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USAID ASSISTANCE TO JAMAICA

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I. OVERVIEW: USAID ASSISTANCE TO JAMAICA

Background

The United States has provided official development assistance to Jamaica over the past 30 years. This assistance, channeled through the U.S. Agency for International Development (USAID), has been made available in several ways, including:

- project support;
- food assistance;
- balance-of-payments support; and
- housing investment guaranties;

For the twenty-year period 1956 through 1976, total USAID assistance to Jamaica amounted to approximately US\$140 million. This included: loans for housing and water supply, dairy development, feeder road construction, forestry, and rural education; grants to provide technical assistance in agriculture, health, family planning, education, and public administration; housing guaranties (HGs); and PL 480 food assistance.

Beginning in fiscal year (FY) 1977, USAID assistance levels (including development assistance, loans and grants, balance of payments support, PL480 and HGs) increased substantially, averaging US\$28 million annually between FY1977 and FY1980. As a result of worsening economic conditions at the turn of the decade USAID assistance levels again increased in the 1980s, averaging some US\$135 million per year between FY1981 and FY1986. The amount of assistance provided in FY1986 was approximately US\$124 million including US\$17.5 million of Development Assistance (net of reobligations), an estimated US\$10 million of Section 416 food assistance for the GOJ's Expanded School Feeding Program, US\$32.6 million of PL 480 Title I food assistance, approximately US\$6 million of surplus butter and cheese donated to the Jamaica Agricultural Development Foundation, and a US\$58 million balance of payments support grant.

USAID has financed a variety of project activities and provided direct and indirect balance of payments support through loans and grants from the Economic Support Fund (ESF). ESF balance of payments support has averaged US\$62.6 million annually over the period FY1981-FY1986, and these cash transfers have allowed Jamaica to import productive goods such as raw materials, capital equipment and spare parts thereby helping to alleviate the critical shortage of foreign exchange.

### Program Objective and Strategy

The objective of USAID/J's current program is to assist Jamaica in achieving positive, and sustained real economic growth. To realize this objective, the strategy involves programs that (1) promote reforms necessary for broad-based export oriented economic growth, (2) minimize the contractions in domestic production and employment resulting from structural adjustment and (3) ease the burden of adjustment for the most vulnerable segments of the population. The present AID portfolio stresses quick disbursing, highly visible activities, and the use of financial resources to permit flexibility and effective policy dialogue with the GOJ to continue the process of deregulation, 2) implement comprehensive domestic tax reform; and 3) continue privatization efforts.

USAID/Jamaica's ongoing and planned activities are built around the following programmatic objectives:

- expansion of private sector investment, productivity and exports;
- development of non-traditional agricultural exports and agricultural production for import substitution;
- provision of balance of payments assistance to help alleviate the severe shortage of foreign exchange; and
- institutional strengthening of both public and private sector entities, particularly those concerned with increased production and productivity.

### USAID/J Structure and Operations

USAID/J has technical offices in the areas of agriculture and rural development, family planning and population, health, education and human resources development, private sector and energy. The USAID Mission also houses the Regional Housing and Urban Development Office/Caribbean (RHUDO/CAR). This office works in close cooperation with the Mission on Jamaica shelter and urban activities and also has regional responsibility for shelter and urban programs in the other Caribbean islands.

USAID develops and implements most projects in conjunction with appropriate GOJ ministries and agencies. This joint programming effort is intended to assure that projects coincide with government priorities and do not duplicate activities of other international donors. Other projects are developed and implemented with private Jamaican or US organizations.

Over the past four years USAID/J has sought to integrate food assistance more fully into its overall program, and this has been achieved through the following ways; (1) inclusion in PL 480 Title I Agreements of more specific self-help measures which further support project objectives, and (2) programming of PL 480 Title I local counterpart generations for the support of mutually agreed-upon joint USAID/GOJ projects and other donor activities. Food assistance is used to obtain leverage in negotiations and, therefore, constitutes a key tool in our ongoing policy dialogue with the Government of Jamaica.

Major new initiatives are currently underway or are planned in the areas of development banking, agricultural research industrial development and management education.

## II. ESF BALANCE OF PAYMENTS ASSISTANCE

Between January 1981 and September 1986, USAID has disbursed US\$373.23 million in Economic Support Fund (ESF) balance of payments support to the GOJ. This assistance has been provided under the following loans and grants.

<u>Loan</u>	<u>Number</u>	<u>FY</u>	<u>(US\$M)</u>
Production and Employment I	532-0063	81	40.00 (L)
Production and Employment II	532-0089	82	38.00 (L)
Caribbean Basin Initiative Supplement	532-0092	82	50.00 (L)
Production and Employment III	532-0093	83	25.00 (L)
Production and Employment III Supplement	532-0096	83	29.35 (L)
Production and Employment IV & IVa	532-0098	84	50.00 (L)
Trade Promotion Program Assistance	532-0131	84	2.38 (G)
Production and Employment V	532-0100	85	65.00 (L)
Production and Employment V Supplement	532-0100	85/86	34.50 (G)
Production and Employment VI Supplement	532-0111	86	39.00 (G)
TOTAL			<u>373.23</u>

These cash transfers help to alleviate the severe shortage of foreign exchange which has proven to be a major constraint to economic growth in Jamaica. The money is used to finance imports from the United States, including: equipment; capital goods; spare parts; and agricultural inputs needed to stimulate increased private sector production, exports and employment. The local currency made available by the GOJ under these agreements is programmed jointly by USAID and the GOJ to support priority development activities in the areas of infrastructure, education and health, as well as other donor initiatives, activities of selected private voluntary organizations and the joint USAID/GOJ Trust Fund.

One of the major goals of the USAID's ongoing policy dialogue with the GOJ is to bring about structural adjustments which will permit private market functions to lead Jamaica's drive for economic expansion and growth. ESF is one of USAID's major instruments of influence in this policy dialogue. Based on USAID's independent analyses of the structure of the Jamaican economy, certain specific conditions are identified and the GOJ is encouraged to take substantial action prior to the signing of a particular ESF Agreement. Recent policy dialogue initiatives promote increased divestment of state enterprises and implementation of tax reform measures.

### III. DEVELOPMENT ASSISTANCE PROJECT PORTFOLIO

USAID currently supports more than 30 projects in Jamaica. Besides the projects described in the following pages, USAID/Jamaica has funds for program development, and design of projects for consideration for future USAID financing.

ONGOING AGRICULTURE, RURAL DEVELOPMENT  
AND NUTRITION PROJECTS

Agricultural Marketing Development (532-0060)

USAID-financed LOP Cost: US\$7.8 million (Loan)  
Project Obligated: 12/80 PACD: 3/31/87  
Cumulative Obligations as of 9/30/86: US\$7.8 million (loan)  
Cumulative Expenditures as of 9/30/86: US\$4.8 million (loan)

DESIGN: The project is designed to improve agricultural marketing practices and to upgrade the marketing system. Phase I of the project establishes a Marketing Division within the Ministry of Agriculture capable of providing services such as (a) marketing development, (b) market information, (c) market research, (d) marketing training and extension, and (e) quality assurance (specification and enforcement of grades and standards). In Phase II, the project establishes a network of fifteen assembly and grading stations to be operated by producer marketing organizations, and will also establish three wholesale marketing distribution centers.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$15.8 million to the project.

STATUS: The Agricultural Marketing Project has financed the construction of one assembly and grading station, the renovation of two other facilities as assembly and grading stations, the procurement of milk collection, cooling and testing equipment for two dairy cooperatives, and the purchase of vehicles for producer marketing organizations. Project support has been instrumental in the successful establishment of an agricultural export preclearance and fumigation program.

Agricultural Marketing Development  
- Rural Roads Rehabilitation Component (532-0060)

USAID-financed LOP Cost: US\$6.0 million (Loan)  
US\$ 8.8 million (Grant)  
Project Obligated: 6/86 PACD 7/31/89  
Cumulative Obligations as of 9/30/86: US\$6.0 million (Loan)  
Cumulative Disbursements as of 9/30/86: NIL

DESIGN: The project is designed to rehabilitate selected rural roads to improve mobility of small farmers and rural families.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$3.2 million of in-kind contribution to the project.

STATUS: The Rural Roads component of the Agricultural Marketing Development Project was authorized June 26, 1986. The first Fixed Amount Reimbursement Agreement (FARA) has been signed for the rehabilitation of 11.24 miles of rural roads and the second FARA is being prepared for 15 miles. The Ministry of Construction/Work (MOC/W) the implementing agency, is now in the process of reviewing resumes for the selection of the technical assistance contractors, and negotiating the host contract for the Senior Highway Engineer position.

A comprehensive list of spare parts for all equipment repair has been prepared, and procurement will be initiated shortly.

Agro Industrial Development Project (532-0081)

USAID-financed LOP Cost: US\$10.5M (Loan)  
Project Obligated: 9/82 (Comp. I) 7/83 (Comp. II) PACD 9/30/8  
Cumulative Obligations as of 9/30/86: US\$ 9.5 million  
Cumulative Expenditures as of 9/30/86: US\$3.4 million

DESIGN: Strengthening agribusiness enterprises and developing new ones are the aims of this project. Increased agribusiness activity will measurably increase the production of non-traditional crops for export. Component I provides foreign exchange for immediate financing of existing agribusiness operations, pre-investment fund for the identification and development of new agro-industrial projects, consultant services, and training for public sector agribusiness staff. Component II funds the Strategic Planning Program within Agro 21. This program identifies agribusiness commodities with international competitive potential. Such commodities are then brought to the attention of foreign industries, in a program promoting Jamaican agribusiness investment. A prefeasibility study fund provides grant funds to companies seriously considering investment in agribusiness enterprises.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$8.46 million to the project.

STATUS: Currently, profiles identifying export potential and constraints have been started for a number of agricultural products, and requests have been made for consulting services to study a wide variety of fruits, vegetables, herbs, and ornamental horticulture with export potential. An Agro-Industrial Development Unit is now in place functioning within the Agricultural Credit Bank. Procedures governing the approval of loans to agribusiness firms are being streamlined.

Agricultural Education (532-0082)

USAID-financed LOP Cost: US\$9.5 million (loan)  
US\$3.0 million (grant)  
Project Obligated: 8/84 PACD 8/31/90  
Cumulative Obligations as of 9/30/86: US\$3.0 million (grant)  
US\$6.5 million (loan)  
Cumulative Expenditures as of 9/30/86: US\$125,723 (grant)

DESIGN: Contributing to the resuscitation of the agricultural sector in Jamaica, this project specifically addresses the critical need for trained agricultural manpower. To do this, it will develop and expand the Jamaica College of Agriculture, and expand and improve the Secondary Agricultural School at Knockalva.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$5.2 million to the project

STATUS: A technical assistance contract was signed with Louisiana State University (in collaboration with Southern University and Sam Houston State University). Team members started work on site in June 1986. The first phase of construction began in December 1986.

Hillside Assessment (532-0113)

USAID-financed LOP Cost: US\$600,000 (grant)  
Project Obligated: 8/85 PACD: 12/31/87  
Cumulative Obligations as of 9/30/86: US\$600,000  
Cumulative Expenditures as of 9/30/86: US\$216,000

DESIGN: The purpose of this project is to identify and analyze production and conservation technologies, and develop policies and methodologies to promote adoption of rational, long-term land use practices for hillside agricultural development. The results of the Hillside Assessment will be instrumental in the development of the Hillside Agriculture Development Program, scheduled to begin in FY 1987.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$150,000 to this project.

STATUS: The grant agreement for this project was signed in August 1985. Studies on coffee and cocoa productivity and the agro-processing sector have been completed under this project. Additionally, a long term project coordinator has been hired and five technical analyses have been completed on the Hillside Agriculture Project Paper.

Studies of the problems of hypoglysin levels in ackee, and land titling problems are underway.

Small Farmer Production/Marketing (OPG) (532-0097)

USAID-financed LOP Cost: US\$660,000 (grant)  
Project Obligated: 3/83 PACD: 3/28/87  
Cumulative Obligations as of 9/30/86: US\$660,000  
Cumulative Expenditures as of 9/30/86: US\$360,000

DESIGN: The purpose of this pilot project is to (a) assist groups of predominantly small farmers to increase the volume and quality of fruits and vegetables; (b) to develop producer marketing organizations (PMOs) through which member farmers can market their products; and (c) to facilitate producer marketing organizations' penetration of the US market.

IMPLEMENTATION: Partnership for Productivity, a US private voluntary organization, is the recipient of this grant. The project complements the GOJ/USAID Agricultural Marketing Development Project, and the Agricultural Cooperative Development Project.

STATUS: A project-supported PMO is increasing its wholesale marketing activities and acts as the distributor of fertilizers and pesticides for member farmers. USAID is currently considering extension of this activity in order to put more emphasis on production and work with PMOs already established in other regions of Jamaica.

Agricultural Cooperative Development (OPG) (532-0107)

USAID-financed LOP Cost: US\$500,000 (Grant)  
Project Obligated: 6/84 PACD: 5/31/88  
Cumulative Obligations as of 9/30/86: US\$500,000  
Cumulative Expenditures as of 9/30/86: US\$145,000

DESIGN: Project activities include organizational development and management training for producer marketing organizations (PMOs) which operate according to accepted cooperative business principles and provide marketing and/or processing services for members. Jamaican farmers in nine areas will benefit from their participation in these newly formed or re-organized PMOs. A second purpose of the project is to strengthen the National Union of Cooperative Societies as a viable tertiary cooperative service organization, capable of self-sustained growth and of providing ongoing assistance to PMOs.

IMPLEMENTATION: The (Jamaica) National Union of Cooperative Societies (NUCS) is the recipient of this grant. The project supplements the ongoing GOJ/USAID Agricultural Marketing Project by directly involving the cooperative private sector in the critical area of PMO development. The GOJ has agreed to grant NUCS J\$1.5 million.

STATUS: Eight PMO managers have completed a six-month training program and seven of them are now on the job. This project is currently being amended to better assist PMOs through local Technical Assistance.

Crop Diversification/Irrigation (532-0123)

USAID - financed LOP Cost:: US\$5.0 million (loan)  
US\$13.0 million (grant)  
Project Obligated: 9/85 PACD: 9/30/90  
Cumulative Obligations as of 9/30/86: US\$4.8 million (loan)  
US\$5.2 million (grant)  
Cumulative Expenditures as of 9/30/86: US\$2.9 million (loan)  
US\$2.9 million (grant)

DESIGN: The Crop Diversification/Irrigation Project reinforces Agro 21's capability to promote private agricultural investment in Jamaica. The project has four principal components:

1. strengthening the capacity of Agro 21 to promote private enterprise agricultural investment;
2. assisting Agro 21 to rehabilitate the existing Rio Cobre irrigation system to support diversified crop production;
3. providing Agro 21 and Rio Cobre Irrigation Works with resources necessary to upgrade and efficiently operate and maintain the rehabilitated system; and
4. establishing a small farmer linkage program to help farmers gain access to modern technology, market outlets, land and employment, through formal and informal relationships to be developed with larger producers and markets.

STATUS: Inter-Grow Ltd., a joint venture company consisting of three Jamaican entities, was formed in August 1986, to produce and market winter vegetables.

Major infrastructural work planned for properties identified as blocks A, B, C and D, has proceeded satisfactorily and is 100%, 68%, 98% and 5% complete, respectively. Other infrastructural work accomplished to date includes the clearing of blocked canals at the Spanish Town water works; design and surveying of a maintenance road on the Old Harbour canal; and the replacement of dam flushing gates on the main intake structure.

Activities undertaken in relation to the operation and maintenance of the Rio Cobre Irrigation Works (RCIW) include the development of articles of organization for the National Irrigation Commission (successor organization to RCIW), and recruitment of a Managing Engineer for the organization, and consultants to assist in organizational development.

Activities accomplished to facilitate small farmer linkages include approval for the construction of two additional culverts in the Old Harbour canal to increase the flow of water to the Bushy Park area, and the initiation of actions to acquire a new DWT pump to service small farmers in the Spring Village area. A study is also being conducted on the renovation of the entire system.

Agricultural Research 532-0128

USAID - financed LOP Cost:: US\$7.6 million (grant)  
Project Obligated: 7/86 PACD: 7/21/93  
Cumulative Obligations as of 9/30/86: US\$7.6 million (grant)  
Cumulative Expenditures 9/30/86 : US\$-0-

DESIGN: This project is designed to identify solutions to current constraints to increased production and productivity by carrying out adaptive/applied research in priority commodity areas.

COOPERATIVE AGREEMENT: A Cooperative Agreement was signed with the Jamaica Agricultural Development Foundation (JADF) on July 30, 1986 to implement the Project.

STATUS: The initial administrative organization, procedure and policies are currently being established in preparation for implementing the Project. Some of these actions follow. A Search Committee was established to identify the Research Program Director (PD) and Assistant (APD). A Search letter was sent internationally to about 55 individuals and institutions in search of a P.D. Sixteen responses were evaluated and short listed for final evaluation and ranking. The top three were invited to come to Jamaica for an interview in early CY 87. In order to establish a Research Advisory Council (RAC) a letter was sent to local and international agriculture related institutions requesting suggested names for a RAC. A RAC Selection Committee made up of individuals jointly identified by JADF and USAID will recommend members which will be approved by USAID and the JADF Board.

Cooperative Development Training (OPG) (532-0180)

USAID - financed LOP Cost:: US\$920,000 (grant)  
Project Obligated: 2/85 PACD: 2/29/88  
Cumulative Obligations as of 9/30/86: US\$720,000  
Cumulative Expenditures as of 9/30/86: US\$312,344

DESIGN: The National Union of Cooperative Societies (NUCS) receives project assistance to develop and expand services and provide training to the country's cooperative business sector. The Jamaican Cooperative Credit Union League (JCCUL) also receives assistance, particularly in the areas of financial management operations and training. Overall, the project assists the development and growth of the Jamaican cooperative movement by improving cooperative management, financial, and operating systems.

IMPLEMENTATION: The National Cooperative Business Association (NCBA) is the recipient of this grant. The GOJ has earmarked J\$1.7 million to this project.

STATUS: Seven workshops have been held involving approximately 300 participants, in the areas of financial management, and curriculum development. Technical consultancies have been provided and eleven curricula and instructors guides have been drafted and are being produced. JCCUL's activities in the areas of cooperative management, advisory services, mortgage assistance programs and data processing are continuing.

ONGOING POPULATION PROJECTS

Population and Family Planning Services (532-0069)

USAID - financed LOP Cost:: US\$10.7 million (grant)  
Project Obligated: 3/82 PACD: 3/31/91  
Cumulative Obligations as of 9/30/86: US\$4.7 million  
Cumulative Expenditures as of 9/30/86: US\$2.4 million\*

DESIGN: The Project, through the GOJ's National Family Planning Board which is the executing agency, assists public and private sector organizations to expand the coverage of contraceptive delivery systems and to increase the effectiveness of those systems through family planning and family life education activities. The Project also aims at improving demographic data capabilities of GOJ agencies. Major areas of support include: the provision of contraceptive supplies for both clinic-based and commercial retail sales activities; technical assistance; overseas and in-country training; commodities (e.g., medical and audiovisual equipment/supplies, vehicles, and computer hardware/software); and in-country costs for 14 sub-projects and special activities. Participating GOJ institutions include the National Family Planning Board, the Ministries of Health, Education, Youth and Community Development, and the Statistical Institute. Participating private organizations include the Jamaica Family Planning Association, Operation Friendship, and the Roman Catholic Church.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$16 million to the Project.

STATUS: The Population Council of New York and the United States National Center for Health Statistics completed technical assistance to the Project. Improved demographic data systems were developed utilizing mini-computers. Additional technical assistance is to be provided in the areas of quality voluntary surgical contraception and contraceptive commercial retail sales programs. Seminars on family planning and family life education continue to be held, as well as training for trainers and teachers. It is estimated that from 60,000 to 70,000 new family planning acceptors will have been recruited during the life of the Project.

\*The Project grant includes US\$3.76 million for condoms and oral contraceptives which are centrally procured in the U.S. The cumulative expenditures figure does not include disbursements for these contraceptives.

Private Sector Promotion of Family Planning (OPG) (532-0122)

USAID - financed LOP Cost:: US\$248,000 million (grant)  
Project Obligated: 4/85 PACD: 4/30/87  
Cumulative Obligations as of 9/30/86: US\$248,000 million  
Cumulative Expenditures as of 9/30/86: US\$132,540

DESIGN: The Jamaica Family Planning Association (JFPA), a local private voluntary organization, through collaboration with private institutions, continues to promote greater understanding, acceptance and practice of family planning. Project activities include: (1) a radio dramatization serial promoting family planning, (radio has an audience of 85-90% of the Jamaican adult population); (2) the development of a network among private companies and institutions to provide family planning education and contraceptive services for employees/members; and (3) the strengthening of the JFPA's fund-raising and resource development capabilities. Project activities complement the GOJ/USAID Population and Family Planning Services Project (532-0069).

COUNTERPART COMMITMENT: Project activities will receive the equivalent of US\$50,500 from the Jamaica Family Planning Association and US\$18,000 from the International Planned Parenthood Federation/Western Hemisphere Region.

STATUS: The Project's radio serial, "Naseberry Street", is being aired three mornings a week. Initial feedback indicates that the serial is very successful in reaching the target population. Outreach workers are being recruited to provide educational talks and deliver contraceptive services to private firms interested in participating in the Project. A consulting firm in the United States with experience in fund-raising and resource development is providing technical assistance to the Project staff and to the JFPA volunteer fund-raisers.

ONGOING HEALTH PROJECTS

Health Management Improvement (532-0064)

USAID - financed LOP Cost:: US\$8.6 million (loan)  
US\$3.0 million (grant)  
Project Obligated: 8/81 PACD: 6/30/88  
Cumulative Obligations as of 9/30/86: US\$8.6 million (loan)  
US\$3.0 million (grant)  
Cumulative Expenditures as of 9/30/86: US\$3.6 million (loan)  
US\$0.1 million (grant)

DESIGN: This Project serves to improve the management and delivery of primary health care services provided by the Ministry of Health. Project activities focus on management training, development of management procedures, improved working conditions for health professionals in primary health care facilities, and the development of a comprehensive health information system to facilitate better national health planning. Project activities also include US technical assistance (both long- and short-term), major renovation of a media/training center and three large health centers, minor renovation of 61 health centers, construction of seven supply depots, and purchase of pharmaceuticals, vehicles, mini-computers, printing press and other equipment.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$4.07 million to the Project.

STATUS: Ministry of Health staff have benefitted from both overseas and in-service training. Technical consultancies have been provided in management systems, manpower and training, medical supply logistics, information systems, and nutrition. Community health projects are being developed, and a radio network is under design to facilitate communication between isolated rural health centers and regional hospitals. A series of special nutrition field surveys are being completed. A nutrition surveillance system is being put in place for improved food and nutrition planning. Additional funding is being provided in order to investigate alternative health care financing options.

ONGOING EDUCATION AND HUMAN RESOURCES PROJECTS

Basic Skills Training (532-0083)

USAID-financed LOP Cost: US\$ 8.5 million (Loan)  
US\$ 4.9 Million (Grant)  
Project Obligated: 8/83 PACD:8/1/89  
Cumulative Obligations as of 9/30/86: US\$8.5 million (loan)  
US\$3.1 million (grant)  
Cumulative Expenditures as of 9/30/86: US\$0.8 million(Loan)  
US\$1.4 million (Grant)

DESIGN: This project provides unemployed youth, both rural and urban, with marketable skills by (a) assisting in the institutional development of the Human Education and Resources Training (HEART) Trust; (b) upgrading and expanding the non-formal skills training programs and services within the Ministry of Youth and Community Development; and (c) upgrading services and programs within the Ministry of Education.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$46.5 million to this project.

STATUS: RCA Services Company was contracted to implement the project for the GOJ. Four long-term consultants are assigned to the four components of the project in the Ministry of Education, the Ministry of Youth and Community Development, the Vocational Training Development Institute, and the HEART trust. The Portmore HEART Academy, set up for training in the building trades, was opened to students in February, 1985. Approximately 500 students are now in training. First graduation of 200 students was in August, 1986. The Stony Hill Academy provides business and commercial skills training, with approximately 300 students presently in attendance. First graduation of 150 students was in August, 1986. The Garmex HEART Academy was opened in April, 1986 to train in the Garments and Apparel Sewing Skills. Nine technical schools have been renovated and have been provided with vocational skills equipment. A curriculum research unit is being set up at the Vocational Training Development Institute.

Support for Management Training (OPG) (532-0084)

USAID-financed LOP Cost: US\$350,000 (Grant)  
Project Obligated: 8/85 PACD: 3/31/87  
Cumulative Obligations as of 9/30/86: US\$350,000  
Cumulative Expenditures as of 9/30/86: US\$232,150

DESIGN: Developing and strengthening the capacity of local management firms is the objective of this project. Activities

include: (a) staff upgrading within the recipient institutions (b) technical assistance to improve training capacity and to conduct special seminars for staff and other local participants; and (c) financial assistance for procurement of institutional materials.

IMPLEMENTATION: The Institute for Management and Production, (IMP) and the Jamaican Institute of Management, (JIM) are the organizations implementing this project.

STATUS: Twelve seminars have been held with 484 participants receiving training in various areas of business management. Instructional and information materials and prescribed texts have been produced to enhance the collection of reading materials available at JIM and IMP, while technical assistance has been provided to improve the institutional capabilities of the two training institutions.

Voluntary Sector Development (OPG) (532-0085)

USAID-financed LOP Cost: US\$3.0 million (Grant)  
Project Obligated : 7/83 PACD:7/31/88  
Cumulative Obligations as of 9/30/86: US\$3.0 Million  
Cumulative Expenditures as of 9/30/86: US\$2.3 Million

DESIGN: Project activities strengthen the capacity of the Council of Voluntary Social Services/United Way to help private voluntary organizations (PVOs) provide appropriate development assistance. Specifically, the project assists 20 to 40 PVOs to improve their viability as development organizations and enable them to attract and efficiently utilize funds from worldwide donors. Beneficiary PVOs focus on agriculture, education, select activities and health.

IMPLEMENTATION: The Council of Voluntary Social Services/United Way (CVSS United Way) is the recipient of this grant.

STATUS: The CVSS was incorporated at the beginning of 1985. The first fund raising campaign held in 1985 has realized J\$825,000 of the J\$1.07 million pledged, and approximately 320 individuals from 12 companies have signed up for payroll deductions. In addition to the financial assistance being provided by CVSS/UWJ, PVOs have also received technical assistance and training specifically in financial management and administration.

Partners of the Americas Voluntary Technical Assistance  
Services (OPG (532-0086))

USAID-financed LOP Cost: US\$500,000 (Grant)  
Project Obligated : 9/82 PACD: 5/11/87  
Cumulative Obligations as of 9/30/86: US\$500,000  
Cumulative Expenditures as of 9/30/86: US\$395,117

DESIGN: This project provides institutional strengthening to Partners of the Americas in Jamaica and in Western New York. Partners provides voluntary technical assistance (i.e., consultant specialists) to Jamaican private voluntary organizations involved in development activities. Special emphasis is placed on organizations involved in agriculture, arts and culture, education, small business, the handicapped, and women in development.

IMPLEMENTATION: The Western New York Partners of the Americas and the Jamaica Partners of the Americas are the joint recipients of this grant.

STATUS: Eighty-Seven agencies have been assisted through workshops held in eight parishes of Jamaica, involving over 3,000 volunteer hours valued at US\$840,000 by U.S. professional standards. Training materials and commodities such as medical diagnostic sets, sports equipment and leathercraft equipment have been provided to various organizations. Technical assistance has also been supplied in the areas of rabbit and chicken rearing to young farmers, and in early childhood education to teachers in the rural and urban areas.

Board of Revenue Assistance (532-0095)

USAID-financed LOP Cost: US\$6.0 million (Grant)  
US\$4.5 million (Loan)  
Project Obligated: 5/83 PACD: 12/31/89  
Cumulative Obligations as of 9/30/86: US\$1.3 million (Grant)  
US\$4.5 million (Loan)  
Cumulative Expenditures as of 9/30/86: US\$3.6 million (Loan)

DESIGN: The project provides technical assistance through the University of Syracuse to help the GOJ assess Jamaican tax policy and administration and to redesign its system along lines that fit its objective of achieving stable economic growth through a private sector-led, export-oriented development program.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$5.4 million to this project.

STATUS: Syracuse University, the prime contractor, has fielded a team of world-renowned tax experts who have worked with the Board of Revenue in redesigning Jamaica's tax system. Based upon technical advice of these experts, Jamaica has enacted major reforms in its personal income tax and property tax. The corporate reform tax legislation is scheduled for enactment in January 1987 and the general consumption tax which replaced myriad indirect taxes, is scheduled for enactment in April 1987.

USAID recently authorized a major \$6 million extension to the project to concentrate on implementing the tax reform program through a computerization of administration and a greatly expanded training program. The extension also includes assistance for the evaluation, monitoring and adjustment of the tax reform program, procurement of computer hardware for the Board of Revenue, and partial financing of the construction of the computer building.

Brother's Brother Foundation (OPG) (532-0106)

USAID-financed LOP Cost: US\$700,000  
Project Obligated: 6/84 PACD: 6/30/88  
Cumulative Obligations as of 9/30/86: US\$500,000  
Cumulative Expenditures as of 9/30/86: US\$470,209

DESIGN: Brother's Brother Foundation solicits donations in the United States of books, medical equipment and supplies, agricultural materials and other related items needed by Jamaican philanthropic and development agencies. Jamaican receiving agencies are responsible for internal distribution, inventory control, and local maintenance costs. This OPG primarily funds the shipment of donations from the U.S to Jamaica. However, the grant also provides some support to Brother's Brother administrative activities in the U.S.

IMPLEMENTATION: Brother's Brother Foundation is the recipient of this OPG.

STATUS: Since commencement of this activity, Brother's Brother Foundation (BBF) has shipped a variety of donated items to Jamaica. These have included school books, garden tools and vegetable seeds for the Heart Trust, Peace Corps and Partners for Productivity. BBF has also provided medical equipment, supplies and drugs, wheelchairs and sewing machines earmarked for use in a number of Peace Corps projects.

Primary Education Assistance Project (532-0126)

USAID-financed LOP Cost: US\$11.3 million (grant)  
Project Obligated: 8/85 PACD: 12/31/88  
Cumulative Obligations as of 9/30/86: US\$4.2 million  
Cumulative Expenditures as of 9/30/86: US\$222,741

DESIGN: Designed to improve the quality and efficiency of Jamaica's primary education system, the project provides assistance to the Ministry of Education to: (a) renovate approximately 150 existing primary schools; (b) print math and language arts textbooks and teachers manuals for 350,000 students; (c) improve the Ministry of Education's capability to collect and analyze data relevant to evaluating, managing, and planning primary education policies and programs; and (d) provide study programs for administrators, teachers, supervisors and local community leaders in which participants address the development and maintenance of an effective primary school system.

COUNTERPART COMMITMENT: It is proposed that the GOJ contribute the equivalent of US\$5.2 million to this project.

STATUS: All CPs have been met. Equipment, materials and teachers kits valued at US\$450,000 have been ordered, and bid packages have been approved on 45 of the 150 schools to be renovated under the project. A total of 350,000 text books have been distributed to children in 784 schools. Other texts to be distributed will include teachers guides in Science and Social Studies.

Caribbean Basin Initiative (CBI) Scholarship Fund (598-0622)

The Caribbean Basin Scholarship Fund provided training in the United States for approximately 500 individuals from the Caribbean Basin countries. This program started in September 1983, and was funded for two years. Of the 500 persons, 240 obtained degrees as the bachelor's level and 35 at the post-graduate level. Another 200 persons participated in non-degree and short-term management training programs.

The project was contracted to the following five contractors, known for their wide experience in their areas of training specialization. Selection was based on the quality of applications received from the Caribbean region each year. Jamaica received the following numbers under the various contracts:

- 1) The Organization of American States (OAS)  
In FY 1984 - 12 long-term and 10 short-term trainees;  
In FY 1985 - one long-term and 10 short-term trainees.
- 2) The Latin American Scholarship Program of American Universities: FY 1984 - four 2-year graduate programs.
- 3) The Institute of International Education:  
FY 1984 - three 2-year programs.
- 4) The Partners of the Americas:  
FY 1984 - 2 short-term programs; FY 1985 - 2 short-term programs.
- 5) The Interamerican University Council for Economic and Social Development FY 1984 - eight Jamaicans participated in one-year programs.

Latin America/Caribbean Training Initiatives (598-0622 & 598-0640)

USAID-financed LOP Cost: US\$1.1 million (grant, 598-0622)  
US\$1.2 million (grant, 598-0640)  
Project Obligated: 8/82 PACD: 3/31/88 (0622), 9/30/89 9 (640)  
Cumulative Obligations as of 9/30/86: US\$2.3 million  
Cumulative Expenditures as of 9/30/85: US\$1.4 million

DESIGN: These regional USAID projects including the President's Training Initiative for Islands in the Caribbean (PTIIC) increase the number of US-trained public and private sector individuals at the planning, implementation, technical, managerial and administrative levels. Participants' costs are either fully funded by USAID or about 70% funded by USAID, depending on individuals' economic situations. Not included in the funding statistics, above, is the International Executive Development component of the projects. This component consists of six-week sessions in the US which include a 10-day Management Training Workshop and 4-weeks of on-the-job training in various US companies.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$498,000 to these projects.

STATUS: Since commencement of these training initiatives in FY1982 a total of 363 Jamaicans have participated in training or are currently enrolled in training programs in the United States. These include short-term programs, and training at the Bachelors, Masters and Doctoral levels.

SELECTIVE DEVELOPMENT ACTIVITIES

Special Development Activities Fund (OPG) (532-0029)

Amount Obligated for FY 86: US\$100,000  
Fund ongoing since 1966  
Cumulative Obligation as of 9/30/86: US\$1.3 million  
Cumulative Expenditures as of 9/30/86: US\$1.2 million

DESIGN: The Special Development Activity Fund provides limited financial resources to complete constructive community self-help projects. Proposals considered for financing must have an immediate impact, benefit many people and must have the complementary inputs needed to complete the project. Each proposal financed must be apolitical and non-discriminatory in respect to religion.

BENEFICIARIES: A variety of private voluntary organizations and community-based, self-help ventures.

STATUS: Fifteen projects totalling US\$100,000 were funded in FY 1986, in the areas of health, education, agriculture and skills training. The projects are located throughout Jamaica.

Energy Sector Assistance (532-0065)

USAID - financed LOP Cost:: US\$8.4 million (loan)  
US\$0.3 million (grant)  
Project Obligated: 8/81 PACD: 9/30/87  
Cumulative Obligations as of 9/30/86: US\$8.4 million (loan)  
US\$0.3 million (grant)  
Cumulative Expenditures as of 9/30/86: US\$4.0 million (loan)  
US\$0.2 million (grant)

PROJECT DESIGN: The main goal of the project is to reduce Jamaica's almost total dependence on imported petroleum and refined products. The principal components of Phase I of the project are:

- (a) strengthening the monitoring and planning capability of the Energy Division, Ministry of Mining, Energy and Tourism; and
- (b) planning and managing an energy conservation and a renewable energy program for the public sector.

Also, under Phase I is the Energy Cane Project, which received US\$250,000 grant from the ST/Energy office, AID/Washington and additional support from Washington's Trade and Development Program. This project assesses the technical, financial and economic viability of utilizing high fiber sugar cane in Jamaica for sugar production and its waste products as boiler fuel in the production of electricity thereby substituting for imported petroleum.

Under phase II of the project, an Energy Credit Fund (ECF) was established to provide US dollar and Jamaican dollar loans to private sector enterprises to enhance the energy efficiency of the productive sector. ECF loans can also be used to manufacture energy saving devices in Jamaica. The ECF is managed by the National Development Bank and operated by the roughly twelve commercial and Merchant Banks, affiliated to NDB.

The remaining funds in the ESAP have been reprogrammed to bring about further energy savings in the national water supply systems, with particular reference to the rural systems.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$8.4 million to this project.

STATUS: The project has moved aggressively in the conservation area, conducting energy audits and retrofits in public sector

hotels, building and industries. In the renewable area, roughly twenty-seven solar hot water units have been installed in hospitals and dormitories. Two alternative energy demonstration centers and an Energy Center at the College of Arts, Science and Technology have been established. Consultants specializing sugar cane production and related technologies have completed their studies on the Energy Cane project. Regarding the ECF, although the energy audits of several enterprises revealed payback periods of less than two years, the movement of funds has been poor since:

- (a) energy was not recognized as the overwhelming problem at most enterprises;
- (b) the ECF interest rates were high at market rates;
- (c) the enterprises are experiencing severe cash flow problems. Therefore incurring additional debt was not viewed as a sound business venture at this time;
- (d) the time required to conduct the energy audit, to prepare the ECF application forms, and for the Banks to act on the application for loans is unduly long.

The Ministry of Mining Energy and Tourism and the National Water Commission are the GOJ agencies responsible for implementing the reprogrammed ESAP activities in water supply system particularly in rural areas.

Technical Consultations and Training Grant (TC&TG) (532-0079)

USAID - financed LOP Cost:: US\$27,460,000 (grant)  
Project Obligated: 5/81 PACD: 12/31/89  
Cumulative Obligations as of 9/30/86: US\$21.5 million  
Cumulative Expenditures as of 9/30/86: US\$11.3 million

DESIGN: This project provides grants which finance the foreign and local currency costs of activities designed to relieve constraints to productive activities in support of Jamaica's economic recovery program. Resources are targetted towards the areas of:

- 1) policy studies supportive of the structural adjustment program;
- 2) investment promotion;
- 3) export development;
- 4) industrial development;
- 5) new initiatives

COUNTERPART COMMITMENT: Private and public sector institutions contribute to TCTG-funded activities as their budgets allow.

STATUS: Grant funds have been made available since FY 1981 under the Technical Consultations and Training Grant to finance short-term consultancies and training aimed at addressing constraints to increased private sector productive activity. Since FY 1985 this program has been administered mainly through a system of block grants to key quasis-government and private sector agencies (JNIP, JNEC, JIDC and PSOJ) directly involved in the promotion of private sector initiatives. These organizations are responsible for managing a strategic mix of activities designed to advance overall project goals and to foster the growth and development of the private sector and contribute to increased investment, employment and foreign exchange earnings in Jamaica.

Private Development Bank (532-0091)

USAID - financed LOP Cost:: US\$20.0 million (loan)  
Project Obligated: 8/84 PACD: 8/31/89  
Cumulative Obligations as of 9/30/86: US\$12.5 million (loan)  
US\$0.9 million (grant)  
Cumulative Expenditures as of 9/30/86: US\$1.8 million (loan)  
US\$0.4 million (grant)

DESIGN: The private development finance institution established by this project provides medium and long-term credit, equity participation, and support services to investors in agro-industry, manufacturing, tourism and other business activities in Jamaica. The activities of this finance institution should stimulate economic growth in Jamaica, resulting in the generation of real wealth for the nation and increased levels of employment.

IMPLEMENTATION: The recipient of this loan and grant is the Trafalgar Development Bank. The GOJ is supporting the project by assuming the foreign exchange risk of the Bank's loans. This means that the Trafalgar Development Bank is guaranteed a loan repayment foreign exchange rate equal to that at which it initially receives its loans.

STATUS: The establishment of the Trafalgar Development Bank is well underway: advisors have been hired, local staff have been recruited, and local equity subscriptions have been raised. Additional foreign investment in the bank includes participation by the Dutch and German development banks. Twenty-four loans, worth over US\$7 million have been made to support the garments, furniture, data entry, tourism, ornamental horticulture, coffee, shipping, fishing and food processing industries.

National Development Foundation (OPG) (532-0108)

USAID - financed LOP Cost:: US\$470,000 (grant.)  
Project Obligated: 3/84 PACD: 3/26/87  
Cumulative Obligations as of 9/30/86: US\$470,000  
Cumulative Expenditures as of 9/30/86: US\$447,055

DESIGN: The National Development Foundation of Jamaica (NDF/J) is a private, not-for-profit organization which offers technical assistance, credit, and management advice to micro-entrepreneurs without access to traditional credit sources. This grant is a follow-on to the highly successful project which established the NDF/J in November 1981 to respond to the acute needs of the small business sector. The current project expands the NDF/J's services to small-scale, non-farming enterprises in rural Jamaica.

IMPLEMENTATION: The NDF/J is the recipient of this grant.

STATUS: The NDF/J has branch offices in Kingston, Mandeville, Montego Bay and Ocho Rios, which are fully established and operating effectively. NDF/J has processed approximately 1,100 loans totalling J\$8 million and has provided technical assistance and training to over 2,000 persons. Of the 2,300 Jamaican micro-entrepreneurs expected to benefit from this project, at least 34% will be women; a further 6,900 persons are expected to benefit indirectly. The existing loan portfolio is projected to reach J\$12.0 million by 1987.

Caribbean Justice Improvement Project (598-0645.08)

USAID-financed LOP Cost: US\$2.2 Million (Grant)  
Project Obligated: 9/15/86 PACD: 8/31/89  
Cumulative Obligations as of 9/30/86: US\$500,000  
Cumulative Expenditures as of 9/30/86: US\$ 0

DESIGN: In Jamaica the project targets badly needed resources to two key areas of the legal system: the Supreme Court and the Resident Magistrates' Courts. Training will be provided to court personnel at all levels. The Supreme Court component provides resources for (a) the refurbishing of the Supreme Court building, (b) the updating of reference materials in the Supreme Court Library, (c) the computerization of the Supreme Courts' Civil Registry, and (d) the improvement of the court reporting system. The Resident Magistrate (RM) Courts component to be implemented by the Ministry of Justice will assist in the refurbishing of up to 20 RM courts and provide minor office equipment, furnishings and reference materials.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$734,000 to this project.

STATUS: The project was obligated on September 16, 1986, and the CPs were met on November 21, 1986. A project coordinator for the refurbishing activities from the Supreme Court and RM Courts has been hired by the Ministry of Justice. The Ministry has selected and is negotiating a contract for the A&E services for the Supreme Court component in order to begin the refurbishing activities. It is also in the process of identifying the 20 RM Courts, and candidates for coordinator of the other Supreme Court activities. The Supreme Court has also identified the reference materials to be purchased for the Supreme Court Library.

Ongoing Housing and Urban Development Activities

The Regional Housing and Urban Development Office, Caribbean (RHUDO/CAR) is a regional office providing field planning and management expertise for shelter and urban development programs for Jamaica and other island nations of the Caribbean. RHUDO/CAR manages the Housing Guaranty portfolio in the Caribbean under the policy guidance of the USAID/J Mission. RHUDO also acts as a Mission Technical Office in carrying out USAID's related non-guaranty shelter projects, urban and community development activities, and technical assistance and training for host country housing, and urban and community development officials.

USAID's primary resource for providing assistance to the shelter sector is the Housing Guaranty (HG) Program. In Jamaica, this shelter program has been underway for more than twenty years. However, since 1977 3 major projects totalling US\$55 million have been authorized to help Jamaica develop suitable affordable housing for the poor and generally to meet the objectives of the 1982 GOJ National Housing Policy.

Under the HG program, USAID provides a 100 percent full faith and credit guaranty for a host government to borrow in US capital markets for a mutually agreeable shelter program. Borrowings are allowed for up to 30 years with up to a 10 year grace period on repayment of principal. Borrowers may negotiate either a fixed or a variable interest rate which tends to be quoted as a premium (about half a point today) off the US Treasury Bill rate. The rate is typically very close to the IBRD lending rate. An added benefit of the program is that the US dollars are not tied to the purchase of US goods and services. USAID charges a one percent fee up-front and half percent on the outstanding balance to finance the activities of the program (design and operating expenses) and to maintain the program's reserve fund.

Low Cost Shelter Development (532-0067)

USAID-financed LOP Cost: US\$2,385,000 (grant)  
Project Obligated: 6/82 PACD: 9/30/89  
Cumulative obligations as of 6/30/86: US\$1.4 million  
Cumulative Expenditures as of 9/30/86: US\$967,738

DESIGN: This technical assistance project assists the GOJ with policy development and improvements in the planning, coordination, and project delivery capacities of selected public and private shelter sector institutions. The primary recipient of the project's technical assistance is the Ministry of Construction (Housing). However, given the need to coordinate and strengthen the overall shelter sector performance, other institutions receive direct and indirect project benefits.

COUNTERPART COMMITMENT: The GOJ has committed an equivalent of US\$795,000 to this project.

STATUS: To date, the technical assistance project has been implemented through a long-term contract with PADCO which had two resident advisors based in the Ministry of Construction (Housing). One PADCO professional advises on housing policy and finance; the other works with design, planning, and construction management. The impact of the technical assistance has been substantial both with regard to implementation of three USAID-financed HG loans totalling US\$55 million and in regard to initiating policy, institutional and management changes in the sector. The grant was recently increased by \$1.4 million. Although the PADCO contract was extended to retain the senior advisor for an additional 3 years, more than half of the \$1.4 million has been reserved for use by the MOC(H). The Ministry is presently in the process of contracting for 7 long-term local positions to strengthen the MOC(H) management team and provide training to MOC(H) staff, identifying commodities to be purchased and developing terms of reference for a number of short term local technical assistance assignments.

Urban and Rural Shelter Improvement (I) (532-HG-010)

Housing Investment Guaranty - LOP Cost: US\$15.0 million (loan)  
USAID-financed LOP technical assistance Cost: US\$485,323  
(grant)

PACD: N/A

Project Obligated: 9/77

Cumulative Obligations as of 9/30/86 US\$15.0 million (loan)  
US\$485,323 (grant)

Cumulative Expenditures as of 9/30/86: US\$15.0 million (loan)  
US\$485,323 (grant)

DESIGN: This project is designed to assist the GOJ and Jamaican private sector with the development of an institutional, financial and planning framework necessary to provide adequate shelter and related facilities for families with incomes below the median in the country's urban and rural areas.

COMMITMENT: The GOJ has committed an equivalent of US\$4.32 million to this project.

STATUS: The project has provided home improvement loans (through credit unions), tenured and better serviced plots, and starter home mortgages to Jamaican families with incomes below the median. All funds have been disbursed on this project, and efforts are continuing to close out the project on a schedule that anticipates final certification by March, 1987.

This program was the beginning of a working relationship between USAID and the GOJ in developing and financing two shelter improvement programs which were new to Jamaica -- one implemented by the public sector and the other by the private sector.

The squatter settlement upgrading program has been well received in Jamaica and has become an integral part of the GOJ's national housing program. The Home Improvement Loan Program has demonstrated that the private sector (credit unions in this case) can play an important role in the housing delivery system in Jamaica.

Both programs have become well accepted, firmly established, proven their replicability and with modifications, are continuing and expanding.

Urban and Rural Shelter Improvement (II) (532-HG-011)

Housing Investment Guaranty - LOP Cost: US\$15.0 million (loan)  
Project Obligated: 3/83 PACD: N/A  
Cumulative Obligations as of 9/30/86: US\$15.0 million  
Cumulative Expenditures as of 9/30/86: US\$12.1 million

DESIGN: This shelter project was redesigned in 1982 to assist the GOJ to meet the objectives of its new shelter policy. The project provides financing for starter homes, settlement upgrading, and credit union sponsored home improvement and mortgage loans.

COUNTERPART COMMITMENT: The GOJ has committed an equivalent of US\$36.3 million to this project.

STATUS: This loan is 90 percent disbursed against works in place, with physical works initiated on all program components. Of this, about 30 percent of the project is complete with mortgages issued, and 90 percent of the project has physical works complete.

Jamaica Shelter Sector Support (532-HG-012A)

Housing Investment Guaranty LOP: US\$10.0 million (loan)  
Project Obligated: 2/84 PACD: N/A  
Cumulative Obligations as of 9/30/86: US\$10.0 million  
Cumulative Expenditures as of 9/30/86: US\$7.5 million

DESIGN: The project was approved for US\$40 million and the first US\$25 million was authorized in 1983. Assisting the GOJ in implementation of its shelter policy, this project (a) increases private sector participation in shelter production, and (b) expands public sector institution building.

COUNTERPART COMMITMENT: The GOJ has committed the equivalent of US\$9.5 million to this project.

STATUS: US\$10.0 million loan has been contracted and disbursed. US\$2.5 million still remains in Escrow. Activities include new starter home developments and settlement upgrading. To date, physical works have been initiated on all program components. Of this, 30 percent of the starter home development has physical works complete with mortgages issued on 10 percent. Physical works on the settlement upgrading development are 25 percent complete. Mortgage origination to begin June 1987.

Jamaica Shelter Sector Support (Private Sector) (532-HG-012B)

Housing Investment Guaranty LOP Cost: US\$10.0 million  
Project Obligated: PACD: N/A  
Cumulative Obligations as of 9/30/86: None  
Cumulative Expenditures as of 9/30/86: None

DESIGN: The Private Sector Support Program for US\$10.0 million is part of a larger project approved for US\$40.0 million in 1983, of which US\$25.0 million was authorized in 1983 and US\$15.0 million in 1985. The purpose of this project is to assist the GOJ implement its shelter policy by providing funds through a pilot project to private lenders and developer/builders to encourage them to finance, produce and market housing solutions to lower and moderate income families.

COUNTERPART CONTRIBUTION: It is anticipated that the private sector will provide the equivalent of US\$1.45 million.

STATUS: Negotiations with the Jamaican parties have proceeded satisfactorily. Agreement is expected by February 1987

Jamaica Shelter Sector Support (Public Sector) (532-HG-012C)

Housing Investment Guaranty LOP Cost: US\$20.0 million  
Project Obligated: None PACD: N/A  
Cumulative Obligations as of 9/30/86: Loan contracted:  
Cumulative Expenditures as of 9/30/86: None

DESIGN: The project for US\$20.0 million is part of a larger project approved for US\$40.0 million in 1983, of which US\$25.0 million was authorized in 1983 and US\$15.0 million in 1985. The purpose of the project is to assist the GOJ implement its shelter policy by a) increased shelter production by the private sector, b) improved performance of public sector institutions involved with housing, and c) initiating the conversion of GOJ from a producer and financier of housing to that of facilitator.

STATUS: Negotiations will begin mid January and it is anticipated that an agreement will be negotiated with GOJ by March 1987.

Urban Sector Technical Assistance (532-0117)

USAID-financed LOP Cost: US\$900,000 (grant)  
Project Obligated: 8/85 PACD: 9/30/89  
Cumulative Obligated as of 9/30/86: US\$900,000  
Cumulative Expenditures as of 9/30/86: US\$26,082

DESIGN: Jamaica, highly urbanized, has experienced the deterioration of its urban development and urban planning services over the last decade. Urban institutions planning and managing the development and planning services are strengthened by the activities of this project. The project assists the Government of Jamaica (1) to improve the capacity of the College of Arts, Science and Technology (CAST) Building Department to train professionals for urban development and construction industry occupations and (2) to develop a more effective urban development planning and growth management capability in the Town Planning Department (TPD).

COUNTERPART COMMITMENT: CAST will contribute the equivalent of US\$117,000 to project activities, and the TPD will contribute the equivalent of US\$183,000.

STATUS:

CAST: This project was authorized in August 1985. Since that time CAST has developed and conducted a Summer Institute in July 1986 and is in the process of organizing the 1987 Institute. The commodities to be purchased under the grant have been approved and ordered. Two CAST lecturers are presently receiving long term training in the U.S. and a lecturer has recently been approved for hiring on a 2 year contract to develop a Bachelor of Architecture program. In addition, CAST faculty and students are producing 2 technical manuals for use as teaching materials and for sale to professionals in the field.

TOWN PLANNING DEPARTMENT: The first phase of the Town Planning Department sub-project began in October 1986. USAID contracted with the Urban Institute to work with the Town Planning Restructuring Committee (a policy committee appointed by the Prime Minister), the Town Planning Department (TPD) and other local and offshore consultants to conduct analyses and make recommendations concerning the management of TPD and the planning and development control process. As of January 1987, a management audit of TPD is nearing completion and the Development Order for the Kingston area is being revised. Results of this work will be presented to the Restructuring Committee in February 1987. The Phase II program will be designed based on the GOJ actions which result from the Phase I recommendations.

Inner Kingston Development Project (532-0120)

USAID-financed LOP Cost: US\$15 million	US\$10.0 million (grant)
	US\$5.0 million (loan)
Project Obligated: 7/86	PACD: 9/30/89
Cumulative Obligations as of 9/30/86:	US\$1.7 million (grant)
Cumulative Expenditures as of 9/30/86:	US\$0

DESIGN: The project is designed to provide additional work space in Inner Kingston suitable for the expansion of light manufacturing and mixed commercial activity, and to help restore Inner Kingston as a center for economic activity and job creation. The project is being implemented by (1) the Kingston Restoration Company (KRC), a private, public purpose developer, which will provide 324,000 sq. ft. of new or rehabilitated factory space and 171,000 sq. ft. of refurbished commercial space funded with AID grant funds and its own resources and (2) the Urban Development Corporation (UDC), a parastatal developer, which will construct a new central bus terminal and improve infrastructure in the project area with AID loan and grant funds and its own resources.

COUNTERPART COMMITMENT: KRC will contribute US\$1.635 million and UDC will contribute US\$4.465 million to project activities.

STATUS: The project was authorized in July 1986. KRC has met all the Conditions Precedent to drawing down funds, required by its Cooperative Agreement with AID, prepared an annual budget and has received an initial disbursement. Staff and consultants have been recruited. Three industrial building projects are either in the construction or planning stage. The Prime Minister approved the KRC development program in December. KRC has several commitments from investors for US\$730,000 for development projects. UDC has met most of the Conditions Precedent required by its loan and grant agreement with AID. It is preparing detailed plans for the bus terminal and for the Harbour Street sewer and pumping station project. AID is in the process of selecting a management and monitoring support contractor to provide assistance to AID, UDC and KRC over the life of the project.

Inner Kingston Employment Project (532-0141)

USAID Financial LOP Cost:		US\$725,000 (grant)
Project Obligated:	9/85	PACD: 4/01/87
Cumulative Obligations as of 9/30/86:		US\$725,000
Cumulative Expenditures as of 9/30/86:		US\$78,991

DESIGN: This project is designed to raise inner city employment by rehabilitating a derelict building/complex, to create medium sized factory facilities suitable for light manufacturing and garment enterprises. This effort will also assist in developing the institutional capacity of the Kingston Restoration Company (KRC).

COUNTERPART COMMITMENT: KRC contributed 46% of all operating expenses attributed to the project through July 31, 1986.

STATUS: This grant is supporting a KRC renovation of a derelict building in Inner Kingston, at 8 1/2 - 16 1/2 Pechon Street, to create a medium size factory facility of roughly 32,000 sq. ft. of rentable space. Implementation is proceeding at a good pace. KRC has executed a lease for control of the site and construction is underway. KRC, at this time, is placing emphasis on marketing and leasing of the facilities in anticipation of completion of construction, June 1987.

IV - FOOD ASSISTANCE

PL-480 Title I

Cumulative Commitments as of 9/30/86: US\$196.4 million (loan)

DESIGN: PL-480 Title I assistance takes the form of concessionary loans which finance the importation of basic agricultural commodities, e.g., wheat, corn, rice and vegetable oil. These commodities are imported by the Jamaica Commodity Trading Co. Ltd. and sold through regular commercial retail outlets. The provision of these commodities helps to ensure a minimum supply of basic foods, while the financing of the imports under the program, provides essential balance of payments support to Jamaica. The local counterpart funds generated by the sale of the imported commodities are programmed for the support of selected development activities, mutually agreed upon by the GOJ and USAID. Loans are for twenty years, inclusive of a five-year grace period.

COUNTERPART COMMITMENT: As part of the PL 480 assistance agreement, the GOJ agrees to act on certain self-help development measures, particularly those designed to bring about structural changes in the agricultural sector.

STATUS: Jamaica received its first PL 480 Title I Program in FY 1973 and as of 9/30/86, had received assistance totalling US\$196.4 million under the program. The amount committed for the FY 1986 Program was US\$35.0 million, against which at 9/30/86 there were accrued expenditures totalling US\$32.6 million.

Status of Conditions Precedent and Covenants: The second quarterly review to assess compliance with FY 1986 PL 480 Title I Self Help measures was convened at the PIOJ on July 10. The following is a brief summary of this fiscal year's self help measures:

1. A Citrus Canker Survey program will be implemented, in collaboration with USDA, to determine if citrus canker is present in Jamaica. On October 21, two consultants from USDA arrived and developed a scope of work and discussed GOJ local currency financing to develop this project.
2. A Fruit Fly Trapping and Detection Program will be implemented in collaboration with USDA and coordinated with the on-going FAO fruit fly survey, to determine the existence, or freedom from infestations in Jamaica of the Mediterranean, Queensland, Oriental and Natal fruit flies, and the melon fly. The team arrived on October 21 which dealt with the citrus canker survey and did the same work for the fruit fly program.

3. The GOJ has provided USAID with a report on its domestic milk industry situation, and the measures taken to remove as many disincentives as practical so as to allow the domestic dairy industry to become competitive in the fluid milk market. This implementation of the policy recommendations report has become the basis for most of the proposed FY 1987 self help measures.
4. The GOJ has agreed to allocate local currencies, generated by the sale of commodities provided under this agreement, to support developmental programs including both the food stamp and school feeding programs. This is being done.



### School Feeding

As part of its Food Security Plan, the Government of Jamaica expanded its school feeding program to reach a targeted 600,000 school level. USAID/J has been supporting this expanded program using both PL 480 Title II and Section 416 resources, and in FY 1986 provided 4500 MT of wheat and 1000 MT of soy fortified cornmeal. An additional 6000 MT of soy fortified cornmeal shipped for the program proved to be in excess of the existing facilities. Replacement commodity for this 6000 MT of cornmeal under Title II as well as 3000 MT of NDFM and 550 MT of butter oil authorized under Section 416 are being held for a future period, when they can be utilized.

Section 416 - Sugar Quota: A total of 2,143 MT of NDFM was shipped to Jamaica in FY 1986 to compensate for the loss resulting from the USG's establishment of a lower level for sugar imports. This NDFM is sold to meet normal market requirements. This program is expected to be continued in FY 1987 at a level of US\$2.9 million.

Ultra-high temperature milk has also been provided to the Ministry of Youth and Community Development for distribution in child care institutions.

PROJECT BUDGET DATA  
(in 000)

<u>PROJECT TITLE/NO.</u>	<u>L/G</u>	<u>OBLIG.</u> <u>INT.</u>	<u>YEAR</u> <u>FIN.</u>	<u>PACD</u>	<u>TOTAL</u> <u>AUTH</u>	<u>COST</u> <u>PLAN</u>	<u>OBLIG. THRU.</u> <u>FY 1985</u>	<u>FY 86</u> <u>OBLIG.</u>	<u>OBLIG. THRU</u> <u>FY 1986(est.)</u>	<u>MORTGAGE</u>	
<u>ARDN</u>											
P D & S	9103	G	55	C	N/A	-	-	1,662	220	1,882	N/A
Agricultural Marketing	0060	L	81		7/31/89	13,800	13,800	10,800	6,000	13,800	-
Agricultural Marketing	0060	G	81	88	7/31/89	8,847	8,847	-	-	-	8,847
Agricultural Planning	0061	G	79	84	6/30/86	2,878	2,878	2,878	-	2,878	-
Agroindustrial Dev.	0081	L	82	84	9/30/87	9,489	9,489	9,489	-	9,489	-
Agricultural Education	0082	L	84	85	8/31/89	9,500	9,500	9,500	-	9,500	-
Agricultural Education	0082	G	84	85	8/31/89	3,000	3,000	3,000	-	3,000	-
Voluntary Sector Dev.	0085	G	83	86	7/31/88	575	575	575	-	575	-
Private Dev. Bank	0091	G	84	90	8/31/89	100	100	100	-	100	-
Small Farmer Prod. Mkta.	0097	G	83	85	12/31/86	660	660	660	-	660	-
JADF Tech. Support & Inv.	0105	G	85	85	9/30/88	1,000	1,000	1,000	-	1,000	-
Agri. Coop Dev.	0107	G	84	85	5/31/88	500	500	500	-	500	-
Hillside Assessment	0113	G	85	85	12/31/87	600	600	600	-	600	-
Crop Divers./Irrigation	0123	G	85	88	9/30/90	13,000	13,000	1,200	4,000	5,200	7,800
Crop Divers./Irrigation	0123	L	85	88	9/30/90	5,000	5,000	4,800	-	4,800	200
Agricultural Research	0128	G	86	90	7/29/93	7,600	7,600	-	500	500	7,100

C - continuing  
N/A - not applicable

<u>PROJECT TITLE/NO.</u>	<u>L/G</u>	<u>OBLIG. INT.</u>	<u>YEAR FIN.</u>	<u>PACD</u>	<u>TOTAL AUTH</u>	<u>COST PLAN</u>	<u>OBLIG. THRU. FY 1985</u>	<u>FY 86 OBLIG.</u>	<u>OBLIG. THRU FY 1986 (est.)</u>	<u>MORTGA</u>	
<u>SD</u>											
P D & S											
Special Dev. Activities	9106	G	55	C	N/A	-	-	2,864	425	3,289	N/A
Energy Sector Assistance	0029	G	66	C	C	-	-	1,207	100	1,307	-
Energy Sector Assistance	0065	L	81	85	9/30/87	8,400	8,400	8,400	-	8,400	-
Low-Cost Shelter Dev.	0065	G	81	85	9/30/87	300	300	300	-	300	-
	0067	G	82	89	9/30/89	2,385	2,385	985	400	1,385	1,000
TCTG											
Voluntary Sector Dev.	0079	G	81	88	12/31/88	14,500	14,500	5,500	3,000	8,500	-
Private Dev. Bank	0085	G	84	90	7/31/88	230	230	230	-	230	-
Private Dev. Bank	0091	G	84	90	8/31/89	1,100	1,100	900	-	800	300
Board of Rev. Ass.	0091	L	84	90	8/31/89	20,000	20,000	12,500	-	12,500	7,500
Nat. Dev. Foundation Exp.	0095	G	83	87	2/31/89	3,000	3,000	-	285	285	2,715
Urban Sector Tech. Ass.	0180	G	84	85	3/26/87	470	470	470	-	470	-
Inner Kingston Imp.	0117	G	85	85	9/30/89	900	900	900	-	900	-
Inner Kingston Imp.	0120	L	86	88	9/30/89	10,000	10,000	-	5,000	5,000	5,000
Inner Kingston Emp.	0120	G	86	88	9/30/89	5,000	5,000	-	1,665	1,665	3,335
Inner Kingston Emp.	0141	G	85	86	4/01/87	725	725	650	75	725	-
<u>ESF</u>											
-											
TCTG											
Production & Emp. V	0079	G	79	88	12/31/88	12,960	12,960	12,960	-	12,960	-
Jamaica Youth Conf.	0100	G	85	-	N/A	34,500	34,500	15,500	19,000	34,500	-
Production & Emp. VI	0110	G	84	85	5/31/85	929	929	929	-	929	-
Production & Emp. VII	0111	G	86	-	N/A	39,000	39,000	-	39,000	39,000	-
Production & Emp. VIII	0124	G	87	-	N/A	-	100,000	-	-	-	-
	0134	G	88	-	N/A	100,000	-	-	-	-	-

Prepared 8/26/86

<u>PROJECT TITLE/NO.</u>	<u>L/G</u>	<u>OBLIG. INT.</u>	<u>YEAR FIN.</u>	<u>PACT</u>	<u>TOTAL AUTH</u>	<u>COST PLAN</u>	<u>OBLIG. THRU. FY 1985</u>	<u>FY 86 OBLIG.</u>	<u>OBLIG. THRU FY 1986 (est.)</u>	<u>MORTGAGE</u>	
<u>PN</u>											
P D & S	9104	G	55	C	N/A	-	-	171	30	201	N/A
Population & Fam. Plng.	0069	G	82	90	3/31/91	10,711	10,711	5,711	1,000	6,711	4,000
Private Sector Prom. of Family Planning	0122	G	85	85	4/30/87	248	248	248	-	248	-
<u>HE</u>											
P D & S	9108	G	55	C	N/A	-	-	318	109	427	N/A
Health Mgmt. Imp.	0064	L	81	86	6/30/88	8,554	8,554	8,554	-	8,554	-
Health Mgmt. Imp.	0064	G	81	86	6/30/88	3,017	3,017	1,017	2,000	3,017	-
Voluntary Sector Dev.	0085	G	83	86	7/31/88	574	574	574	-	574	-
<u>EI</u>											
P D & S	9105	G	55	C	N/A	-	-	3,110	400	3,510	N/A
Basic Skills Trng.	0083	G	83	89	8/01/89	4,900	4,900	2,750	400	3,150	1,750
Basic Skills Trng.	0083	L	83	89	8/01/89	8,500	8,500	8,500	-	8,500	-
Management Trng.	0084	G	85	85	12/31/86	350	350	350	-	350	-
Voluntary Sector Dev.	0085	G	83	86	7/31/88	1,621	1,621	1,400	221	1,621	-
PAVTAS	0086	G	82	83	11/30/86	500	500	500	-	500	-
Rural Services for Special Children	0094	G	82	83	3/18/86	500	500	500	-	500	-
Board of Revenue Ass.	0095	G	83	87	12/31/89	3,000	3,000	-	1,000	1,000	2,000
Board of Revenue Ass.	0095	L	83	87	12/31/89	4,522	4,522	4,522	-	4,522	-
Brothers Brother Found.	0106	G	83	87	6/30/88	500	700	-	300	200	-
Primary Education Ass.	0126	G	85	88	12/31/88	11,300	11,300	3,000	1,250	4,250	7,050
Coop Dev. & Trng.	0180	G	85	86	2/29/88	920	920	500	220	720	200