH to launch decentralization by April 1, 1993.
- Clear up the catering divestment issue and work towards the installation, and use of equipment in divested services

- Issue a bill of collection for any documented loss of catering equipment.

(ii) **Workplan over the Next Six Month**

- Assist the MOH to begin implementation of its decentralization plan
- Award three new projects under the PSOJ grant program
- Complete the measurement of performance of HSIP from the Survey of Living Conditions

(iii) **Workplan over the Next Six Month Cont'd**

- Follow up for further steps in with the Results of the Catherine Hall study
- Work toward resolving outstanding divestment issues
- Follow up on audit report on KPH catering equipment
- Implement the collection of fees at the primary level
- Follow up MOH decision on fees for Primary Care

(iv) **IMPACT/RESULTS OVER THE NEXT SIX MONTHS**

- MOH decentralization Plan ready for implementation by April 7, 1994
- All pilot divestment operational
- GOJ approval of fee indexation at the secondary level
- Formal recognition of the GOJ for fee collection at the primary level

(v) **AID/W ACTIONS**

Complete URC buy-in

BEST AVAILABLE DOCUMENT

HEALTH SECTOR INITIATIVES PROJECT
NO. 532-0152

1. Commodity Procurement

An investigation of a commodity procurement issue is underway. It was identified that there is a discrepancy between inventory listing and procured commodities for catering facilities at KPH. The auditors were called in and their final report is pending. Preliminary discussion with the MOH has taken place and the MOH believes that the report did not take into account items from the inventory which were actually installed. A meeting is set between the Auditors, USAID and the MOH to discuss the discrepancy and to determine the amount of loss. Once the amount is determined, USAID and the MOH will meet to discuss next steps. During this reporting period there were six site visits to varify commodities.

2. Audits

A recipient contracted audit is underway for the last reporting period.

3. Host Country Contributions

Contributions have been ahead of schedule for the specified components being financed with GOJ local currency. Mission receives monthly financial statements and the MOH project accountant attends steering committee meetings and explains the budget.

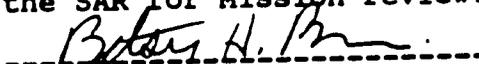
4. Monitoring Systems for Centrally Funded Projects

During this period, two centrally funded contracts were involved in this project. Through mission buy-ins there are closely coordinated and monitored by the Mission's Project Manager and Office Director. The centrally funded contracts are the University Research Corporation (URC) and the Association of University Programs in Health Administration (AUPHA).

5. Earmarks and Commitments/Accruals and Expenditures

Earmarks, commitments and accruals were discussed with the Project Accountant and are valid. Expenditures have accelerated during this period leaving a smaller pipeline.

Office Director certifies that she has reviewed and cleared the SAR for Mission review.



Betsy H. Brown
Office of Health/Nutrition/Population

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

BEST AVAILABLE DOCUMENT

A X B ___ C ___

I. BACKGROUND DATA

Project Title: Family Planning Initiatives Project
 Project Number: 532-0163
 Date of Authorization: original 07/23/91
 Date of Obligation: original 07/31/91 amended 06/14/93
 PACD: original 07/31/98
 Implementing Agencies: National Family Planning Board
 Major Contractors: Futures Group - OPTIONS II
 Futures Group - SOMARC III
 Assoc. for Voluntary Surgical Contraception
 Center for Disease Control
 Family Planning Management Development
 Betay Brown/Grace-Ann Grey
 AIDproject Managers: AllCPs for years one and two have been met
 Status of CP's/Covenant: according to schedule. The third and final CP
 should be met by July 1994. There are no
 Covenants in this project
 Date of last Evaluation: N/A Next Evaluation: 01/94
 Date of last Audit: N/A Next Audit: Request Auditor
 General to review as of 3/92
 Planned No. of yearly non- No. of Audits contracted for/
 federal audits: 6 completed: None

IV. FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$7,000,000*
Amount Obligated:	DA Grant: original	\$ 675,000 amended to \$4,183,100**
Amount Committed:	Period:	\$ 538,132
	Cumulative:	\$1,631,530**
Accrued Expenditures:	Period - Projected:	\$ 300,000
	Period - Actual:	\$ 499,887
	Cumulative:	\$ 981,060***
	Period - Next	\$ 300,000
Counterpart Contri:	Period Planned:	\$ 25,315
	Period Actual:	\$ 109,164
	Cumulative Planned:	\$ 119,315
	Cumulative Actual:	\$ 305,377
	Life of Project:	\$2,734,000
	% LOP Elapsed:	30%
	% of Total Auth. Oblig.	60%
	% of Total Oblig. Exp.	31%
	% of Total Auth. Exp.	14%

* this includes \$1,760,000 for centrally procured commodities;
 ** this excludes \$1,160,000 obligated and committed for centrally procured contraceptives through an OYB transfer; and
 *** this excludes approximately \$580,619 disbursed for centrally procured contraceptives.

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. PROJECT PURPOSE

To increase program effectiveness of sustainability of the national family planning system in preparation for USAID phase out.

B. (i) RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

This project is directly related to the Mission's Strategic Objective - "health smaller families". Sustained support for family planning is a critical element of the GOJ's fertility reduction strategy. USAID's assistance to develop sustainable private sector family planning projects and the use of more cost effective contraceptive methods will enable the GOJ to reach its goal of 62% contraceptive prevalence by the year 2005.

(ii) PERCENTAGE OF LOP RELATING TO STRATEGIC OBJECTIVES - 100%

III. PROJECT DESCRIPTION

The \$7.0 million grant Project is to maximize the quantity and quality of family planning services in Jamaica delivered by the public and private sectors to support national development goals related to population. Achievement of the project goal will be measured by declines in the total fertility rate, increases in contraceptive prevalence, and declines in unmet need to appropriate family planning services, and increased participation of the private sector in family planning service delivery.

V. PROJECT STATUS

A. Planned EOPS	Progress to Date																
- increase the rate of contraceptive prevalence from 55% to 62% in 1998.	Increased from 55% in 1989 to 66% in 1993*																
- decrease total fertility rate from 2.9 in 1989 to 2.1 in 1998.	Fertility rate has fallen from 2.9 in 1989 to an estimated 2.78 in 1992. 1993 CPS data will be available by December 1993.																
- increase the proportion of acceptors by protected VSC, IUD & injectable methods from 42% - 49%.	Estimated at 43% in 1992. 1993 CPS data will be available by December 1993																
- public sector contraceptives supplies continually available without AID assistance	20% phase out beginning in FY 93																
- privatization of the CSM program and increase the CSM product prices to facilitate the project's financial sustainability	<table border="0"> <tr> <td></td> <td>1992</td> <td>1993</td> <td>Increase</td> </tr> <tr> <td>Perle 1/cycl</td> <td>J\$ 5.00</td> <td>J\$ 7.50</td> <td>50%</td> </tr> <tr> <td>Perle 3/cycle</td> <td>J\$13.50</td> <td>J\$20.00</td> <td>48%</td> </tr> <tr> <td>Panther Pack of 3 Condoms</td> <td>J\$3.00</td> <td>J\$6.00</td> <td>100%</td> </tr> </table>		1992	1993	Increase	Perle 1/cycl	J\$ 5.00	J\$ 7.50	50%	Perle 3/cycle	J\$13.50	J\$20.00	48%	Panther Pack of 3 Condoms	J\$3.00	J\$6.00	100%
	1992	1993	Increase														
Perle 1/cycl	J\$ 5.00	J\$ 7.50	50%														
Perle 3/cycle	J\$13.50	J\$20.00	48%														
Panther Pack of 3 Condoms	J\$3.00	J\$6.00	100%														

*1993 Contraceptive Prevalence Survey Preliminary Report

B. MAJOR OUTPUTS

	Planned			Accomplished			% of LOP
	LOP	Period	Cum.	Next Period	Period	Cum.	
1. Completed Survey and Research	5	0	5	0	2.75	4.50	90%
2. Local training for selected family planning and policy makers personnel	M 44 E 0	0	0	10 8	0	5 10	34%
3. Overseas training for selected family planning personnel	M 20 E 0	2	2	2	3	3	20%
4. Logistics and FLE books and manuals	3	0	0	0	0	0	0%
5. MOE/FLE policy adopted	1*	0	0	0	0	0	0%
6.2 Social Mktg. campaign	2	0	0	0	.50	1	50%

*FLE mandatory in schools, an examinable subject; and curriculum appropriate i.e approved by the National Family Planning Board (NFPB).

C. OTHER ACCOMPLISHMENTS AND OVERALL STATUS

During this six month period, the Project has made excellent implementation progress. The 15 year old contraceptive social marketing program was completely privatized following its sale to a local consumer products manufacturing company. The NFPB has also succeeded in introducing two longer term methods in its program to both public and private sector providers - Norplant and no-scalpel vasectomy. In accordance with the Project Agreement, the GOJ also committed 20% of its planned share of funds towards the purchase of contraceptives, thereby introducing a gradual phase over to GOJ financing for its contraceptive requirements. Finally, preliminary results from the 1993 contraceptive prevalence survey were issued and revealed a significant increase in modern method prevalence from 55% in 1989 to 66% in 1993.

(1) Private Sector Mobilization and Policy Research

A major thrust of the Family Planning Initiatives Project is to shift the heavy reliance on public sector supply to the private sector, yet scarce information is available regarding what, where and by whom services are already being provided in the private sector. To facilitate a shift toward greater private sector participation in family planning several activities were undertaken during this reporting period by the National Family Planning Board with technical assistance from the Options consultant:

(i) Mapping Study and Private Physicians' Survey - A study to map all service delivery points islandwide, and to survey private physicians to determine their clinical skills and interest in providing family planning, particularly in long-term methods was launched. Local assistance to conduct the research was provided through a subcontract with the University of the West Indies Advanced Training of Research in Fertility Management Department. The fieldwork and data analysis has been completed and the final report will be completed by December 1993. This study is the first of its kind to be conducted in Jamaica. The findings will provide valuable baseline data for program planning, which extends beyond the immediate need to mobilize the private sector. Data from this mapping exercise will be used in conjunction with demand data from the 1993 CPS to profile the "big picture" of supply and demand for family planning in Jamaica.

(ii) Focus Group Study - As one of the aspects of the FPII is to increase effectiveness and sustainability of the national family planning system, a subcontract was awarded to Psearch Associates, Ltd. who conducted focus groups research to assess attitudes and behaviors among young men and women toward long-term and permanent contraceptive methods. The results of this study will be used to further develop program strategies to expand long term method use and commercial distribution of contraceptives. A final report is expected by end of September and presentation of findings by October 15, 1993.

(iii) Social Marketing Privatization - The privatization of the NFPB's Commercial Distribution of Contraceptives has been a long standing issue and has been a policy reform measure required by the FPIP. With technical assistance from Options the NFPB issued a tender offer to divest the social marketing brands, products and packaging to several commercial firms. As a result of the tender process, Grace Kennedy Ltd. was selected. The NFPB had drafted a Sales Agreement for approval and signing by September 28, 1993. The sale resulted in J\$2.0 million. It is expected that full divestment will be completed by October 1993 when the NFPB hands over the inventory and all packaging materials. Between 1992 and 1993 sales of Panther condom grew by 14% and Perle by 7%. This growth is expected to accelerate once Grace Kennedy takes over the marketing and advertising.

(iv) Staffing - A new Board Chairman was named by the Minister of Health. Through the Options project, funding for a long-term local consulting position to strengthen human resource capability at the NFPB was approved. In April 1993 a Project and Advocacy Coordinator was appointed on a one year consulting agreement, with option for annual contract renewal up until September 1995.

(v) Cooperating Agency Coordination - At the request of the Mission, the Options team continues to play a key leadership role to coordinate activities under the FPIP, which involves overseeing nine projects/organizations and includes programs funded by other donors such as the World Bank UNFPA, IPPF, and the Population Council. These meetings are held quarterly in Washington in order to establish a system for communication among CAs. This coordination has resulted in a shared awareness among CAs and a clear understanding of how each project/donor program fits into the whole picture with regards to the family planning program. Selected AID/W technical staff are invited to the meetings.

(2) AVSC Technical Assistance

(i) Private Physicians Seminar - With technical assistance from AVSC and in collaboration with the Population Council and OPTIONS, the National Family Planning Board conducted a two day seminar in April for 44 physicians to introduce no-scalpel vasectomy and Norplant techniques. This was the first time that physicians gathered formally to discuss possibilities for expanding vasectomy use in Jamaica. For a country with such high prevalence as Jamaica, it was striking to learn first hand the acceptance for vasectomy among physicians (primarily male) was quite low. Any strategy to expand vasectomy will first require intensive educational awareness, promotion and training among doctors. An important outcome of the seminar was subsequent clinical training of doctors who attended one week clinical training in Brazil in the no-scalpel vasectomy technique and development of

preliminary strategy to introduce vasectomy services.

(ii) **Evaluation of Non-Health Counsellors** - During this reporting period, the training manual for training non-health workers as family planning counsellors were completed. Due to the on-going acute shortage of nurses, three non-health family planning counsellors were trained and based at the Victoria Jubilee Hospital. An evaluation of the counsellors have been extremely effective in providing high quality family planning counselling to VIH patients. Now that the training manual has been completed, this pilot project will now be duplicated islandwide on a phased basis.

(3) Contraceptive Logistics

Since the inception of the pilot contraceptive logistics system in KSA, Clarendon, and St. Ann parishes, 5 rounds of the direct delivery/top-up system have been conducted. Under this system, contraceptives are delivered to the outlets in these parishes on a quarterly basis, and stocks are brought up to 5 months' requirement based on usage rates for each contraceptive. This system assures adequate levels of contraceptives in all outlets, thus avoiding stock-outs, over stocking, and losses through expiration of the contraceptives. This system was designed for the NFPB through technical assistance from the Centers for Disease with technical from the Centers for Disease Control. CDC has trained NFPB staff in the operation of this system. The system was evaluated by CDC and the NFPB, and although a few problems were identified, the system was found to be working very well. CDC assisted the NFPB in correcting the problems and has plans for expanding the system to three other parishes.

The GOJ committed the requisite share of funds towards the purchase of contraceptives with project financed technical assistance, GOJ funded condoms will be procured through an IPPF launch. The Centers for Disease Control in conjunction with the NFPB completed the FY 94 forecast for the Contraceptive Procurement Tables. These have been submitted to AID/Washington and will provide 60 percent of contraceptives for the NFPB's clinic and AIDS/STD programs, at an estimated cost of \$343,000. The additional 40% is being provided by the GOJ. A.I.D. commodities phase-out is scheduled to occur on a contraceptive by contraceptive basis. The second incremental allocation of 40% has been applied to condoms.

The NFPB has secured US\$20,000 of the \$30,000 needed to purchase the condoms that are being provided by the GOJ by March 1994. However, it is estimated that an additional US\$70,000 is needed to purchase the GOJ's FY 94 contribution. A long term solution for securing foreign exchange for contraceptive procurements needs to be established.

(i) **1993 Contraceptive Prevalence Survey** - Data entry has been completed and preliminary results issued based on initial tabulations. The preliminary findings indicate an 11% increase in contraceptive prevalence between 1989 to 1993 (from 55% to 66%) making Jamaica one of the most successful A.I.D. supported Family Planning programs in the Agency's global program. The early results also show a marked increase (90%) in condom use by men indicating the strength of A.I.D.'s promotion campaign under its AIDS/STD prevention program which also dates back to 1987. The CPS was launched in February 1993 to update measures of contraceptives use and fertility among Jamaican women age 15-44, and to survey men in the same age group to provide information on attitudes, knowledge and practices related to family planning and fertility.

(ii) **Ministry of Education/Education Life Education (MOE/FLE)** - The MOE and the NFPB worked together and developed a scope of work for technical assistance to prepare the relevant policy documentation to integrate family life education in the schools' curriculum. The draft scope of work has been approved by USAID and will be competitively tendered amongst local firms.

(iii) **Fraud Investigation** - Following continuous dialogue between USAID, the NFPB and the Ministry of Finance and Health, A.I.D. agreed to offset the fraud following the NFPB's identification of allowable costs. The NFPB identified J\$1,699,800.20 of expenditures paid by them during the April 8, 1989 through May 25, 1992 which were for contraceptives used for project purposes prior to the PACD. These charges were verified by Pannell, Kerr Foster and the bill of collection was offset. The matter is now closed, although the Board is still seeking to recoup some of its loss from the bank.

(iv) **Accounting Systems and Training Procedures for the NFPB** - A sub-contract with the accounting firm Pannell Kerr Forster was approved for PKF to correct weaknesses in the NFPB's accounting system, implement procedures and policies and train staff. The procedures manuals are in draft and training is scheduled for October.

(v) **Adolescent Pregnancy** - During the reporting period the Women's Center proposal to delay first pregnancy among Jamaican teenagers was submitted for review and approval by October 1993. Project start up is slated for November 1993. The purpose of this sub-grant is to expand the Women's Center community programs aimed at delaying first pregnancy, and to initiate counselling services for teens on a walk-in basis at the Kingston Center. The sub-grant also funds the homework project which is an after-school program of educational assistance and counselling for students aged 9 - 12 years.

D. Problems & Delays

The NFPB despite several attempts continues to have difficulty securing foreign exchange for the condom purchase.

E. Major Activities or Corrective Actions During the Next Six Months

Major Corrective Actions Expected :

Work with our consultants and the NFPB to secure GOJ commitment of sufficient foreign exchange for the procurement of contraceptives.

Workplan over the next Six Months :

- Conduct Management Review
- Complete NFPB's Accounting Procedures Manual and train staff in its use. Recertify the NFPB to receive A.I.D. advances.
- Review & disseminate results of the 1993 CPS.
- Complete & disseminate results of the Policy Mapping Research.
- Review Focus Group Study.
- Launch the Women's Center Subgrant.
- Draft the MOE's Family Life Education policy.
- Grace Kennedy to initiate exported Marketing Program for Perle and Panther

Impact/Results expected over the Next Six Months :

- Data from the 1993 CPS should reveal whether a shift to longer term methods is underway as planned.
- GOJ will purchase condoms for the first time.
- MOE to approve the Family Life Education policy.

AID/W Actions

None

FAMILY PLANNING INITIATIVE
NO. 532-0163

1. Commodity Procurement

A receiving report from the NFPB was prepared on the vehicles procured for the project's top-up logistics systems. Handclasp emblems have been distributed to the NFPB and it has been noted that these have been placed on the vehicles. Contraceptives continue to arrive on schedule.

2. Audits

No audits are planned until the NFPB is recertified to receive advances. The accounting firm Pannell Kerr Foster has been contracted to correct the weaknesses in the NFPB's accounting system, implement procedures and policies and train staff. The procedures manuals are in draft and training is scheduled for October 1993. After staff have been trained and the systems implemented, the NFPB will be reassessed to determine if staff are following procedures and can be recertified.

3. Host Country Contributions

USAID has been receiving from the National Family Planning written information on the GOJ's counterpart contribution under the project.

4. Monitoring Systems for Centrally Funded Projects

During the reporting period OHNP have received regular reports from our Centrally Funded Projects. These are closely monitored by our Project Officer and Office Director. Our Contracting Agency, the Futures assists USAID/Jamaica in monitoring the centrally funded projects through report exchange, regular quarterly coordination meetings in Washington, and collaboration and cost sharing on technical activities.

The Project Officer attended one of the quarterly cooperating agency coordinating meetings in September in Washington D.C. and met with the entire group of contractors.

The Office Director certifies that she has reviewed and cleared the SAR for Mission review.



Betsy H. Brown
Office of Health/Nutrition/Population

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

I. BACKGROUND DATA

Project Title: Drug Abuse Prevention and Control
 Project Number: 532-0161
 Date of authorization: original 09/21/89
 Date of obligation: original 09/25/89 amendment 02/11/93
 PACD: original 09/30/94
 Implementing Agencies: National Council on Drug Abuse
 Hi-Tech Intl.
 Major Contractors: Jamaica Western Partners
 Hi-Tech Intl.
 AID Project Managers: Betsy Brown/Kathleen Mackay
 Status of CP's/Covenants: All CP's have been met
 Date of last Evaluation: 09/92 Next Evaluation: 09/94
 Date of last Audit: Financial Next Audit: None planned
 Systems Review - 08/92
 Planned No. of Yearly Non-Federal Audits: 0
 No. of Audits Contracted for/completed: 0

FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$500,000
Amount Obligated:	DA Grant: original	\$100,000 amended to \$500,000
Amount Committed:	Period:	\$225,469
	Cumulative:	\$470,667
Accrued Expenditures:	Period - Projected:	\$ 70,000
	Period - Actual:	\$ 0
	Cumulative:	\$244,779
	Period - Next	\$100,000
Counterpart Contri:	Period Planned:	\$ 0*
	Period Actual:	\$ 0*
	Life of Project:	\$204,000
		80%
% LOP Elapsed:		100%
% of Total Authorized Oblig.		49%
% of Total Oblig. Exp.		49%
% of Total Auth. Exp.		49%

*Coopers and Lybrand were unable to document any counterpart contribution figures. We know, however that expenditures were made on rent, some salaries and reports. During the next SAR, counterpart contributions from the NGO subrecipients will be calculated once the project has initiated subcontracts to these groups.

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

(A) Project Purpose: To improve the capability of the Jamaican public and private sectors to develop and implement drug abuse prevention programs aimed at high risk target groups, primarily youths between 12 and 25 years of age.

(B) (i) Relationship to Mission Strategic Objectives:
 Increasing use of hard drugs has aggravated the AIDS and teenage pregnancy problem, which threatens to overwhelm limited health resources. Preventing the spread of drug abuse is an integral part of achieving healthy, smaller families.

(ii) Percent of LOP Funds Relating to Strategic Objective: 100%

III. PROJECT DESCRIPTION

The Project provides funding for a number of activities designed to improve the capability of the Jamaican public and private sectors to design and implement drug abuse prevention programs for high risk target groups. The Project has three core components: (1) development of human resources; (2) community based prevention activities; and (3) improvement in drug abuse prevention information.

V. PROJECT STATUS

(A) Planned EOPS

- 500 urban and rural high risk youth participate in drug abuse
- Improved knowledge, attitudes and behavior regarding drug abuse on the part of participating high risk youth.
- ing high risk youth.

Progress to Date

Over 314 youths participated in drug abuse prevention activities.
 Research is not yet complete.

- Reduction in reporting use of illicit drug, non-medical use of prescription drugs and abuse of alcohol.

Research has not yet been formulated.

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>
1.4 training manuals and handbooks for prevention and program eval.	4	1	2	.5	0	.5	13%
2.6 community projects in place	16	1	4	4	2	1	6%
3.2 ethno-graphic studies completed	2	1	2	1	0	.5	25%
4. Training short-term	M 270	270	270	270	53	191	153%
	E 270	270	270	270	45	221	
long-term	M 1	1	1	1	0	0	0%
	E 0	0	0	0	0	0	
Overseas short-term	M 30	0	8	0	0	5	30%
	E 10	0	11	0	0	7	

C. Other Accomplishments and Overall Status

During the rating period considerable progress has been made to restructure the Drug Abuse Prevention and Control Project.

After a long delay in signing the PIO/T to reprogram the balance of funds under the Project, a Contract with Hi-Tech International (an 8A firm) was signed on September 24, 1993 for a fixed fee of \$225,469.52. Hi-Tech International will be responsible for providing the necessary technical assistance to Jamaican agencies conducting drug abuse activities in Jamaica. The organizations are the KRC teen center; Force Intl., representing the Mt. Zion Community in Montego Bay and a research group. The purpose of this assistance will be to determine what has been working thus far in treatment and demand reduction. Depending on the availability of funds under the Hi-Tech Contract a fourth sub-contract might be initiated in the St. Ann's Bay area.

A local Contract was signed, using available PD&S funds, with Kristin Fox on September 7, 1993. The purpose of the Contract is to assemble available data on trends in drug abuse in Jamaica. The data which will be used are: the community psychiatry information system; data collected by the criminal justice system; treatment unit data; and police records on drug abusers.

Community Based Secondary and Tertiary Prevention Small Grants

(a) Jamaica Western Partners (JWP)

All sewing machines, equipment and supplies were received in May and June by the Jamaica Western Partners for the community groups. All USAID assistance which was to be provided prior to project close out has been completed.

(b) Kingston Restoration Company (KRC)

The Kingston Restoration Company Teen Center will be one of the sub-contractors under the Contract with Hi-Tech. The sub-contract will include the day to day operations of the teen center, which is used as an after school homework/activity center for the children in the neighborhood. This will ensure there is a continuation of funding up to the end of the PACD. Some major events and accomplishments over this reporting period include:

- On April 25, 1993 there was a YESS anti-drug abuse march and concert. Schools, churches and youth groups within Southside and Tel-Aviv communities participated in the march, which was welcomed and supported by the communities. YESS Cultural Group presented their anti-drug abuse messages in songs.

On May 5, 1993 the Canadian High Commissioner, Mrs. Jennifer McQueen visited some of the community development projects of the KRC which included the Teen Center. She was impressed with the services being offered at KRC clinic and also the YESS program at the teen center.

In keeping with the National Labor Day theme for 1993 "Youth and the Community" KRC community development division organized a streetscaping/beautification which resulted in painted murals containing a positive message. This activity generated a lot of interest and involved approximately 225 youngsters, and 15 groups of young men and women. The community cleaned the streets, abandoned buildings and vacant lots. At the end of the day the activities of each group was judged and cash prizes were given for first, second and third place winners.

The YESS students major activity for Labor Day was the painting of a mural on the front walls of the teen center. The students also cleaned the Kingston waterfront of which four signs were placed in strategic areas imploring the public to maintain a clean and healthy environment.

- Other activities which are ongoing are: the homework center; YESS youth club; caring for the aged; GALA/environmental group; YESS parent association; and parenting and gender role workshops.

This rating period also saw the departure of Ms. Elizabeth Phillips, Director of Community Development at KRC. Ms. Phillips has been an inspiration to the YESS students. Her replacement is Mr. Trevor Spence.

(c) FORCE Intl.

FORCE Intl. under the sub-contract with Hi-Tech Intl. will be responsible for implementing a community based awareness project in the Mt. Zion and adjoining areas. Some activities under the sub-contract include: (a) collaborating with community sub-groups which will include workshops, meetings, discussions etc; and (b) train and educate the public in drug prevention and education. Some forms of community involvement would include (a) video's with drug prevention messages; (b) community marches; and (c) recreational/sports/cultural activities to name a few.

(d) Research Org.

Under a sub-contract with Hi-Tech Intl. a research organization will be selected to focus on operational research to identify and assess which interventions with respect to treatment and demand reduction strategies have been working thus far. This information is required for the overall U.S. mission program to assure that further investments are appropriately designed and targeted.

D. PROBLEMS AND DELAYS

Due to a sixth month delay in signing the Contract with Hi-Tech Intl., the 17 months originally anticipated to implement activities has been shortened to less than 12 months. This may result in a request to extend the PACD from September 1994 to December 1994.

E. MAJOR ACTIVITIES OR CORRECTIVE ACTIONS DURING THE NEXT SIX MONTHS

Major Corrective Actions Expected :

- Extend the PACD to December 1994 following a review of Hi-Tech's workplan.

Workplan over the next Six Months :

- Get copies of the signed agreements with Hi-Tech Intl. and the sub-contractors under the Contract
- Work closely with Hi-Tech Intl. in the implementation of the sub-contracts
- Extend the PACD to December 1994
- Receive preliminary report on drug data base in October
- Receive final report on drug data base in December
- Initiate a fourth sub-contract with Hi-Tech in the St. Ann's Bay area

Impact/Results over the Next Six Months :

- The analysis of local data from the health systems and prisons will correlate trends in national drug use

AID/W Actions :

None

BEST AVAILABLE DOCUMENT

DRUG ABUSE PREVENTION AND CONTROL PROJECT
NO. 532-0161

1. **Commodity Procurement**

Commodities were purchased for the JWP for the three community projects under the Agreement. In purchasing the commodities, all USAID regulations and guidelines have been followed. Visits will be made to verify purchase and use of commodities.

2. **Audits**

None planned

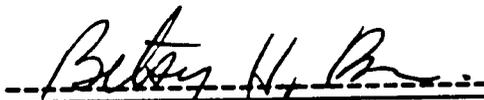
3. **Host Country Contributions**

Because USAID has been unable to certify NCDA to receive further advances, counterpart contributions have stopped. In the previous two SAR's it was reported that the Financial Systems review specifically looked at counterpart funding from the NCDA. As reported previously, the figures provided by NCDA were not reliable and this was one reason for terminating our support to that institution.

4. **Monitoring Systems for Centrally Funded Projects**

Not Applicable

Office Director certifies that she has reviewed and cleared the SAR for Mission review.



Betsy H. Brown
Office of Health/Nutrition/Population

I. BACKGROUND DATA

Project Title: AIDS/STD Prevention & Control Project
 Project Number: 532-0153
 Date of Authorization: original 08/23/88 amended 05/21/92
 Date of Obligation: original 08/29/88 amended 06/09/92
 PACD: original 08/31/94 amended 08/31/97
 Implementing Agencies: Ministry of Health
 Major Contractors: (1) AIDS/CAP
 (2) CDC/Atlanta
 AID Project Managers: Betsy Brown/Grace-Ann Grey
 Status of CP's/Covenant: All CP's have been met. GOJ is complying with covenants.
 Date of last Evaluation: 05/90 Next Evaluation: 05/95 Mgt. Review 5/94
 Date of last Audit: None Next Audit: currently in progress
 Planned no. of yearly audits: 5
 No. of audits contracted for/ completed: 1-ACOSTRAD, MOH audit underway

IV. FINANCIAL DATA

Amount Authorized:	DA Grant: original	\$2,500,000 amended to \$5,500,000
Amount Obligated:	DA Grant: original	\$ 540,000 amended to \$3,465,000
Amount Committed:	Period:	\$(42,293)
	Cumulative:	\$3,035,388
Accrued Expenditures:	Period - Projected:	\$ 450,000
	Period - Actual:	\$ 859,590
	Cumulative:	\$2,748,125
	Period - Next	\$ 500,000
Counterpart Contri:	Period Planned:	\$ 107,000
	Period Actual:	\$ 58,958*
	Cumulative Planned:	\$ 756,305
	Cumulative Actual:	\$ 867,964
	Life of Project:	\$1,850,000
	% LOP Elapsed:	57%
	% of Total Authorized Oblig.	63%
	% of Total Oblig. Exp.	79%
	% of Total Auth. Exp.	50%

*to June 1993

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION & STRATEGIC OBJECTIVES:

A. Project Purpose

To reduce Human Immuno Deficiency Virus (HIV) transmission and the incidence and prevalence of Sexually Transmitted Disease (STDs) in Jamaica.

B. (i) Relationship to Mission Strategic Objectives:

The project is directly linked to Strategic Objective number three in that increasing levels of AIDS/STD is a serious public health threat to families, and undermines the Mission's other objective which is to contain health care costs. By expanding and improving STD services through new clinics and increasing condom sales, this program will address the problem of HIV infection and other STDs.

(ii) Percentage of LOP Relating to Strategic Objectives - 100%

III. PROJECT DESCRIPTION

The project will: (1) develop and strengthen the AIDS/STD policy and program planning and monitoring systems; (2) educate the public and relevant professional groups about AIDS and STD prevention, and develop and implement prevention and intervention strategies to reach those most at risk including pregnant women and young adults; and (3) strengthen institutional capability of the Ministry of Health to plan and manage comprehensive AIDS/STD Control strategies. The project will be implemented by the Ministry of Health (MOH) under a bilateral agreement, with a subgrant to Association for the Control of Sexually Transmitted Diseases (ACOSTRAD), a non-government organization (NGO) aimed at prevention and control of STDs.

V. PROJECT STATUS

A. Planned EOPB

- Improved knowledge, attitudes and practices of population about AIDS/STD prevention to prevent AIDS - 1992**

- Reduction in rate of increase HIV transmission from 8 fold every 4 years to 2 fold every 4 years
 - Annual reported rates of congenital syphilis below 30 or below (from 36 in 1987)

- Gonorrhea rate in under 20 years population reduced by 20% from 1988 baseline (162/100,000)

Progress to Date

98%* in 1993 mini baseline, believe AIDS is preventable. 88% of condom users now using condoms regularly.
 63% - 1989**
 25% - 1988**

This is the largest level since the project begun
 Two fold increase between Jan - June 1993***

51 cases in 1989
 60 cases in 1990
 58 cases in 1991
 50 cases in 1992
 26 cases in 1993 (Jan-Jun)

176/100,000 in 1990
 235/100,000 in 1991
 496/100,000 in 1992
 306/100,000 in 1993 (Jan-Jun)****

*1993 Contraceptive Prevalence Survey Preliminary Report

**Mini baseline on condom use - 1992, two Knowledge, Attitude and Practice (KAP) surveys 1989/88

***Due to widespread testing.

****The results however, indicate that the problem may have been underreported from the onset. This is a common phenomena with this type of data and doesn't actually represent new cases but old cases

B. Major Outputs

	<u>Planned</u>				<u>Accomplished</u>			
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next Period</u>	<u>Period</u>	<u>Cum.</u>	<u>% of LOP</u>	
1. Employment and training of 25 M Contact Investigators	25	0	10	1	0	10	60%	
	E	0	5	7	0	5		
2. Condom Access Program to Retail outlets	2000	200	600	1400	0	0	0%	
3. STD/HIV sentinel surveillance activities implemented	12	1	3	1	1	5	42%	
4. Seven additional STD clinics	7	1	7	0	1	7	100%	
5. Up to 10 subgrants for targeted interventions	10	3	6	0	2	6	60%	
6. Media and educational campaigns com.	4	.25	2	0	.25	2	50%	
7. Training (No. of persons)*	M E	612 2038	53 107	769 1588	53 107	41 46	720 1397	80%

C. Other Accomplishments and Overall Status

The total number of AIDS cases reported as of June 1993 was 537 for a cumulative AIDS case rate of 22.4 per 100,000 population. A total of 104 new cases were reported for Jan. - Jun. 1993, compared to 52 for the equivalent period in 1992, an increase of 100% or 2-fold. Of the total of 537 cumulative cases, 68% have died. The adult M:F ratio is 1.8:1. Cases in children < 5 years number 45 or 8.4% of all cases. During this period the laboratory screening systems for the case management of syphilis and gonorrhea were improved, screening for gonorrhea increased by 57%. The AIDS CAP resident advisor was hired and the AIDS CAP office established. All local staff with exception of the private sector officer has been hired.

Fluctuations in the gonorrhea and syphilis data such as those experienced in the GOJ's program are to be expected as laboratory testing capability expands and greater disease is uncovered, therefore indicating that previous baseline STD levels merely reflected serious underreporting. Congenital syphilis, however, which is detected at the birth of a child have declined and are considered to be a more reliable indicator. FHI currently has compiled new indicators and methodology for measuring condom use, # of sexual partners and HIV seroprevalence which the

project will field test and report on in the next SAR

BILATERAL PROJECT COMPONENTS:

The Mission has made considerable progress in implementing the essential strategic elements of the bilateral project, which are:

- STD treatment and counseling;
- improve access to condoms;
- partner reduction/behavioral change.
- institutional strengthening of the public and private sectors.

STD PREVENTION AND CONTROL:

(1) Contact Investigation (CI) - The completed reports of the CDC consultants who conducted the training of Regional CI Supervisors in January were received, reviewed and discussed, and appropriate follow up action taken as indicated by the reports.

A follow-up 3-day field evaluation by 2 of these consultants was performed in July. There had been improvement in interviewing skills of CIs, but case findings are still being hampered by the lack of transportation for most of the CIs. The EPI unit has requested that USAID authorize CIs to buy-back project financed vehicles. This arrangement is still under review pending the MOH's submission of clarification of vehicle disposition and vehicle purchase policy.

A combined 3-day quarterly review/training workshop was held in July. Available data for the year was reviewed. Certain anomalies of syphilis diagnosis were pointed out and the solution discussed. The CI consultants conducted training in syphilis case analysis, and produced program for managing CI data.

Three 3-day regional workshops in condom promotion/counseling were held for community outreach workers. The participants will function both at STD clinics and in the general community. Already there has been request from the parishes for more of these workers at STD clinics.

(2) Surveillance - As with the CIs, the surveillance officers will continue to develop relationship with other professionals to ensure that individuals identified as HIV will get access to necessary services. In addition, it will be important that targeted community based interventions should be based on data from the surveillance services.

(3) Audit of Comprehensive Health Center (CHC) - Review of this activity was conducted in July. The consultant was pleased with the improvements that had taken place in regard to patient flow and staff motivation. However, he suggested that further improvement will depend on the degree of support given by the institution by the KSA Health Department and the MOH.

(4) Staff Training - Overseas training was afforded to the following staff categories during the period under review:

2 Medical Technologists - 1 from each of the 2 main surveillance centers (Kingston and Monteg Bay) were trained at University of North Carolina, Chapel Hill (UNC) for 1 month each in STD laboratory diagnosis.

1 Medical Microbiologist from the Central Laboratory was similarly trained.

1 Physician from CHC was trained at UNC for 1 month in STD case management.

(5) Improve Laboratory Aspects of STD Case Management - These improvements which started in January under the direction of the UNC consultant have continued. Yields from gonorrhea cultures at CHC have more than doubled. A system of quality control for the RPR screening test for syphilis has been instituted and this test is now being performed at 6 centers in the Southern parishes including CHC. When the Medical

Technologist for Montego Bay returns from her present training at UNC, the test will be extended to other centers in the Western parishes. However, with the current acute shortage of laboratory personnel, before such extension can take place it will be necessary to train and employ 8 Laboratory Assistants scheduled for training in the next project cycle.

(6) Gonococcal Resistance - A pre-draft of the paper on antimicrobial resistance in strains of Jamaica gonococci has been received from CDC, reviewed and returned for preparation of the final draft and submission for publication.

Private Sector Involvement:

(7) Physicians' Survey of STD/HIV/AIDS - The field aspect of this survey officially ended in August. The response from physicians was below expectation, especially in KSA. Responses from the HIV/AIDS part of the questionnaire (retrospective) were received from 39% of physicians (rural 48%, KSA 35%). Responses from the STD part of the questionnaire (prospective) were received from 33% of physicians (rural 36%, KSA 24%). Efforts are continuing in an attempt to boost the overall response level to 50%. Data entry and editing should be completed by early October, and the results will then be sent to CDC for analysis.

(8) Medical Association of Jamaica (MAJ) - The MAJ initiative is but one of a series of interventions designed to follow the physicians' survey and aimed at improving STD case management in the private sector. These interventions will utilize information gleaned from the survey. The first of these will comprise a series of seminars targeted especially to those hard-to-reach physicians who are most in need of updating in the management of STD/HIV/AIDS. The seminars will be held 4-monthly over a period of 2 years. Each series will run for 3 days, one day in each of the three counties of Jamaica (Montego Bay/Cornwall; Mandeville/ Middlesex; Kingston/Surrey). The first series is scheduled for the second week-end in December. Each series will address a major STD syndrome.

Partner Reduction/Behavioral Change:

(9) Jamaica AIDS Support - JAS continues to engage in peer education and peer counselling on an individual and group basis. Programs have been initiated in Montego Bay, Ocho Rios, as well as Kingston. Special activities have also been organized in other parts of the island. Presentations were also made to school groups during the school term. The group continues to engage in fundraising activities.

(10) VIBES/Little People - This group of young artists has completed performances at 60 schools. The group has subsequently given birth to a new group ASHE which has continued the work on both a national and international level. The performances in the U.S., Europe and neighboring countries was financed by other donors, the performers and other local fund-raising events. The project has been submitted to Fronlines for publication.

(11) AIDS/STD Helpline - The helpline continues to provide information, counselling and referral services to the public. Calls average 17 per day, with an average 50:50 rate male:female. There has been an increase in calls received from the rural areas, though the majority still come from urban Jamaica.

(12) Women's Health Intervention - The drop-in center continues to operate once a week and targets women at high risk for HIV/STD, but also offers services to the associates and clients of these women. Between April 1 - July 31, 1993 there was a total of 182 participants, 95 females and 87 males attending.

The five peer counsellors continue to conduct condom demonstrations and sensitization sessions at bars, clubs and pick-up points where commercial sex workers conduct business. 22 bars and clubs were visited with 5 of these being visited more than 3 times. The peer counsellor spends an average of 80 hours per month conducting sensitization sessions.

Condom Access:

(13) ACOSTRAD - ACOSTRAD conducted 45 education and sensitization sessions with different community groups. A total of 2,678 persons were reached, 1,848 females and 830 males. A number of training workshops were held: (a) UNFPA/ACOSTRAD sponsored animation training for 13 youth peer counsellors in the use of drama to conduct STD/Family Planning education; and (b) training of trainer workshop on condom promotion where 13 peer counsellors from Cornwall region and St. Elizabeth were trained to carry out STD/peer education and condom demonstrations. Seven of these peer counsellors will conduct sensitization sessions and condom demonstrations in the STD clinics in three parishes. The remaining six will operate in hard-to-reach communities.

ACOSTRAD conducted initial meetings with the Kingston Restoration Company (KRC) to select and hire peer counselors for an outreach project in the inner Kingston area.

Institutional Strengthening Information Dissemination:

(14) Resource Center - An STD/HIV/AIDS resource center was set up within the Health Information Unit of the MOH to catalogue all data and reports.

(15) Policy Assessment - AIDSCAP participated in a PAHO/MOH team to develop a strategic plan for all AIDS prevention work. This effort detailed AIDSCAP's preparation of a strategic workplan for the A program. A senior technical team from AID/W reviewed the AIDSCAP strategic plan and the PAHO medium term and concurred with the strategic themes and direction of the national program.

R&D/LAC FUNDED COMPONENTS:

The AIDSCAP Resident Advisor was hired in September. The Resident Advisor is responsible for managing the AIDSCAP project and coordinating technical assistance. The AIDSCAP office is established in the EPI Unit. Three participants from Jamaica were afforded an opportunity to attend the IX International Conference on AIDS and IV World Congress on STD held in Berlin in June of this year. A poster reviewing the growth of HIV/AIDS counselling in Jamaica was presented. Progress was also made on the R&D funded behavioral change, evaluation and private sector component.

Behavioral Change Research:

(1) Center for AIDS Prevention Studies (CAPS) - CAPS, an AID/W funded organization conducted a second site visit to explore sites for a community mobilization research project. Based on investigation Clarendon was selected for the intervention/research site. It is anticipated that research and intervention activities will be initiated in early 1994.

Private Sector Involvement:

(2) Jamaica Red Cross - An intervention with the Red Cross to reach adolescents nationwide was initiated. Jamaica Red Cross staff went to Red Cross headquarters in the U.S. for orientation and training. TV PVO is funded through the AIDSCAP Competitive PVO/NGO program.

(3) SOMARC - A retail audit was completed which demonstrated that there is an interest in selling condoms in bars, hotels, and small stores. This information will be used to increase the access to condoms to at least 5,000 new retail outlets. A condom promotion campaign for protection began in June. Some spots have appeared in movie theaters and on poster.

(4) Condom Access - Preliminary baseline research has been completed and the results show that the market is ready to accept the sale of condoms in non-traditional outlets. A local distributor, Deanes & Geddes, has been identified to distribute these condoms. The sub-project with the Futures Group has been extended for an additional five months in order to obtain 2,000 outlets and commence distribution.

Evaluation:

(5) Evaluation - A subagreement with Hope Enterprises was initiated to conduct evaluation activities for all AIDSCAP funded sub-projects. Representatives from Hope Enterprise met with representatives from different components of the project to discuss evaluation needs. In addition, the implementation agency is compiling information on all research findings on AIDS and AIDS prevention activities in Jamaica. The 2500 household study on sexual behavior was completed. Fieldwork on albeit several months behind months behind schedule. Results are expected in January 1994.

D. PROBLEMS AND DELAYS

The Mission's DA OYB places influence the ability to finance some of the activities in the expanded plan private sector policy evaluation, behavioral research

The Project continues to experience some fragmentation. There is a need for the central STD/AIDS budget to be broken down by objectives and funding agencies for better management. More frequent project committee meetings are to be held and all project staff are to use the new strategic workplan. The strategy is to include on mission urgent role, condition with other donors and sustainability.

CDC consultancy on surveillance needs to be completed and a suitable database system established so that STD/AIDS data can be made readily available for program planning and monitoring. There is currently a backlog of over 18 months of data to be processed. Also reliable impact indicators of program success in the short and long term need to be formulated.

A decision about the ownership of the vehicles by STD Contact Investigators continues to hamper the procurement of the vehicles.

E. MAJOR ACTIVITIES DURING THE NEXT SIX MONTHS

Corrective Actions Expected

- meet with OPPD to discuss options for CI vehicles or vehicle purchase from AID workplan.
- meet with the EPI Unit and FHI to determine more reliable short and long term STD and HIV indicators.

Workplan Over Next 6 Months

- Resolve the STD/Contact Investigator vehicle fleet issue
- Train 8 laboratory assistants and 10 contact investigators
- Complete analysis of physician survey and disseminate information
- Hold first series of MAI seminars in STD case management
- Develop appropriate STD database system
- Conduct studies of STD/HIV prevalence in ANC/STD attendees
- Conduct women's health intervention services sensitization workshop for owners/managers of clubs and bars where commercial sex workers operate
- Develop low literacy level educational materials
- Develop AIDSCAP management plan
- Launch activities with new distribution company for expanding access to condoms
- Develop a communication strategy
- Conduct an evaluation of the Face-to-Face project to determine which target groups should be reached
- Based on evaluation results of previous mass media campaigns, develop new campaign messages
- Finalize the policy workplan

- Launch activities for the Community Mobilization Research Project
- Conduct workshop on reviewing all findings on research conducted in Jamaica regarding All prevention
- Disseminate the results of the Sexual Behavior Survey
- Establish 2000 condom access retail outlets

Impact/Results over the Next Six Months

- Launch the new Strategic Plan with the expanded components
 - Procure the vehicles for the CIs
 - The Project will be able to measure baseline behaviors and practices using FHI study.
- AID/Washington Action
- Allot the requisite complementary funds for the expanded AIDS/STD program

BEST AVAILABLE DOCUMENT

**AIDS/STD PREVENTION AND CONTROL PROJECT
NO. 532-0153**

1. Commodity Procurement

No new commodity procurement has been initiated during this reporting period. However, USAID/MOH continue to monitor the receipt of commodities that are scheduled for arrival.

2. Audits

The Ministry of Health has agreed to our request to audit the project yearly. However the timing needs to be worked out. USAID Project Officer and Ministry of Health EPI Unit Administrative Officer who commenced duties on October 1, 1993, will follow up on this activity.

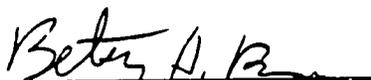
3. Host Country Contributions

USAID has been receiving from the Ministry of Health, EPI Unit, written information on the GOJ's counterpart contribution under the project. The reporting figure to June 1993 was given orally to be followed by written communication.

4. Monitoring Systems for Centrally Funded Projects

Our lead Contracting Agency, Family Health International now has placed a Resident Advisor in country who will assist in coordinating project components and project monitoring. The project's two centrally funded contracts are with Family Health International and the Centers for Disease Control.

Office Director certifies that she has reviewed and cleared the SAR for Mission review.



Betsy H. Brown
Office of Heath/Nutrition/Population

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B ___ C X

BACKGROUND DATA

Project Title: Crop Diversification/Irrigation
 Project Number: 532-0123
 Date of Authorization: original: 09/25/85 amendment 09/20/91
 Date of Obligation: original: 09/25/85 amendment 09/30/91
 PACD: original: 09/30/90 amendment 09/30/94
 Implementing Agencies: National Irrigation Commission (NIC)
 Major Contractors: Harza Engineering Co.
 AID Project Managers: Hasan A. Hasan/Christopher Brown
 Status of CPs/Covenants: CPs and Covenants - all met
 Date of Last Evaluation: 04/93 Next Evaluation: None planned
 Date of Last Audit: 05/26/88 Next Audit: None planned
 Planned No. of non-Fed Audits: 1
 No. of Audits contracted for/completed: None

FINANCIAL DATA

Amount Authorized: DA Loan: original \$ 5,000,000 Amended to \$ 8,094,500
 DA Grant: original \$ 13,000,000 Amended to \$ 11,905,500
 Amount Obligated: DA Loan: original \$ 4,800,000 Amended to \$ 7,925,824
 DA Grant: original \$ 1,200,000 Amended to \$ 11,896,595
 Amount Committed: Period: (93,653) (L) \$ 4,391 (G)
 Cumulative: \$ 7,925,824 (L) \$ 11,300,180 (G)
 Accrued Expenditures: Period-Projected: \$ 152,357 (L) \$ 450,000 (G)
 Period-Actual: \$ (10,087) (L) \$ 142,705 (G)
 Cumulative: \$ 7,925,824 (L) \$ 10,977,263 (G)
 Period-Next: \$ - (L) \$ 450,000(G)

	Period	Cumulative	Life of Project
Counterpart Contrib.: Planned	\$ 1,351,351	\$ 6,000,000	\$ 6,000,000
Actual	\$ 630,630	\$ 7,261,261	\$ 11,200,000
% LOP Elapsed		89%	
% of Total Auth. Oblig.		100% (L) 100% (G)	
% of Total Oblig. Exp.		98% (L) 91% (G)	
% of Total Auth. Exp.		98% (L) 91% (G)	

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To strengthen the broader institutional capacity of the GOJ to support and develop agricultural investment in Jamaica.

B. Relationship to Mission Strategic Objectives:

- (1) Strategic Objective - other concerns.
- (2) Present funding towards other concerns: 100

III. PROJECT DESCRIPTION

The original project authorized on September 25, 1985 directed resources at strengthening Agro 21, a GOJ parastatal administered by the Office of the Prime Minister and involved attracting foreign and local investors into large scale commercial agriculture, principally winter vegetable production. The project met with limited success in this area but was more successful in providing irrigation water and in establishing the National Irrigation Commission. Agro 21 was phased out on September 30, 1990, by the GOJ.

In March 1989, an evaluation was conducted which recommended redesign of the project emphasizing small and medium size farmer development activities. The first Project Paper Supplement was authorized on June 27, 1990 to bolster the successes of the project and to support the GOJ's efforts to divest Government-owned lands and to supply water to small and medium size farmers by completing extension of the canals to 639 small farmers (548 males, 91 females) occupying approximately 5,000 acres of privately owned lands. Limited funds are provided for the training of groups of water users in the efficient use of irrigation water. Under the Project Paper Supplement, US\$2,000,000 in grant funds and 3 years LOP were added to the

project to allow for the completion of the irrigation system. Project components include (1) Small Infrastructure Rehabilitation, (2) Operations and Maintenance support to the National Irrigation Commission, (3) a Small Farmer Linkage program, and (4) limited support to the GOJ for land divestment.

On May 22, 1991 the Rio Cobre diversion dam failed leaving the Project area and surrounding communities without a source of irrigation, domestic, or industrial water. On September 20, 1991 a second Project Paper Supplement was authorized to allow Project funds to be used for the reconstruction of the dam. The second PPS expands the first component of the Project, Small Infrastructure Rehabilitation, to provide foreign exchange financing for (1) pumps and repair parts for pumps used while the dam is being rebuilt; (2) engineering services for the design and supervision of the reconstruction effort; (3) procurement of steel sheet piling required for the dam foundation; and (4) the part time services of a Mission engineer. The underlying purpose of the second supplement was to provide support for the GOJ efforts to supply as much water as possible for irrigation as well as domestic, and industrial requirements and ease the foreign exchange burden of the dam reconstruction.

IV. PROJECT STATUS

A. Planned EOPS

- 1. Divestment of three (3) large blocks of idle and unutilized lands into small and medium sized units, 10-50 acres in size.

Progress to Date

Divestment was completed to 91% when halted due to the failure of the dam and the destruction of land and equipment in Blocks A and B. The NIC plan for repair of the equipment and restoration of pumped water to those areas has been in effect since January. Little impact results due to delay in procurement of switch gear for the repair of pumps. Damages in Block E have been repaired and the area is planted in Irish potato and cotton.

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- 2. Enhanced institutional capacity of NIC to provide and manage irrigation infrastructure and attract local private investments for diversified commercial agriculture.
 NIC developed a proposal for joint management of and shared costs for irrigation pumping equipment with farmers in the areas supplied by pumped water. The NIC reports that a total of 37 farmers are participating. The primary constraint is unavailability of irrigation water which has to await the repair of damaged infrastructure.
- 3. GOJ commitment to increase fees collection from water users and to ensure sustainability of the National Irrigation Commission.
 A fee structure is in place and prior to the failure of the dam was sufficient to cover maintenance and operations of the irrigation system.
- 4. Extension of the major tertiary canals supplying irrigation water to 639 farmers occupying 5,000 acres of privately owned lands within the project site.
 The Mission has decided to focus on rebuilding the Rio Cobre Dam and to eliminate any unrelated activities, therefore, further canal extension work will not be executed under the project.

B. Major Outputs

	<u>Planned</u>		<u>Accomplished</u>		%	of	
	<u>LOP</u>	<u>Period</u>	<u>Cum.</u>	<u>Next Period</u>			<u>Period</u>
- Land Divested (acres)	2900	-	2640	-	-	2640	91%
- Small Infrastructure Rehabilitation							
1. Wells							
Existing wells	17	-	6	-	-	6	35%
New wells	43	-	18	-	-	18	42%
Task Force Well (Rehab.)	12	12	12	11	1	1	8%
2. Reservoirs	6	-	3	-	-	3	50%
3. Canal Pump Stations	6	-	3	-	-	2	33%
4. Canals (miles)	31	-	23	-	-	23	74%
5. Access Road (miles)	20	-	10	-	-	10	50%
- Dam Construction	100%	22%	22%	27%	12%	12%	12%

C. Other Accomplishments and Overall Status

1. Rio Cobre Dam Reconstruction:

- The GOJ and NIC signed a construction contract with Y.P. Seaton on May 17, 1993 to reconstruct the Dam. The contractor mobilized and began working in late June, 1993 with a completion time of 16 months.
- The supervising resident construction engineer from Harza arrived in Jamaica on May 15, 1993 and began operations. The engineer is on the Dam site working closely with the contractor to supervise construction and provide quality control.
- The contractor discovered that he needed sheet piling to build a coffer dam which had been scheduled to be built with earthfill. The NIC borrowed the required sheet piling from the Ministry of Construction (MOC) in order not to delay the work. NIC asked us to approve the purchase of sheet piling in order for it to pay back the MOC. We have approved NIC's request.
- We have pending two change orders to Harza's contract, the first for work done in making a presentation to the Government Contracts Committee, and the second for the supervision of pile driving and for internal testing.

2. Task Force Resulting From Evaluation Recommendations:

- Repair of infrastructure in Blocks A&B: Of 12 wells that require repair in Blocks A&B, one has been completed and another awaits electric connections. The remaining 10 await the arrival of switchgear. The NIC estimates that all should be completed and energized by the end of November 1993. Repairs are estimated to cost \$3.3 million. There are enough funds available. The interest generated from the HPR fund is about \$4.6 million.
- Zoning of Blocks A&B for Agriculture: The NIC discovered that this area had been zoned for agriculture under a law passed in 1964. Several waivers had been granted since then to permit other uses. The area had been surveyed and the Town Planning Department had been asked to reaffirm the original zoning. The NIC will send a note to the Cabinet in this regard, asking that no waivers be granted for ten years. Zoning actions should be completed by the end of September 1993.
- Sand mining Law: The new law which will impose severe penalties has been formulated, printed and circulated for clearance. The parliamentary council discovered some errors which are being corrected. The bill requires review by the Legislative Committee, the Cabinet, the House and Senate, the Governor General and publication in the official gazette before it becomes law. NIC estimates that it will become law by the end of this year (1993).
- Security: Farmers will provide their own security when they move on the land after irrigation water becomes available. The NIC is considering interim security measures during the short period of time between the completion of the repair of infrastructure and the presence of farmers on the land.
- Bill for Collection: The bill is being held back pending the repair of infrastructure and putting the land in Blocks A&B in productive use. Otherwise, the bill will be issued.

3. On-Farm Water Management:

- The centrally funded Israeli irrigation engineer who will provide assistance in on-farm water management, arrived in Jamaica on 8/18/93. He began orientation through the Israeli Embassy and the NIC. Meanwhile, the NIC is providing the engineer with transportation until his vehicle arrives.
- We are in the process of procuring a vehicle for the Israeli engineer with project funds. The vehicle should be in Jamaica by the end of September.
- We plan to sign a memorandum of understanding with the Israeli Embassy and NIC to govern the

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work of the engineer and the support each of the three organizations will provide him during his two year tenure. Our support will be limited to providing the vehicle.

D. Problems and Delays

1. The original schedule projected reconstruction of the Rio Cobre Dam was to begin in November, 1991. Actual reconstruction did not begin until late June, 1993 with a completion date of October 1994. Construction is already six weeks behind schedule, with contractor being constrained by foreign exchange, equipment and labor problems. Construction schedule is likely to slip further.

2. The construction contractor has asked the supervising engineer (Harza) to extend the time for completion of the Dam seven weeks, citing the unavailability of foreign exchange as a reason. The engineer plans to reject the request because the construction contractor implies that foreign exchange is not his responsibility. The contractor may appeal which will cause further delays.

3. Bill for Collection: The NIC has not carried out on a timely basis the tasks it had agreed to carry out in order to alleviate the issuance of a bill for collection. Monthly task force meetings, were resumed in June, and have contributed to improving progress on these tasks, but the date for completing these tasks had slipped from June to October and now has slipped to the end of December, 1993.

4. Vehicles: Coopers and Lybrand conducted a review in late August/early September to determine whether the NIC was implementing their vehicle use policy in order to satisfy an outstanding Mission audit. The review concluded that the NIC was not implementing the vehicle use policy.

E. Major Activities and Corrective Actions Next Six Months

1. Major Corrective Actions Expected

- NIC and the engineer is to urge the construction contractor to increase the rate of progress at the Dam and avoid further delays.
- Corrective actions entrusted to the task force as recommended by the evaluation are to be completed and accepted by USAID or a letter for collection issued.
- Based on the Coopers-Lybrand review, we should not buy new vehicles and should sell the old ones in order to meet the audit recommendation. The NIC will be given an opportunity to acquire the old vehicles.

2. Workplan for the Next Six Months

- The Task Force to continue to meet monthly to monitor progress on actions needed in order to avoid the necessity of issuing a bill for collection.
- The reconstruction of the Dam to proceed at a faster rate with all steel piles driven and some concrete poured under Harza's supervision and quality control.
- NIC to receive the additional sheet piling to pay back the MOC.
- Change orders to Harza's contract to be approved and processed.
- Sell NIC vehicles and return the proceeds from the sale to the project.
- Earmark all remaining project funds, including HPR funds and the interest they

earned, and decide on how to dispose of excess funds.

- Receive the vehicle for the Israeli engineer, assign it to him, and have him actively provide on-farm water management assistance to farmers, sign a memorandum of understanding with the NIC and the Israeli Embassy to that effect.

- Enter into an agreement with the Harza engineer regarding the use of his project vehicle for personal use - write off the cost of personal use against the cost of importing a personal vehicle.

3. Impact in the Next Six Months

- Dam reconstruction to continue without water delivery interruption.

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SEMI-ANNUAL REPORT SUPPLEMENT - PROJECT MONITORING ISSUES

Period : April 1, 1993 - September 30, 1993
Project : Crop Diversification/Irrigation Project
Project Number : 532-0123

1. Commodity Procurement:

The steel sheet piling and foundation piles, worth \$333,895, procured earlier for the reconstruction of the Rio Cobre Dam and had been stored at the NIC warehouse. Portions were moved to the site and turned over to the contractor. The contractor is in the process of driving both sheet piling and foundation piles at the site. This piling remains under the control of the engineer, Harza.

Additional sheet piling will be required to construct a coffer dam that had been scheduled to be built by earthfill. The NIC borrowed the required sheet piles from the Ministry of Construction (MOC). We approved the purchase of this piling, worth about \$30,000, which the NIC will use to pay back the MOC.

Two project vehicles were purchased with project funds, the first for the use of the Harza construction engineer and the second for the use of the Israeli irrigation engineer. The first has arrived and is under the exclusive control of the Harza engineer and he is responsible for its maintenance. The second vehicle is on its way and will be under the exclusive control of the Israeli engineer and he will be responsible for its maintenance and upkeep. The NIC will provide fuel for both vehicles and NIC's shops will provide maintenance and repair as both engineers may direct.

I have verified the condition of project commodities through bi-weekly visits to the site and weekly meetings with the Officials of NIC.

2. Audits:

Project commodity and technical assistance procurement have been reviewed as part of overall Mission procurement procedures audits (2). The commodity audit identified one finding regarding NIC vehicle personal use policy. The NIC agreed to enforce the policy that is on its books regarding the personal use of project vehicles. We agreed to review the implementation of the policy after three months and Coopers & Lybrand carried out the review in early September. Then findings were that the policy was not being

implemented as agreed. Consequently, all project vehicles faired by CD/I for the use of the NIC staff will be sold in order to close the audit recommendation. NIC has been notified in writing of this decision.

3. Host Country Contribution:

In the original ProAg the GOJ committed land to the project to meet the in-kind host country contribution. The Agreement valued the land at US\$6,000,000. In 1990 the GOJ requested that some of the land area committed to the project be removed for housing. Therefore, value of the land and work already completed in those areas was returned to the project in cash, J\$5,200,000. Additionally, the GOJ is providing funding for the reconstruction of the dam, J\$125,000,000.

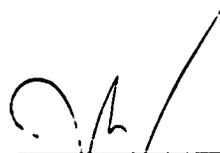
<u>Land Value for HCC</u>	<u>Cash Replacement for Housing Land</u>	<u>Dam Reconstruction Funds (received to date)</u>	<u>Total to date</u>
\$5,054,546	\$945,454*	\$1,261,261	\$7,261,261

*The exchange rate at ProAg: J\$5.5 = US\$1.

4. Centrally Funded Projects:

The centrally funded Israeli engineer arrived in Jamaica on 8/18/93 and has begun work in accordance with the scope of work which we had developed jointly with NIC.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



John Tennant
Director, OPPD

PROJECT STATUS REPORT
April 1, 1993 to September 30, 1993

SPECIAL DEVELOPMENT ACTIVITY FUND (SDAF)

BACKGROUND DATA

Project Title:	Special Development Activity Fund
Project Number:	532-0029
Authorization:	\$1,175,272
Original PACD:	Ongoing
Implementing Agencies:	Various community groups
AID Project Manager:	Audrey Tomlin
Cumulative Obligations:	\$1,175,272
Cumulative Expenditures:	\$1,075,270
Date of Last Audit:	November 27, 1988

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose

To fund small discrete self-help community based activities.

B. Relationship to Mission Strategic Objectives

1) Specific Linkage to Mission Strategic Objectives

The Special Development Activity Fund (SDAF) addresses the Mission's concern to stimulate greater self-reliance, community organization, and community participation among Jamaica's underprivileged population. A major portion of SDAF projects assists underprivileged women in developing skills to equip them for employment.

2) Percent of LOP

N/A

III. PROJECT DESCRIPTION

The project focuses on primary health needs, education requirements, and the development of productive facilities and infrastructure. Projects funded can include but are not limited to the construction of roads and drains, vocational training, water supply schemes, handicraft development, community centers, primary schools and health centers and other such activities involving the local population and not normally reached directly by other formally established AID projects.

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IV. ACCOMPLISHMENTS

In FY '93 approximately 86 applications for varied assistance through the SDAF were received. These requests ranged from individuals seeking assistance to defray funeral entertainment expenses to institutions requesting assistance for research grants. Nineteen of these projects which at first examination met the criteria for assistance through SDAF were reviewed and rated by the Project Committee. Thirteen of these which fully met the criteria were selected for funding. These projects were visited by the project officer and members of the committee who were sector related e.g. the engineer visited projects with building components and the member from the Office of Health and Family Planning visited clinics and shelter for the homeless. These projects will provide assistance to over 4000 clinic outpatients, mentally retarded children and homeless people and skills training and basic education for over 5000 children and women.

Following are the projects chosen:

<u>Name of Project</u>	<u>USAID Grant</u>	<u>Local Contr.</u>
1. St. Pius Skills Training Center (Health Clinic & Home Economics Training for Women in Kingston innercity)	10,000	18,920
2. Riversdale AME Basic School (Basic education for 3-6 Yr. Olds)	4,100	10,337
3. Clarendon Group for the Disabled (Chicken farm for funding program for the disabled)	10,000	49,438
4. St. Ann's Bay Baptist Church - Training Project (Garment manufacturing training for women)	3,500	5,707
5. Golden Spring Basic School (Basic education for 3-6 Yr. Olds)	10,000	21,797
6. The Lord's House - Brothers of the Poor (Shelter for street people in Kingston innercity)	10,000	104,000
7. Lucea Skills Training Center (Training in garment manufacturing and home economics for women)	3,100	38,426
8. Corinaldi Primary School (Dining facilities for school feeding program)	10,000	11,027
9. Kiwanis Club of South St. Catherine - Waterford Clinic	7,000	10,000
10. Mandeville School of Hope for Children with Mental Retardation	10,000	33,333
11. St. Ann Commission for the Homeless	10,000	24,148
12. Citizen's Advice Bureau-May Pen Skills Training Program	2,300	2,500
13. Montego Bay Street People's Shelter	<u>10,000</u>	<u>22,000</u>
	<u>100,000</u>	<u>351,633</u>

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Peace Corps volunteers continue to assist communities with implementation of the SDAF projects in the areas where they work. Their informal monitoring and reporting to the OEHR is useful. They also assisted with identification of new projects for FY 1993.

V. PROBLEMS AND DELAYS

One previously outstanding problem was resolved this period:

Guy's Hill Basic School - The Guy's Hill Basic School Committee have liquidated the total amount of grant including the amount stolen. There are, therefore, no funds to be written off.

Unresolved FY'91 problem:

Bellevue Hospital Restoration Committee - Relocation of Western T Ward - The patients of Western T Ward have not yet been relocated to the renovated ward since the present occupants have not vacated the premises. The deadline of nine months given by the previous Minister of Health to vacate the ward has passed. Two letters have been sent to the new Minister of Health outlining the entire issue and the need for action.

Outstanding FY'92 project

Polly Ground Primary School Outreach Skill Training - The purpose of this project is to provide funds for equipping a culinary arts workshop. At the time the grant was given the plan was to renovate and relocate the sewing workshop to establish the culinary arts workshop within six months. Construction of the new facilities to house the sewing workshop has been considerably delayed. The school has also delayed procurement of equipment which should have been accomplished by January 1993. A letter has been sent to the principal explaining the urgency for completing the project and will be followed up on to assure full liquidation.

VI. WORK PLANS FOR THE NEXT SIX MONTHS

The remaining projects from FY 1992 and the projects for 1993 will be monitored closely to ensure completion within the 6 month implementation period.

SEMI-ANNUAL REPORT SUPPLEMENT

PROJECT MONITORING ISSUES

SPECIAL DEVELOPMENT ACTIVITY FUND (SDAF)

April 1, 1993 to September 30, 1993

Commodity Procurement

Recipient organizations normally do their own purchasing with Jamaican dollar advances. Over the past five years 99.9% of equipment purchased with SDAF funding was procured in Jamaica. The only exception was done to facilitate a grantee with foreign exchange to purchase medical equipment which was not available in Jamaica at that time. According to the Mission Operating Manual "Procurement policies, regulations and procedures are waived for projects under the Special Development Activity Authority" (AID Commodity and Services Contract Source Requirements in Chapter 1400 - AID Manual Order 5D).

Equipment purchased for these projects are generally basic classroom equipment, low-tech medical equipment for health clinics, building material, office equipment, skill training equipment for programs in agriculture, sewing, home economics and building skills, e.g., sewing machines, stoves, refrigerators, welding plants and agricultural tools.

The Project Officer along with various committee members have made over twenty (20) spot checks for the period. The checks indicate a high level of maintenance and use, and no diversion of commodities has been identified.

Audits

The Special Development Activity Fund was last audited in November 1988.

Recipient Contribution

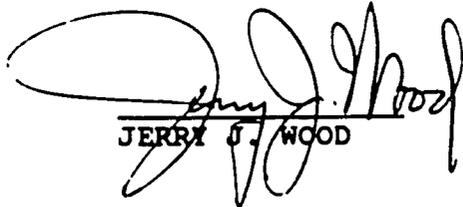
Grantees are expected to make a contribution - cash or in kind - of approximately 50% of the total cost. Recipients of assistance have been contributing much more than the 50%. For the thirteen projects funded in FY 1993, at a total of US\$100,000, the local contribution is US\$351,633.

Recipients' contributions are recorded on application forms and verified on site visits by the Project Officer and relevant committee members.

Centrally funded:

N/A

Office Director certifies that he has reviewed and cleared the SAR for Mission Review.


JERRY S. WOOD

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PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

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I. BACKGROUND DATA

Project Title: Primary Education Assistance Project II
 Project Number: 532-0155
 Date of Authorization: original: 08/31/90 amendment 11/18/92
 Date of Obligation: original: 08/31/90
 PACD: original: 08/31/95
 Implementing Agencies: Ministry of Education & Culture (MOE&C)
 Major Contractors: Trevor Hamilton & Associates
 Academy for Educational Development
 Harvard Institute for International Development
 Marceline Collina-Figueroa
 AID Project Managers: All CPs met. Covenants for component 3 partially met.
 Status of CPs/Covenants: met.
 Date of Last Evaluation: None Done
 Date of next Evaluation: 06/94
 Date of Last Audit: 07/23/91
 Planned No. of Yearly Non-Federal Audits: 4
 No. of Audits Contracted for/Completed: 1

IV. FINANCIAL DATA

Amount Authorized:	DA Grant:original	US\$ 4,000,000	amended to \$5,600,000
Amount Obligated:	DA Grant:original	US\$ 670,000	amended to \$3,894,234
Amount Committed:	Period:	US\$ 584,542	
	Cumulative:	US\$ 2,246,758	
Accrued Expenditures:	Period-Projected:	US\$ 800,000	
	Period-Actual:	US\$ 825,176	
	Cumulative:	US\$ 1,589,653	
	Period-Next:	US\$ 1,000,000	
Counterpart Contrib.:	Period	Cumulative	Life of Project
Planned	US\$200,000	US\$ 672,431	US\$ 1,880,000
Actual:	US\$279,243	US\$ 751,674	
Next:	US\$300,000	US\$1,051,674	
% LOP Elapsed:	61%		
% of Total Auth. Oblig.	69.5%		
% of Total Oblig. Exp.	40.8%		
% of Total Auth. Exp.	28.4%		

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose:

To improve the effectiveness and efficiency of the primary education system in Jamaica.

B. Relationship to Mission Strategic Objectives:

Specific Linkage

PEAP II is an area of concern in the Mission's Action Plan; however, it impacts on the Mission's Strategic Objectives since effective primary education results in an educated labor force which positively impacts on employment and economic development (S.O 1), improved environmental management and protection (S.O 2), and the health and size of families (S.O 3).

III. PROJECT DESCRIPTION

The project will assist in the improvement of the primary education system. It has three major components: 1) support for the decentralization of education management activities through the training of school principals/community leaders; 2) upgrading i) the delivery of mathematics education to students in grades 1 - 6 through training of resource mathematics teachers and improving instructional materials, ii) the measurement of primary student achievement in mathematics under the already established National Assessment Program (NAP); and, 3) development of an integrated Educational Management Information System and strengthening of MOE&C's capacity to carry out planning and policy analysis.

V. PROJECT STATUS

A. Planned EOPS

- SCOPE school/community projects completed in 600 school communities from which participants received SCOPE training.
- A fully operational Referral Unit established at the MOE&C.
- Validated item bank used to generate 6 NAP maths tests
- Annual reports generated for each grade 6 student taking NAP maths exams.
- Low cost indigenous materials developed to support the teaching of maths in areas perceived as difficult to teach.
- A model maths teacher training program developed to train 140 maths resource teachers.
- 50% reduction in data collection activities.
- 50% reduction in time to produce key reports.
- 2 regions producing reports for regional decision making.
- 10 key policy areas determined.
- Analytical reports produced in 5 key areas.
- At least two reforms implemented.

Progress to Date

- To date, over 300 projects that have been catalyzed by SCOPE training have been identified.
- Staffed by 6, the unit has conducted workshops and supported the formation of SCOPE Committees.
- An item bank is being developed, 1 maths test generated.
- NAP exam piloted in 43 schools. Analysis of test results proceeding.
- Maths kits of 8 charts, 5 games, 24 manipulatives; a glossary and activity booklet developed. They will be pilot tested along with 3 maths replacement units in 14 schools.
- Over 100 candidates screened. Training program being developed. 16 resource teachers being trained.
- Project team for the Policy Analysis, Planning and Management component established in the MOE&C. Information needs analysis was initiated in September. Project workplans will be prepared by late October.
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B. Major Outputs

	Planned				Accomplished				
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP		
1. Primary school operations manual distributed. Principals trained.	800	400	684	183	333	617	77%		
2. School/Community leaders instructed in SCOPE program	1500	800	1247	429	624	1071	72%		
3. NAP maths tests developed	6	0	1	2	0	1	17%		
4. Maths resource teachers trained	140	0	0	60	0	0	0%		
5. Training (Persons) Overseas	M	F	M	F	M	F	M	F	
Long Term	1	0	0	0	0	0	1	0	100%
Short Term	1	2	0	1	0	0	1	2	100%/100%
Local	540/1100	265/535	458/910		226/398	419/773	78%/70%		

C. Other Accomplishments and Overall Status

Over the reporting period, the focus of USAID was to a) continue SCOPE (School/Community Outreach Program for Education) training for approximately 800 principals/community representatives in management strategies; b) administer and report on 1 grade 6 NAP maths exam and develop maths instructional materials; and c) support the start-up activities, including a needs analysis, for the development of an integrated educational management information system and identification of policy issues in the MOE&C.

Great strides have been made on all project components.

1. Decentralization

During the reporting period 5 SCOPE workshops were held for 624 participants, of which 36% were male and 64% female. There was increased participation from the MOE&C in the areas of Managing Physical Resources and Finance. The staff of the Referral Service Unit gave hands-on assistance in school planning and project development. Presentations at the workshops covered the following areas: the SCOPE concept; the management process; project planning and management; school/community interface; problem solving processes; team building and group dynamics; school planning; security measures; attitudes; leadership; time management. Experience sharing sessions covered Adopt-A-School; arresting vandalism and improving community attitudes to school; private sector support for upgrading the school plant; community intervention in a school lunch program and improving school/community relations. Lunch time presentations took place on the topics: school community interaction; developing and maintaining a positive work attitude; creative approaches to teaching and learning; and managing a school on limited resources. April workshop participants evaluated it as being highly useful. They recommended that SCOPE courses be included in the curriculum of the teachers' colleges and expressed the need for courses in discipline in schools, the scientific approach to teaching, guidance counselling and conducting interviews.

The AID-financed Promotion consultant and two Outreach Specialists employed at the Referral Service Unit (RSU) worked in close collaboration with Trevor Hamilton and Associates to select 300 community representatives and mobilize principals to attend the SCOPE initial training workshops. In addition, they conducted follow-

on cluster workshops in Kingston, St. Andrew and a part of St. Thomas and visited schools in St. James, Hanover, and Westmoreland. They report that SCOPE strategies are being pursued in 70% of the schools from which individuals have received training.

Institutionalization of SCOPE in a decentralized education system was boosted by a retreat of 28 of the 34 territorial education officers in primary supervision. They analyzed their role in relation to strengthening school/community relations.

The AID-financed Resource Mobilization consultant collaborated with Trevor Hamilton & Associates to coordinate 3 of a series of parish expositions whose objectives are to: promote the concept of SCOPE school/community/private sector partnerships; demonstrate some school/private sector initiatives; familiarize the private sector with opportunities for them to work with schools; ascertain from the private sector their preferred areas for school/business partnerships and the policy environment in which they wish to work in partnership with schools. 52 private sector companies and 55 schools were involved in the 3 expositions held in Kingston and St. Andrew, St. Elizabeth and Manchester. Promotional literature has been developed and the consultant is having follow-up meetings with companies in an effort to match schools and companies.

The SCOPE program is being extended to include overseas study tours to expose approximately 25 participants to a diversity of approaches being used in the USA to address school/community relations, resource mobilization and management related issues. Four participants will be chosen from candidates who are successful in school/community leadership following SCOPE training. An initial 15 participants from the six regions were interviewed in September. Four principals, 1 community representative and 1 territorial education officer have been selected to make the first tour in the next SAR period.

Based on experience in the field, the components of the SCOPE database were revised with the assistance of the Ministry's MIS consultant. Filing of photographs of SCOPE workshop participants and materials used in SCOPE training is up-to-date. A videotape of the workshops was produced and will be used to enrich exhibitions which are done by the MOE&C to demonstrate the work of SCOPE.

2. Educational Strengthening

A baseline study of mathematics teaching utilizing 16 instruments in six sample rural and urban schools was completed by the Formative Evaluation Specialist and her counterpart with the assistance of 6 field investigators. It reveals that maths instruction is teacher-centered and textbook-driven around computation operations, devoid of relevance to real life situations or problem solving. It lacks cooperative learning strategies, does not promote higher order thinking skills and is unrelated to other subject areas. The study also reveals that, although teachers are committed, they lack preparation in certain conceptual areas and receive little assistance in on-going training or provision of instructional activities or aids.

The review of the Primary Maths Curriculum was completed. It constructively critiques the present curriculum which has been in use since 1980 and summarizes the new trends in the teaching of mathematics viz. problem solving in the context of real life and increased communication in the classroom. It makes recommendations in the areas of goals, content, teaching methodology, instructional materials and approaches to evaluation, and it is accompanied by a scope and standards document to assist classroom teachers in implementing new standards. 24 individuals representing different institutions, including grades 1 - 7 classroom teacher representatives, took part in the review. The Core Curriculum Unit of the MOE&C completed a study of the Review Report and

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recommended that it be adopted.

A review of mathematics textbooks was also completed. Follow-up meetings with the Textbook Specialist of the MOE&C should result in the introduction of texts into schools by the start of the 1994-95 school year.

Maths Resource Development activities were initiated at an August workshop. Maths resource kits were developed, each consisting of 8 charts, 24 manipulatives, 5 games, a glossary of mathematical terms and an activity booklet. Pilot testing of these materials was launched at a Materials Resource Training workshop in late September. Also being pilot tested are 3 Replacements Units on Multiplication, Measurement and Statistics in 14 schools.

Following the resignation of the test and measurement specialist last April, a consultant in the same speciality was recruited and began working last June. After administration of the pilot 1993 Grade 3 diagnostic and Grade 6 certification maths MAP tests, answer sheets were scanned by DPK and results analyzed by the MAP team. A test blue print for Grade 6 exams was completed. It included a cross classification of test objectives by content topic and thinking process. Test plans will be developed for Grade 3 and Grade 6 maths tests. A prototype item bank for Grade 3 and 6 tests is being developed. To this end, experienced teachers were involved in workshops to review Grade 6 maths objectives, ensure appropriate weighting of testable content area/objective, prepare item specifications and develop at least 200 multiple-choice test questions which will be reviewed and edited for the item bank. The first of a series of 2-day workshops was held September 30 -1, 1993.

After much deliberation, with the assistance of the MIS/Data Linkages/Technical Specialist, computer hardware and software were procured and installed at the MOE&C. An inventory was done and equipment was marked with USAID emblems. Potential use of the software was identified. On-going hands-on training in their use is proceeding.

The need has been identified for a computer test expert to work with the PEAP II MAP staff to re-configure MAP's computer system and train MAP staff to effectively operate and maintain the system for computer testing operations. This expert will be funded through funds previously budgeted for the MIS specialist, who will not be working on the project for the total time originally anticipated. The MIS specialist provided input to MAP for the procurement of a scanner under a World Bank Sector Development Project.

3. Policy Analysis, Planning and Management

The contract for this component of PEAP II was awarded in late April 1993 to the Harvard Institute for International Development.

The MIS consultant conducted an extensive review and analysis of the technical needs of the MOE&C for the development of an integrated Educational Management Information System. Hardware and software specifications were drawn up and approved by the GOJ. We are now awaiting IRM's, AID/W approval before finalizing an amendment to procure.

After an initial visit, the long term consultant took up residence in Jamaica in September. An extensive information needs analysis is being conducted by consultants and MOE&C staff. By the end of September, interviews were conducted with over 25 individuals of the senior divisions of the MOE&C and the regional staff of the Montego Bay Education Office.

Based on the needs analysis, project work plans will be developed for an EMIS; training; policy research and analysis; and communication.

D. Problems and Delays

There has been a delay in customs clearance of a project vehicle which was procured by AED.

In the component of Policy Analysis and Planning, all Ministry counterparts have not been named and the project office is not yet fully established.

E. Major Activities or Corrective Actions During the Next Six Months

1. Major Corrective Actions Expected

It is expected that additional Ministry counterparts will be named for long term and short term consultants working on the Policy Analysis, Planning and Management component. Work is proceeding to accommodate all units of the Planning Division of the MOE&C at a common location.

2. Workplan for the Next Six Months

- Evaluate the project.
- a) Decentralization
 - Trevor Hamilton & Associates to conduct at least two workshops to complete contractual obligations of training 1500 participants in SCOPE strategies;
 - Close out of contract of Trevor Hamilton and Associates;
 - Referral Unit staff to conduct follow-up SCOPE workshops with participants who received initial SCOPE training;
 - Extend contracts of Promotions and Mobilization Consultants;
 - SCOPE Mobilization consultant to coordinate parish level promotion forums to familiarize the private sector with opportunities for developing school/community/private sector partnerships;
 - At least 12 successful SCOPE leaders to be sent on US study tours.
- b) Educational Strengthening
 - Complete selection and initiate training of Maths Resource teachers;
 - Complete study of training of mathematics primary school teachers in Jamaica;
 - Complete profile of the Jamaican primary school teacher;
 - Continue pilot testing of instructional materials - maths kits, activity booklets and 4 additional replacement units in schools;
 - Perform formative evaluation during pilot of instructional materials;
 - Revise instructional materials and pilot test in 3 Kingston schools;
 - Prepare training materials, manuals and guides;
 - Begin training of teacher trainers;
 - Recruit and integrate short-term computer test expert.
- c) Policy Analysis, Planning and Management
 - Complete needs survey and analysis of policy and operational information requirements;
 - Amend NIID's contract, as planned, to finance costs of computer hardware and software for EMIS;
 - Procure and install computer hardware and network system at Project Office, Main Building, MOE&C;
 - Complete project workplans;
 - Send initial group on US Study Tour;
 - Begin local training in Computer basics applications, database design and programming, policy research and analysis;
 - Design and field-test new data collection instruments and systems;
 - Review and redesign existing databases;
 - Begin development of prototype EMIS, and Executive Information System;
 - Begin work in updating SHARE software with Jamaican abstracts.

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3. Impact over the Next 6 Months

a) Decentralization

More and more school communities are implementing and completing SCOPE projects. The work of the mobilization consultant is expected to result in more school/community/private sector links.

b) Educational Strengthening

We are already seeing an improvement in the performance and enthusiasm of the maths teachers of the 14 schools which are piloting the maths instructional materials. More teachers will show improved performance as teacher trainers and resource teachers are trained.

c) Policy Analysis, Planning and Management

Ministry policy makers are showing increased awareness of their role as managers, moving away from stressing administration and control to stressing performance and accountability.

BEST AVAILABLE DOCUMENT

PRIMARY EDUCATION ASSISTANCE PROJECT II

SAR SUPPLEMENT - PROJECT MONITORING ISSUES

1. Commodity Procurement

During the review period, the Academy for Educational Development (AED) procured the following equipment for the project: 2 desk-top computers, 2 notebook computers, 2 laser printers, 1 portable printers, 1 wide carriage printer, 1 bubble jet printer, 1 fax modem, 1 external modem, 1 scan man and 3 uninterruptible Power Supply systems with accessories and software. These are located in griled offices at Caenwood and the NAP office of the Ministry of Education and Culture (MOE&C). Hardware and accessories cost US\$21,214 and software cost US\$5,050.

The project officer has made a site visit to ascertain the location and serial numbers of the equipment and they have all been marked with decals. They are in use daily. The majority of the equipment was purchased in-country from Xerox (Jamaica) Ltd. with a one year warranty. AED is responsible for the maintenance of the equipment during the life of their contract i.e. until October, 1994 with the possibility of an additional year.

Unfortunately, the Cherokee vehicle which was procured by AED from Pexi, Miami, and shipped to Jamaica since January, 1993 has not yet been cleared from the wharves. At first, the serial number on the vehicle did not correspond to the number on the bill of lading. This was rectified by the dealers. However, customs officials claim that the serial number corresponds to that of a 1992 vehicle and not a 1993 vehicle as stated on the papers. AED, through Pexi, has secured a letter from the manufacturers, Chrysler, stating that the vehicle is a special right hand one built in 1993. The Ministry has submitted this letter to its custom brokers, Ballen Custom Brokers, who is seeking the release of the vehicle.

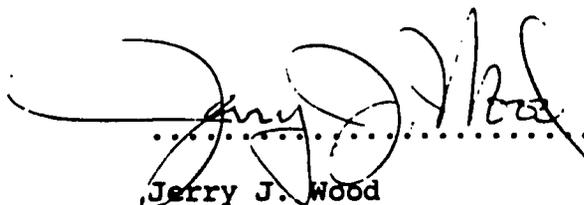
If we do not obtain the vehicle within the next week, the RLA has advised that we write to Pexi to require that they remove the vehicle from Jamaica and replace it.

2. Host Country Contribution: 03/31/93 - 09/30/93

Cash Contribution	US\$245,243
In-Kind contribution	US\$ 34,000
TOTAL	US\$279,243

The above figures were obtained from correspondence sent to USAID from the Ministry of Education and Culture, dated October 4, 1993.

Office Director certifies that has reviewed and cleared
the SAR for mission review.



.....
Jerry J. Wood

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

FINANCIAL DATA

BACKGROUND DATA

Project Title: Agricultural Education Project
 Project Number: 532-0082
 Date of Authorization: original: 08/16/84 amendment 04/25/90
 Date of Obligation: original: 08/31/84 amendment 05/31/90
 PACD: original: 08/31/89 amendment 08/31/93
 Implementing Agencies: Ministry of Education/College of Agriculture
 Major Contractors: Louisiana State University
 AID Project Manager: Karen McLJaw
 Status of CPs/Covenants: CPs and Covenants - all met
 Date of Last Evaluation: 06/08/88 Next Evaluation: None planned
 Date of Last Audit: 1st quarter FY 92 Next Audit: None planned
 Planned No. of non-Fed Audits: 0
 No. of Audits contracted for/completed: 1

Amount Authorized:	DA Loan: original	\$ 9,850,000 Amended to \$ 6,004,593	
	DA Grant: original	\$ 3,560,000 Amended to \$ 3,544,176	
Amount Obligated:	DA Loan: original	\$ 8,350,000 Amended to \$ 6,004,593	
	DA Grant: original	\$ 3,560,000 Amended to \$ 3,544,176	
Amount Committed:	Period:	-0- (G) \$ 77,311	
	Cumulative:	\$ 6,004,593 (G) \$3,415,444	
Accrued Expenditures:	Period-Projected:	\$ -0- (G)\$ 354,934	
	Period-Actual:	\$ -0- (G) \$ 157,114	
	Cumulative:	\$ 6,004,593 (G) \$3,414,084	
	Period-Next:	\$ -0- (G) \$ -0-	
Counterpart Contrib.:	Period	Cumulative	Life of Project
Planned	\$ 495,407		\$ 5,151,000
Actual	\$ 639,887	* 6,422,885	\$ 6,422,885
% LOP Elapsed		95%	
% of Total Auth. Oblig.		100% (L) 100% (G)	
% of Total Oblig. Exp.		100% (L) 97% (G)	
% of Total Auth. Exp.		100% (L) 97% (G)	

* In kind contribution (land) included @ US\$2,894,000 calculated in 1992.

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose

To develop and expand the Jamaica College of Agriculture at Passley Gardens and expand and improve the secondary agricultural school at Knockalva.

B. Relationship to Mission Strategic Objectives:

- (1) Strategic Objective - other concerns.
- (2) Present funding towards other concerns: 100

III. PROJECT DESCRIPTION

The Project was designed to address the critical need for trained Agricultural Specialists to assist in revitalizing the agricultural sector in Jamaica. The Project supports the development and expansion of the College of Agriculture (COA), the Knockalva Agricultural School (KAS). Construction, technical assistance and training are components of the original project. A Project Paper Supplement was executed to allow for completion of U.S. degree training and short term technical assistance to support returning participants and increase administrative effectiveness at both institutions.

In November of 1991, the Mission was informed that funds obligated to projects in fiscal years 1985 and prior would be returned to the U.S. Treasury if not disbursed by September 30, 1992. Project Grant funds were reduced from \$4,560,000 to \$3,544,176 and loan funds from \$6,500,000 to \$6,004,593. As a result of the reduced funding: 1) the GOJ had to absorb remaining construction costs; 2) the PACD was shortened from August 31, 1994 to August 31, 1993 and consequently, three participants whose degrees will not be completed until after the new PACD are being transferred to CLASP; and 3) remaining FY 90 funds are being reallocated between participants, the COAJF and agreed upon construction costs.

IV. PROJECT STATUS

A. Planned EOPS

- COA enrollment to 300***.
- KAS enrollment to 224.
- 100 COA certificates/year
- 95 graduates/year by KAS
- COA faculty: student: 1:18
- KAS faculty: student 1:20
- COA graduating class with new curriculum
- *Capability of COA program evidenced by:
 - 15% graduates enter extension or public service
 - 15% graduates as VoAg instructors
 - 15% graduates enroll in MSc or advanced degree program
 - 40% graduates enter private sector

Progress to Date

- Present enrollment 252**
- Present enrollment 200
- Presently 65/year
- Presently 53/year
- Presently 1:12
- Presently 1:15
- Completed

* 1991 survey of employer satisfaction with COA graduates indicates above average performance of the graduates. Graduates training for Advanced Degrees perform well.
 ** additional outreach and continuing education: 80
 *** Due to the reduction in available loan funds, adjustments were made to the original planned EOPS. These adjustments reflected here, include a reduced number of targeted COA enrollment, buildings and level of facility renovation and value of commodities procured.

Impact of Project:

- i) Major staff limitations have been largely overcome with the implementation of the participant training program undertaken resulting in academic degrees. Through this accomplishment has evolved a stable, well-trained teaching force, the best assurance of the projects lasting quality;
- ii) The completion of modern staff and student housing, laboratories and classrooms contributed to the stability of the teaching staff and expansion of student enrollment from a pre-project maximum of approximately 240 to current capacity of nearly 400; and
- iii) One of the greatest long-term implications of the project is the improvement of the curriculum resulting from a combination of a highly trained faculty, improvements in instructional support materials, including library collection. This combination has been responsible for the expanded mission and performance of the College in the non-traditional roles in research and outreach.

B. Major Outputs

	Planned			Accomplished			% of LOP
	LOP	Period	Cum.	Next Period	Period	Cum	
1. Graduates							
COA	380	53/25	242/82	0 / 0	54/11	337/108	132%
KAS	302	25/23	185/59	0 / 0	38/15	257/98	118%
2. Training (Per)	M/F	M/F	M / F	M/F	M/F	M / F	
Long-term	21/7	0/0	16/6*	0/0	5/0	31/7	136%
Short-term	3/1	0/0	2/1	0/0	0/0	3/1	100%

*Three participants are jointly funded between this Project and CLASP.

3. Construction (N/P= No. Buildings/Percentage Completed)

(a) Classrooms							
1. COA	3/100	-/-	-/-	-/-	3/100	3/100	
2. KAS	3/100	-/-	-/-	-/-	3/100	3/100	
(b) Laboratories							
1. COA	3/100	-/-	-/-	-/-	3/100	3/100	
2. KAS	3/100	-/-	-/-	-/-	3/100	3/100	
(c) Faculty Housing							
1. COA	11/100	-/-	-/-	-/-	11/100	11/100	
2. KAS	1/100	-/-	-/-	-/-	1/100	1/100	
(d) Dormitories							
1. COA	1/100	-/-	-/-	-/-	1/100	1/100	
2. KAS	1/100	-/-	-/-	-/-	1/100	1/100	
(e) Admin./Service							
1. COA	2/100	-/-	-/-	-/-	2/100	2/100	
2. KAS	6/100	-/-	-/-	-/-	6/100	6/100	

4. Equipment Procurement:	LOP	Cum.	%LOP
	\$1,440,542	\$1,440,542	100

5. Technical Assistance: Completed

-Curriculum Development	TA Completed
-Applied Research	TA Completed
-Pedagogic and in service	TA Completed
-Faculty Training	TA Completed

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C.

Other Accomplishments and Overall Status

- M account PIL returned countersigned with the new LOP of US\$9,548,769 and PACD of August 31, 1993.

- COA-Jamaica Foundation: The COA-JF Grant was amended to assist in the rehabilitation of the Spring Garden Farm which sustained severe flood damage due to heavy rains. PIL No. 70 dated July 21, 1993 concurred with the change in purpose for the funds budgeted for training/administrative support for the COA-JF staff.

- Procurement: Most items originally reported missing in the Procurement Review were located or accounted for during site visits to COA and KAS by the Project Officer. The value of items still missing is less than 2% of total procurement and, therefore, considered de minimus.

- Training: Three participants are in training at U.S. universities. Five participants have returned to Jamaica and have been reassigned to COA and engaged in areas of technical training. PIO/Pa have been completed for the transferred participants to CLASP. These participants will be funded under CLASP until the completion of their studies.

- Technical Assistance: Final voucher has been submitted by LSU.

- Other: A 1991 graduate of the College, Gladstone Barrett, is making a name for himself at Florida A&M where he will complete a degree in Agriculture Economics and Communications next year. Mr. Barrett has earned a straight A, 4.0 GPA, been inducted into the Golden Key Honor Society and has presented a paper at the University's annual Honors Convocation. In addition, he still has time to be fully involved in the community, serving as a male role model for young boys and as a volunteer teacher in a Talahassee primary school. Similar records of achievement by recent College graduates are the best indicator of the enhanced standards and quality of education at the College.

D. Problems and Delays

- Equipment Procurement: The stand-by generator for the College of Agriculture is fully installed inspection and certification by the Government electrical inspectors have been completed. Connection to the power supply by the Jamaica Public Service Co. Ltd. is outstanding.

- Membership on the COA-JF Board is still vaguely defined and JADF is still not represented on the Board.

E. Major Activities or Corrective Actions During the Next Six Months

(1) Major Corrective Actions Expected

- Board Member: USAID to discuss once more with COA-JF.

- Equipment: Connection of generator to power supply.

(2) Workplan for the Next Six Months

- CLASP funding: Approximately US\$130,000 of Project funds will be de-obligated and re-obligated to CLASP to cover participants transferred to CLASP.

- Completion of PACR.

(3) Impact in the Next Six Months

None.

BEST AVAILABLE DOCUMENT

SEMI ANNUAL REPORT SUPPLEMENT - PROJECT MONITORING ISSUES

Period: April 1, 1993 - September 30, 1993

Project: Agricultural Education Project

Project Number 532-0082

1. Commodity Procurement:

There was no procurement during this reporting period. Most items originally reported missing in the Procurement Review were located or accounted for, by use of the inventories kept by COA and KAS, during final site visits to COA and KAS. The value of items still missing is less than 2% of total procurement and, therefore, considered de minimus.

2. Audits:

COAJF accounts controlled by JADF are being reviewed in an audit by JADF. This activity is expected to be completed by November 1993.

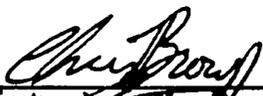
3. Host Country Contributions:

The MOE&C is contacted for the information on the GOJ contribution to the project. Their calculations include the costs of the Project Implementation Unit and construction costs not paid by the project. The land values were calculated by College of Agriculture President, Dr. Terrence Thomas.

4. Centrally Funded Projects:

Not Applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



Christopher M. Brown

PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

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BEST AVAILABLE DOCUMENT

I. BACKGROUND DATA

Project Title: Food Aid Monitoring and Support
 Project Number: 532-0157
 Date of Authorization: original: 08/31/89
 Date of Obligation: original: 08/15/89 amendment 12/29/89, 7/31/92
 PACD: original: 08/31/94
 Implementing Agency: Planning Institute of Jamaica
 Major Contractors: Peat Marwick and Partners, Abt Associates and Black & Veatch
 AID Project Manager: Conrad Ornstein/Christopher Brown
 Status of CPs/Covenants: All Cps met; no covenants

AUDIT DATA

No. of evaluations completed: None First Evaluation: N/A
 No. of audits completed: *None *First Audit: N/A

*No project funds have been disbursed through the GOJ.

FINANCIAL DATA

Amount Authorized:	DA Grant: original	US\$2,500,000
Amount Obligated:	DA Grant: original	US\$ 300,000 Amended to \$ 1,265,000
Amount Committed:	Period:	US\$ 52,587
	Cumulative:	US\$ 963,176
Accrued Expenditures:	Period-Projected:	US\$ 364,000
	Period-Actual:	US\$ 14,348
	Cumulative:	US\$ 894,000
	Period-Next:	US\$ 225,000

Counterpart Contribution:*	<u>Period</u>	<u>Cumulative</u>	<u>Life of Project</u>
Planned	US\$85,000	US\$637,500	US\$850,000
Actual	US\$ 9,100	US\$ 56,801	\$
% LOP Elapsed		75%	
% of Total Auth. Oblig.		51%	
% of Total Oblig. Exp.		71%	
% of Total Auth. Exp.		36%	

*Preliminary

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

Project Purpose

This project supports the following Mission objective: Healthy, Smaller Families. The Project purpose is to enable the GOJ to undertake multi-year planning and management of food aid resources, including local currency generations, as well as an expanded focus on policy dialogue.

III. PROJECT DESCRIPTION

This project finances the ancillary activities associated with the implementation of a food aid program, including monitoring, evaluation and other relevant tasks.

Note: PL 480 Title I activities have been transferred to USDA effective July 1, 1991. Title II activities remain with USAID.

IV. PROJECT STATUS

A. Planned EOPs

Progress to Date

1. Provide assistance to the GOJ for undertaking self-help measure studies.

All 1991 Title I self-help measures have been completed. The self help measures under that agreement were as follows:

- a. The Government of Jamaica (GOJ) agreed to begin a phase out of the monopoly role of the Jamaica Commodity Trading Corporation, commencing with the first half of the Jamaica fiscal year 1991/92.
- b. The GOJ was to undertake a study to review the operational efficiencies of the port facilities for handling bulk feedgrains and to determine whether upgraded discharging and storage facilities would result in substantially lower long term costs.
- c. The GOJ was to determine the procedures and timing of phasing out its involvement in the processing and marketing soybean meal and soya oil in Jamaica.
- d. Jamaica agreed to eliminate all of the current subsidies on imported milk powder, with the exception of the sachet program during the first half of the Jamaican fiscal year 1991/92.

In response to the project-financed self-help study which analysed Jamaica's port facilities (Black & Veatch, February, 1992) the Jamaica Livestock Association undertook an expansion and modernization of their off-loading and storage facilities in Kingston.

2. Auction for Section 108 Funds See SAR prepared for Title I, Section 108.

3. Develop a computer-based Management Information System for tracking PL-480 The following project milestones were achieved during the reporting period: installation and configuration of hardware and software at all projects sites (Min. of Finance, Planning

1
2
3

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local currency generations. Institute of Jamaica, Jamaica Commodity Trading Company, USAID); Implementation review; user training; initial system testing.

Outstanding tasks are: System Acceptance Testing, Implementation Audit.

Revised target completion date is December 17, 1993.

Monitoring of Title II and 416 Programs. See separate Project Status Reports for these activities.

Health and Nutrition Surveys No action in this area during the reporting period.

Major Outputs

	<u>Planned</u>				<u>Accomplished</u>		% of
	Next		Next		Period	Cum	
	LOP	Period	Cum.	Period			
Policy studies for self help measures	10	0	5	0	0	5	50%
Auctions of Section 106	10	1	6	1	0	7	70%
Evaluations of Food Aid Issues	5	0	1	0	0	1	20%
Monitoring of Titles II and Section 416 Programs	N/A						
Establishment of MIS to track local currency	2	1	2	1	0	1	50%

No sex disaggregated data is available for this project.

2. Other Accomplishments

1. Developed, negotiated, and signed a grant agreement with the UNDP for them to manage and implement the procurement and provision of 10-11 four-wheel drive vehicles for the Ministry of Labour and Welfare. The vehicles will provide needed transportation for Ministry staff to register candidates and deliver food stamps to beneficiaries of the GOJ Food Stamp Program.
2. Obtained agreement from the Ministry of Finance, PIOJ, and JCTC for them to provide for the maintenance and commodity control of Local Currency MIS-procured computer hardware and software installed at their sites.
3. Obtained agreement from the MOF to provide continuing software system support through their Information Services department to all sites participating in the Local Currency MIS.

3. Problems and Delays

1. The project encountered difficulties in obtaining timely delivery of equipment necessary for the implementation of the Local Currency MIS. This was a function of long delivery periods from U.S. suppliers, long lead times needed to move items from Customs to the systems integrator for assembly, and the ordering of recommended items that turned out to be incompatible with other hardware items. This latter problem resulted in the need to return

certain components to the U.S. supplier and repeat the long delivery and Customs clearance process.

2. Late delivery of equipment prevented the installation and configuration of equipment, and site testing, at system sites until September.
3. Certain malfunctioning items not critical to Local Currency MIS system implementation have been returned to the Mission for return under warranty to the U.S. distributor.
4. Heavy work load in the Contracts Office prevented the drafting of a grant agreement for the donation of vehicles for the MLW until July. UNDP did not return the agreement to USAID until the end of September, 1993.

E. Major Activities or Corrective Actions During the Next Six Months

1. Complete and implement the Local Currency MIS. Provide close monitoring of site testing by participating ministries. Work with Contracts Office to obtain receipt of outstanding equipment.
2. Provide an advance of funds to the UNDP, per the grant agreement, for the purchase of 10-11 four wheel drive vehicles for the MLW. Organize and schedule a formal ceremony for transfer of vehicles from UNDP to GOJ. Obtain close out reports from UNDP and close out the grant activity.
3. Close out the Food Aid Monitoring and Support Project, including:
 - * Formally notifying the PIOJ of the proposed early PACD.
 - * Drafting a Project Assistance Completion Report.

F. Impact (Results) Over the Next Six Months

1. Installation of a Local Currency MIS which improves management control and reporting capabilities of the ESF Program and PL 480 Title I, Title II, Section 416(b) activities. The system will provide on-line reporting of GOJ counterpart contributions for all USAID-funded cooperative activities.
2. Improved field transportation capabilities for Food Stamp program personnel. New transportation capabilities will help the program increase the registration and timely delivery of food stamps to approved beneficiaries.

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**SAR Supplement - Project Monitoring Issues
Food Aid Monitoring and Support**

1. Commodity Procurement

MOF, JCTC, and PIOJ management were formally informed of the conditions of acceptance of commodities regarding the Local Currency MIS in a letter of April 13, 1993 which set out the requirements regarding control, use, inventory verification, maintenance, and board of review. Principals of all organizations signed these letters indicating acceptance of the terms of receipt of computer equipment provided to support the Local Currency MIS.

PIOJ, the GOJ counterpart for Food Aid, only maintains an ad-hoc system of commodity management. As a result the Mission has been required to execute a number of commodity control coordinating and management functions to ensure that commodities procured under the project for the Local Currency Management Information System are properly accounted for.

The main shipment of computer hardware and software received for the Local Currency MIS was received on island during March, 1993 and released from Customs on or about April 6, 1993. All items were delivered to Management Control Systems (MCS), 75 Knutsford Boulevard, Kingston by the customs broker, Porter Brothers. On April 6 the project officer visited MCS to verify that equipment had been delivered and to inspect the general condition. A memo to the file of April 12, 1993 documents this visit.

On April 22, 1993 the mission sent a letter to Ms. Dorothy Jones of the PIOJ requesting that they fulfill their requirement as the grantee of Food Aid funds, and consignee of equipment, to perform a complete inventory and verification of all items received and stored at MCS.

On May 12, 1993 the mission received a first complete inventory of items through KPMG Peat Marwick. On May 26, 1993 the mission received a revised inventory list from PIOJ.

Hardware and software were configured by MCS and installed at the following four sites: Ministry of Finance, Planning Institute of Jamaica, Jamaica Commodity Trading Co., and USAID. In a fax of May 11, 1992 the mission requested that KPMG report to USAID regarding the movement and disposition of all items moved from MCS to the sites. The mission had earlier noted this requirement to the PIOJ. KPMG has maintained a locator system for PIOJ, but disposition reports remain outstanding.

- 2 -

With the completion of site installation in September, 1993, site visits of all system sites are planned for the last week of October to verify equipment installation, location, and conditions of use.

Certain items found defective or incompatible with other system items have been returned to USAID/Jamaica by MCS and KPMG for return to the supplier. All items returned to USAID have been documented through a memo to file or letter of transmittal from ONRAD to EXO for disposition.

2. Audits

No project funds have been disbursed through the GOJ, so no recipient-funded audits are planned.

The major PL 480 programs supported by this project are audits as necessary. No separate audit of this program is planned.

3. Host Country Contribution

Figures are provided by the Project Accountant, Planning Institute of Jamaica.

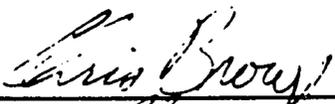
Host country contributions are considerably behind projections. However, with the decision by USAID for an early completion of the activity, no new initiatives under the project have been approved during the reporting period except for execution of the grant agreement with the UNDP to purchase vehicles for the Ministry of Labour and Welfare. Few outlets exist for GOJ expenditures, or are required, except for the limited time required by PIOJ staff to provide quarterly reports and to attend meetings regarding the Local Currency MIS and the UNDP grant.

Mission has requested that the GOJ review contributions to date because GOJ expense calculations have been narrowly focussed on PIOJ salaries and leases, and have not included broader GOJ expenses, NGO contributions, and institutional contributions.

4. Centrally Funded Projects

N/A.

Office Director certifies that he has reviewed and cleared the SAR for Mission Review.



Christopher Brown

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PROJECT STATUS REPORT

April 1, 1993 - September 30, 1993

A ___ B X C ___

I. BACKGROUND DATA

Project Title: Sustainable Justice Reform
 Project Number: 532-0175
 Date of Authorization: original 08/07/92 amendment n/a
 Date of Obligation: original 08/28/92 amendment 08/31/93
 PACD: original 08/31/96 amended to: n/a
 Implementing Agencies: Ministry of National Security & Justice,
 Jamaican Bar Association and United Way
 on behalf of the Mediation Council for Jamaica
 (To be determined)
 Major Contractors: Rosalee Henry
 AID Project Manager
 Status of CPs/Covenants: CP to initial disbursement met 9/14/92
 (see Section C for update on other CPs/covenants)
 Date of Last Evaluation: n/a Next Evaluation: 06/94
 Date of Last Audit: 7/5/93 Next Audit: 04/94
 Planned No. of Non-Federal Audits (RCAs): 10
 No. of Audits Contracted For/Completed: 1

IV. FINANCIAL DATA

Amount Authorized: DA/ESF Grant: original \$3,000,000 amended to n/a
 Amount Obligated: DA/ESF Grant: original \$ 433,000 amended to \$1,648,000
 Amount Committed: Period: \$ 364,182
 Cumulative: \$ 413,273
 Accrued Expenditures: Period - Projected: \$ 230,000
 Period - Actual: \$ 72,866
 Cumulative: \$ 105,501
 Period - Next \$ 300,000

Counterpart Contribution (expressed in US\$)

	Period	Cumulative	Life of Project
Planned:	200,000	280,571	1,121,391
Actual:	95,793	142,485	12.71 %

% LOP Elapsed: 29.17
 % of Total Auth. Oblig. 50.93
 % of Total Oblig. Exp. 8.65
 % of Total Auth. Exp. 4.75

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

- A. **Project Purpose:** To enhance the justice system's sustainability by using available resources more efficiently, and by expanding funding and support from outside the regular government budget system.
- B. **Relationship to Mission Strategic Objectives:** This project contributes to meeting the Mission special concern for providing a sustainable, effective and credible justice system which in turn will contribute to the social and economic stability for achieving economic growth.
- C. **Percent of LOP Funds Relating to S.O.:** Although 100% of this project's funding meets the special concern for sustainable justice, that priority is a Mission special concern and falls outside of its three principal strategic objectives.

III. PROJECT DESCRIPTION

The project provides funding for a number of activities designed to improve and sustain Jamaica's justice system. The project activities will focus on four core components: (1) improved court administration through establishment of a sound court management system and a professional cadre of administrators; (2) courthouse rationalization through closure of underutilized facilities, and renovation of selected courthouses; (3) institutionalization of a policy review and reform process for improved effectiveness and efficiency of the justice system; and (4) strengthened private sector participation in support of the justice system through a stronger Bar Association and improved Mediation Council services in alternative disputes resolution.

B. Major Outputs

	Planned			Accomplished			
	LOP	Period	Cum.	Next Period	Period	Cum.	% of LOP
1. Recruitment of Court Admin. for improved court management	16	14	15	1	14	15	93.75
2. Improved docket management in all parishes	14	0	0	2	0	0	0
3. Consolidation of courthouses	8	5	5	0	0	0	0
4. Improved court facilities	5	0	1	1	0	0	0
5. Research and analysis of justice system policies	6	1	2	1	0	0	0
6. Bar Association conducts public education activities concerning role and function of the justice system	10	1	5	4	3	3	30
7. Establishment of Mediation Centers	5	0	0	0	0	0	0
8. Training (Persons)	M F	M F	M F	M F	M F	M F	M F
Local	135 139	11 09	41 40	17 13	11 09	22 28	16 20
Overseas	6 2	0 0	0 0	0 0	0 1	0 1	0 50

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V. PROJECT STATUS

A. Planned EOPS

1. 90% of Supreme Court criminal cases processed within six months from the point at which they become a Supreme Court matter.
2. 25% reduction in number of cases docketed but not yet reached for trial.
3. Value of all fees collected for court services increased by 100%.
4. Mediation of at least 250 disputes annually by Mediation Council of Jamaica.

Progress to Date

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one fee area, filing fees, increased by 100% in the Supreme Court on December 21, 1992. MNS&J is looking at the possibility of increasing bailiffs' fees

-

C. Other Accomplishments and Overall Status

The project continues to move at a steady pace with progress being made in all elements.

1. Status of CPs: All three Conditions Precedent were satisfied and follow-on work is taking place.

(a) Justice Coordinating Council: The JCC continues to hold meetings on a quarterly basis. A new policy study topic on amalgamating public and private legal aid with a view to determining a suitable source of funding to meet the cost of the combined legal aid work as well as attracting experienced practitioners to this area was accepted by the Council as a topic to be pursued under the project. The study is expected to commence in January, 1994.

(b) Court Administrators: 15 of the 16 court administrators are in place (12 females and 3 males). The 16th person is expected on-board before the first training program in the week of November 22. Formalization of the court administrators positions is still pending legislation. The Court Administrator Advisor arrived on September 9, 1993 under a 2-year contract.

(c) Consolidation and Maintenance of Courthouses: This CP was satisfied on June 9, 1993. Five courthouses were agreed upon for closure on January 1, 1994. These are Cave Valley, Moneague, Hope Bay, New Market and Stony Hill. Work on the 14 RM courts to meet the maintenance requirement was completed over the period. GOJ financing for SJRP activities totalling J\$19.034M was obtained in the GOJ's 93/94 budget. In addition, J\$4M has been set aside for maintenance of courthouses for this fiscal year. A prioritization exercise has commenced with a view to establishing the order in which the 5 courthouses identified for improvement under the project are to be renovated.

2. Covenants: Further progress was made under: - Section 5.2.(a) - Increased compensation levels for judges was approved by Parliament on July 27, 1993. - Section 5.2.(c) - Formal approval was obtained for redirecting fees into the justice sector. J\$3.5M is expected to be returned to MNS&J by way of warrant releases for the GOJ's 92/93 fiscal year as soon as the Supreme Court provides the proof of collection. - Section 5.2.(e) - A recipient contracted audit

agreement for the annual audit of the project funds was entered into with Coopers & Lybrand for the first two years of the project, i.e., Year I spanning the period September 1, 1992 - March 31, 1993 and Year II spanning the period April 1, 1993 to March 31, 1994. Audit of Year I activities is complete. The draft report is now being perused by MNS&J.

3. Training: The six-month Deputy Clerks' Course for 30 participants ended during the period. The Chief Justice attended a 3-day Judicial Reform Roundtable Conference in Williamsburg, Virginia. The conference brought together senior level leaders from South, Central and North America as well as representatives of multilateral donor organizations involved in judicial modernization efforts in Latin America.

The first training session is to be conducted under the long-term contract with CSLA Inc. during the week of November 22. It will focus on team building, inter-organizational communications and interpersonal skills. Court administrators, judges, representatives of the Staff College and clerks of the court are expected to be in attendance at the 4-day workshop. Shortly after his arrival in-country, the court administrator advisor held discussions with the Administrative Staff College with a view to finalizing its role in the training of the court administrators.

The official launch of the SJRP is set for November 13, at which time over 180 justice sector officials will be briefed on the project and specifically on the court administration program.

4. Private Sector: The pre-award survey conducted on the Bar Association revealed a need to strengthen that organization's management and accounting structure. Work is underway to address this need, after which USAID intends to enter into an agreement with the Bar. A pre-award survey scheduled to be completed in October is being carried out to assess the capability of United Way of Jamaica, a local PVO, to manage AID funds on behalf of the Mediation Council for Jamaica.

5. Updated Pre-Award Survey

An updated pre-award survey on the MNS&J was carried out by Coopers & Lybrand to determine whether there are any changes in the method by which contractual arrangements are carried out since the amalgamation of the Ministries of National Security & Justice. USAID expects to receive the draft report shortly.

D. Problems and Delays:

- o Construction activities in Spanish Town are being delayed by agreement on an adequate site plan.
- o Private Sector components have been delayed by pre-award procedures.

E. Major Activities or Corrective Actions During the Next Six Months

1. Major Corrective Actions Expected

- o Continue to press for adequate site plan for new construction.
- o Complete pre-award procedures for United Way and Bar Association.

2. Workplan for the Next Six Months

- o Implementation Plan from CSLA modified by Court Administrator Advisor and approved by USAID
- o Sub-contract executed with the Administrative Staff College
- o First training module and at least 4 others executed
- o Computer equipment procured under the contract with CLSA

- o The sixteenth Court Administrator appointed and begins training with the 15 already recruited
- o Complete prioritization exercise and commence pre-contract work for A&E and QS services for at least one courthouse
- o Policy Study on legal aid system completed
- o Initiate six-month Social Welfare Course at UWI for two social workers in the family courts
- o Launch SJRP at seminar
- o Execute separate agreements with Bar Association and United Way on behalf of the Mediation Council
- o Continue to monitor progress on covenants
- o Recruit Statistician

3. Impacts Over the Next Six Months

- o Training of Court Administrators will begin to improve court processes.
- o Collective expertise of the membership of the Justice Coordinating Council will be beneficial to MNS&J and the suggestions put forward at the meetings will begin to affect policies and programs aimed at improving the quality of the justice system.

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SEMI-ANNUAL REPORT SUPPLEMENT

PROJECT MONITORING ISSUES

Period: April 1, 1993 - September 30, 1993

Project: Sustainable Justice Reform

Project #: 532-0175

1. Commodity Procurement

The on-site resident advisor (court administrator advisor) is currently attending meetings with MNS&J personnel to identify the computer equipment to be procured with respect to computerization of the justice sector accounting system and fixed asset tracking system. To ensure that these equipment are appropriately marked, he has been given a copy of the guidance on AID marking requirements and a list of sources for procurement of the appropriate emblems. The Project Officer attended the first meeting the court administrator advisor had with MNS&J personnel on this matter.

The motor vehicle, assigned to the PMU at MNS&J, and the log are being properly maintained. The Project Officer has viewed the log on at least two occasions since the car was handed over to the PMU on March 2, 1993.

The PMU is working on clearing the vehicle to be assigned to the court administrator advisor which was procured under the CSLA contract. The vehicle arrived in-country on September 22, 1993. The vehicle will be handed over to a local service agent, Kingston Industrial Garage, for checking and pre-servicing, after which a commodity receiving report will be sent to USAID.

2. Audits

A recipient contracted audit agreement for the annual audit of the project funds was entered into with Coopers & Lybrand for the first two years of the project, i.e., Year 1 spanning the period September 1, 1992 - March 31, 1993 and Year 11 spanning the period April 1, 1993 to March 31, 1994. Audit of Year 1 activities is complete. The draft report is now being perused by MNS&J.

- 2 -

3. Host Country Contribution

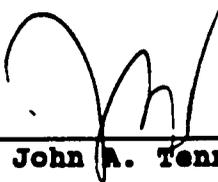
The host country contribution for this project was estimated in the project agreement at US\$1.121 million from the GOJ and an in-kind non-governmental contribution of US\$231,000. To date, the GOJ has contributed a total of US\$142,485 which represent cash contribution of US\$107,797 and in-kind contribution of US\$34,688.

The source of information for host country contribution is obtained from the quarterly reports submitted by the PMU and discussions with the General Coordinator.

4. Centrally Funded Project

Not applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



John A. Tennant

PROJECT STATUS REPORT

BEST AVAILABLE DOCUMENT

April 1, 1993 - September 30, 1993

A ___ B ___ C X

I. BACKGROUND DATA

Project Title: Jamaica Shelter Sector Support - Private Sector
Project Number: 532-HG-012B
Date of Authorization: original 9/83 amendment 03/89
Date of Obligation: original 12/84 amendment 03/89
PACD: 12/31/95*
Implementing Agencies: Caribbean Housing Finance Corp. (CHFC)
 Ministry of Construction (Housing),
 Credit Unions (3), Building Societies (2)
Major Contractors: None
AID Project Managers: George Williams
Status of CPs/Covenants: Six month Program Implementation Plans are a requirement for an advance for the three current credit union participants, as well as for new participants, seeking a first tranche.
Date of Last Evaluation: 2/93 Next Evaluation:
Date of Last Audit: 07/03/90** Next Audit: N/A
Planned No. of yearly Non-Federal Audits: 4
No. of Audits Contracted for/Completed: 4

*USAID is committed to completing this shelter activity by date indicated although HG loans have no PACD normally.

**ARIG follow-up on closed recommendations was conducted in January 1993. It indicated that the agreed upon corrective action was being implemented and the recommendations remain closed.

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose

The purpose of this project is to assist the GOJ in implementing its national shelter policy through the stimulation of private sector participation in the financing and construction of affordable shelter for households below the median income.

B. Relationship to Mission Strategic Objectives

1) Specific Linkage

This project fits within Other Concerns. It contributes to meeting the Mission special concern for providing adequate shelter, especially near Kingston and the rapidly growing North Coast towns where tourism and service industry employment has grown rapidly.

2) Percent of LOP Funds Related to Strategic Objectives

Project is an Other Concern

III. PROJECT DESCRIPTION

This private sector component of HG-012 (US\$10 million) is a pilot program which seeks to demonstrate to private financial institutions and developers the viability of lending to low income households for shelter purposes or for producing shelter solutions affordable to them. It accomplishes this by lending funds to the Caribbean Housing Finance Corporation (CHFC) which in turn on-lends the funds to private sector organizations (credit unions, building societies, etc.) to finance low cost housing.

FINANCIAL DATA

Amount Authorized: HG-012B Total: \$10,000,000*
Amount Obligated: HG-012B Total: \$10,000,000*
Amount Committed: Period: n/a
 Cumulative: n/a
Accrued Expenditures:** Period - Projected: \$2,500,000
 Period - Actual: 0
 Cumulative: \$2,953,073
 Period - Next: \$1,300,000
Counterpart Contribution: J\$8 million***
% LOP Elapsed:**** 77%
% of Total Auth. Oblig. 100%
% of Total Oblig. Exp. 28%
% of Total Auth. Exp. 28%

* The total obligation of the HG-012 program of US\$46 million is allocated as follows: HG-012A - Public Sector US \$10 million. (This subprogram has been closed out).

HG-012B US\$10 million - Private Sector
 HG-012C US\$20 million - Basic Shelter
 Capitalized Interest US\$ 6 million (actual amount committed is US\$4,640,000)
 US\$46 million

** Accrued expenses equal liquidation of advances from CHFC to credit unions and building societies plus HG-012C share of closing costs.

***Per Article 111 B 1. of the Implementation Agreement counterpart contributions in the form of borrowed payments and developer land contributions are being documented.

**** Based on 1988-1995 LOP

B. Major Outputs

	Planned			Accomplished *			
	LOP	Period	Cum.	Next	Period	Period	Cum. % of LOP
1. Home Improvement Loans	2920	300	1126	300	0	826	28%
2. Mortgage Loans	600	100	228	100	0	128	21%
3. Land Purchase	480	90	203	90	0	113	24%
4.* Total Loan Volume	US\$10M	1.5 M	2.8 M	0.5 M	0	2.8 M	28%
5. <u>No. Loans</u>		M	E	M	E	M	E
Total	4000	590	1557	580	0	1068	27%

* US Dollar amounts for the planned figures are approximate due to currency fluctuations

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IV. PROJECT STATUS

A. Planned EOPS

1. Increase the number of private sector financial organizations financing low income shelter
2. Increase the involvement of NGO's, PVO's and CBO's in the shelter process.

Progress to Date

Three major credit unions have extended J\$17.3M in loans and the building solutions societies are completing funding requests for their planned participation.

C. Other Accomplishments and Overall Status

1. CHFC and MOF are preparing documentation regarding HG loan servicing responsibilities which will permit the program to be resumed.
2. All advances to Private Sector program participants have been liquidated.
3. Loan funds available for new borrowings by credit unions and building societies total US\$7,181,383.
4. Requests for new disbursements of funds, which represent cash flow needs for a six month period, have been pending before the CHFC Board for over a year. When the Board resumes the Program these requests may need revision. The requests by institutions are as follows:
 - a. Jamaica Teachers' Association has requested J\$23.7 million
 - b. Jamaica Cooperative Credit Union League has requested J\$17.5 million; and
 - c. City of Kingston Credit Union has requested J\$20.0 million.
 - d. Jamaica Citizens Building Society has requested J\$10.0 million.
5. The Ministry of Construction has signed an agreement with a new development entity comprised of a number of building societies. This entity has proposed a mixed market rate/low income rate sites and services project on land to be transferred from the Ministry of Construction. The project contemplates a HG-012 borrowing of J\$ 93,000,000. The proposal is currently under review. The project, if it proceeds, will represent the first joint venture between the building societies and MOC to finance sites and services projects.
6. All audit recommendations have been reviewed and compliance has been determined. RIG/A/T conducted a follow up inquiry on audit findings related to loan collection by CHFC implementing the loss clearing mechanism, and service of the Jamaica Mortgage Bank loan debt, and concluded that appropriate actions were being taken and the recommendations remain closed.
7. Touche Ross has trained staff to implement the program accounting system.

D. Problems and Delays

1. Delays have been due principally to CHFC's unwillingness to proceed if it is obligated to make the US dollar loan repayments. Shifting the obligation to GOJ has been agreed to in principle.

2. The CHFC Board is also concerned about its remaining risks on loans to private sector participants and has appointed a committee to review the legal documents to determine whether CHFC is adequately protected.

E. Corrective Action

1. Constant pressure to move forward must be maintained. The parties are aware that calling the loan is a course of action which AID is prepared to use as a last resort.

F. Work Plan over Next Six Months

1. Prepare Program Implementation Plans, including cash flow projections, to support advances to program participants.
2. Secure disbursements by CHFC of advance of funds to eligible participants based upon six month cash flow needs.
3. Provide technical assistance and oversight of the organizations involved in the program to facilitate disbursement of the funds and ensure timely submission of reports by CHFC and private sector institutions.
4. Secure Non-Federal audits of participating institutions.
5. Monitor audit issues.
6. Document counterpart funding.

G. Impact Over the Next Six Months

1. \$2.5 million will be advanced to program participants to be expended on eligible project activities.
2. Another round of requests for disbursement will be submitted, demonstrating that the flow of project implementation is underway as originally planned in 1987.

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SEMI-ANNUAL REVIEW - SUPPLEMENT

532-HG-012B

H. SUPPLEMENT

1. Commodity Procurement

Not applicable

2. Audits

A RIG follow-up on closed recommendations was conducted in January 1993. It indicated that the corrective action was being implemented and the recommendation remain closed.

3. Host Country Contributions

Counterpart contributions in the form of borrower downpayments and developer land contributions are being documented.

4. Centrally Funded Projects

Not applicable.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



William Gelman

PROJECT STATUS REPORT
April 1, 1993 - September 30, 1993

A ___ B ___ C X

I. BACKGROUND DATA

Project Title: Jamaica Shelter Sector Support - Basic Shelter
Project Number: 532-HG-012C
Date of Authorization: original 9/83 amendment 03/89
Date of Obligation: original 12/84 amendment 03/89
PACD: 12/31/95*
Implementing Agencies: Caribbean Housing Finance Corp. (CHFC),
 Ministry of Construction (Housing), Estate
 Development Co. (EDCO), Urban Development
 Corporation (UDC)
Major Contractors: None
AID Project Managers: George Williams
Status of CPs/Covenants: In compliance
Date of Last Evaluation: 2/93 **Next Evaluation:**
Date of Last Audit: 07/03/90** **Next Audit:**
Planned No. of Yearly
Non-Federal Audits: 3
No. of Audits Contracted
for/Completed: 3

*Although there is no official PACD, USAID is committed to close out this project by the end of 1995.

**A/RIG follow-up on closed recommendations was conducted in Feb., 1993. RIG indicated that the agreed upon corrective action was being implemented and the recommendations remain closed.

FINANCIAL DATA

Amount Authorized: HG-012 Tot.: orig. \$25,000,000 amended to \$46,000,000*
Amount Obligated: HG-012 Tot.: orig. \$10,000,000 amended to \$46,000,000*
Amount Committed: Period: n/a
 Cumulative: n/a
Accrued Expenditures:** Period - Proj.: \$ 3,000,000
 Period - Actual: 0
 Cumulative: \$ 6,971,934
 Period - Next: \$ 1,300,000
Counterpart Contribution: LOP***
 \$520 million
% LOP Elapsed:**** 77%
% of Tot. Auth. Oblig. 100%
% of Tot. Oblig. Exp. 52%
% of Tot. Auth. Exp. 52%

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*The total obligation of the HG-012 program of US\$46 million is allocated as follows: HG-012A Public Sector US \$10 million. (This subprogram has been closed out). HG-012B - Private Sector US\$10 million; HG-012C - Basic Shelter US\$20 million; Capitalized Interest US\$6 million (actual amount committed is US\$4,640,000). Total US\$46,000.

**Accrued expenditures equal liquidation of advances from CHFC to EDCO and UDC plus pro rata share of closing costs. (See discussion under III.D.3.)
 ***Local counterpart contributions of \$520,000,000 required by the Implementation Agreement were to be principally from the value of contributed land. This amount is in the process of being calculated.
 ****Based on 1988-1995 LOP

I. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose

The purpose of this project is to assist the GOJ in implementing its shelter policy through conversion of the GOJ's role from that of a direct producer and financier of housing to one of facilitator and supporter of private sector production of shelter and related services. It focuses on settlement upgrading, sites and services, and home improvement loans.

B. Relationship to Mission Strategic Objectives

1) Specific Linkage

The shelter orientation of the project does not fall within the Mission's Strategic Objectives. However, in the last year the project has taken a decided environmental and public health focus. The two squatter upgrading/sites and services projects, Norwood and Rosemount, on which the remaining funds will be focused, will include measures to assure appropriate sewage disposal to protect public health and avoid degradation of the marine environment. Thus the project will serve to implement Strategic Objective 2, Improved Environmental Management and Protection and Strategic Objective 3, Smaller Healthier Families. Moreover, the projects are localized in Montego Bay; if left unchecked squatting in these areas threatens the natural resources that attract tourists and related investment as well as AID investments in the Marine Park.

2) Percent of LOP Funds Related to Strategic Objectives

50% related to Other Concerns; 50% related to Objectives 2 & 3.

B. Major Outputs	LOP	Planned		Accomplished		% of LOP	
		Period	Cum.	Next Period	Period		Cum.
1. Settlement Upgrading (No. Lots)							
Infrastructure							
Complete	2000	0	920	0	0	920	46%
Lots sold	2000	100	920	100	0	820	41%
Funds Expended \$JM	\$42.1	\$20.4	\$35.1	\$20.4	\$0	\$15.7	37%
2. Sites and Services (No. lots)							
Infrastructure							
Complete	1900	0	1181	0	0	1181	62%
Lots Sold	1900	0	821	0	0	821	43%
Funds Expended \$JM	\$27.6	\$7.8	\$19.8	\$7.8	\$0	\$12.0	43%
3. Core Houses (No. units)							
Construction							
completed	272	0	272	0	0	272	100%
Houses sold	272	2	272	2	0	270	99%
Funds Expended \$JM	\$14.1	\$0	\$14.1	\$0	\$0	\$14.1	100%
4. Home Improvement Loans							
Loans Executed	340	0	349	0	0	349	*100%
Funds Expended \$JM	\$5.9	\$0	\$5.9	\$0	\$0	\$5.9	100%

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B. Major Outputs (Cont'd)	Planned			Accomplished			% of LOP
	LOP	Period	Cum.	Next Period	Period	Cum.	
5. Comprehensive Urban Improvements (No. units)							
Construction complete	200	0	200	0	0	200	100%
Units sold	200	0	200	0	0	0	0%
Funds Expended \$JM	\$6.8	\$0	\$6.8	\$0	\$0	\$9.2	135%
Total Solutions (lots, units & loans)	4722	102	4720	302	0	1607	34%
Total Funds Expended	\$96.5	\$28.2	\$81.7	\$28.2	\$0	\$56.0	58%
Beneficiaries Gender: **						M. E.	
Number						167 227	
Percentage						42% 58%	

* As a result of the IG Audit, the HAP program was terminated at this level.

** These figures are from a survey of recipients under the serviced sites, housing assistance and starter home program.

III. PROJECT DESCRIPTION

The HG-012C (Basic Shelter) program provides support to the Ministry of Construction (Housing), through funds lent to the Caribbean Housing Finance Corporation (CHFC), in order to improve slum areas, assure tenure of land, and install basic infrastructure, such as roads and water, in new and old settlement sites. The Ministry of Construction (Housing) coordinates the design and construction management by the Estate Development Company (EDCO), which has recently been merged into the National Housing Corporation (NHC) and the Urban Development Corporation (UDC)

The five components of the program are:

1. Settlement Upgrading - upgrading of captured or squatted settlements
2. Sites and Services - subdivision of land into sites and provision of access to water, power and sewer facilities
3. Home Improvement Loans
4. Start-A-Home Units - core units with basic services
5. Comprehensive Urban Improvement - upgrading rental units for sale to occupants or other interested parties.

Only the first two components are still operational.

IV. PROJECT STATUS

A. Planned EOPS*

1. Improved performance of key public sector institutions involved in low income shelter policy, programs production and financing.

Progress to Date

NHC is coordinating planning and implementation of Rosemount and Norwood project with other GOJ institutions such as CHFC and NWC. Procedures are in place to fully account for source and application of funds, and to allow agencies to operate at a normal arm's length relationship.

2. Completion of projects which seek to comprehensively improve shelter and related services to low income groups.

The following projects have been completed: Torrington, Jones Pen, Tower Hill, Quaw Hill, 95 Mountain View Ave. St. John's Road, Bellevue, Shaw Park, Roaring River, Buckfield, and Caymanas

C. Other Accomplishments and Overall Status

1. The program has undergone an intensive review by the former Deputy Director of the Office of Housing and Urban Programs which has led to a Mission request and the GOJ agreement (a) that it will take actions that will reactivate the program and enable it continue to the end of 1995, at which time it will be closed out, and (b) that it take actions that will result in the close out of HG-013 by the end of 1993.
2. GOJ has agreed to continue with the program and to relieve CHFC of the responsibility to make the US\$ repayments. The mechanics of implementing the agreement are being worked out.
3. The new CHFC Board studied the program during a recent weekend retreat and is taking steps to reactivate the program in the context of the GOJ agreement to service the US\$ repayment obligation.
4. The remaining resources allocable to the Basic Shelter program will be US\$10.4 million. These funds will be used by the National Housing Corporation (NHC) to complete two squatter upgrading/serviced site projects, Norwood and Rosemount. The upgrading will include the construction of approved on plot sewage disposal facilities. NHC is taking actions that will enable the Rosemount to go to contract tender in mid-November and Norwood to go to contract tender by mid-December. NHC is mobilizing staff to be located in Montego Bay to oversee construction.
5. All audit recommendations have been reviewed and compliance has been determined. RIG/A/T conducted a follow-up inquiry on audit findings related to loan collection by CHFC implementation of the loss clearing mechanism and service of the Jamaica Mortgage Bank loan and appeared to be satisfied.
6. The CHFC Board has recently adopted an aggressive collections program to address a rather serious arrearages problem.
7. Construction of Norwood offsite water facilities is being timed to be completed when water distribution facilities within the Norwood project area are completed.

D. Problems and Delays

1. The expenditure of US\$3,189,338 of funds advanced to CHFC has not been submitted in liquidation because, although the funds were spent to provide or improve housing the expenditures have not yet generated mortgages to the units to liquidate the advance. This occurs for several reasons:
 - a. Some of the funds were spent to upgrade 428 lots on four projects which have not been sold although they are improved and occupied because the lot boundaries require survey or resurvey. The surveyor doing the work was terminated. The MOC has agreed to contract the work to be done.
 - b. Some of the funds were spent to upgrade lots which were sold for cash. MOC has been asked to remit this cash to CHFC.
 - c. Some of the funds were spent on the planning and design of Norwood and Rosemount, which have not yet commenced construction.

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- d. Approximately US\$1,300,000 was expended on the Rema project, which involved upgrading existing apartment buildings and converting them to condominiums. This has proved to be impossible to do for a variety of reasons and MOC(H) has decided to retain the units under its ownership. These expenditures will be accepted in liquidation as soon as MOC(H) can document the expenditures.
2. The major problem has been in getting the government to carry out the commitments it has made in a timely fashion. Nothing happens with any sense of urgency.

E. Major Corrective Actions During the Next Six Months

1. The project director will meet with or talk to key actors on a weekly basis to assure actions are being taken that will allow close out by the end of 1995. Any prolonged delays will be brought to the Chair of the Shelter Sector Coordinating Committee for resolution.

F. Work Plan Over the Next Six Months

1. Assure agreement on restructuring of loan servicing obligations is implemented.
2. Obtain a revised Project Implementation Plan from MOC(H)/NHC/CHFC which provides for completion of the Basic Shelter Program by the end of 1995.
3. Monitor implementation of GOJ agreements to budget funds in FY94/95 to completed Norwood offsite water facilities.
4. Complete documentation of counterpart contributions.
5. Liquidate outstanding expenditures.
6. Monitor audit findings.

G. Impacts Over the Next Six Months

1. Construction will begin in Rosemount and Norwood.
2. GOJ will adopt a policy on the treatment of waste water in squatter settlements.

SEMI-ANNUAL REVIEW - SUPPLEMENT

532-HG-012C

H. SUPPLEMENT

1. Commodity Procurement

Not applicable

2. Audits

A RIG follow-up on closed recommendations was conducted in January 1993. It indicated that the corrective action was being implemented and the recommendations remained closed.

3. Host Country Contributions

Local counterpart contributions of J\$20,000,000 required by the Implementation Agreement were to be principally from the value of contributed land. This amount is in the process of being verified.

4. Centrally Funded Projects

Not applicable

Office Director certifies that he has reviewed and cleared the SAR for Mission review.


William Gelman

PROJECT STATUS REPORT
April 1, 1993 - September 30, 1993

A ___ B X C ___

I. BACKGROUND DATA

Project Title: Jamaica Shelter and Urban Services Policy Program
Project Number: 532-HG-013
Date of Authorization: original 9/20/88 amendment n/a
Date of Obligation: original 9/30/88 amendment n/a
PACD: 12/31/93*
Implementing Agencies: Ministry of Finance, Office of the Prime Minister, National Water Commission, Ministry of Construction (Housing), Urban Development Corporation, PIOJ, Caribbean Housing Finance Corp., Town Planning Department, National Housing Trust
Major Contractors: N/A
AID/Project Managers: George Williams
Status of CPs/Covenants: All CPs and Covenants met.
Date of Last Evaluation: 2/93 **Next Evaluation:**
Date of Last Audit: n/a **Next Audit:** n/a
Planned No. of yearly Non-Federal Audits: 0
No. of Audits Contracted for/Completed: 0
 * Although there is no formal date, the Mission is committed to complete this project by the date indicated.

FINANCIAL DATA

Amount Authorized:	HG Loan	\$25,000,000
Amount Obligated:	HG Loan	\$15,000,000 (\$19,357,000)*
Amount Committed:	Period:	n/a
	Cumulative:	n/a
Accrued Expenditures:	Period - Projected:	\$ 2,500,000
	Period - Actual:	0**
	Cumulative:	\$ 5,518,111
	Period - Next:	\$ 9,481,889***
Counterpart Contribution:	Planned:	n/a
	Actual:	n/a
% LOP Elapsed:		n/a
% of Total Auth. Oblig.		81%(incl. capitalized interest)*
% of Total Oblig. Exp.		36%(of funds disbursed)
% of Total Auth. Exp.		23%

* The FY88 HG Authorization of \$25 million provided for 3 years capitalized interest (\$4.357 million) on a \$15 million borrowing (total \$19.357 million) leaving \$5.643 million in unused authority. This authority is to be deauthorized.

**no liquidations were approved during the period although GOJ was performing work which will generate eligible expenditures which are projected to be submitted in liquidation in the next period.

***See Section C.

II. PROJECT PURPOSE AND RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES

A. Project Purpose

To assist in producing a self-sustaining delivery system for shelter, water, sewerage and other urban services which will meet the current and future needs of the urban poor by making use of a sectoral approach to overcome policy, institutional, programmatic and procedural constraints in the existing shelter and urban services delivery system.

B. Relationship to Mission Strategic Objectives

1) Specific Linkage

The project relates to Other Concerns, by enhancing the delivery of shelter, water, sewerage and other urban services. It also supports Strategic Objective 2, Improved Environmental Management and Protection and Strategic Objective 3, Smaller, Health Families by focusing on such urban services as delivery of clean water, environmentally solid waste water disposal and removal of solid waste.

2) Percent of LOP Funds Relating to Strategic Objectives

50% Other Concerns; 50% Strategic Objectives 2 and 3

III.A. PROJECT DESCRIPTION

The overall focus of the program is to assist shelter and infrastructure institutions in developing self-sustaining delivery systems through policy and institutional changes. Increased production of outputs is a result of these policy-level changes, but not the principal program objective. Key policy, programmatic, and institutional changes achieved to date are listed in the Section 2B Major Policy Outputs beginning on the third page of this document.

A. Major Physical Outputs	Planned				Accomplished		% of LOP
	LOP	Period	Cum.	Next Period	Period	Cum.	
1. Minor water system users (No. h/holds)	15000	2000	11600	0	0	9600	60%
2. Leak det/repair (no. leaks rep)	150	0	590	0		590	393%
3. Loans for water hook ups	2400	500	1073	0*	96	1138	36%
4. Loans for sewer hook ups	700	150	350	0*	0	52	29%
5. Offsite water delivery system (No. h/holds)	3000	0	0	0	389	389	13%
6. Serviced Site/Upgraded Sites	1500	300	1156	0	0	770	68%
7. Public/Private serviced site joint ventures	4	2	2	0	0	0	0%
8. Develop sectoral Monitoring System	100%	50%	100%	0%	90%	100%	100%

*These are revolving loan programs. Repayments into the fund may enable additional loans to be made.

IV. PROJECT STATUS

A. Planned EOPS

1. Expansion of water and sewer service to low income families
2. Increase public sector provision of low cost shelter solutions
3. Increase in private sector/ NGO/PVO provision of shelter all HG-013 financed mortgages.

Progress to Date

NWC implemented minor water supply projects reaching 9600 h/holds. Most other projects to be dropped under the close-out strategy.

1,358 serviced/upgraded sites are being developed. Building Societies are servicing HG-013 financed mortgages.

C. Other Accomplishments and Overall Status

1. All of the loan funds under this loan were advanced to the GOJ in 1988 when the exchange rate was 5.561. The Program Agreement set out quantitative targets for product production in projects which supported the policy agenda of the project; however, the GOJ legal commitment was limited to producing eligible expenditures in J\$ which, when converted to US\$ at the rate of exchange which existed at the time of the advance, would equal the US\$ advanced. Since 1988 the value of the J\$ relative to the US\$ has declined substantially. At the same time the pressures on the GOJ budget have made it increasingly difficult to obtain budget allocations to meet the product production goals originally contemplated. Administering the program was requiring a substantial staff commitment at a time when the Mission was scaling back and focusing diminishing resources on Strategic Objectives which do not include shelter. For these reasons it was determined to be advisable to close out the HG-013 Program as soon as reasonably possible by focusing future budget appropriations on a smaller number of projects which could be completed in a relatively short period of time and which would generate sufficient expenditures to liquidate the advance at the 5.561 exchange rate. Therefore, a strategy was developed for closing out the project by the end of 1993. It called for a new appropriation of J\$14,793,500 to complete projects on which J\$32,294,014 have already been expended. These two sums, plus the value of the land in the projects (which was contributed by the Government and which can properly be accepted as an eligible expenditure), will be sufficient to fully liquidate the outstanding balance of the loan advance. The projects are listed below:

<u>Serviced Site/ Settlement Up- grading Projects</u>	<u>Funds Expended to Date</u>	<u>Land Value</u>	<u>Additional Appropriations Needed</u>
<u>MOC/EDCO</u>			7,406,000
Cecil Bush	4,875,119	90,000	
38 March Pen Road	700,000	600,000	
5-7 March Pen Road	4,017,772	600,000	
Bedward Pastures	8,623,876	3,000,000	
Jacobs Hut	7,494,395	800,000	
<u>UDC</u>			7,087,000
Roaring River	4,363,460		
Caymanas	765,391		

The GOJ cabinet agreed to the strategy and has appropriated J\$ 14,793,200 to the appropriate agencies. NHC and UDC have developed construction schedules that would enable them to expend the funds before the end of the calendar year if funds are warranted in the 3rd. quarter as promised.

2. In addition to the anticipated liquidations described in (1) above, the National Water Commission has incurred previously unreported expenditures on minor water supply projects some J\$5 million of which appear to be eligible. NWC is also expending funds on the construction of Norwood offsite water facilities which will result in eligible expenditures; however, that project will not be completed until 1995.

D. Problems and delays

1. The Shelter Sector Coordinating Committee has not pursued the policy agenda for sometime. It has concentrated instead on specific problems of project implementation. The Committee will continue to function with respect to HG-012 even after HG-013 is closed out. It is likely that the Committee will get involved in specific policy issues but will not pursue a more comprehensive policy agenda.

E. Corrective Actions During the Next Six Months

1. None required.

F. Work Plan Over the Next Six Months

1. Monitor completion of projects and submission of liquidation requests.
2. Review liquidation requests and accept requests meeting program requirements.
3. Begin preparation of Program Completion Report or, if required, a closeout evaluation.
4. Deauthorize outstanding authorization.

G. Impact Over the Next Six Months

1. All the projects remaining in the Program under the close out strategy will be completed and the Program will be closed out.

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2B. Major Policy Outputs

Goals	Policy	Actions Taken	Future Actions
Goal 1			
1. Significantly expand access to water and sanitation on a basis affordable to the poor.	Introduce flexible policy to permit formal hook-ups.	NWC adjust to procedures by accepting tax receipts or references in place of titles to make water and sewer connections.	NWC completed 4 minor water supply projects benefiting 9600 households. Under the close out strategy only one additional minor water supply project will be part of the implementation program for loan liquidation.
	Revolving Loan Fund for sewer and water connections.	NWC permits occupants to contract for hook-ups. NWC established a revolving loan fund to finance connections and gives beneficiaries choice of contracting hook-ups.	NWC has been decided to extend its use islandwide, as funds become available.
	Implement cost-sharing policy to make off-site infrastructure affordable.	NWC's Board adopted policy for financing off-site infrastructure which allocates only part of the costs to beneficiaries in a specific development. Part of the costs are picked up by the GOJ.	This policy will be applied to the Norwood project off-site infrastructure and GOJ will allocate budgetary resources to supplement those resources derived from the cost of the project.
	Implement communal water supply schemes.	NWC setting up water shops in Negril/Montego Bay to sell water in low income communities.	NWC has adopted a policy to not allow new standpipes and wishes to replace all existing standpipes throughout the island with water shops.
Goal 2 Significantly expand public sector delivery of land and services to the poor.	Initiate land inventory system.	GOJ has established a Land Information Council to develop an inventory of all GOJ owned lands which can be accessed for housing developments for the urban poor. The system helps identify land for low cost shelter projects.	

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Goals	Policy	Actions Taken	Future Actions
	Management Analysis of MOC(H) conducted	The study identified the structural and administrative shortcomings of the institution. MOC(H) is currently implementing some of the recommendations of the study approved by the Ministry of the Public Service. Among the former are privatization of public housing stock, reorganization of institution and reduction of staff.	
	Focus on production of serviced lots and settlement upgrading instead of finished housing solutions for low income populations.	MOC & UDC concentrating on serviced lots and settlement upgrading at Barrett Town, St. James, Christian Pen, St. Catherine during current financial year. NHT for first time produced serviced lots in current financial year.	Program of serviced sites production to continue in future. NHT among other institutions is willing to finance low cost shelter solutions.
<u>Goal 3</u> Significantly expand the role of the private sector in shelter provision.	Identify and initiate joint venture projects with the private sector	MOC(H) offered four sites for public/private sector joint venture through its Land Mobilization program. None of those sites were accepted for development by the private sector. However, another public/private joint venture is being consummated at Sucaba Pen under HG-012B.	
	Encourage creation of an independent network among the NGO's to facilitate informal sector shelter provision by sharing information on low cost shelter.	Seminar involving wide circle of NGO's held to sensitize them into providing support for informal sector construction. NHT has financed the NGO project called Mustard Seed.	
	GOJ establishes framework to permit private sector institutions to develop low cost shelter and synchronize their future in urban areas with planned	Town Planning has implemented proposal to relax some standards thereby increasing shelter affordability.	The Town and Country Planning Act is currently being revised as is the Development Order for numerous cities: Kingston,

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Goals	Policy	Actions Taken	Future Actions
	Establish mortgage repayment mechanism to ensure reflows to GOJ to sustain delivery of housing solutions to targeted population.	The Sector Coordinating Committee moved to establish mortgage administration mechanism involving the Building Societies and Caribbean Housing Finance Corp.	The mechanism is now being administered and will be continued with respect to new mortgages generated under the program.
	Interest rate increase	After carefully weighing the implications of increased interest rate vis a vis affordability by families at or below the median income Cabinet approved an increase from 6% and 8% to 13% on public housing projects.	GOJ commissioned a study by housing experts from Germany to look at interest rate and other GOJ shelter policies.
	Conduct study of housing finance subsidies involving NHT and CHFC.	NHT study was submitted to GOJ and became an issue vis a vis its policies. Little progress has been made on the policy dialogue with both NHT and CHFC vis allocating resources to produce lower cost shelter and financial management reforms. However, NHT has begun financing sites and services projects and NHT has conducted a further study in conjunction with the Government of Germany on subsidy and interest rate issues. NHT is making loans in smaller amounts as recommended.	

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Goals	Policy	Actions Taken	Future Actions
	<p>Identify constraints in Land Tiling system to increase operational efficiency.</p>	<p>Recommendations of 4 major studies conducted since 1988 on land tiling in Jamaica are being used to seek the approval and necessary resources of their implementation by the principal institutions concerned with the land tiling process. The issuance of titles has accelerated.</p>	<p>Negril, Montego Bay, May Pen etc. These measures should encourage the participation of private sector developers and investors in low income shelter solutions and guide future development of off-site infrastructure and coordination of new urbanization.</p> <p>The Sector Coordinating Committee (SCC) needs to consider continuing collaboration with related agencies to expedite issuing titles to beneficiaries under the program and using the experience to address larger policy issues.</p>
<p>Goal 4 Establish and operate effective mechanism for sector coordination.</p>	<p>Design systems to effectively enhance sector performance</p>	<p>Sector Coordinating Committee established to manage and coordinate sector policies and activities. A new Chairman of the Committee has just been named and a new Program Coordinator has been hired.</p>	<p>The new Program Coordinator is interested in reviving the SCC agenda.</p>
	<p>Accounting system established to track expenditures and output for program liquidations.</p>	<p>Price Waterhouse has designed a sectoral accounting system for the program.</p>	
	<p>Establish database to monitor performance in the sector.</p>	<p>A database has been established at the PFOJ and personnel hired to manage it. The database has been integrated into a GIS system.</p>	

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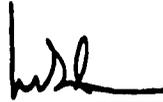
SEMI-ANNUAL REVIEW - SUPPLEMENT

532-013

H. SUPPLEMENT

- 1. Commodity Procurement**
Not applicable
- 2. Audits**
None
- 3. Host Country Contributions**
None required
- 4. Centrally Funded Projects**
Not applicable

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



William Gelman

FY 1991 Section 416 Program

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A. FINANCIAL INFORMATION

<u>PROGRAM</u>	<u>AUTH/OBLIGATION</u>	<u>DATE</u>	<u>M.T. PLANNED</u>	<u>M.T. RECEIVED</u>	<u>US\$VALUE PLANNED</u>	<u>US\$1 RECEIVED</u>	<u>J\$ EQUIVALENT</u>
Butteroil	Signed 1991 Agreement	4/12/91	1,000 MT	999.72	1.7M	1.7M	42.6M

Financial Data:

<u>Program</u>	<u>Amount LC Pledged</u>	<u>Sales</u>	<u>Amount LC Lodged to Special A/C</u>	<u>Total LC ** Disbursed</u>	<u>Amount LC ** Disbursed in last 6 Months</u>	<u>Amount LC To be Disbursed Next 6 Months</u>	<u>Arrears</u>
Butteroil	J\$42.6M	J\$42.6M	J\$43.6M *	Equivalent of US\$1,133,557	Equivalent of US\$777,157	Equivalent of US\$752,921 ***	J\$0

B. AUDIT INFORMATION ****

Planned No. of yearly Non-Federal Audits: None

No. of Audits Contracted/Completed: None

C. SEX DISAGGREGATION DATA

No data is available which disaggregates impact of this project on women.

* Includes J\$42.6M in commodity proceeds and J\$1M in interest accrued.

** Disbursement through August 31, 1993

*** Includes US\$718,438 in principal from butteroil sales and US\$34,483 in interest accruals

**** Project is managed by UNDP. UNDP audit requirements apply.

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I. Implementing Agencies

The Ministry of Health, Epidemiology Unit, Planning Institute of Jamaica and Jamaican Commodity Trading Company.

AID Project Manager: Conrad Ornstein

II. Program Purposes

One-hundred percent of this project supports the following Mission objective: Healthy, smaller families.

The proceeds of the butteroil program are used to fund a program for the control and prevention of typhoid fever in the parish of Westmoreland. The project benefits the disadvantaged by addressing the sanitation and potable water needs of the people of Westmoreland. The objectives of the program are:

1. Clinical and epidemiological surveillance
Develop systems and facilities to identify, treat, and monitor carriers of typhoid;
2. Health education - Educate the population regarding proper hygiene, safe food preparation, and water treatment;
3. Roaring River water distribution system - Ensure that an adequate supply of potable water is distributed from the Roaring River treatment plant; and
4. Waste water and excreta disposal - Ensure the proper treatment of waste water in the Savanna-la-Mar region. Improve existing facilities at four treatment sites as necessary and install 1,000 pit latrines.

III. Program Description

The Section 416 Program is a monetization scheme.

The local currency generated from the sale of US\$1.7M of 1,000 MT of butteroil is being provided to the GOJ through the UNDP for use in typhoid prevention and

control in Westmoreland, one of Jamaica's western parishes.

The coordinating and executing agencies for the program are the Planning Institute of Jamaica (PIOJ) and the United Nations Development Program (UNDP), respectively. The USAID Project Manager monitors the program through liaison with UNDP, PIOJ, JCTC and BOJ to ensure that the terms and conditions set out in the Agreement are met.

The implementing agency is the Ministry of Health.

IV. Program Status

1. Three site visits were performed during the period: June 30, July 25, and September 7, 1993.
2. Because of the slow pace of project implementation, the UNDP and Government of Jamaica requested an extension to the project implementation period beyond the original August 31, 1993 date. USAID submitted a request for extension to USDA/W on August 10, 1993 based on a formal request and plan of implementation received from UNDP on July 20, 1993. On September 10, 1993 USAID/Jamaica received USDA approval for project extension until March 31, 1994.
3. Status of each of the project objectives is as follows:
 - a. Surveillance and Related Activities
During May and August, 1993 stool samples were taken from 47 previously suspected cases, 8 from sewage plant operators, and 6 from latrines used by previous typhoid carriers. In Roaring River an additional random sample of 128 persons was taken. Total samples taken stands at approximately 1700. Notwithstanding the high volume of sampling, only two carriers have been positively identified.

The laboratory structure at the hospital in Savanna la Mar was completed during the reporting period. Most of the laboratory equipment, with the exception of refrigerators and other miscellaneous items, have been received. Air conditioners will be installed in October. The facility will be fully staffed beginning in late October. Full operation is scheduled by the end of December, 1993.

b. Health Education

Recommendations from a health specialist employed earlier on the project were implemented during the reporting period. Focus groups to test communications strategies have been formed and tested. The output from this activity will be the structuring of specific community outreach programs.

The first of two workshops on sanitation for Community Health Workers and Public Health inspectors was held during the reporting period. Two more are scheduled for October.

c. Roaring River Water Treatment Plant

The contractor started work on June 11, 1993, with the initiation of work on the intake works, control building, and excavation for sand filters.

Completion of the following construction activities is planned by January 31, 1994: concrete bottoms for four sand filters, the walls of two of the four filters, dam and intake works, and laying of pipeline from the intake works to the filter structure. The schedule also calls for the contractor to begin filling the two completed filters with sand.

d. Waste Water and Excreta Disposal

Concrete covers for all 1,000 pit latrines scheduled for construction under the project have been built. Seven hundred have been installed and the latrines completed, with the remaining 300 to be completed by January 30, 1994.

Construction of public sanitary conveniences at the Blue Fields health center and the Roaring River tourist area have been completed. Remaining sanitary conveniences at Dunbars River, Whitehouse, Scotts Cove, and Wharf Road are scheduled for completion by December 1, 1993.

Improvements to sewage treatment plants at Llandilo, the Savanna la Mar Hospital, and the Savanna la Mar market began during the reporting period. Some equipment for installation is still on order, but work is planned to be completed by December 17, 1993 with commissioning by January 7, 1994.

Improvement work at the Shrewsbury sewage plant is scheduled to begin October 19, 1993, for completion by December 17, 1993.

4. Adherence by PIOJ to grant-mandated reporting requirements - regarding deposits to and disbursements from the special account - has significantly improved. Quarterly reporting is current through to June, 1993. The September, 1993 report has not yet been received.

V. Problems and Delays

Signing of a contract to complete construction of a new slow-sand filter water treatment facility was delayed until May, 1993. The contractor was not on site until June 11, 1993. UNDP contract engineers and USAID engineers have offered differing opinions on the rate of progress of work at the site, but estimates are that construction is between one and two months behind schedule after four months of work.

The UNDP reports that they have written to the National Water Commission expressing dissatisfaction with progress. They state that the contractor is planning to make up for lost time by working on weekends.

VI. Major Activities or Corrective Action During the Next Six Months

Planned monitoring activities are as follows:

- * Review monthly expenditure reports from the UNDP to verify adherence to the revised project and expenditure schedule.
- * Attend the remaining quarterly Steering Committee meetings for the project and arrange for a visit to the project site in late December, 1993 or early January, 1994.
- * Execute project close-out procedures.

VII. Impact

Planned Project impacts in the next six months are as follows:

1. Complete extension and improvements to Savanna-la-Mar medical laboratory; receive and install all necessary equipment and supplies for the laboratory. This will establish the capability to perform locally all lab work necessary to test for and identify typhoid efficiently, effectively, and on a timely basis.
2. Complete corrective measures initiated to ensure proper operation and maintenance of Savanna-la-Mar sewage treatment plants. This will improve sanitary conditions in the region, ensuring proper treatment of excreta and contributing to the prevention of typhoid.
3. Change behavior patterns of Savanna-la-Mar residents to implement sanitary practices necessary to prevent typhoid through a typhoid awareness education program.
4. Complete installation of 1,000 pit latrines, providing proper disposal of excreta and contributing to the prevention of typhoid.

5. Complete intake works and distribution pipeline for a new slow sand filter plant adjacent to the Roaring River water treatment plant. This will contribute to an increase in the volume of potable water available to the region and provide a supply of water adequate to reach areas previously not supplied with potable water.
6. Identify carriers of typhoid in the region and take necessary action so that they do not spread typhoid.

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**Section 416(b) SAR Supplement
April 1, 1993 - September 30, 1993**

1. Commodity Procurement

The project is managed and implemented by UNDP in accordance with the Memorandum of Understanding Relating to the Typhoid Control and Prevention Programme (September 5, 1991). UNDP commodity control regulations apply.

2. Audits

UNDP audit requirements apply.

3. Host Country Contributions

Government of Jamaica in-kind contributions of J\$2,712,500 were planned at project inception. Subsequently, the GOJ approved a further project input equivalent to US\$454,545 to fund construction of the new Roaring River Water Treatment Plant. As manager and implementor of the project, the UNDP monitors GOJ funding activities.

4. Centrally Funded Projects

N/A.

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



Christopher Brown

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PROJECT STATUS REPORT

BEST AVAILABLE DOCUMENT

April 1, 1993 - September 30, 1993

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I. BACKGROUND DATA

Project Title: Policy Reform in Support of Private Investment
 Project Number: 532-0164
 Date of Authorization: original: 9-26-1991
 Date of Obligation: original: 9-26-1991
 PACD: original: 9-26-1993
 Implementing Agencies: Ministry of Finance, Bank of Jamaica
 Export Import Bank of Jamaica (EXIM Bank)
 Charles Mohan/John Tennant
 AID Project Managers: All necessary CPs and covenants met for all four tranches
 Status of CPs/Covenants: N/A Next Evaluation: N/A
 Date of Last Evaluation: June 1993 Next Audit: September 1993
 Date of Last Audit:
 1) Planned No. of Yearly Non-Federal Audits: N/A
 2) No. of Audits Contracted for and/or completed: N/A

IV. FINANCIAL DATA

Amount Authorized: ESF grant: \$ 5,000,000 amended to \$29,000,000
 Amount Obligated: ESF grant: \$ 5,000,000 amended to \$29,000,000.
 Amount Committed: Period: \$ 2,000,000
 Cumulative: \$29,000,000
 Accrued Expenditures: Period-Projected: \$ 5,000,000
 Period-Actual: \$ 2,000,000
 Cumulative: \$29,000,000
 Period-Next: \$ -0-
 Counterpart Contrib.: N/A
 % LOP Elapsed: 100 %
 % of Total Auth. Oblig. 100 %
 % of Total Oblig. Exp. 100 %
 % of Total Auth. Exp. 100 %

II. PROJECT PURPOSE & RELATIONSHIP TO MISSION STRATEGIC OBJECTIVES:

A. Project Purpose:

The purpose of the program is to provide balance of payments assistance in support of Jamaica's economic reforms to promote sustained and broad-based economic growth led by the private sector.

B. Relationship to Mission Strategic Objectives:

- 1) This program falls within S.O. # 1. It works to directly improve economic policies which determine the overall environment for private investment and export development.
- 2) Percent of LOP Funds Relating to S.O: 100%.

III. PROJECT DESCRIPTION:

A) Policy Reform:

The Government's efforts to establish a more market-oriented, private sector driven economy are now beginning to pay dividends in the form of sustained growth rates and dwindling government involvement in productive sectors of the economy. In the last two years Jamaica has pursued highly visible reforms, such as full liberalization of the foreign exchange system; implementation of the General Consumption Tax; and continued privatization. This program utilized cash transfer assistance to support a broad Government of Jamaica (GOJ) policy agenda negotiated with Jamaica's major donors and lenders. AID specifically focused on (1) continued liberalization of the foreign exchange system in order to improve private sector access to foreign exchange; (2) support for sound fiscal policy development and the necessary institutional arrangements to sustain these policies; (3) accelerated privatization; and (4) passage and implementation of several legislative measures to improve the financial market and increase competition. In addition, the GOJ agreed to monthly publication of the totals and composition of base money and net international reserves.

B) U.S. Dollars Disbursement:

The GOJ made the U.S. dollars available to private sector importers of U.S. commodities as long as the import was for productive uses and did not consist of certain restricted items or contribute to selected ineligible uses. This portion of the program was administered by the EXIM Bank.

c) Local Currency Programming: In the past the use of local currency deposited by the GOJ under this program was used to support activities in four major areas: (1) existing projects/programs funded by USAID (2) projects/programs from other donors which need reinforcement; (3) New activities which strongly contribute to AID's policy objectives; and (4) trust fund to support AID operations in Jamaica. By PIL #20 dated April 2 1993 we agreed to move to a general budget support approach beginning in JFY93-94.

B. Major Outputs

(\$ millions and percents)

	Planned			Accomplished		
	LOP	Period	Cum.	Period	Cum.	% of LOP
- Provide Foreign Exchange for balance of payment	\$29	\$2	\$29	\$0	\$2	29
- Policy Matrix Benchmarks met *	100%	100%	100%	0%	100%	100%
- Computerized tracking system for local currency, Trust Funds and ESF cash transfers developed and functioning (software)	100%	100%	100%	0%	100%	100%
- U.S. Dollars spent for productive imports	29M	15M	27M	2M	11M	19M
- Local Currency spent (J\$) for agreed uses	667 **	118	189	92*	0M	137M

*It should be noted that there was a "basket" of eleven conditions of which the GOJ had to meet four "core" conditions, plus show adequate progress on any three of the remaining conditions. The GOJ met 100% of these requirements and in some cases exceeded expectations, but it technically did not meet 100% of the conditions.

**For the planned local currency levels, we used an exchange rate of J\$27.7:US\$1.0.

h/h

7. PROJECT STATUS

A. Planned EOPS

Progress to Date

- | | |
|---|---|
| - To assist balance of payments | An additional \$2 million was obligated on 9/28/93 to be used to finance productive imports from the U.S. |
| - Assist Jamaica's economic restructuring to promote growth by the private sector | GOJ met all necessary requirements for FY1993 tranche. BOJ regularly publishing more timely NIR and monetary data. Fair Competition and Securities Act enacted. FPMU established in January with UNDP co-financing. |

C. Other Accomplishments and Overall Status

- 1) US\$2 Million F/93 Tranche: US\$2.0 million was obligated against the policy reform this period, for a total of \$29 million to date. This was the final tranche of this ESF program. Consistent with the policy dialogue over the life of the program, all requirements were met. The formal FX market remains liberalized, the implementation of the GCT continues to be improved, the FPMU is in place, macro-economic policy is for now steadfastly anti-inflationary, the GOJ has a plan with the IMF to eliminate BOJ losses, and the BOJ regularly publishes more timely and up-to-date monetary and NIR data. Additionally, over the past two years 20 GOJ owned assets were sold or transferred to private hands, the Fair Competition and Securities Acts were passed and are being implemented, and the Credit Union Reform Act was passed and implemented.

The Employee Stock Option Plan Legislation has not been enacted and no longer appears high on the GOJ list of priorities. While the minimal condition on privatization was met, besides bringing four sugar estates to the point of sale, progress has slowed noticeably. The formal FX market remains liberalized, but a parallel market has developed, presumably because of informal imperfections and rigidities in the formal interbank system.

Funds were disbursed to the GOJ's special account in the Bank of New York. An import financing program has been worked out with the Exim Bank for the disbursement of the US\$2 million. The US\$2 million will be used to support the productive import needs of Jamaican importers from the U.S with funds channeled through the commercial banks to speed up this utilization.

- 2) Previous Tranches: Management of the import financing program has been worked out with the Export-Import Bank and reports are being received on a monthly basis. The first tranche of US\$5 million has been fully liquidated and US\$4 million has been transferred from the second tranche of US\$7 million to satisfy additional requests under the first tranche mechanism.

Local currency of J\$20.147 million (inclusive of interest earned) remaining from the US\$5 million as well as local currency of J\$181.258 advanced by the GOJ, plus interest earned, for the US\$7 is being used for general budget support and Trust Fund commencing 4/1/93. For the first two quarters of the JFY approximately J\$46.1 million will be transferred to the Government's Consolidated Fund upon receipt of Trust Fund payments by AID. Local currency generations, inclusive of interest earned, from the US\$15 and US\$2 million will be used for general budget support in JFY 94/95. Generations earned from the US\$15 million obligated in September 1992 total approximately J\$204.283 million, inclusive of interest to date.

Coopers and Lybrand were hired to carry out an assessment of the program and generally confirmed compliance with the procedures set forth in the agreement and implementing letters.

D. Problems and delays

(1) The formal foreign exchange market is under significant stress. A 27% devaluation since June has not resulted in increased foreign exchange flows into the inter-bank systems. A parallel market has developed, reportedly accounting for 60% to 80% of the value of FX transactions with the price averaging J\$29 to J\$30 to one US dollar. This will put upward pressure on domestic prices. (2) The pace of privatization slowed down somewhat in the past 12 months and the situation still needs monitoring. (3) It has taken considerable time to establish new foreign exchange liquidation systems. (4) Reports and Trust Fund payments from the GOJ are behind schedule.

E. Major Activities or Corrective Actions During the Next Six Months

1. Major Corrective Actions Expected

Continue to follow-up with GOJ for reports and Trust Fund payments.

2. Workplan for the Next Six Months

- a) Liquidate remaining foreign exchange for U.S. imports.
- b) Program J\$92 million worth of local currency generation for budget support.
- c) Continue to monitor US\$ liquidation system to finance imports from the U.S. to assure rapid liquidation.
- d) Reconcile advances with actual generations for First and Second Tranches.

Impact Over the Next 6 months

- 1) FPMU should be fully operational by end of period.
- 2) Access to additional foreign exchange simplified, to the benefit of private importers.

BEST AVAILABLE DOCUMENT

SEMI-ANNUAL REPORT SUPPLEMENT - PROJECT MONITORING ISSUES

Period: April 1, 1993 - September 30, 1993
Project: Policy Reform in Support of Private Investment
Project Number: 532-0164

1. Commodity Procurement:

Not Applicable

2. Audits:

Coopers and Lybrand's work order was renewed for them to continue in their assessment of the program. All reports received to date confirmed compliance with the procedures set forth in the agreement and implementing letters.

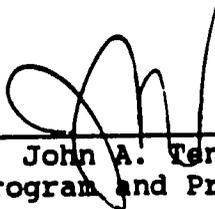
3. Host Country Contribution:

Not Applicable

4. Centrally Funded Projects:

Not Applicable

Office Director certifies that he has reviewed and cleared the SAR for Mission review.



John A. Tennant
Office of Program and Project Development