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Jamaica Educat.

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THE PROBLEM OF RURAL EDUCATION IN JAMAICAThe historical background

The provision of popular education in Jamaica began at the time of emancipation with the grant in 1835 of a sum of money by the British government for the education of the ex-slaves. The new reforming government in England was driven by what it considered to be an urgent need for education among the ex-slaves, as the only instrument which could prevent them from lapsing into "thoughtless inactivity" and in this way, ensure the continued existence in the colonies of the white planter class.

A variety of missionary bodies who had been active among the slaves before emancipation, were chosen to administer the grant. With their customary zeal, the missionaries set to work to build and maintain morning, day, noon night and Sunday schools in the main centres of population for the religious and moral education of the ex-slaves. Their books mainly provided training in the 3R's and in Scripture. Normal schools were set up to train teachers for the system.

Each religious organization was fired by enthusiasm and ambition for the extension of the work of its denomination and for the betterment of the ex-slaves. To this end, they strove to provide the ex-slaves a curriculum as closely aligned as was possible in the circumstances, to that being provided by their colleagues in England for the children and adults in that country.

At first they were well supported in their educational adventures by the ex-slaves, who saw through education an opportunity to better themselves from the hated conditions of praedial labour. All the missionary bodies reported significant increases in registration in their schools as well as in their churches.

Later in the century, in the 80's and 90's, a system of secondary education was developed by the Jamaican Legislature for the middle classes, using as a base the existing endowments for education which had been made to provide charity education for poor white children, by public benefactors in the eighteenth century.

Secondary education was defined as being "Education of a higher grade among those classes of the community who would value it, if placed within their reach, but whose means do not enable them to send their children to Europe for the purpose of achieving it". "The system of secondary education was designed to enable the "education of the middle class to keep pace with that obtained by the labouring class in elementary schools". "What in fact was created, were two separate and distinct systems of education, operating along parallel lines which never met.

RECORD COPY

* Cundall: Notes on the History of Secondary Education Handbook of Jamaica 1911 - page 604.

** Jamaica Schools Commission - Annual Report 1900

The wealthy ~~parents~~ ~~sent~~ ~~their~~ ~~children~~ abroad (mainly to England) to be educated, as they had been doing for centuries and it was not then believed that the poorer classes could benefit from secondary education, or if they could, it was not considered advisable that they should be allowed to receive such education as would elevate them above the position in which they had been placed by the Almighty.

The education system therefore, established in Jamaica in the latter half of the nineteenth century, was based on class lines and was in fact designed to maintain and reinforce the barriers between the classes. That few people emerged from the masses in this period is the exception that proved the rule. The system of separation was made more rigid by the fact that social gradations were determined not only by wealth and birth as is normally the case, but also by colour.

Rural education, meaning education for rural areas, did not exist as a concept in the minds of the founding fathers of our educational system. Nevertheless, there was a variety of educational activities in rural areas. Formal education in rural areas was provided mainly through primary schools sponsored by church bodies with gradually increasing support from Government. Where a few secondary schools existed in predominantly rural areas, they were usually exclusive boarding schools for the children of parents who could afford to pay the fees. Out of school education was such as the people could provide for themselves.

The nature of the educational problem

This brief historical summary should serve to indicate and give point to many of the existing problems in education in Jamaica. Today, Jamaica is no longer a colony, directly subject to the dictates of colonial masters, but a sovereign country endeavouring to take her place among the nations of the world. This position poses new and exciting challenges for the country as a whole as well as for our educational planners. That they are conscious of this challenge is evidenced by the tremendous efforts being made to gear the whole educational machinery to the tasks at hand.

In speeches, papers and letters, educators, politicians, parents and the youth, are articulating the necessity for education to serve individual, community, as well as national needs and at the same time, the need for better levels of living for the people. People are becoming conscious of the development potential of the human resources of the country.

Not surprisingly, since the bulk of our people are born and will live and work in rural environments, attention is being focussed on the need to educate these people for life in a rural environment, to prepare them to develop and utilize the physical resources of that environment.

The problems, however, loom large. At this point, mention must be made of the problems which beset the educational system in general; problems which in most instances are most severe in rural areas:

1. Building and equipment:

One of these problems is that of providing adequate school space and the difficulty of accommodating a rapidly increasing school population. As a result of this:

- a) schools are grossly overcrowded. Although the enrolment in Primary Schools is 406,445, there is space to accommodate only 327,533 students.
- b) It is not possible to introduce, still less to enforce, compulsory attendance and registration in most areas.
- c) A large percentage of each age cohort is out of school.

<u>Age group</u>	<u>School Age Groups 1973 (1000) *</u>		
	<u>In School</u>	<u>Out of School</u>	<u>Total No.</u>
6 - 11	319.2	35.6	354.8
12 - 15	143.6	35.9	179.5
16 - 18	27.9	92.1	120.0
	<u>490.7</u>	<u>163.6</u>	<u>654.3</u>

The large number of 18 year olds out of schools can be accounted for by the fact that the proportion of the population receiving secondary education is very small, representing only about 7.5% of each age cohort. The implication of this is that we cannot hope in the near future to meet our need for skilled manpower for development.

Related to this problem is that of providing adequate equipment and teaching aids. The result is that in the main, the "chalk and talk method" predominates and may be said to be the only method used.

Also severe is the problem of staffing the schools. Classes of 50, 60 and even larger numbers are not uncommon. The fact that a large percent of teachers are untrained, militates against the effectiveness of the teaching/learning process. In primary schools, only 44.4% of the teachers are trained while in secondary high schools, the percentage falls as low as 32%. Also to be noted is the low attainment level of pre-trained teachers who tend to predominate in rural schools. Also alarming is the high attrition rate of teachers which in most years is as high as 20%. At this rate, the inflow from Teacher's Colleges can barely fill the vacancies created by the outgoing teachers.

It is scarcely surprising, therefore, to find that an accumulation of evidence shows that the mental ability of students is not matched by their basic educational attainment. For instance, scores on the 11+ examination show the candidates scoring an average of 71% on mental ability but only 15.5% in Language and 24% in mathematics.**

* Ministry of Education, Jamaica. The Education Thrust of the 70's

** Ministry of Education, Jamaica. The Education Thrust of the 70's

The curriculum

Until comparatively recent time, there has been no clearly defined purpose of education apart from the religious and moral purpose enunciated by the missionaries in the nineteenth century. Until recently, there was no attempt to adapt the curriculum to Jamaican needs. Indeed, the curriculum in schools has been dominated by what W. Kenneth Richmond describes as "the institutionalised power of a subject-centred curriculum". It was assumed that education and instruction were both one and the same thing, that subject matter was worth knowing for its own sake and that the teachers' main job was to impart knowledge.

The overseas examinations continue to dominate the scene and the content of education to be derived mainly from overseas textbooks.

The emphasis on "bookish" rather than practical subjects is another feature of the school system. One result of this is a very high drop-out rate in primary and all-age schools as non-academic students fail to keep pace with a predominantly academic curriculum and lose interest in school. Recent efforts to diversify the curriculum have enjoyed only indifferent success as it is difficult to find and retain teachers of practical subjects. For instance, many Industrial Arts Units, particularly in schools in rural areas are non-functional for want of a teacher.

Attempts since the nineteenth century to introduce agricultural education in the system have proved to be largely abortive for similar reasons as well as for the reason that agriculture as an occupation comes lowest on the scale for occupational choice. At present only 54 schools have agricultural projects.

The students

The attendance pattern in the schools particularly in rural areas is not as good as could be expected. In some cases attendance falls below 50% of enrolment. The chief reason for this is the inability of parents to pay transportation costs and maintenance costs of uniform, lunches and shoes. In rural areas, attendance is particularly bad on Fridays when, reputedly, children have to go with their parents to market. The habit of not attending school on Fridays has become so ingrained that parents think in terms of a four-day school week for their children.

The problem of rural education

As a predominantly agricultural country, very few industries which are not derived from agriculture, the people of Jamaica are beginning to realise that the future of the nation to a large extent depends on greatly increased productivity in rural areas. This to a large extent depends on the quality and quantity of the human resource.

Unfortunately, as the economic gap between urban and rural areas widens, rural areas are becoming more and more pleasant backwaters where the pace of life is slow, people are satisfied to meet only their most immediate needs, where the youth immigrate in large numbers to the towns and where, to be compelled to work and live, is regarded as a form of penal servitude.

The side effects of this are even more serious. Migration to the towns is one of the main causes of rural underdevelopment. At the same time, rural underdevelopment is the by-product of the exodus from rural to urban areas. for the

It seems that only a large scale multi-faceted plan for rural development can end this syndrome and that within this plan, education must play a major role.

The education provided for rural areas must prepare the people to live in and cope with the rural environment. To this end, the process of curriculum planning and development must be decentralised. The curriculum in rural areas must be indigenous to rural areas. It must not be planned from urban centres by city people or people who have themselves fled from rural life.

At the present time, many of the children from rural areas do not receive secondary education do so in schools situated in urban centres. They are therefore educated outside of their natural environment and seldom after this experience, find it possible to adjust to rural life. To prevent this, we need to provide more rural secondary schools where children from rural areas can be taught by teachers specially trained to teach in rural areas, the skills they need for their own development and for the development of the country.

Aspects of school education

This is an important aspect of education which is only now beginning to receive the attention it deserves.

The main problems here are:-

1. A high percentage of illiteracy which precludes a large section of the population from participating in community life in a meaningful way.
2. The non-functional nature of so much of the education available for adults and children.
3. The fact that rural people play so small a part in the planning of educational programmes they are expected to participate in.
4. The inadequate use of the mass media in non-formal education.
5. The small budgetary allocation for this type of education.
6. The lack of co-ordination between the formal and non-formal systems as well as within the non-formal "system" itself.
7. The inadequacy in numbers and training of resource personnel in rural areas.
8. The fact that many adults are unaware of opportunities for continuing education even where they exist.

This legacy of problems and inadequacies are a serious obstacle to rural development on the success of which so much of our future depends.

The persistence, and in some cases the intensification, of these features, inspite of the efforts of the last two decades to deal with them, would seem to indicate the need for a greater mobilization of our resources in an overall plan for rural development and the integration of the programme for rural education into the overall plan for rural and national development.

Russell King.

FORM DS 322(OCR)

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IMMEDIATE KINGSTON

E.O. 11652: N/A
TAGS: EAID, EMIN, JM
SUBJECT: RURAL EDUCATION SECTOR LOAN - PRESS RELEASE
REF: STATE 162106

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1. AID PLANS TO ISSUE THE FOLLOWING PRESS RELEASE IN WASHINGTON ON FRIDAY, AUGUST 2, AT TWO P.M. THE TEXT IS FOR YOUR USE AND GUIDANCE IN PREPARING A LOCAL ANNOUNCEMENT AND MAY BE SHARED WITH THE JAMAICAN GOVERNMENT TO ASSIST THEM IN ANY RELEASE WHICH THEY MIGHT WISH TO MAKE:

FOR RURAL EDUCATION

THE AGENCY FOR INTERNATIONAL DEVELOPMENT HAS AUTHORIZED THE NEGOTIATION OF A LOAN OF 9.1 DOLS MILLION TO ASSIST IN IMPROVING RURAL EDUCATIONAL OPPORTUNITIES IN JAMAICA. THE CONTEMPLATED FOUR-YEAR PROJECT IS BASED ON AN ASSESSMENT OF THE NATION'S EDUCATION SECTOR UNDERTAKEN LAST YEAR BY THE JAMAICAN GOVERNMENT, WITH THE PARTICIPATION OF A.I.D., THE WORLD BANK AND OTHER INTERNATIONAL ASSISTANCE AGENCIES.

THE LOAN WOULD AID IN THE DEVELOPMENT OF AN EDUCATIONAL SYSTEM RELEVANT TO MODERN RURAL LIVING AND EMPLOYMENT BY UPGRADING BOTH FORMAL AND NON-FORMAL TRAINING FACILITIES. SPECIFICALLY A.I.D. IS WILLING TO FINANCE THE TECHNICAL ASSISTANCE AND OTHER COSTS OF SEVERAL SUB-PROJECT COMPONENTS.

IN CONTINUING EDUCATION, RURAL PRIMARY EDUCATION, AGRICULTURAL VOCATIONAL TRAINING, TEACHER TRAINING, AND EDUCATIONAL MANAGEMENT, PLANNING, RESEARCH, AND DEVELOPMENT.

THE ESTIMATED TOTAL COST OF PROGRAM IS 18 DOLS MILLION, OF WHICH THE JAMAICAN GOVERNMENT WOULD CONTRIBUTE APPROXIMATELY 9 DOLS MILLION FROM ITS OWN RESOURCES. THE LOAN WOULD BE REPAYABLE IN U.S. DOLLARS WITHIN 30 YEARS, INCLUDING A GRACE PERIOD OF UP TO FIVE YEARS ON THE REPAYMENT OF PRINCIPAL. INTEREST WOULD BE TWO PER CENT PER ANNUM DURING THE GRACE PERIOD AND THREE PER CENT THEREAFTER.

THE PROGRAM IS AIMED AT IMPROVING THE QUALITY OF LIFE IN THE RURAL AREAS OF JAMAICA AND IS PART OF A BROADER EFFORT BY THE JAMAICAN GOVERNMENT TO INCREASE RURAL PRODUCTIVITY, GENERATE ADDITIONAL EMPLOYMENT OPPORTUNITIES AND DECREASE URBAN MIGRATION. IT REPRESENTS A SIGNIFICANT INCREASE IN PUBLIC INVESTMENT IN RURAL EDUCATION.

DECONTROL AFTER AUGUST 2, 1974. 44

FOR RELEASE FRIDAY, SEPT. 2, 1977

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CONTACT:
202 632 8332

A.I.D. TO PROVIDE \$2.1 MILLION
TO COMPLETE JAMAICAN SCHOOL PROJECT

The Agency for International Development has authorized a loan of \$2.1 million to help Jamaica complete a \$20.2 million rural education program designed to improve the quality of life and employment opportunities for the rural poor by upgrading the formal and non-formal education systems.

The United States previously loaned \$9.1 million for the program in Nov, ~~1974~~ December, 1975. The Government of Jamaica initially contributed \$9.1 million to the project but with increasing costs it provided an additional \$2.1 million.

The program includes establishment of three regional rural development centers and 18 subcenters, an educational development and demonstration center, six new experimental primary schools and a new teacher training college. ~~At~~ Twenty-five rural primary schools will be electrified and modernized.

At least 5,000 persons are expected to be trained in the regional centers and subcenters to teach skills--which would increase employment potential for rural ~~the~~ Jamaicans--as well as to demonstrate the advantages of better living ~~conditions,~~ housing and health *conditions.*

The new teacher training college is to be located near Port Antonio and in addition to training the first group of 100 teachers by 1980 and a second group of 100 by 1981, will also include one of the two new agricultural vocational high schools. Construction of the other agricultural secondary school began August 17 at Elim.

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Graduates of the vocational secondary schools are expected to fill the demand for trained workers in agricultural agencies, and in agribusiness, food processing, agricultural mechanic activities. An existing Technical High School will be expanded to provide trained agricultural manpower.

The rural primary school program besides modernizing school buildings will seek to improve the quality of education in All-Age and primary schools by experiments in six schools operating under varying geographic conditions. The program also would provide better trained teachers and improved curriculum. An annual turnout of 300,000 primary school graduates with greatly improved skills is anticipated.

With completion of the Educational Development and Demonstration Center, the Ministry of Education will have a new facility--located at Caenwood-- as a focal point for teacher improvement workshops, experimental schools and innovation, educational research, a library, information center, and other activities pertinent to educational development in Jamaica.

The loan would be repaid in dollars within 30 years after the initial disbursement// with a grace period of five years. Interest is 2 percent for the grace period and 3 percent annually thereafter.

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TELEGRAM

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C.O. 11652: N/A
SUBJECT: FIRST ANNUAL REVIEW, RURAL EDUCATION SECTOR LOAN (0801)

REFERENCE: STATE 85169

1. SUMMARY: SUBJECT LOAN REVIEW WAS COMPLETED JUNE 9, WITH GOI MINED/MINFIN, USAID JAMAICA, AND AID/W REPRESENTED. DISCUSSION CENTERED ON PROGRESS TO DATE, PROBLEMS AND ISSUES. THE LATTER WERE THOSE PRIMARILY RELATED TO THE MANAGEMENT/ADMINISTRATIVE DECISION-MAKING PROCESS, TECHNICAL ASSISTANCE, CASH FLOW CONSIDERATIONS, REPORTING PROCEDURES AND THE URGENT NEED FOR ACCELERATING PROJECT IMPLEMENTATION. THE MINED PERMANENT SECRETARY MR. WOODHAM, PROMISED ACTIVE SUPPORT FOR THE ENTIRE PROJECT AND AGREED AI TO REVIEW IMMEDIATELY THE FINANCIAL CASH-FLOW STATUS BY REPROGRAM TA COMPONENT AND C- TO DEFINE MANAGEMENT RESPONSIBILITIES WITH PROJECT MANAGERS AND TRACK COORDINATORS. HE WILL SEND A LETTER (ACTION MEMO) TO AID REP CAMPBELL BY JUNE 17 REGARDING CASH FLOW REPROGRAMMING OF TA.

2. REPORT ON REVIEW MEETING: THE FIRST ANNUAL REVIEW OF SUBJECT LOAN WAS HELD ON JUNE 9, 1977. THE REVIEW FOLLOWED AN OUTLINE PREPARED BY THE MINED WHICH INCLUDED ISSUES RAISED IN AID/W CABLE STATE 85169 AND IN A LETTER CAMPBELL TO WOODHAM DATED APRIL 21, 1977. IN ATTENDANCE WERE MR. ELLIOTT, MINISTRY OF FINANCE (CHAIRMAN); THE MINED PERMANENT SECRETARY, MR. WOODHAM; J. A. CHAMBERS, DIRECTOR OF THE MINED PROJECTS DIVISION AND KEY MEMBERS OF HIS STAFF, MR. HUGH MOSS SOLOMON OF THE PLANNING DIVISION AND THE FIVE TRACK COORDINATORS; CAMPBELL, MILLER, LUSA AND BITTNER REPRESENTED AID.

3. IN HIS OPENING REMARKS THE CHAIRMAN NOTED THE SLOW RATE OF LOAN DISBURSEMENT THUS FAR (\$113,521 THROUGH MAY 30) AND, FOR THE MINFIN, URGED THAT PROGRAM IMPLEMENTATION BE ACCELERATED. MR. WOODHAM AGREED WITH THE CHAIRMAN AND WENT ON TO SAY THAT THE LAST SEVERAL MONTHS HAVE BEEN DIFFICULT ONES FOR THE JAMAICANS BECAUSE OF THE ELECTIONS LAST YEAR. THE CHANGE IN LEADERSHIP WITHIN THE MINED A R A COMMITMENT TO FINALIZE THE NATIONAL EDUCATION PLAN AS SOON AS POSSIBLE (WITHIN THE NEXT TWO OR THREE MONTHS). HE BELIEVES THE COMPLETION OF THE OZAN IS IMPORTANT TO LOAN IMPLEMENTATION BECAUSE THE PLAN WILL PROVIDE GOI POLICY STATEMENTS WHICH MAY REQUIRE MODIFICATIONS IN THE SECTOR LOAN PROGRAM SINCE THE SECTOR STUDY IS STILL THE BASE-LINE DOCUMENT FOR EDUCATIONAL PLANNING HE SUGGESTED THAT THE MODIFICATIONS, IF ANY, WOULD BE SLIGHT AND WOULD NOT PROBABLY AFFECT THE OVERALL THRUST OF THE LOAN FUNDED PROGRAM. MR. CAMPBELL, IN HIS OPENING REMARKS, AS REQUESTED CLARIFICATION ON THE DECISION MAKING PROCESS WITHIN THE MINED STATING THAT LINES OF AUTHORITY AND RESPONSIBILITY MUST BE CLEARLY ESTABLISHED BY URGED THAT THE LACK OF A FINANCIAL OR MANAGERIAL REPORTING SYSTEM BE RESOLVED OR ASKED THAT ATTENTION BE GIVEN TO ASSESSING AVAILABILITY OF JAMAICAN PERSONNEL AND TO THE UTILIZATION OF SHORT AND LONG TERM TA AND, BY ENQUIRED IF THE AVAILABILITY OF SECOND YEAR COUNTERPART CONTRIBUTION COULD BE DETERMINED. MR. CAMPBELL CLOSED BY REQUESTING THAT THE MINED PERMANENT SECRETARY ISSUE AN ACTION MEMORANDUM INCORPORATING DECISIONS REACHED IN THE REVIEW.

4. THE MEETING CONTINUED WITH PROGRESS REPORTS FROM EACH OF THE FIVE PROJECT COORDINATORS. THESE STATUS REPORTS WILL BE MADE PART OF THE OFFICIAL RECORDS TOGETHER WITH A SUMMARY REPORT TO BE PREPARED BY MR. BUDHLALL, USAID PROJECT COORDINATOR FOR THE PROJECTS DIVISION.

5. BY THE END OF THE MEETING THE FOLLOWING AGREEMENTS WERE REACHED: BY JUNE 17, THE MINED WILL SEND MR. CAMPBELL AN ACTION MEMO WHICH WILL INCLUDE A MINED POLICY PROPOSAL REGARDING AMOUNT, TIMING AND UTILIZATION OF SHORT/LONG TERM TA, AND DETAILED CASH FLOW PROJECTIONS FOR THE SECOND YEAR OF THE PROGRAM (JUNE 77 - MAY 78). THE MEMO MAY ALSO INCLUDE A REQUEST TO INCREASE AID'S PERCENTAGE SHARE OF PP EXPENSES (NOW SET AT 45 PERCENT AID - 55 PERCENT GOI) FOR 77 TO JULY 78 PERIOD TO ALLEVIATE THE CASH REQUIREMENTS OF GOI; THIS WOULD BE BASED ON AN UNDERSTANDING THAT, IF DGR, THE GOVND PERCENTAGE SHARE WOULD HAVE TO BE INCREASED ACCORDINGLY IN SUBSEQUENT YEARS.

B) WORKING TO PREPARE THE SECOND YEAR IMPLEMENTATION PLAN WILL BEGIN IMMEDIATELY; THIS REQUIRES A REALISTIC RESCHEDULING OF THOSE EVENTS WHICH HAVE FALLEN BEHIND THE ORIGINAL IMPLEMENTATION SCHEDULE.

C) THE PERMANENT SECRETARY IS RESPONSIBLE FOR THE MANAGEMENT OF THE SECTOR PROGRAM (HE STATED HE CANNOT DELEGATE THIS RESPONSIBILITY); HE WILL CLARIFY LINES OF AUTHORITY AND RESPONSIBILITIES OF THE PROJECTS DIVISION AND THE PLANNING DIVISION IN SO FAR AS THESE DIVISIONS AFFECT THE PROJECT COORDINATORS' ROLES (I.E. WHO THE PROJECT COORDINATORS REPORT TO AND WHO THEY TAKE DIRECTION FROM).

D) THE PROJECT ADVISORY COMMITTEE WILL BE RECONSTITUTED AND WILL MEET ON A QUARTERLY BASIS TO REVIEW PROBLEMS, ISSUES AND ACCOMPLISH IMPLEMENTATION ACTIONS. PROJECT COORDINATORS WILL PREPARE MONTHLY PROGRESS REPORTS FOR INTERNAL PURPOSES. THESE REPORTS ARE IN ADDITION TO QUARTERLY LOAN REPORTS REQUIRED UNDER THE TERMS OF THE LOAN AGREEMENT. THIS QUARTERLY REPORT (AND THE SECOND YEAR IMPLEMENTATION PLAN) MAY BE MODIFIED TO FOCUS ON KEY EVENTS OR BENCHMARKS, AND WOULD INCLUDE PROGRESS TOWARD TRACK

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OBJECTIVES IN A SIMPLIFIED YET RELEVANT FORMAT FOR US BY TOP MINED AND MINFIN MANAGEMENT. (COMMITTEE MEMBERS WILL BE MESSRS. ELLIOTT, MINFIN; WOODHAM, CHAMBERS, MURRAY, BUHLALI (MINED); CAMPBELL AND MILLER, USAID.)

E) THE GOJ DEPT. OF SUPPLY DOES NOT HAVE TO BE USED FOR LOCAL PROCUREMENT. AID REPRESENTATIVES SUGGESTED THAT COMMODITIES ELIGIBLE FOR PROCUREMENT UNDER THE TERMS OF THE LOAN COULD BE PROCURED BY PURCHASE ORDER WHICH, IN THE CASE OF LOCAL SUPPLIES, WOULD BE REIMBURSED DIRECTLY BY THE USAID CONTROLLER.

F) THE MINED WILL REVIEW THE POSSIBILITY OF EMPLOYING QUALIFIED JAMAICAN EXPERTISE (TA) ON A SHORT TERM CONTRACT BASIS TO ASSIST PROJECT COORDINATORS RESOLVE PARTICULAR IMPLEMENTATION PROBLEMS. E.G. IN LOAN ADMINISTRATION, CURRICULUM DEVELOPMENT, ETC.

G) A SIGNIFICANT NUMBER OF RESEARCH PROJECTS HAVE BEEN IDENTIFIED AND SUBMITTED TO THE RESEARCH COMMITTEE FOR ACTION. A RESEARCH CONTRACT FORM HAS TO BE DRAWN UP TO EXPEDITE THE NEXT STEP OF THE RESEARCH PROCESS AND INPUTS IN SURVEY DESIGN, RESEARCH METHODOLOGY, ET. ARE TO BE ARRANGED.

6. IN ADDITION TO THE ABOVE AGREEMENTS OTHER GENERAL CONCLUSIONS WERE REACHED. THE CONTINUING EDUCATION TRACK WILL BE SCRUTINIZED CLOSELY IN THE NEXT FEW MONTHS AS THE NATIONAL PLAN IS FINALIZED. A GOJ INTER-AGENCY COMMITTEE HAS BEEN FORMED TO REVIEW THE ROLE OF COMMUNITY/ADULT CONTINUING EDUCATION. THE CONCEPT AND ROLE OF THE RURAL REGIONAL DEVELOPMENT CENTERS (TO BE LOCATED AT THE THREE AG HIGH SCHOOLS) WILL BE EXAMINED DURING THEN NEXT FEW MONTHS AND MORE CLEARLY DEFINED. (MR. WOODHAM NOTED THAT THIS REVIEW SHOULD NOT DELAY THE SELECTION OF SUBCENTERS SITES OR THE OPENING OF THOSE SITES.) MR. CAMPBELL ADDED THAT RENOVATION OF THE SUBCENTERS WOULD PROVIDE SOME EMPLOYMENT OPPORTUNITIES IN RURAL AREAS AND URGED THE MINED TO ACCELERATE THEIR EFFORTS TO SELECT THE SUBCENTERS AND TO DEFINE WORK TO BE DONE THUS CREATING LLOOR INTENSIVE PROJECTS SORELY NEEDED IN JAMAICA. CURRICULUM DEVELOPMENT IN ALL AREAS HAS BEEN DELAYED BY THE WORK ON TA NATIONAL PLAN. MINED REPS SUGGESTED THIS DELAY SHOULD CONTINUE UNTIL THEY COULD DETERMINE WHETHER THE CURRICULUM CHANGES WOULD BE COMPATIBLE WITH NATIONAL GOALS. AID REPRESENTATIVES GENERALLY AGREED WITH THE NEED TO TAKE A CAUTIOUS APPROACH BUT WERE FIRM IN THEIR POSITION THAT CURRICULUM DEVELOPMENT TAKE PLACE PRIOR TO COMPLETION OF NEW CONSTRUCTION AND THEY URGED THE USE OF TA IN CURRICULUM DEVELOPMENT. PROGRESS IN THE RURAL SECONDARY AND MANAGE-
MENT DEVELOPMENT TRACKS HAS BEEN GOOD. CREDIT IS GIVEN TO PROJECT COORDINATORS AND TO THE TA ADVISOR WHO HWAE BEEN WORKING ON THESE TRACKS.

7. COMMENT: MR. WOODHAM EXPRESSED THE GOJ'S VIEW OF TA IN HIS FIRM AND STRAIGHT FORWARD STATEMENT THAT "T.A. IS NOT TO SUBSTITUTE FOR JAMAICAN PERSONNEL WHERE A JAMAICAN EXPERTISE EXISTS; T.A. MAY NOT BE USED IN LINE FUNCTION POSITIONS, AND; T.A. IS NOT A MEANS FOR JAMAICANS TO ESCAPE FROM THEIR RESPONSIBILITIES. RATHER, T.A. U TOXSEBUSED WHEN JAMAICAN EXPERTIZE IS NOT AVAILABLE, AND FOR THE DEVELOPMENT OF SPECIALIZED, SUBJECT MATTER AND METHODOLOGIES". HE FURTHER STATED THAT THE

GOJ IS INTERESTED IN EXPLORING LONG-TERM INSTITUTIONAL ARRANGMENTS WITH U.S. UNIVERSITIES AND EDUCATIONAL INSTITUTIONS WHEREBY THE U.S. WOULD PROVIDE THE T.A. PERSONNEL EXCEPT IN THOSE CASES WHERE ACQUISITION OF NEEDED T.A. THROUGH INSTITUTIONS WOULD CAUSE DELAYS. HE SEEMED STRONGLY IN FAVOR OF SHORT-TERM T.A. AND, IN FACT, VIEWED LONG-TERM T.A. AS A "SERIES OF SHDRT-TERM SPECIALITIES". HE ASSURED THOSE PRESENT THAT THE MINED WILL ASSESS THEIR STRENGTHS AND DEFICIENCIES AND WILL DETERMINE THEIR T.A. NEEDS IMMEDIATELY. AID REITERATED ITS VIEW THAT LONG-TERM T.A. FOR CERTAIN TRACKS MAY BE FUNDAMENTAL TO THE PROGRESS AND QUALITY OF THE ENTIRE PROGRAM. USAID/J BELIEVES THE POSITION TAKEN BY GOJ REPS REGARDING T.A. ARE PERTINENT TO OTHER USAID/J PROJECTS AND THAT T.A. ISSUE WILL BE DEBATED THROUGHOUT THE LIFE OF THIS PROGRAM.

8. MISSION AND MINED EXPRESSED DISAPPOINTMENT THAT A REPRESENTATIVE OF LA EVALUATION OFFICE COULD NOT ATTEND AND RECOMMENDS THE INVOLVEMENT OF THAT OFFICE AS THE PROGRAM EVOLVES. WILL CONFIRM TIMING AT LATER DATE.

9. THE USAID TEAM WAS HEARTENED BY THE VERY INFORMED AND POSITIVE ROLE TAKEN BY THE RECENTLY APPOINTED PERMANENT SECRETARY, MR. WOODHAM.

10. THE REVIEW SESSION CLOSED IN AN ATMOSPHERE OF CORDIALITY AND A SENSE OF ACCOMPLISHMENT.
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MEMORANDUM FOR THE L. A. DEVELOPMENT
ASSISTANCE EXECUTIVE COMMITTEE

FROM: USAID/KINGSTON *Samphill*
SUBJECT: Intensive Review Request
Jamaican Educational Development Loan

I. BORROWER

The Borrower will be the Government of Jamaica (GOJ) acting through the Ministry of Finance; the Ministry of Education will be the Executing Agency. The Loan is to assist the Government of Jamaica to carry out a comprehensive program of educational reform/development so that the educational system will more effectively meet the needs of the economy, society and its people. The request is based upon the recently completed (November 1973) Education Sector Assessment in which AID participated, a direct request from the Minister of Education and pre-IRR discussions in Kingston with GOJ officials.

II. AMOUNT OF LOAN AND TERMS

Approximately US\$7.5 million. We propose that the loan be provided at the most concessional terms.

III. RATIONALE

The broad US development objective in education is to assist the Government of Jamaica to improve the quality, relevance and management capability of the educational system so that more and better educated/trained Jamaicans will be able to contribute to the country's economic and social development objectives. It is proposed that assistance be provided to the GOJ in the form of a development sector loan in the amount of approximately US\$7.5 million. This approach is based on a comprehensive Education Sector Assessment which was recently completed with the participation of AID, the IBRD and CIDA; a formal indication of interest by the GOJ on improving the quality, relevance and management of the education system and total national human resources development effort.

In general, the Sector Assessment report analytically identified and evaluated the major constraints in the educational system which are inimical to the achieving of national and educational development goals and resources. The constraints as identified in the sector study were as follows:-

1. Need for Physical Improvement and Expansion of the System;
2. Shortage of Trained Teachers and Professionals;
3. Need for a relevant Curriculum Development Programme;
4. Lack of adequate Text, Teaching Materials and Media;
5. Absence of adequate Student counselling and vocational guidance personnel and program;
6. Lack of appropriate pre-professional, vocational and pre-vocational programs geared to the needs of youth, the community and the economy;
7. An Examination System which is socially and academically dysfunctional;
8. Ministry lack of an adequate management, planning, information system capability and a program of inspection and supervision;
9. The absence of a National Human Resources Development Plan and lack of Ministerial and other levels of coordination of total national Human Resources Education/Training Objectives and efforts including those of a non-formal nature;
10. Low internal and external efficiency of the current system;
11. Lack of adequate Research, Experimentation, Evaluation and Feedback for system improvement;
12. Need for a Program of continuing education including community involvement in, and support for, the educational process.

The report examined the twelve categories relative to a strategy of reform and the types of action which could be taken in each of these areas. The report also translated the reform proposals into a comprehensive grouping of projects recommended through domestic or external financing. The report also identified areas where additional indepth studies and research were necessary to achieve the reform objectives.

The Sector Assessment report was reviewed in a mini-DAEC meeting on December 7 and accepted as a base line document for AID Assistance in support of the GOJ educational planning/

development effort. The report was also reviewed by the other two directly participating agencies, CIDA and the IBRD, and the preliminary response to the assessment was favourable. The GOJ gave a very favourable reception to the report and found it especially relevant to the country's educational and human resources development needs.

The assessment was thus accepted as the analytical base line document by the Ministry for the country's future educational development effort. The Minister in concert with his educational planning staff proceeded to identify necessary policy decisions and the reform priorities for domestic implementation and for support by various external assistance agencies in a comprehensive sector improvement approach.

Pre-IRR discussions were held with the Minister and other GOJ officials in which requests were made to the USAID team for AID Development Loan assistance which were identified in the Sector Assessment and which form the proposed activities presented in this IRR document.

The loan project targets are:

(1) Youth in primary schools who are receiving less than a quality education.

(2) Youth of ages 15-19 who have not received an education/training which would equip them for the world of work and directly contribute to the country's economic development needs. to

(3) Teachers, professionals and administrators who should be given the capability to make a more qualitative and effective contribution to the educational process and the preparation of the youth of the country.

(4) Out of school youth and adults, primarily those in the country's rural areas who would personally benefit from educational, training opportunities especially of a continuing/non-formal nature which would enable them to contribute more effectively to the country's economic and social development.

IV. DESCRIPTION OF PROJECT:

Following GOJ review of the Education Sector Assessment report with its identification of the constraints in the system and recommended programs of educational reform, the GOJ identified specific areas within the assessment study for possible AID assistance. That part of the total educational reform effort directed to AID was in the following areas:

- (1) Lack of appropriate skills/vocational training to meet the country's economic growth needs for the Agricultural sector.
- (2) Lack of organizational framework procedures and management of the Ministry of Education and of the system as a whole.
- (3) Shortage of trained teachers and professionals which constitute a major constraint to improving the quality and relevance of the country's educational program.
- (4) Need for an improved and systematic program for maintenance of school facilities and equipment.
- (5) Need for programs of continuing/non-formal education for youth and adults with special emphasis on the rural areas of the country.
- (6) Lack of adequate research, experimentation and evaluation for systems improvement.
- (7) Lack of relevant teaching methods and tools.

Within this context the following are the projects and sub-projects which have been presented to AID for inclusion in the proposed loan:

1. AGRICULTURAL/VOCATIONAL EDUCATION

Program -

- (a) 3 New Agri/Vocational Schools in Western, Central and Eastern sections of the island with total accommodation of 2,100 students
- (b) Technical Assistance for curriculum implementation

Components

T. A.	\$	300,000	
Equipment		550,000	
Construction		2,000,000	
Training		100,000	
Other		50,000	
			<hr/>
			\$3,000,000

2. MANAGEMENT CAPABILITY OF THE SYSTEM

Programs

- (a) Educational Planning
- (b) Educational Statistics
- (c) Cost Evaluation and accountability
- (d) Improvement and upgrading inspection and supervision personnel
- (e) National Education Centre Program
- (f) Personnel Classification and incentive
- (g) Updated O & M study
- (h) Personnel Training, Upgrading and Development
- (i) Information System - Re-organization/ Computerization of students & personnel records

Components

T. A.	600,000
Equipment	150,000
Construction	100,000
Training	500,000
Other	50,000

\$1,400,000

3. TRAINING AND UPGRADING OF TEACHERS

Programs -

- (a) Upgrading, In-service, nonformal Teacher Education Program
- (b) Teacher incentive/credit program
- (c) Study of Attrition (see research)
- (d) Systematic upgrading programs
- (e) Teacher preparation facility

Components

T.A.	\$ 200,000
Equipment	700,000
Construction	1,300,000
Training	200,000
Other	400,000
	<u> </u>
	\$2,800,000

4. SYSTEMS MAINTENANCE

Programs -

- (a) Inventory survey of existing facilities
- (b) Development of effective school maintenance program
- (c) Development of Pilot Program
- (d) Complete the electrification of schools

Components

T.A.	200,000
Equipment	800,000
Construction	100,000
Training	50,000
Other	50,000
	<u> </u>
	\$1,200,000

5. COMMUNITY/CONTINUING EDUCATION

Programs -

- (a) Community support and guidance for schools - some T.A. re P.T.A. concept etc. involvement JTA
- (b) Provision of non-formal/continuing education for all interested members of the community (community focus) involvement JTA etc.
- (c) Integrated/co-ordinated program of Rural educational/human resources development (regional focus)
- (d) Utilization/improvement of physical facilities/equipment of school for development of community
- (e) Development of school/community Arts/crafts program

Components

T.A.	600,000
Equipment	700,00
Construction	100,000
Training	400,000
Other	200,000

\$2,000,000

6. RESEARCH/EXPERIMENTATION

Programs -

- (a) Establishment of 8 experimental schools
- (b) Development programs of research and evaluation
Applied research on the causative factors of the constraints in the educational system

Components

T.A.	500,000
Equipment	500,000
Construction	1,800,000
Training	200,000
Other	100,000

\$3,100,000

7. TEACHING TOOLS AND METHODS

Programs --

- (a) Teaching tools and methods
Curriculum development
- (b) Student evaluation & testing
- (c) Development of instructional technologies -
media text, etc.
- (d) Counselling and guidance

Components

T.A.	500,000
Equipment	650,000
Training	300,000
Other	50,000

\$1,500,000

V. FINANCIAL PLAN

The estimated cost of the activities to be financed under this proposed loan for the three year period FY 1975-1978 is approximate US\$7.5 million would be in the form of development loan funds and US\$7.5 million equivalent would be provided from Jamaican resources. The GOJ will repay the loan from general Government revenues.

The projected financial components required for this program and the estimated expenditures by components during FY 1975-1978 for AID and GOJ funding are indicated in Table I. Table II indicates the estimated expenditure by components during FY75-78 broken out by estimated US dollar and local currency costs. A more detailed analysis of local and foreign exchange costs will be undertaken during the intensive review.

The loan requires a substantial commitment of GOJ funds, staff and facilities over the three year period. The combination and extent of these GOJ inputs are preliminarily indicated above but will be further refined during the course of the intensive review. They will be more fully explored and set forth in the loan paper.

The proposed mechanisms for AID disbursement will be twofold: As regards to US dollar costs, the normal Letter of Commitment, Letters of Credit technique will generally apply, with time phasing determined by sub-project need.

Local currency contributions will be channeled through an account in the Central Bank established in the name of the Ministry of Education for this purpose. This account will be provided initially with an advance, with further AID Contributions made on a reimbursement basis. At the present time it is envisioned that AID would pick up its appropriate proportionate share of allowable local currency expenses for each sub-project, with these proportionate shares determined during intensive review.

VI. BACKGROUND

The only recent AID input into education sector has been our input into the Education Sector Assessment. The assessment which was carried out jointly with the GOJ, IBRD and CIDA, included one AID direct line and three contract consultants.

The Sector Assessment report concluded that although significant inputs into the system had been made in the ten years since independence, and moderate advances have taken place in some of the areas of major need, others have received relatively little attention, resulting in imbalance and unevenness of development throughout the whole education system. Many of the problems are intensifying and the current response effort is generally that of a project directed only at a particular problem. Until the initiation of the Sector Assessment effort there had been virtually no comprehensive analytical or educational planning directed at the priority problems and needed reforms to better achieve the country's problems and needed reforms to better achieve the country's educational development goals.

VII. FEASIBILITY

As indicated earlier in the paper a comprehensive GOJ-AID/IBRD/CIDA Sector Assessment was made of the country's educational system with attention to the wider human resources development needs. This has been received as the analytical base line document for the country's rolling education plan and for those activities which have been presented to AID for development loan assistance.

A related area which was dealt with in the Sector Assessment was the country's needs for a national Human Resources Development Plan and need for improved coordination at the ministerial and other levels especially as they relate to national Human Resources Education/Training objectives and efforts, including those of a non-formal nature. The GOJ has set human resources development as a key priority and is committed to improved coordination in this area and the undertaking of the necessary manpower and training needs studies.

As indicated in the Sector Assessment the GOJ has demonstrated its ability to programme and implement fairly extensive educational assistance received from the IBRD, CIDA and various other donors. Also a major contribution of the joint Sector Assessment study has been the training of the staff of the new Educational Planning Unit of the Ministry in sector analysis, educational statistics and program and project planning and implementation. We thus believe that the GOJ has the capability to carry out the proposed AID Development Loan assistance program. We also believe the E.P.U. is aware of the additional research on the causative factor of problems in the system and has the capability to directly implement applied research of this nature.

VIII. ENVIRONMENTAL CONDITIONS

The prime focus of the educational system is to develop human attitudes, knowledge and skills. The educational system is thus not a contributor to environmental imbalance. In fact, education represents a major positive force and it is worth noting that the GOJ earlier in 1973 included explicit ecological/environmental goals for inclusion in the country's education process.

Also, the community education and agricultural education programs in the loan will be directed, inter alia, toward conservation and the production and more effective utilization of renewable natural resources.

SECTION IX

Other International Donor Agency Participation

Representatives of the IBRD and CIDA participated directly with AID in the Education Sector assessment which was carried out jointly with the GOJ. The IBRD and CIDA are thus fully

cognizant of the constraints identified by the study and the various alternative reform actions which were recommended. The other major multilateral donors IDB, OAS and UNDP have been briefed on the major elements of the study.

Prior to proceeding with IRR TDY assistance the other agencies, including IBRD, IDB and OAS will be briefed on AID project plans. The GOJ has on an informal basis identified assistance roles for other international lending institutions based on prior interest and expertise. They plan to formally solicit assistance from these agencies at an early date.

X. ISSUES

1. Should a Comprehensive Human Resource Strategy be a precondition for AID Development lending in the Sector

The GOJ has started to coordinate the seven ministries and various agencies involved in human resource education/training with the administrative creation of a Human Resources Committee (HRC) under the National Planning Agency. The HRC has held few meetings with little result and, while it may have future promise, it will require considerable time to establish credibility and capability. While the HRC is one of the approaches to an effective, sectoral, longterm strategy, the GOJ is not solely committed to this mechanism nor has it identified the precise role the HRC is expected to play in relation to the operational ministries.

Whatever evolves in the course of the next five years, it is certain that the task of educating the majority of Jamaicans will rest with the Education Ministry, using the existing educational infrastructure as a base for both the formal and non-formal educational system. The program described in the IRR recognizes this as the Jamaican reality and makes this an assumption, notwithstanding the fact that other entities will/may play roles of varying importance in the sector.

At the present time the Education Ministry has impressive leadership and influence in government circles, and is anxious to redress inefficiencies and undertake comprehensive reform. Thus there is an unusual opportunity for AID to support a spirit of reform within the Ministry essential to effect reforms necessary for an educational/training program responsive to the society's future needs as seen by its government.

What is proposed here is that every opportunity be given to the designated GOJ institution to demonstrate its ability to develop a Human Resource strategy and its proper role in the sector. At the same time we proceed with elements of the education/training package presently in, or proposed for transfer to, the Ministry of Education portfolio, which will provide the basic structure for providing relevant, high quality education. In addition, we expect to review overall GOJ progress in developing a human resources

strategy during loan project execution, and intend to include provision for such progress reviews as a part of a condition precedent or covenant in the loan paper.

2. What is an "adequate GOJ contribution" to demonstrate Government commitment to the purposes of the Project and the Sector

At the project level, the GOJ has indicated that it recognizes it must provide substantial counterpart to the project package. Preliminary discussions with the Finance Ministry suggest that the Government is prepared to support 40-55% of total direct project costs, including such items as personnel, land, construction, supplies and equipment, and thus this aspect of project development should pose no problem.

What may prove a more difficult element in negotiations is the global, ministerial budget. During the last few years the Minister of Education has had sizeable budget increases reflecting a measured growth in support of education programs. This year, however, the Government passed a law which called for the reclassification of teachers with commensurate salary raises (increases over previous base rates from 17-105%), resulting in an anticipated FY 1973-74 increase in recurrent expenditures at present staff levels of over \$11.0 million. Thus, a major financial step ahead has been taken in improving the system at this intervention point, and any requirements of additional increases in recurrent budget amounts must be viewed in this context. Further, macro-budgetary growth targets can become goals in themselves, without relation to the real needs of a changing system, e.g. modifications in the education plan, new efficiencies, new costs, accountability, inflation and so forth.

We propose the following to take into consideration the aforesaid: The GOJ contributions to the various out-projects be specified in the loan paper; a first-year budget increment objective be established, but thereafter a broad range of desired subsequent budget increases be set forth, identified as approximations of projected education sector needs. Aside from first year target accomplishments, AID would look primarily at the indicators of policy execution and reform as prerequisites for further AID disbursement. During the course of project life there would be formal bi-annual AID/GOJ meetings to discuss appropriate revisions in budgetary targets, review loan progress and developments in the human resources sector.

XI. INTENSIVE REVIEW PROCEDURE

Within the framework of the following work plan we believe a CAP can be finalized by March 15.

<u>Activity</u>	<u>Assistance</u>	<u>Duration</u>
1. Economic Analysis	USAID/Jamaica	2-3 weeks
2. Loan Structure and Administration	AID/W Loan Officer	2 weeks
	AID/W Controller	2 weeks
	AID/W General Counsel	2 weeks
3. Sub-Project Development and Cost Analysis	AID/W Education Officer	2 months
	USAID Engineer	3 weeks
	AID/W Community Education Specialist	3 weeks
	Education Management Specialist	2 weeks
	Agricultural Training Specialist	2 weeks

Assuming IRR approval USAID/Jamaica would begin intensive discussions with the Ministry of Education, Finance and National Planning Agency looking toward development of the CAP. The GOJ would be requested to include a policy statement on the human resources development sector as part of its formal loan application letter.

XII. Mission Project Committee

Messrs. C. Campbell	- Chairman
P. Kolar	- Program Officer
W. Miller	- Education Officer
B. Mosley	- Engineer

TABLE I
ESTIMATED EXPENDITURE BY ACTIVITIES
DURING F.Y. 75-78, LOAN AND GOJ
FUNDING (\$000,000 Est)

ACTIVITY	1975		1976		1977		TOTALS		Percent		
	AID	GOJ	AID	GOJ	AID	GOJ	AID	GOJ	SUM TOTAL	AID	GOJ
1. Agricultural Vocational Education	0.3	0.4	0.8	0.7	0.5	0.3	1.6	1.4	3.0	54	46
2. Management Capability of the system	0.4	0.2	0.3	0.2	0.1	0.2	0.8	0.6	1.4	57	43
3. Training & Upgrading of Teachers	0.3	0.2	0.9	0.9	0.3	0.2	1.5	1.3	2.8	54	46
4. Systems Maintenance	0.1	0.1	0.4	0.2	0.2	0.2	0.7	0.5	1.2	58	42
5. Community/Continuing Education Programmes	0.2	0.3	0.4	0.2	0.4	0.5	1.0	1.0	2.0	50	50
6. Research & Experimentation	0.3	0.4	0.8	0.7	0.4	0.5	1.5	1.6	3.1	43	52
7. Curriculum, Testing, Counselling & Guidance, Instructional Methods, & Media	0.3	0.2	0.4	0.2	0.3	0.1	1.0	0.5	1.5	67	33
Totals	1.9	1.8	4.0	3.1	2.2	2.0	8.1	6.9	15.0	54	46

TABLE II
ESTIMATED EXPENDITURES BY ACTIVITIES DURING FY 75-78
BY US DOLLAR AND LOCAL CURRENCY COSTS
 \$(000,000 Est.)

ACTIVITY	1975		1976		1977		Totals		Sum Totals	%	
	LC	\$US	LC	\$US	LC	\$US	LC	\$US		\$	LC
1. Agricultural Vocational Education	0.4	0.3	0.8	0.7	0.4	0.4	1.6	1.4	3.0	52%	48%
2. Management Capability of the System	0.3	0.3	0.3	0.2	0.2	0.1	0.8	0.6	1.4	57%	43%
3. Training and Upgrading) & Teacher Preparation)	0.2	0.3	1.3	0.5	0.2	0.3	1.7	1.1	2.8	61%	39%
4. Systems Maintenance	0.1	0.1	0.3	0.3	0.2	0.2	0.6	0.6	1.2	50%	50%
5. Community/Continuing Education Programmes	0.3	0.2	0.3	0.3	0.6	0.3	1.2	0.8	2.0	60%	40%
6. Research & Experimentation	0.4	0.3	0.9	0.6	0.6	0.3	1.9	1.2	3.1	61%	32%
7. Curriculum, Testing, Counselling & Guidance, Instructional Methods, Media	0.2	0.3	0.2	0.4	0.1	0.3	0.5	1.0	1.5	33 ¹ / ₃ %	66 ² / ₃ %
Total	1.9	1.8	4.1	3.0	2.3	1.9	8.3	6.7	15.00	55.4	44.6

TABLE III
SUMMARY OF ESTIMATED COMPONENT COSTS OF ACTIVITIES - PROPOSED US/AID GOJ LOAN
\$(000,000 EST.)

ACTIVITY	C O M P O N E N T S					
	T/A*	Equipment	Construction	Training	Other	Total
1. Agricultural/Vocational Education	0.30	0.55	2.00	0.10	0.05	3.00
2. Management Capability of the System	0.60	0.15	0.10	0.50	0.05	1.40
3. Training and Upgrading of Teachers	0.20	0.70	1.30	0.20	0.40	2.80
4. Systems Maintenance	0.20	0.80	0.10	0.05	0.05	1.20
5. Community/Continuing Education	0.60	0.70	0.10	0.40	0.20	2.00
6. Research/Experimentation	0.50	0.50	1.80	0.20	0.10	3.10
7. Teaching Tools and Methods	0.40	0.65	0.10	0.30	0.05	1.50
TOTAL	2.80	4.05	5.50	1.75	0.90	15.00

*Technical Assistance.

MINISTRY OF EDUCATION PORTFOLIO
(Thousands of Jamaican Dollars)

	Actual Expenditures (1971-72)	Approved Estimates (1972-73)	Estimates (1973-74)	First Supplementary Budget: 1973-74 Estimates (as of Nov. 27. 1973)	Increase (Decrease)
Grand Total (Recurrent & Capital)	\$49,406	\$50,828	\$63,951	\$75,201	\$11,515
Recurrent	37,389	42,548	53,239	66,934	13,694
Central Admin.	1,335	1,599	2,234	2,300	65
Teacher Training	2,371	2,660	3,080	4,206	1,126
Infant & Primary	17,718	19,166	25,800	31,569	5,769
Secondary Ed.	12,417	13,478	16,587	22,110	5,523
Further Ed.	557	660	1,047	1,326	278
Higher Ed.	238	263	349	918	569
Special Ed.	84	43	10	10	-
School Feeding	291	307	334	390	55
Teaching Aids	197	257	204	193	(11)
Radio & TV	100	201	236	231	(5)
Maintenance	1,020	2,535	1,939	1,966	27
Library	822	1,160	1,199	1,281	81
Examination	302	365	384	438	53
Capital	12,016	8,280	10,411	8,266	(2,179)
Teacher Training	23	4	810	340	(470)
Primary Ed.	5,589	4,300	4,134	2,902	(1,231)
Secondary Ed.	5,669	2,980	3,618	3,353	(264)
Further Ed.	303	123	722	665	(57)
Libraries	88	58	224	224	-
Teacher Residents	343	148	506	365	(141)
Audio Visual Aids	-	-	70	55	(15)
School Feeding	-	-	665	361	-

- (1) "Approved Estimates" reflect the two supplementary budget during the course of the fiscal year (April 1 - March 31). The final "Approved Estimate" is usually very close to "Actual Expenditures". (See Assessment: Annex A, Table IV reflects only the first supplementary budget change.
- (2) Capital Expenditures includes "External Loan Funds", e.g. IBRD or contributions to education. Recurrent Expenditures contains little external assistance.
- (3) Minor differences reflect rounding.

TABLE III
SUMMARY OF ESTIMATED COMPONENT COSTS OF ACTIVITIES - PROPOSED US/AID GOJ LOAN
\$(000,000 EST.)

ACTIVITY	C O M P O N E N T S					
	T/A*	Equipment	Construction	Training	Other	Total
1. Agricultural/Vocational Education	0.30	0.55	2.00	0.10	0.05	3.00
2. Management Capability of the System	0.60	0.15	0.10	0.50	0.05	1.40
3. Training and Upgrading of Teachers	0.20	0.70	1.30	0.20	0.40	2.80
4. Systems Maintenance	0.20	0.80	0.10	0.05	0.05	1.20
5. Community/Continuing Education	0.60	0.70	0.10	0.40	0.20	2.00
6. Research/Experimentation	0.50	0.50	1.80	0.20	0.10	3.10
7. Teaching Tools and Methods	0.40	0.65	0.10	0.30	0.05	1.50
TOTAL	2.80	4.05	5.50	1.75	0.90	15.00

*Technical Assistance.

ANNEX A

MINISTRY OF EDUCATION PORTFOLIO
(Thousands of Jamaican Dollars)

	Actual Expenditures (1971-72)	Approved Estimates (1972-73)	Estimates (1973-74)	First Supplementary Budget: 1973-74 Estimates (as of Nov. 27. 1973)	Increase (Decrease)
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(2) Capital Expenditures includes "External Loan Funds", e.g. IBRD or CIDA contributions to education. Recurrent Expenditures contain little external assistance.

(3) Minor differences reflect rounding.

5320009- (10)

PD-AAC-651

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A. I. D. Loan Number 532-V-009

ALLIANCE FOR PROGRESS

LOAN AGREEMENT

BETWEEN

THE GOVERNMENT OF JAMAICA

AND THE

UNITED STATES OF AMERICA

FOR THE

RURAL EDUCATION SECTOR LOAN

DATED: November 13, 1975

RECORD COPY

JAMAICA - RURAL EDUCATION SECTOR LOAN

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LOAN AGREEMENT dated November 3, 1975 between
THE GOVERNMENT OF JAMAICA ("Borrower") and THE UNITED STATES
OF AMERICA, acting through THE AGENCY FOR INTERNATIONAL
DEVELOPMENT ("A.I.D.").

ARTICLE I

The Loan

SECTION 1.01. The Loan. A.I.D. agrees to lend to
Borrower in furtherance of the Alliance for Progress and
pursuant to the Foreign Assistance Act of 1961, as amended,
an amount not to exceed NINE MILLION ONE HUNDRED THOUSAND
UNITED STATES DOLLARS (\$9,100,000) ("Loan") to assist Borrower
in carrying out the Project referred to in Section 1.02
("Project"). The Loan shall be used exclusively to finance
foreign exchange costs of goods and services required for
the Project ("Dollar Costs") and local currency costs of
goods and services required for the Project ("Local Currency
Costs"). The aggregate amount of disbursements under the
Loan is hereinafter referred to as "Principal."

SECTION 1.02. The Project. The Project shall consist
of a program within the Jamaican educational system designed
to upgrade formal and non-formal education relevant to rural
living and employment and to provide facilities, training
and management capabilities in support of this effort ("Project").
The Project elements and approximate amounts of the Loan to
be allocated to each element are as follows: (a) Continuing

Education (\$.6 million); (b) Rural Primary Education (.7 million); (c) Rural Secondary Education (\$4.8 million); (d) Teacher Training (\$2.6 million); and (e) Management Planning (\$.4 million). The Project is more fully described in Annex I, attached hereto, which Annex may be modified in writing, as mutually agreed.

SECTION 1.03. Executing Unit. The Borrower hereby designates the Projects Division of the Ministry of Education as the executing unit ("Executing Unit") for purposes of coordinating the overall Program. This unit shall coordinate the various Elements of the Program, which are more fully described in Annex I.

ARTICLE II

Loan Terms

SECTION 2.01. Interest. Borrower shall pay to A.I.D. interest which shall accrue at the rate of two percent (2%) per annum for five (5) years following the date of the first disbursement hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of Principal and on any due and unpaid interest. Interest on the outstanding balance shall accrue from the date of each respective disbursement (as such date is defined in Section 7.04) and shall be computed on the basis of a 365-day year. Interest shall be payable semi-annually. The first payment of interest

shall be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be specified by A.I.D.

SECTION 2.02. Repayment. Borrower shall repay to A.I.D. the Principal within thirty (30) years from the date of the first disbursement hereunder in fifty-one (51) approximately equal semi-annual installments of Principal and Interest. The first installment of Principal shall be payable four and one-half (4 1/2) years after the date on which the first interest payment is due in accordance with Section 2.01. A.I.D. shall provide Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

SECTION 2.03. Application, Currency and Place of Payment. All payments of interest and Principal hereunder shall be made in United States Dollars and shall be applied first to the payment of interest due and then to the repayment of Principal. Except as A.I.D. may otherwise specify in writing, all such payments shall be made to A.I.D., Cashier (SER/CONT), Washington, D.C. 20523, United States of America. Payment shall be deemed made when received by such cashier.

SECTION 2.04. Prepayment. Upon payment of all interest and refunds then due, Borrower may prepay, without penalty, all or any part of the Principal. Any such prepayment shall be applied to the installments of Principal in the inverse order of their maturity.

SECTION 2.05. Renegotiation of Terms of the Loan. In the light of the undertakings of the United States of America and the other signatories of the Act of Bogota and the Charter of Punta del Este to forge an Alliance for Progress, the Borrower agrees to negotiate with A.I.D., at such time or times as A.I.D. may request, an acceleration of the repayment of the Loan in the event that there is any significant improvement in the internal and external economic and financial position and prospects of Jamaica, taking into consideration the relative capital requirements of Jamaica and of the various signatories of the Act of Bogota and the Charter of Punta del Este.

ARTICLE III

Conditions Precedent to Disbursement

SECTION 3.01. Conditions Precedent to Initial Disbursement. Prior to the first disbursement or to the issuance of the first Letter of Commitment under the Loan, Borrower shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (a) An opinion of the Attorney General of Jamaica, or other counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by and executed on behalf of, the Borrower, and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;
- (b) A statement of the names of the persons holding or acting in the office of Borrower specified in Section 9.02, and a specimen signature of each person specified in such statement;
- (c) A technical assistance plan setting forth the scope of work for technical assistance personnel to be employed in the Project prior to development of the Master Implementation Plan referred to in Section 3.02 (a).

SECTION 3.02. Conditions Precedent to Disbursement Other Than for Technical Services. Prior to any disbursement or to the issuance of any Letter of Commitment under the Loan for any purpose other than to finance technical services required in the preparation of the Master Implementation Plan, Borrower shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- (a) A time-phased Master Implementation Plan for the Project covering each Project component and the interrelationships and relative priority of each such component, and a First Year Implementation Plan which schedules and correlates inputs of resources to the Master Plan for at least the first project year.
- (b) Evidence that the Borrower will provide appropriate personnel necessary to carry out each component activity scheduled for the first year.

SECTION 3.03. Additional Conditions Precedent to Disbursement for Certain Purposes.

- (a) Prior to any disbursement or to the issuance of any commitment document under the Loan for each of the purposes specified below, Borrower shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., the items indicated:
 - (i) With respect to the financing of construction services for each particular major construction sub-project designated by A.I.D. -

- (aa) A contract or contracts with private firms or individuals acceptable to A.I.D. for engineering services.
 - (bb) A draft contract or contracts, acceptable to A.I.D. for construction services with a firm acceptable to A.I.D.
 - (cc) Evidence that the land upon which such construction sub-project shall be undertaken is owned and held by the Borrower with clear title (or such other evidence of ownership as shall be acceptable to A.I.D.) and that such land is free from present or future restrictions of any kind whatsoever which may in any manner impede or limit the intended use of such land under the Project.
- (ii) With respect to the financing of procurement of equipment for any project component, as defined by A.I.D. -
- (aa) A complete equipment list for such project component for the ensuing Project Year.

- (bb) A statement of the procurement procedures to be utilized and copies of procurement documents to be used.
- (iii) With respect to financing of additional technical assistance, research or participant training, an appropriate plan for such activity for the current Project year for the Project component involved, as defined by A.I.D.
- (b) Prior to any further disbursement under the Loan or the issuance of any disbursement authorization for local costs, Borrower shall, within three months after the start of any project year as defined by A.I.D., submit to A.I.D. in form and substance satisfactory to A.I.D., a detailed Implementation Plan for such Project year.

SECTION 3.04. Terminal Dates for Meeting Conditions Precedent to Disbursement.

- (a) If all of the conditions specified in Section 3.01 shall not have been met within four months after the execution of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by giving

written notice to the Borrower. Upon the giving of such notice, this Agreement and all obligations of the parties hereunder shall terminate.

- (b) If all of the conditions specified in Section 3.02 shall not have been met within six months after the execution of this Agreement or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balance of the amount of the Loan and/or may terminate this Agreement by giving written notice to the Borrower. In the event of a termination, upon the giving of notice, the Borrower shall immediately repay the Principal then outstanding and shall pay any accrued interest and, upon receipt of such payments in full, this agreement and all obligations of the parties hereunder shall terminate.

SECTION 3.05. Notification of Meeting of Conditions Precedent to Disbursement. A.I.D. shall notify the Borrower upon determination by A.I.D. that the conditions precedent to disbursement specified in Sections 3.01, 3.02 and 3.03 have been met.

ARTICLE IV

General Covenants and Warranties

SECTION 4.01. Execution of the Project.

- (a) Borrower shall carry out the Project with due diligence and efficiency, and in conformity with

sound administrative, planning, management, educational, engineering, construction and financial practices. In this connection, Borrower shall at all times employ suitably qualified and experienced consultants and other personnel for the Project.

- (b) Borrower shall cause the Project to be carried out in conformity with all of the plans, specifications, contracts, schedules and other arrangements, and with all modifications therein, approved by A.I.D., pursuant to this Agreement.

SECTION 4.02. Funds and Other Resources to be Provided by Borrower. Borrower shall provide promptly as needed all funds, in addition to the Loan, required for the punctual and effective carrying out of the Project.

SECTION 4.03. Continuing Consultation. Borrower and A.I.D. shall cooperate fully to assure that the purpose of the Loan will be accomplished. To this end, Borrower and A.I.D. shall, from time to time, at the request of either party, exchange views through their representatives with regard to the progress of the Project, the performance by Borrower of its obligations under this Agreement, the performance of the consultants, contractors, and suppliers engaged in the Project, and other matters relating to the Project. Without limitation upon the foregoing, Borrower and A.I.D. will carry out an annual review of the Project

SECTION 4.04. Management. The Borrower shall provide qualified and experienced management for the Project.

SECTION 4.05. Taxation. This Agreement, the Loan, and any evidence of indebtedness issued in connection herewith shall be free from, and the Principal and interest shall be paid without deduction for and free from, any taxation or fees imposed under the laws in effect within Jamaica. To the extent that (a) any contractor, including any consulting firm, any personnel of such contractor financed hereunder, and any property or transactions relating to such contracts, financed hereunder and (b) any commodity procurement transaction financed hereunder, are not exempt from identifiable taxes, tariffs, duties, and other levies imposed under laws in effect in Jamaica, Borrower shall, as and to the extent prescribed in and pursuant to Implementation Letters, pay or reimburse the same under Section 4.02 of this Agreement with funds other than those provided under the Loan.

SECTION 4.06. Utilization of Goods and Services.

- (a) Goods and services financed under the Loan shall be used exclusively for the Project, except as A.I.D. may otherwise agree in writing. Upon completion of the Project, or at such other times as goods financed under the Loan can no longer be usefully employed for the Project, Borrower may

use or dispose of such goods in such manner as A.I.D. may agree to in writing prior to such use or disposition.

- (b) Except as A.I.D. may otherwise agree in writing, no goods or services financed under the Loan shall be used to promote or assist any foreign aid project or activity associated with or financed by any country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION 4.07. Disclosure of Material Facts and Circumstances

Borrower represents and warrants that all facts and circumstances that it has disclosed or caused to be disclosed to A.I.D. in the course of obtaining the Loan are accurate and complete, and that it has disclosed to A.I.D. accurately and completely all facts and circumstances that might materially affect the Project and the discharge of its obligations under this Agreement. Borrower shall promptly inform A.I.D. of any facts and circumstances that may hereafter arise that might materially affect the Project or the discharge of Borrower's obligations under this Agreement.

SECTION 4.08. Commissions, Fees, and Other Payments.

- (a) Borrower warrants and covenants that in connection with obtaining the loan, or taking any action

under or with respect to this Agreement, it has not paid, and will not pay or agree to pay, nor to the best of its knowledge has there been paid nor will there be paid or agreed to be paid by any other person or entity, commissions, fees, or other payments of any kind, except as regular compensation to the Borrower's full-time officers and employees or as compensations for bona fide professional, technical, or comparable services. Borrower shall promptly report to A.I.D. any payment or agreement to pay for such bona fide professional, technical, or comparable services to which it is a party or of which it has knowledge (indicating whether such payment has been made or is to be made on a contingent basis), and if the amount of any such payment is deemed unreasonable by A.I.D., the same shall be adjusted in a manner satisfactory to A.I.D.

- (b) Borrower warrants and covenants that no payments have been or will be received by Borrower, or any official of Borrower in connection with the procurement of goods and services financed hereunder, except fees, taxes, or similar payments legally established in Jamaica.

SECTION 4.09. Maintenance and Audit of Records.

Borrower shall maintain, or cause to be maintained, in accordance with sound accounting principles and practices consistently applied, books and records relating both to the Project and to this Agreement. Such books and records shall, without limitation, be adequate to show:

- (a) the receipt and use made of goods and services acquired with funds disbursed pursuant to this Agreement;
- (b) the nature and extent of solicitation of prospective suppliers of goods and services acquired;
- (c) the basis of the award of contracts and orders to successful bidders; and

(d) the progress of the Project. Such books and records shall be regularly audited, in accordance with sound auditing standards, for such period and at such intervals as A.I.D. may require and shall be maintained for five years after the date of the last disbursement by A.I.D. or until all sums due A.I.D. under this Agreement have been paid, whichever date shall first occur.

SECTION 4.10. Reports. Borrower agrees to furnish to A.I.D. such information and reports relating to the Loan and to the Project as A.I.D. may reasonably request.

SECTION 4.11. Inspections. The authorized representatives of A.I.D. shall have the right at all reasonable times to inspect the Project, the utilization of all goods and services financed under the Loan, and Borrower's books,

records, and other documents relating to the Project and the Loan. Borrower shall cooperate with A.I.D. to facilitate such inspections and shall permit representatives of A.I.D. to visit any part of Jamaica for any purpose relating to the Loan.

ARTICLE V

Special Covenants and Warranties

SECTION 5.01. Special Covenants and Warranties.

Without limitation with respect to obligations otherwise incurred under this Agreement, and except as A.I.D. may otherwise agree in writing, Borrower hereby specifically covenants and warrants as follows:

- (a) That the Ministry of Education budget for recurrent expenditures for each Project Year shall be an amount not less than the previous year's total recurrent expenditures calculated without regard to Borrower's contributions required for this project or contributions of other external aid donors.
- (b) That it shall support the Project through budget allocations in amounts sufficient to accomplish the purpose of the program in conformance with the time-phased Implementation Plans referred to in Section 3.02(a).

- (c) That it shall maintain, with its own resources, an adequate budget level to maintain Project accomplishments after the disbursement of loan funds.
- (d) That it shall undertake with A.I.D. joint reviews of the Project at least annually to determine the adequacy of progress in achieving Project goals and to ascertain whether there is need to revise the strategy or any Project components.

ARTICLE VI

Procurement

SECTION 6.01. Qualified Worldwide Procurement. Except as A.I.D. may otherwise agree in writing, and except as provided in sub-section 6.08(c) with respect to marine insurance, disbursements made pursuant to Section 7.01 shall be used exclusively to finance the procurement for the Project of goods and services having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts are entered into for such goods and services ("Qualified Worldwide Goods and Services"). All ocean shipping financed under the Loan shall have both its source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of shipment.

SECTION 6.02. Procurement from Jamaica. Disbursement made pursuant to Section 7.02 shall be used exclusively to finance the procurement for the Project of goods and services having both their source and origin in Jamaica.

SECTION 6.03. Eligibility Date. Except as A.I.D. may otherwise agree in writing, no goods or services may be financed under the Loan which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement.

SECTION 6.04. Goods and Services Not Financed Under Loan. Goods and services procured for the Project but not financed under the Loan shall have their source and origin in countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time orders are placed for such goods and services.

SECTION 6.05. Implementation of Procurement Requirements. The definitions applicable to the eligibility requirements of Sections 6.01, 6.02 and 6.04 will be set forth in detail in Implementation Letters.

SECTION 6.06. Plans, Specifications and Contracts.

- (a) Borrower shall furnish to A.I.D. promptly upon request all contracts or other arrangements relating to the Project, and any modifications therein, whether or not the goods and services to which

they relate are financed under the Loan. Such of these items as A.I.D. may specify shall be approved by A.I.D. in writing.

- (b) Except as A.I.D. may otherwise specify, all bid documents and documents related to the solicitation of proposals relating to goods and services financed under the Loan shall be approved by A.I.D. in writing prior to their issuance. Such documents shall be in terms of United States standards and measurements, except as A.I.D. may otherwise agree in writing.
- (c) The following contracts financed under the Loan shall be approved by A.I.D. in writing prior to their execution:
 - (i) contracts for engineering, consultant and other professional services;
 - (ii) contracts for construction services;
 - (iii) contracts for such other services as A.I.D. may specify; and
 - (iv) contracts for such equipment and materials as A.I.D. may specify.

In the case of any of the above contracts for services, A.I.D. shall also approve in writing the

contractor and such contractor personnel as A.I.D. may specify. Material modifications in any of such contracts and changes in any of such personnel shall also be approved by A.I.D. in writing prior to their becoming effective.

- (d) Consulting firms used by the Borrower for the Project, but not financed under the Loan, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by the Borrower for the Project but not financed under the Loan shall be acceptable to A.I.D.

SECTION 6.07. Reasonable Prices. No more than reasonable prices shall be paid for any goods or services financed in whole or in part under the Loan, as more fully described in Implementation Letters. Such items shall be procured on a fair and, except for professional services, on a competitive basis in accordance with procedures therefor prescribed in Implementation Letters.

SECTION 6.08. Shipping and Insurance.

- (a) Qualified Worldwide Goods financed under the Loan shall be transported to Jamaica on flag carriers of any country included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of shipment.

(b) At least fifty percent (50%) of the gross tonnage of all Qualified Worldwide Goods financed under the Loan (computed separately for dry bulk carriers, dry cargo liners, and tankers) which shall be transported on ocean going vessels shall be transported on privately owned United States flag commercial vessels unless A.I.D. shall determine that such vessels are not available at fair and reasonable rates for United States flag commercial vessels. In addition, at least fifty percent (50%) of the gross freight revenue generated by all shipments financed under the Loan and transported on dry cargo liners shall be paid to or for the benefit of privately owned United States flag commercial vessels, unless A.I.D. shall determine that such vessels are not available at fair and reasonable rates for United States flag commercial vessels. No such goods may be transported on any ocean vessel or aircraft (i) which A.I.D., in a notice to Borrower, has designated as ineligible to carry A.I.D.-financed goods or (ii) which has been chartered for the carriage of A.I.D.-financed goods, unless such charter has been approved by A.I.D.

- (c) Marine insurance on Qualified Worldwide Goods may be financed under the Loan with disbursements made pursuant to Section 7.01, provided (i) such insurance is placed at the lowest available competitive rate in Jamaica or in a country included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time of placement, and (ii) claims thereunder are payable in freely convertible currency. If in connection with the placement of marine insurance on shipments financed under United States legislation authorizing assistance to other nations, Jamaica, by statute, decree, rule or regulation, favors any marine insurance company of any country over any marine insurance company authorized to do business in any state of the United States of America, Qualified Worldwide Goods financed under the Loan shall, during the continuance of such discrimination, be insured against marine risk in the United States of America with a company or companies authorized to do a marine insurance business in any state of the United States of America.
- (d) Borrower shall insure or cause to be insured all Qualified Worldwide Goods financed under the Loan against risks incident to their transit to the

point of their use in the Project. Such insurance shall be issued upon terms and conditions consistent with sound commercial practice, shall insure the full value of the goods, and shall be payable in the currency in which such goods were financed or in any freely convertible currency. Any indemnification received by Borrower under such insurance shall be used to replace or repair any material damage or any loss of goods insured or shall be used to reimburse Borrower for the replacement or repair of such goods. Any such replacements shall have their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts are entered into for such replacements, and shall be otherwise subject to the provisions of this Agreement.

SECTION 6.09. Notification to Potential Suppliers. In order that all United States firms shall have the opportunity to participate in furnishing goods and services to be financed under the Loan, Borrower agrees to furnish to Lender such information with regard thereto, and at such times, as A.I.D. may request in Implementation Letters.

SECTION 6.10. United States Government-Owned Excess Property. Borrower will utilize, with respect to goods

financed under the Loan to which Borrower takes title at the time of procurement, such reconditioned United States Government-owned Excess Property as may be consistent with the requirements of the Project and as may be available within a reasonable period of time. Borrower shall seek assistance from A.I.D. and A.I.D. will assist Borrower in ascertaining the availability of and in obtaining such Excess Property. A.I.D. will make arrangements for any necessary inspection of such property by Borrower or its representative. The cost of inspection and of acquisition, and all charges incident to the transfer to Borrower of such Excess Property, may be financed under the Loan. Prior to the procurement of any goods, other than Excess Property, financed under the Loan and after having sought such A.I.D. assistance, Borrower shall indicate to A.I.D. in writing, on the basis of information then available to it, either that such goods cannot be made available from reconditioned United States Government-owned Excess Property on a timely basis or that the goods that can be made available are not technically suitable for use in the Project.

SECTION 6.11. Information and Marking. Borrower shall give publicity to the Loan and the Project as a program of United States aid in furtherance of the Alliance for Progress, identify the Project site and mark goods financed under the Loan, as prescribed in Implementation Letters.

SECTION 6.12. Employment of Third-Country Nationals Under Construction Contracts. The employment of personnel to perform services under any construction contract financed under the Loan shall be subject to certain requirements with respect to nationals of countries other than Jamaica and countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time the construction contract is entered into. These requirements will be prescribed in Implementation Letters.

ARTICLE VII

Disbursements

SECTION 7.01. Disbursements for United States Dollar Costs - Letters of Commitment to United States Banks. Upon satisfaction of conditions precedent, Borrower may, from time to time, request A.I.D. to issue Letters of Commitment for specified amounts to one or more United States banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers through the use of Letters of Credit or otherwise, for Dollar Costs of goods and services procured for the Project in accordance with the terms and conditions of this Agreement. Payment by a bank to a contractor or supplier will be made by the bank upon presentation of such supporting documentation as A.I.D. may prescribe in Letters of Commitment and Implementation Letters. Banking charges incurred in

connection with Letters of Commitment and Letters of Credit shall be for the account of Borrower and may be financed under the Loan.

SECTION 7.02. Disbursement for Local Currency Costs. Upon satisfaction of conditions precedent, Borrower may, from time to time, request disbursement by A.I.D. of local currency for Local Currency Costs of goods and services procured for the Project in accordance with the terms and conditions of this Agreement by submitting to A.I.D. such supporting documentation as A.I.D. may prescribe in Implementation Letters. A.I.D. shall make such disbursements from local currency of Jamaica owned by the United States Government and obtained by A.I.D. with United States dollars. The United States dollar equivalent of the local currency made available hereunder will be the amount of United States dollars required by A.I.D. to obtain the local currency of Jamaica.

SECTION 7.03. Other Forms and Disbursement. Disbursements of the Loan may also be made through such other means as Borrower and A.I.D. may agree to in writing.

SECTION 7.04. Procedure for and Date of Disbursement. Disbursements by A.I.D. shall be deemed to occur, (a) in the case of disbursements pursuant to Section 7.01, on the date on which A.I.D. makes a disbursement to Borrower, to its designee, or to a banking institution pursuant to a Letter

of Commitment and (b) in the case of disbursements pursuant to Section 7.02 on the date on which A.I.D. disburses the local currency to Borrower or its designee.

SECTION 7.05. Terminal Date for Disbursement. Except as A.I.D. may otherwise agree in writing, no Letter of Commitment, or other commitment documents which may be called for by another form of disbursement under Section 7.03, or amendment thereto, shall be issued in response to requests received by A.I.D. after 42 months from the date of this Agreement, and no disbursement shall be made against documentation received by A.I.D. or any bank described in Section 7.01 after 48 months from the date of this Agreement. A.I.D., at its option, may at any time or times after 48 months from the date of this Agreement reduce the Loan by all or any part thereof for which documentation was not received by such date.

ARTICLE VIII

Cancellation and Suspension

SECTION 8.01. Cancellation by Borrower. Borrower may, with the prior written consent of A.I.D., cancel any part of the Loan (i) which, prior to the giving of such notice, A.I.D. has not disbursed or committed itself to disburse, or (ii) which has not then been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit.

SECTION 8.02. Events of Default; Acceleration. If any one or more of the following events ("Events of Default") shall occur:

- (a) Borrower shall have failed to pay when due any interest or installment of Principal required under this Agreement;
- (b) Borrower shall have failed to comply with any other provision of this Agreement, including, but without limitation, the obligation to carry out the Project with due diligence and efficiency; or
- (c) Borrower shall have failed to pay when due any interest or any installment of Principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between Borrower or any of its agencies and A.I.D., or any of its predecessor agencies; then, A.I.D. may, at its option, give to Borrower notice that all or any part of the unrepaid Principal shall be due and payable sixty (60) days thereafter, and, unless the Event of Default is cured within such sixty days:
 - (i) such unrepaid Principal and any accrued interest hereunder shall be due and payable immediately; and

- (ii) the amount of any further disbursements made under then outstanding irrevocable Letters of Credit or otherwise shall become due and payable as soon as made.

SECTION 8.03. Suspension of Disbursement. In the event that at any time:

- (a) an Event of Default has occurred;
 - (b) an event occurs that A.I.D. determines to be an extraordinary situation that makes it improbable either that the purpose of the Loan will be attained or that Borrower will be able to perform its obligations under this Agreement; or
 - (c) any disbursement by A.I.D. would be in violation of the legislation governing A.I.D.;
- then, A.I.D. may at its option:
- (i) suspend or cancel outstanding commitment documents to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit, in which event A.I.D. shall give notice to the Borrower promptly thereafter;
 - (ii) decline to make disbursements other than under outstanding commitment documents;

- (iii) decline to issue additional commitment documents;
- (iv) at A.I.D.'s expense, direct that title to goods financed under the Loan shall be transferred to A.I.D. if the goods are from a source outside Jamaica, are in a deliverable state and have not been offloaded in ports of entry for Jamaica. Any disbursement made or to be made under the Loan with respect to such transferred goods shall be deducted from Principal.

SECTION 8.04. Cancellation by A.I.D. Following any suspension of disbursement pursuant to Section 8.03, if the cause or causes for such suspension of disbursements shall not have been eliminated or corrected within sixty (60) days from the date of such suspension, A.I.D. may, at its option, at any time or times thereafter, cancel all or any part of the Loan that is not then either disbursed or subject to irrevocable Letters of Credit.

SECTION 8.05. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension of disbursement, or acceleration of repayment, the provisions of this Agreement shall continue in full force and effect until the payment in full of all Principal and any accrued interest hereunder.

SECTION 8.06. Refunds.

- (a) In the case of any disbursement not supported by valid documentation in accordance with the terms of this Agreement, or of any disbursement not made or used in accordance with the terms of this Agreement, A.I.D. notwithstanding the availability or exercise of any of the other remedies provided for under this Agreement, may require Borrower to refund such amount in United States dollars to A.I.D. within thirty (30) days after receipt of a request therefor. Such amount shall be made available first for the cost of goods and services procured for the Project hereunder to the extent justified; the remainder, if any, shall be applied to the installments of Principal in the inverse order of their maturity thereby effecting a reduction of the amount of the Loan by the amount of such remainder. Notwithstanding any other provision in this Agreement, A.I.D.'s right to require a refund with respect to any disbursement under the Loan shall continue for five (5) years following the date of such disbursement.
- (b) In the event that A.I.D. receives a refund from any contractor, supplier, or banking institution, or from any other third party connected with the Loan, with respect to goods or services financed

under the Loan, and such refund relates to an unreasonable price for goods or services or to goods that did not conform to specifications, or to services that were inadequate, A.I.D. shall first make such refund available for the cost of goods and services procured for the Project hereunder, to the extent justified, the remainder to be applied to the installments of Principal in the inverse order of their maturity thereby effecting a reduction of the amount of the Loan by the amount of such remainder.

SECTION 8.07. Expenses of Collection. All reasonable costs incurred by A.I.D. other than salaries of its staff, in connection with the collection of any refund or in connection with amounts due Lender by reason of the occurrence of any of the events specified in Section 8.02 may be charged to Borrower and shall be reimbursed to Lender by the Borrower in such manner as A.I.D. may specify.

SECTION 8.08. Nonwaiver of Remedies. No reasonable delay in exercising or omission to exercise any right, power, or remedy accruing to A.I.D. under this Agreement shall be construed as a waiver of any of such rights, powers, or remedies.

ARTICLE IX

Miscellaneous

SECTION 9.01. Communications. Any notice, request, document, or other communication given, made, or sent by Borrower or A.I.D. pursuant to this Agreement shall be in writing or by telegram, cable, or radiogram and shall be deemed to have been duly given, made, or sent to the party to which it is addressed when it shall be delivered to such party by hand or mail, telegram, cable, or radiogram at the following address:

TO BORROWER:

Mail Address: Ministry of Finance
30 National Heroes Circle
Kingston, Jamaica

Cable Address: Ministry of Finance

Mail Address: Ministry of Education
2 National Heroes Circle
Kingston, Jamaica

Cable Address: MINED

TO LENDER:

Mail Address: Associate Assistant Administrator
Office of Development Resources
Bureau for Latin America
Department of State
Washington, D.C. 20523

Cable Address: AID, LA/DR
Washington, D.C.

Borrower, in addition, shall provide the USAID Mission in Jamaica with a copy of each communication sent to A.I.D.

All notices, requests, communications, and documents submitted to A.I.D. hereunder shall be in English.

SECTION 9.02. Representatives. For all purposes relative to this Agreement, Borrower will be represented by the Minister responsible for Finance, and A.I.D. will be represented by the individual holding or acting in the office of Associate Assistant Administrator, Office of Development Resources, (LA/DR). Such individuals shall have the authority to designate additional representatives by written notice. In the event of any replacement or other designation of a representative hereunder, Borrower shall submit a statement of the representative's name and a specimen signature in form and substance satisfactory to A.I.D. Until receipt by A.I.D. of written notice of revocation of the authority of the duly authorized representatives of the Borrower designated pursuant to this Section, it may accept the signature of any such representative or representatives on any instrument as conclusive evidence that any action effected by such instrument is duly authorized.

SECTION 9.03. Implementation Letters. A.I.D. shall from time to time issue Implementation Letters that will

prescribe the procedures applicable hereunder in connection with the implementation of this Agreement. Nothing in such letters shall alter the terms of this Agreement.

SECTION 9.04. Promissory Notes. At such time or times as A.I.D. may request, Borrower shall issue promissory notes or such other evidence or indebtedness with respect to the Loan, in such form, containing such terms and supported by such legal opinion as A.I.D. may reasonably request.

SECTION 9.05. Termination Upon Full Payment. Upon repayment in full of the Principal and payment of all accrued interest, this Agreement and all obligations of Borrower and A.I.D. under this Loan Agreement shall terminate.

IN WITNESS WHEREOF BORROWER AND THE UNITED STATES OF AMERICA, each acting through its respective duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

FOR THE GOVERNMENT OF JAMAICA

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA



David H. Coore
Minister of Finance



Charles P. Campbell
AID Affairs Officer

ANNEX 1

JAMAICA RURAL EDUCATION SECTOR LOAN

I. PROJECT DESCRIPTION

The Project consists of a program within the Jamaican educational system designed to assist in upgrading formal and non-formal education relevant to rural living and employment, and to provide facilities, equipment, training, Technical Assistance and improve management, planning, research and development capabilities in support of this effort. The specific program elements include:

(a) Continuing education activities directed toward providing non-formal education opportunities under a program designed to benefit the rural population;

(b) Rural Primary education activities designed to assist in improving rural school facilities and developing experimental models to increase quality and relevance of primary education to the rural environment;

(c) Rural Secondary education activities designed to assist in developing facilities and programs for vocational training in the agricultural field;

(d) Teacher Training activities designed to assist in upgrading and expanding the teaching resources needed to support the priorities in rural education, and;

(e) Management, Planning, research and development activities in support of the sector program.

Project activities will be described in detail in Implementation Plans and other documents agreed to by AID and GOJ pursuant to the Loan Agreement. However, the following are the main activities expected to be undertaken in support of the Project elements enumerated above. (The financial components are summarized in Tables 1 and 2.)

A. CONTINUING EDUCATION

(i) Establish three Regional Rural Development Centers utilizing the facilities and staff which form an integral part of the regional agricultural/vocational institutions (described further under Section C to be established under this Project).

These centers will serve in an administrative and supervisory as well as direct operational support role in connection with the sub-centers described below by providing intensive short courses for sub-center trainees, extension workers, school teachers, and community leaders. They will co-ordinate their activities with other institutions and agencies involved in carrying out GOJ national policies in education, human resources and community development aspects of rural national development efforts.

(ii) The creation of a minimum of eighteen and up to thirty sub-centers by renovating and modernizing existing primary schools. The sub-centers will offer afternoon, evening and weekend courses, seminars, workshops, community meetings, social and civic meetings, recreational programs and other such educational opportunities to rural residents of the respective immediate areas.

(iii) Technical assistance, training, materials and equipment in support of the Regional Rural Development Centers and sub-centers.

(iv) A community development matching funds program, operated through the above sub-centers and designed to further community participation through the provision of non-formal education programs intended to meet local needs.

B. RURAL PRIMARY EDUCATION

(i) Curriculum Design - The Ministry of Education, with technical assistance provided under the Project, will continue to develop meaningful curriculum methods and materials for rural primary schools to be evaluated in the experimental rural primary schools identified in connection with the Project. This will be a coordinated effort between the curriculum research, evaluation, media and materials groups operating from the "Educational Development and Demonstration Center" described further under Section D (i).

(ii) Experimentation - a minimum of three and up to six rural primary schools will be identified for the purposes of carrying out experimental programs under the Project. The schools selected will be renovated and remodeled if necessary but will not differ materially from the typical Jamaican rural school. It is intended that up to three of these schools will be included within the sub-centers mentioned at A above.

(iii) Maintenance, Renovation, Remodeling and Modernization of Rural Schools -

(a) Technical assistance will be provided as appropriate under the Project to:

(1) advise and assist the Ministry of Education maintenance department on updating an inventory survey of existing facilities;

(2) develop techniques readily adaptable at local levels for the improvement of existing facilities, as well as develop operating procedures and efficient ways of delivering this information to local school districts; and

(3) develop a training program designed to improve the ongoing maintenance program for required school repairs.

(b) As an essential complementary element to the above, the Project will provide for maintenance funds to assist in financing the normal maintenance of selected rural schools.

(c) Funds will be provided for the remodeling and renovation of the sub-centers for continuing education as described in Section A (ii) and the experimental schools element of the primary education program mentioned in Section B (ii), above.

(d) Initial electrification of approximately twenty-five rural schools with highest priority needs through the provision of diesel generators, with special consideration to be given to generator maintenance. As permanent electrification is achieved in each respective school, such generators will be transferred to the next highest priority schools. Funds will also be provided for the wiring and electrical connection of schools within the project and others within easy reach of the national electricity grid.

C. RURAL SECONDARY EDUCATION

The expansion of secondary vocational education facilities, including technical assistance training, construction and equipment will be accomplished by the expansion of existing facilities at the Jamaica School of Agriculture and the construction of two facilities, all designed to increase the enrollment by 700 places. These facilities will be in support of the integrated rural development programme described in Section A above.

D. TEACHER EDUCATION

(i) The creation of an Education Development Program, including technical assistance and training, which has as its objective the qualitative improvement of Jamaican teacher training, upgrading of curricula, materials, methods and other factors necessary to improve the educational delivery system. The

program will be located at an "Educational Development and Demonstration Center," which will be located at a site renovated and equipped to perform the above duties.

(ii) The construction of a teacher training college with emphasis on rural/non-formal education, including technical assistance and training costs, with an enrollment of approximately 300 students.

E. MANAGEMENT, PLANNING, RESEARCH AND DEVELOPMENT

The Project will finance technical and capital assistance costs of improving the Ministry of Education's management, planning, research and evaluation and budgeting capabilities through the provision of appropriate technical assistance, equipment, and materials, training programs, and remodeling and modernization of selected buildings to be utilized under the Project.

II. PROJECT ADMINISTRATION AND IMPLEMENTATION

The administration of the Project will be carried out by the Ministry of Education, which will maintain direction, policy, guidance and co-ordination of other activities under the Project through a Project Advisory Committee (PAC), to include the Permanent Secretary of the Ministry of Education (Chairman), Chief Education Planner, Chief Education Officer, Director of Projects Division, Director of Finance, Director of Management Services, Chief Architect, USAID/Educational Advisor (ex-officio) and such other advisors as the Ministry of Education may deem necessary. Membership of the PAC may be modified as necessary by mutual agreement between the Government of Jamaica and AID.

Reporting to the Project Advisory Committee (PAC), will be the Project Division of the Ministry of Education which will handle the administration and co-ordination of activities of the Project. This Division will be staffed appropriately to carry out the activities and functions of the loan satisfactorily, and its specific responsibilities will include -

(a) obtaining the data and information necessary to expedite the submission of material to AID in satisfaction conditions precedent, covenants and other requirements of the loan;

(b) preparing the master plan and the detailed annual implementation plans;

(c) initiating, co-ordinating and obtaining GOJ approvals for contracts, procurement, disbursement requests and other such functions assigned to it under the project;

(d) preparing regular reports as well as the agenda and document for the periodic joint GOJ/AID meeting provided for under the loan.

Project progress will be measured on the basis of actual accomplishments in relation to each Annual Implementation Plan. During each year of the Project an annual review shall be held to determine the extent of progress and to identify corrective measures for areas of weakness under the Project. Other, less formal reviews will be held from time to time by the parties charged with implementing the Project.

III. FINANCIAL AND DISBURSEMENT PLAN

The total estimated cost of the four year Project is U.S. \$20.2 million. The AID loan of \$9.1 million is expected to finance approximately 45% of the total costs, and the Government of Jamaica's minimum contribution in the equivalent of U.S. \$11.1 million will finance approximately 55% of the total Project costs. The Financial Plan for the Project, by Area of Activity and by Component (Table 1), and the Capital Cost Budget (Table 2) may be modified in writing by mutual agreement, in accordance with Project requirements.

Disbursements for U.S. dollar costs for procurement of commodities and services under the Project will be accomplished through Letters of Commitment; by direct payment, or through other normal AID procedures, as appropriate.

Reimbursement of local currency costs for eligible items will be accomplished by disbursements from local currency owned by the United States and obtained by AID with United States dollars. Payment will be based on reimbursement of AID's pro-rata share of actual local currency expenses incurred by the Government of Jamaica as set forth in Tables 1 and 2.

Reimbursement will occur on the basis of the account statements and by such other documentation as may be agreed to by AID and GOJ, bearing in mind the varied nature of sub-project activities. This process will be repeated until AID's maximum contribution to each project element has been reached.

AID will limit its capital contribution for each construction/renovation activity to the amounts stated in Table 2. Reimbursement will be used on actual costs not to exceed this fixed amount. Costs in excess of this amount will be funded by the GOJ.

(d) preparing regular reports as well as the agenda and document for the periodic joint GOJ/AID meeting provided for under the loan.

Project progress will be measured on the basis of actual accomplishments in relation to each Annual Implementation Plan. During each year of the Project an annual review shall be held to determine the extent of progress and to identify corrective measures for areas of weakness under the Project. Other, less formal reviews will be held from time to time by the parties charged with implementing the Project.

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Disbursements for U.S. dollar costs for procurement of commodities and services under the Project will be accomplished through Letters of Commitment; by direct payment, or through other normal AID procedures, as appropriate.

Reimbursement of local currency costs for eligible items will be accomplished by disbursements from local currency owned by the United States and obtained by AID with United States dollars. Payment will be based on reimbursement of AID's pro-rata share of actual local currency expenses incurred by the Government of Jamaica as set forth in Tables 1 and 2.

Reimbursement will occur on the basis of the account statements and by such other documentation as may be agreed to by AID and GOJ, bearing in mind the varied nature of sub-project activities. This process will be repeated until AID's maximum contribution to each project element has been reached.

AID will limit its capital contribution for each construction/re-novation activity to the amounts stated in Table 2. Reimbursement will be used on actual costs not to exceed this fixed amount. Costs in excess of this amount will be funded by the GOJ.

TABLE 1

FINANCIAL PLAN BY AREA OF ACTIVITY AND BY COMPONENT
(Figures in US\$000)

	CONTINUING EDUCATION		RURAL PRIMARY		RURAL SECONDARY		TEACHER EDUCATION		MANAGEMENT DEVELOPMENT		TOTAL	
	GOJ	AID	GOJ	AID	GOJ	AID	GOJ	AID	GOJ	AID	GOJ	AID
CAPITAL CONTRIBUTION												
A. Land	75				250		50		160		535	
B. Construction		252			3637	2913	1587	1299	120	98	5344	4562
C. Major Equip.		11		275		1392		544		40		2262
SUB-TOTAL	75	263	-0-	275	3887	4305	1637	1843	280	138	5879	6824
CONTINGENCY 10%					364	291	159	130	12	10	535	431
SUB-TOTAL	75	263	-0-	275	4251	4596	1796	1973	292	148	6414	7255
TOTAL CAPITAL											13,669	
NON-CAPITAL CONTRIBUTION												
D. Technical Assistance		97				160		220		150		627
E. Participant Training		65				70		127		106		368
F. Materials & Supplies		90		45						20		155
G. Research								240				240
H. Funds Contribution	55	110	150	345							205	455
I. Personnel	530		150		700		275		125		1780	
J. Admin/Operating Costs	328		130		1467		589		187		2701	
SUB-TOTAL	913	362	430	390	2167	230	864	587	312	276	4686	1845
TOTAL - NON-CAPITAL											6,531	
TOTAL- CONTRIBUTIONS	<u>988</u>	<u>625</u>	<u>430</u>	<u>665</u>	<u>6418</u>	<u>4826</u>	<u>2660</u>	<u>2560</u>	<u>604</u>	<u>424</u>	<u>11100</u>	<u>9100</u>
VAL PROGRAM											20,200	

NOTE: AID's Capital Contribution may be decreased and utilized to increase AID's Non-Capital Contribution, provided that AID's contribution to each project element is not varied by more than ten percent (10%) and that the total variation among elements would not exceed \$910,000.

TABLE 2**CAPITAL COST BUDGET**

(Figures in US\$000)

		GOJ	AID	TOTAL
A. CONTINUING EDUCATION				
Subcenters & Experimental Schools (Modifications to 18 primary schools including up to 3 Experimental Schools)	Land	75		75
	Constr		252	252
	Equip		11	11
		<u>75</u>	<u>263</u>	<u>338</u>
B. RURAL PRIMARY				
Electrification Program	-			
Generators	-		65	65
Service/Maintenance	-		20	20
Installation	-		20	20
Wiring	-		130	130
Connecting	-		40	40
	Equip		<u>275</u>	<u>275</u>
C. RURAL SECONDARY				
Two Agricultural Vocational Schools (RRDCs)	Land	200		200
	Constr	3559	2913	6472
	Equip		<u>1331</u>	<u>1331</u>
		<u>3759</u>	<u>4244</u>	<u>8003</u>
Jamaica School of Ag	Land	50		50
	Constr	78		78
	Equip		61	61
		<u>128</u>	<u>61</u>	<u>189</u>
D. TEACHER EDUCATION				
Teacher Training College	Land	50		50
	Constr	1587	1299	2886
	Equip		544	544
		<u>1637</u>	<u>1843</u>	<u>3480</u>
E. MANAGEMENT DEVELOPMENT				
EDDC at Caenwood	Land	160		160
	Constr	120	98	218
	Equip		40	40
		<u>280</u>	<u>138</u>	<u>418</u>
SUB-TOTAL		5879	6824	2703
Contingency 10% on Construction C.D. & E)		<u>535</u>	<u>431</u>	<u>966</u>
TOTAL		<u>6414</u>	<u>7255</u>	<u>3669</u>

UNITED STATES GOVERNMENT

Memorandum

5320009

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PD-AAC-651

TO : PPC/DPRE/PR FILES

DATE: May 14, 1974

FROM : PPC/DPRE/PR, ^{Jm} John Welty

SUBJECT: Jamaica - CAP - Rural Education Sector Loan (\$9.1 Million)

A meeting of the LA/DAEC was held on May 10, 1974 to discuss the Jamaica Rural Education Sector Loan CAP. The meeting Issues Paper (attached) addressed all the issues contained therein through item III at which time - 6:45 p.m. - it was necessary to leave. Discussion continued until 7:40 p.m. The major issues to be revalued were narrowed down basically to two: clarification of the need for add-on teacher education and the number of schools and levels to be served by portable electrification units under this project.

It was explained that while the linkage between this education effort and the effect on the rural sector was not readily apparent, but during the life of the project the benchline data would indicate the effect this was producing. Also, we were reminded that our effort was only part of a larger effort by other donors and the Government of Jamaica (GOJ). Mrs. Jayetta Hecker noted that the linkage was weak and expressed concern that we might be premature in our implementation of this project.

The discussion was spirited but the concluding remarks of the Chairman indicated a general desire to proceed despite the internal shortcomings of the CAP and the tenuous demonstration of external efficiency in the analysis of the GOJ education sector.



Va/mk

INFORMATION MEMORANDUM FOR THE DEPUTY U.S. COORDINATOR

FROM: LA/DR - John R. Breen

SUBJECT: Issues Paper - Jamaica Rural Education Sector Loan

The DAEC will meet to consider a loan of \$9.1 million to the Government of Jamaica on Friday, May 10, 1974 at 2:00p.m. in the LA/DR conference room. The AID loan will provide approximately 50% of an \$18.1 million program designed to use education and human resources in coordination with inputs from other sectors to bring about a revitalization of the rural areas of the country. The specific program components financed under the proposed AID loan include: A) Continuing Education activities directed toward bringing non-formal educational resources to the rural population (\$1.3 million); B) Rural primary education activities designed to improve rural school facilities and develop experimental models to increase the relevance of primary education to the rural environment (\$1.8 million); C) Rural secondary education activities designed to develop facilities and programs for vocational training in the agricultural field (\$3.5 million); D) Teacher training activities designed to upgrade and expand the teaching resources needed to support the new priorities in rural education (\$1.8 million); and E) management, planning research and development activities in support of the sector program (\$0.7 million). The loan was included in the FY 1974 presentation to the Congress (Latin America p. 200). The issues to be discussed at the meeting include:

I. Continuing Education

A. The plan for the continuing education program estimates a total enrollment by 1977 of 3,600 adult participants of the 150,000 families identified among the target group. The total cost per participant at the RRDCs is estimated at \$150. How does this compare with the cost of formal primary education (about \$81 a year) with secondary education (about \$135 a year)? Is it reasonable to assume that the programs will eventually reach all of the rural poor? When? How much will it cost? Can the GOJ finance the expansion of the project?

B. It was noted that there are more than a dozen organizations currently involved in continuing education. What efforts will be made in connection with the project to coordinate these programs? Would it be more cost effective to give added support to these programs than to create a new one?

C. The project design mentions materials and radio but there is no budget for either of these in Annex IV.

II. Agricultural High Schools

A. Can the capital costs of these schools on a per pupil basis, amortized over a forty year period, be met?

B. The operational cost of the schools is estimated at \$1250.00 a year per pupil. Can this be justified? How does this compare with IBRD schools? Can the GOJ continue to finance these schools once in operation and expanded to 600 per school?

C. The list of equipment and farm machinery for the agricultural high schools leads one to assume that the school farms will be highly mechanized operations. If this is true how will the training affect the small farmer? How will the centers be used as demonstration centers?

D. Since the unit cost of capital is so high has the GOJ considered the possibility of methods of maximizing use of facilities such as the all year school? Will they agree to test this possibility in practice in connection with the project?

III. Rural Primary

A. Can it be reasonably expected that the experimental schools will be replicable within the existing school system?

B. The Loan Paper seems to propose substitution of central government financed maintenance for locally funded maintenance. Could more effective local maintenance without central government financing be brought about?

C. The Loan Paper does not discuss in detail the question of the need for electrification for education purposes. How important is it? What are the cost implications of using diesel generators?

IV. Community Participation

The continuing education and the school maintenance projects involve considerable community participation and cost sharing. What has been the experience in Jamaica with projects involving active community participation? Will these projects fail if the participation is not forthcoming?

V. Financing Terms

The CAP proposes that the loan be provided the Jamaican Government at AID's most concessional terms, e.g. ten year grace period, and thirty year principal repayment period with interest at two percent during the grace period and three percent thereafter. Since the IRR presentation in December, 1973, the balance of payments and current account position of Jamaica has considerably worsened (see pp. 1-14 CAP). Both the effect of recent economic developments and the nature of the project recommends that such a request be given positive consideration.



Department of State

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DRAFTED BY: LA/DRIMILLER/RSCHEICK/RSEIFMAN

APPROVED BY: AA/LATHERMAN/KLEINE

LA/DP:ASILVER

LA/DRITIVERS/SAPPELEGATE

LA/CARINWHEELER

LA/MRSD:RORENE

LA/DRIBSIDMAN

GC/LAIBVERET

PPC/DPRIJWELTY

DESIRED DISTRIBUTION: 7M

ACTION LA

INFO: GCLA, AATA, ED, OST, TAAG, AG, GC, GCELD, PA, PRG,

DSE, IIS, OA, C, CALI, HEN, AGRIC, CIA, TRSY, XMB,

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FM SECSTATE WASHDC

TO AMEMBASSY KINGSTON

UNCLAS STATE 018983

AIDAC

EO 11652: NA

SUBJ: JAMAICA EDUCATION: 81

REF: STATE 240587

... AFTER COMPREHENSIVE DISCUSSION AND REVIEW OF OVERALL OBJECTIVES OF THE PROPOSED LOAN AND INDIVIDUAL SUB-PROJECTS THE DAEC APPROVED IRR ON JAN 11, 1974. SET FORTH BELOW ARE GUIDANCE INSTRUCTIONS TO CARRY OUT INTENSIVE REVIEW OF THE GENERAL STRUCTURE OF PROJECT AND OF VARIOUS SUB-PROJECTS. IT IS IMPORTANT, HOWEVER, TO INDICATE FIRST GENERAL ASPECTS

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DO NOT APPRAISE POSSIBLE ALTERNATIVES TO METHODS (SOME CONVENTIONALLY SOME INNOVATIVE) IS RECOMMENDED FOR ACCOMPLISHING PARTS OF SECTOR OBJECTIVES. HOWEVER, IRR DID NOT ATTEMPT TO ASSESS INTERNAL EFFICIENCIES WHICH ARE TO BE ACCOMPLISHED UNDER OUR LOAN. YES INTERNAL CONSIDERATIONS, E.G., A DEVELOPMENT STRATEGY, WHICH COUNTRY'S EDUCATION PROGRAM SHOULD SUPPORT. WE BELIEVE THAT JAMAICAN EDUCATION STRATEGY, WHICH INVOLVES BOTH SOCIAL AND ECONOMIC ASPECTS, SHOULD ADDRESS CRITICAL PROBLEM OF EMPLOYMENT AND THAT EXTENT TO WHICH THIS FACTOR IS EMPHASIZED SHOULD HAVE DIRECT BEARING ON QUESTION OF WHAT ELEMENTS OF PROGRAM AID IS WILLING TO SUPPORT. FINALLY, EDUCATION PROGRAM BEING FINANCED BY AID SHOULD FIT WITHIN AN EDUCATION INVESTMENT STRATEGY COORDINATE

12 INTENSIVE REVIEW GUIDANCE FOR SPECIFIC SUB-PROJECT

A. AGRICULTURE VOCATIONAL EDUCATION: WHILE AID/W REVIEW OF EDUCATION ASSESSMENT (STATE 240007) VIEWED AGRICULTURAL/RURAL EDUCATION AS KEY PRIORITY AREA, TWO BROAD CONCERNS WITH IRR PROPOSAL WERE IDENTIFIED DURING DAEC:

(1) COMMITTEE QUESTIONED ABSORPTIVE CAPACITY OF AGRICULTURE SECTOR IN TERMS OF NEED FOR SKILLS BEING TAUGHT AND EFFECTIVE DEMAND (I.E. ANNUAL JOB OPENINGS) IMMEDIATELY AND AFTER FIRST FEW YEARS, FOR GRADUATES OF PROPOSED THREE NEW SCHOOLS. INTENSIVE REVIEW SHOULD EXAMINE REQUIREMENT FOR PROPOSED NUMBER OF GRADUATES TAKING INTO ACCOUNT WHETHER JAMAICAN AGRICULTURE SCHOOL MAY BE FILLING SOME OF ACTUAL DEMAND. PROPOSED ASSISTANCE FOR THIS SUB-PROJECT SHOULD BE RELATED TO AGRICULTURE SECTOR LIKELY EMPLOYMENT OPPORTUNITIES ESPECIALLY AS THEY BEAR ON GOJ INTENTIONS TO REVITALIZE AGRICULTURE. ANY PROPOSED INVESTMENT IN VOCATIONAL SCHOOLS MUST BE JUSTIFIABLE BOTH BY DEMONSTRATION OF NEED FOR SUCH SKILLS WITHIN AGRICULTURE SECTOR (RECENTLY COMPLETED IBRD AG SECTOR ANALYSIS SHOULD BE OF ASSISTANCE HERE) AND EMPLOYABILITY OF NUMBER OF GRADUATES PROPOSED (AS EMPLOYMENT GENERATION REPORT PROVIDES SOME GUIDANCE). IT SHOULD BE DEMONSTRATED THAT ADDITIONAL SCHOOLS ARE REQUIRED. THE INTENSIVE REVIEW SHOULD EXPLORE SUCH ALTERNATIVES AS EXPANSION OF JAS OR EX-



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EXPANSION OF EXISTING VOCATIONAL SCHOOL

(2) OF OBVIOUS INTEREST IN VIEW OF RESOURCES INVOLVED AS WELL AS CONSIDERATIONS RAISED UNDER PARA 2(A)(1) ABOVE, IS QUESTION OF ALTERNATIVES TO EXPANDING FORMAL AG VOCATIONAL EDUCATION PROGRAM TO MEET JAMAICA'S AGRICULTURAL PROBLEMS. IT SHOULD BE DEMONSTRATED THAT CONSTRUCTION OF NEW VOCATIONAL SCHOOLS IS AN EFFICIENT AND EFFECTIVE WAY OF MEETING FARMERS' NEED FOR TECHNICAL ASSISTANCE, AND PARTICULARLY SMALL FARMERS. THIS QUESTION IS PARTICULARLY PERTINENT IN VIEW OF WORLD-WIDE RESEARCH TO-DATE WHICH INDICATES THAT VOCATIONAL SCHOOL APPROACH MAY NOT BE MOST COST-EFFECTIVE IN COMPARISON WITH OTHER VIABLE ALTERNATIVES. IN TREATING THIS QUESTION, INTENSIVE REVIEW TEAM SHOULD CONSIDER OTHER POTENTIAL ALTERNATIVES SUCH AS PROGRAMS TO UP-GRADE SKILLS OF EXISTING PROFESSIONALS WORKING IN SECTOR, STRENGTHENING REMEDIAL TRAINING FOR POTENTIAL ENTRANTS TO JAS TO SUPPORT INCREASED ENROLMENT THERE, MAKING MORE EFFECTIVE USE OF EXISTING SCHOOL FACILITIES (DOUBLE SHIFTS, YEAR ROUND SESSIONS, ETC) TRAINING OF EXISTING PRIMARY TEACHERS TO HANDLE AGRICULTURE COURSES IN PRIMARY SCHOOLS RATHER THAN TRAINING OF AG SPECIALISTS FOR THIS PURPOSE, OR TRAINING PROGRAMS DIRECTED AT FARMERS AND FARM COMMUNITY LEADERS.

THE INTENSIVE REVIEW TEAM WILL INCLUDE AN AGRICULTURAL EDUCATION SPECIALIST AND HUMAN RESOURCES ECONOMIST WHO WILL COLLATE EXISTING DATA AND EVALUATE INPUT/OUTPUT REQUIREMENTS FOR AGRICULTURAL/VOCATIONAL INSTITUTES PROPOSED BY GOJ, AND ALTERNATIVE APPROACHES.

B. MANAGEMENT CAPABILITY OF SYSTEM: EMPHASIS SHOULD BE PLACED ON HOW EDUCATIONAL PLANNING, STATISTICS AND COST EVALUATION CAPABILITIES WILL BE DEVELOPED AND TO WHAT EXTENT THEY WILL NOT ONLY CONTRIBUTE TO INTERNAL EFFICIENCY AND EFFECTIVENESS BUT TO MEETING EXTERNAL DEVELOPMENT GOALS. IN ADDITION, COST RAMIFICATIONS OF DECISIONS TO PROCEED, E.G., DATA PROCESSING REQUIREMENTS, ADDITIONAL RESEARCH NEEDS AND SO FORTH, SHOULD BE SET IN CONTEXT OF WHAT BENEFITS CAN BE EXPECTED. LA/DR/EST EDUCATION ADVISOR WITH ASSISTANCE FROM AN EDUCATIONAL MANAGEMENT SPECIALIST WILL BE EXPECTED TO EXAMINE THESE QUESTIONS AND MAKE SPECIFIC PROPOSALS FOR TYPE OF TECHNICAL AND



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COMMODITY ASSISTANCE MOST APPROPRIATE FOR IMPROVING INDIVIDUAL COMPONENTS OF SYSTEM.

C. TRAINING AND UPGRADING OF TEACHERS: CONSIDERATION OF PROPOSAL TO CONSTRUCT A NEW FACILITY FOR TRAINING TEACHERS TO MEET CURRENT TEACHER TRAINING GAP AND PROVIDE SPECIALIZATION IN NON-FORMAL EDUCATION, SHOULD BE BASED ON: (1) GOJ POLICY DECISION ON LEVELS OF TRAINED TEACHERS IN SYSTEM; (2) ANALYSIS OF EXTENT OF TRAINED TEACHER SHORTFALL, WHY IT EXISTS, AND TEACHER UPGRADING NEEDS; (3) THE PRESENT UTILIZATION OF EXISTING FACILITIES; (4) PROJECTIONS ON POSSIBLE IMPACT OF SALARY INCREASES, TEACHER CREDIT AND REPATRIATION LOANS ON ATTRITION RATE AND THEREFORE ON THE DEMAND FOR TEACHER TRAINING; AND (5) THE COST OF THIS AND OTHER REASONABLE ALTERNATIVES FOR TRAINING TEACHERS INCLUDING FOR NON-FORMAL EDUCATION.

D. SYSTEMS MAINTENANCE: THIS SUB-PROJECT HAS TWO PARTS WHICH SHOULD BE SEPARATELY EVALUATED: A) DEVELOPMENT OF AN EFFECTIVE MAINTENANCE PROGRAM AND B) SCHOOL ELECTRIFICATION. THE PRIMARY EMPHASIS OF AID IS INVOLVEMENT IN THIS FIELD SHOULD BE IN DEVELOPING AN INSTITUTIONAL MAINTENANCE CAPACITY TO CARRY OUT AN ESSENTIAL SERVICES MAINTENANCE PROGRAM, INCLUDING THE INSTITUTION OF PREVENTIVE MAINTENANCE PROGRAM, APPROPRIATE FOR MAINTAINING ADEQUATE CONDITIONS IN EXISTING AND PROJECTED SCHOOLS. (OTHER MEANS, SUCH AS CONTRACTING OF SERVICES AND GREATER RELIANCE ON INDUSTRY OF PUBLIC WORKS, AND PARTICULARLY LOCAL SELF-HELP MAINTENANCE SHOULD BE EXPLORED). USAID ENGINEER SHOULD UNDERTAKE DEVELOPMENT OF THIS ASPECT OF PROJECT.

ELECTRIFICATION OF SCHOOLS SHOULD BE VIEWED IN TERMS OF DIRECT BENEFITS TO BE DERIVED SUCH AS THE CREATION OF AN INSTITUTIONAL CAPACITY TO ENABLE PROPOSED COMMUNITY/CONTINUOUS EDUCATION ACTIVITY TO BE CARRIED OUT. PROPOSED EQUIPMENT PURCHASES SHOULD BE SPelled OUT. INFORMATION REGARDING THE PROPOSED IDB RURAL ELECTRIFICATION LOAN SHOULD ALSO BE PRESENTED AND ANALYZED IN THE CAP. THIS SUB-PROJECT ELEMENT WILL BE RESPONSIBILITY OF AID/W EDUCATION ADVISOR AND AID/W COMMUNITY EDUCATION SPECIALIST ASSIGNED FOR APPROXIMATELY 3 WEEKS TO 1 AND HIRSHON ENGINEER.



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1. COMMUNITY/CONTINUING EDUCATION (CCE): CAP SHOULD DISCUSS ANY FUNCTIONING CONTINUING EDUCATION/COMMUNITY DEVELOPMENT PROGRAMS, GOVERNMENT OR PRIVATE AS WELL AS ANY OTHER PILOT PROJECTS, OPERATING OR PLANNED, DISCRETE COMMUNITIES WHICH WILL BE COVERED DURING PROJECT SHOULD BE IDENTIFIED, AS FAR AS POSSIBLE, BUT IN ANYCASE PROGRAM SIZE, PROGRAM CONTENT (AS RELATED TO DEVELOPMENT NEEDS) AND INPUT (PERSONNEL, MATERIALS, AVAILABLE FACILITIES) SHOULD BE ADDRESSED IN CAP. ELABORATION OF THIS SUB-PROJECT, WHICH MAY PROVE TO BE COMPLEX AND AMBITIOUS, WILL BE RESPONSIBILITY OF LA/DR EDUCATION ADVISOR AND AID/COMMUNITY EDUCATION SPECIALIST.

2. RESEARCH/EXPERIMENTATION: ANY PROPOSED RESEARCH/EXPERIMENTATION PROGRAM MUST BE SET IN CONTEXT OF RELIABLE DATA, SCOPE AND EXTENT AND NATURE OF APPLIED RESEARCH TO DATE. IT SHOULD BE ORIENTED TO EXTERNAL AS WELL AS INTERNAL EFFICIENCIES OF SYSTEM, INCLUDING ACCESS TO DISTRIBUTION OF EDUCATION TO GENERAL POPULATION. RESEARCH SHOULD BE GIVEN BROADEST INTERPRETATION AS TO INCLUDE WIDE RANGE OF FORMAL AND NON-FORMAL EDUCATION ACTIVITIES. PURPOSE OF EXPERIMENTAL SCHOOLS AND NATURE OF ANTICIPATED RESEARCH SHOULD BE DESCRIBED IN CAP ALONG WITH JUSTIFICATION OF NUMBER OF SCHOOLS AND CLASSROOMS TO BE CONSTRUCTED AS WELL AS THEIR COSTS RELATIVE TO ORDINARY JAMAICAN SCHOOL CONSTRUCTION COSTS. RELATED TO THIS IS QUESTION OF WHETHER NEW BUILDINGS ARE REQUIRED FOR RESEARCH PROGRAM. INTENSIVE REVIEW SHOULD EXPLORE WHY EXISTING SCHOOLS (OR PERHAPS LESSOR NUMBER OF NEW SCHOOLS) CANNOT BE UTILIZED FOR PROGRAM. LA/DR EDUCATION ADVISORS AND HUMAN RESOURCES ECONOMIST WILL BE

3. TEACHING TOOLS AND METHODS: CAP SHOULD IDENTIFY NATURE AND LEVELS OF TECHNICAL ASSISTANCE/TRAINING NEEDED AND DISCUSS HOW SUB-ELEMENTS SPEAK TO KEY EDUCATIONAL CONSTRAINTS AND OF WHAT ORDER OF PRIORITY THEY ARE IN TERMS OF EVOLVING EDUCATION STRATEGY. THE LA/DR EDUCATION ADVISOR, AGRICULTURAL EDUCATIONAL SPECIALIST AND EDUCATIONAL MANAGEMENT SPECIALIST WILL ADDRESS THIS SUB-ELEMENT.



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AND EXPENDITURES. IT WAS FELT THAT REASONABLE PROPORTION OF LOCAL CURRENCY FINANCING IS ACCEPTABLE.

4. IRR APPROVAL AND THESE GUIDANCE INSTRUCTIONS MAY BE CONVEYED TO GOJ AT MISSION'S DISCRETION. HOWEVER, IN LINE WITH NORMAL AID PRACTICE, GOJ SHOULD UNDERSTAND THAT IRR APPROVAL DOES NOT NECESSARILY IMPLY APPROVAL OF PROJECT, AND THAT FINAL RESULTS OF INTENSIVE REVIEW AS EXPRESSED IN DRAFT LOAN PAPER ARE SUBJECT TO MODIFICATION DURING AID/M CONSIDERATION OF LOAN PAPER, ESPECIALLY WITH RESPECT TO QUESTIONS NOTED ABOVE TO BE CONSIDERED DURING INTENSIVE REVIEW.

5. WE ANTICIPATE THAT LA/DR/EST, CHIEF STANLEY APPELDATE, WILL PARTICIPATE FOR 2 WEEKS TDY TO ASSIST IN GAP DEVELOPMENT.

6. PER STANDARD AID PROCEDURES, APPROVAL OF THIS IRR EXPIRES ONE YEAR FROM DATE THIS CABLE. KISSINGER