

# MANAGING DIRECTOR'S REPORT



Managing Director,  
Jamaica Social Investment Fund

**Scarlette Gillings, MA**

## Overview

It is now eight years since the Jamaica Social Investment Fund (JSIF) was established by the Government of Jamaica to address some of the immediate socio-economic needs of underserved communities in the country. The JSIF has endeavoured to implement projects which adhere to its mission of poverty alleviation and in keeping with its role in the national poverty eradication effort. This role has meant that the JSIF has implemented small scale socio-economic projects at the community level which complement the planning initiatives and work of local community groups and government agencies.

Since inception we have successfully completed 469 projects throughout the most underserved areas of Jamaica. To date our Board of Directors has approved 619 projects for implementation representing a total investment of J\$3.1 billion. This investment has been supported by funding received from the Government of Jamaica, World Bank, European Union, Caribbean Development Bank, Canadian International Development Agency, Inter-American Development Bank, Organisation of Petroleum Exporting Countries, Government of the Netherlands, the Department for International Development (UK) and contributions in kind from benefiting communities.

During the year, the performance of the organisation was influenced by recent changes that were made to the JSIF project cycle. These include a new application process and the greater time period required to prepare communities to implement projects using the Community based Contracting (CBC) methodology. Given the additional requirements, fewer projects were approved during the year. A total of 63 sub-projects were approved with a value of approximately J\$496 million and 58 projects at an approximate cost of J\$212 million were completed. In comparison to the previous year there was a decline of 25% in the total value of approved investments (2002/03).

Although the changes in JSIF's operating procedures have meant a decrease in the number of projects approved, the Fund continues to function in an efficient manner. During the 2003/04 year, approximately J\$415 million was disbursed on sub-projects. This represents an increase of 24% in sub-project disbursements compared to the previous year (2002/03). In fact the sub-project to admin expenses disbursement ratio was 81:19 for the current year, indicating that 81% of all disbursements for the year were for sub-projects. This is above the targeted ratio of 75:25.

## Targeting the Poor

Limited resources are available to the Fund to finance projects. As a result, we have to ensure that the communities that receive help are those in the greatest need. In this regard, JSIF uses the PIOJ Poverty Map, which classifies communities across Jamaica. In addition, the Fund specifically targets communities which were affected by the tourism fallout of September 11, 2001, rural communities damaged by flood rains, inner-city areas.

## Financing for Community Development

The Government of Jamaica has been able to mobilise resources in order to finance the operations of the JSIF. Current funding programmes include a US\$15 million loan from the World Bank to finance the NCDP, a 6 million euro grant from the European Union to finance the Poverty Reduction Programme and a US\$2.86 million grant from the CIDA/CDB Basic Needs Trust Fund.

For the year 2003/04, the Fund received approximately J\$520 million. Of this amount,

- J\$164M was received from the CDB
- J\$120M from the GOJ
- J\$109M from the EU
- J\$57M from the World Bank
- J\$45.8 million in community contributions from beneficiaries



Mr. Abhas Jha, Senior Infrastructure Specialist in the World Bank's Latin America and Caribbean Region, addressing participants at one of JSIF's Community Based Contracting workshops in June 2004.

### Facilitating Community Driven Development

The implementation of both the Poverty Reduction Programme (PRP) and the National Community Development Project (NCDP) called for changes in JSIF's approach to dealing with various beneficiaries. More specifically, there was a shift towards Community Driven Development and the utilisation of methodologies which would give community groups a more central role in the project implementation process.

The primary mechanism employed is Community Based Contracting (CBC) a component of CDD which seeks to give the community control of decision-making and resources for their subprojects. CBO's are now required to take responsibility for aspects of their projects, including project management, financial administration and the procurement of goods and labour.

Recognising training would be necessary to prepare communities for the additional responsibilities of CBC JSIF held seven (7) workshops between October 2003 and June 2004 with approximately 340 persons from prospective sponsor groups participating. JSIF also developed a simple instruction manual outlining the models for CBC implementation, roles and responsibilities of the community's project management committee and guidelines for executing projects.

In the training and preparation of communities for CBC, JSIF worked closely with other Government agencies who had expertise in relevant areas. In February 2004, JSIF signed an

Inter-Institutional Agreement with the Social Development Commission (SDC), the agency in charge of community development. Under the terms of the agreement, the SDC has been contracted to assist communities to prepare development plans and complete applications to JSIF.



Dr. Wesley Hughes, (left) Chairman of the Jamaica Social Investment Fund (JSIF) and Mr. Robert Bryan, Executive Director of the Social Development Commission (SDC) signing the inter-institutional agreement between JSIF and the SDC. JSIF's Finance Manager, Mrs. Faith Graham, (second left) and Social Development Manager, Mrs. Vivienne Williams-Thompson witnessed the signing.

Additionally, any CBO implementing a project with CBC must have legal status in order to receive project funds from JSIF. The Department of Cooperatives and Friendly Societies



SDC/DFID Participation Advisor, Mr. Nigel Coulson, addressing JSIF's Parish Council Workshop held in May 2004. Listening in are JSIF's Operation's Manager, Mr. Omar Sweeney (Centre) and Dr. Jaslin Salmon, Director Programme Co-ordination and Monitoring Unit, National Poverty Eradication Programme.

(DCFS) is providing the necessary training for these groups in order to enable them to establish Benevolent Societies, which meets the necessary legal requirements.



The team from the Department of Co-operatives and Friendly Societies (DCFS) Ms. Paulette Kirkland (left), Director of Development and Training, Mr. Norman Gordon, Registrar and Ms. Shamo McClean, Training Officer at one of JSIF's Community Based Contracting workshops.

A workshop was also held for representatives from the Parish Councils and key government agencies. The aim of the workshop was to make the participants aware of the JSIF's new application procedures and to examine ways of working more closely together so projects can be completed quickly and properly maintained after they are handed over to the communities. As a result of the workshop it is anticipated that there will be:

- An increased role for the Parish Council's in the project design and implementation process.
- Better targeting of projects at the ground level
- Increased collaboration between the political and technical stakeholders of each project.

Up to July 2004, JSIF had approved 18 CBC projects with an estimated total value of \$181 million. CBC has been a learning process for JSIF's management and staff with very positive results. The following are details on some of the more significant CBC projects that have been undertaken in the past year.

## Whitfield Town Sanitation Upgrading



Construction activities underway

- One of the largest community development initiatives to be undertaken by the Jamaica Social Investment Fund (JSIF).
- The project is financed under a J\$35 million allocation from the European Union's (EU) Poverty Reduction Programme (PRP).
- 100 domestic sanitation units (DSUs) consisting of flush toilets and showers are being constructed, 70 existing sanitation units are being rehabilitated and an external water supply and sewer system is being installed.



Beneficiaries of the Whitfield Town Sanitation Project.

## Galilee Basic School Construction



Whitfield Town community members working on their project.



Head of the EU Delegation in Jamaica, Mr. Gerd Jarchow breaking ground for the Galilee Basic School Project. He is joined by JSIF MD Mrs. Scarlett Gillings and Project Director Mr. Arnold Aiken.

- Residents of the community have received managerial and vocational training in preparation for project implementation.
- An estimated 260 persons from the community are expected to find temporary employment during the execution of the project.
- An accompanying health education project will provide training for the wider community about the proper use and maintenance of the sanitation facilities and basic hygiene awareness.
- Over 1500 inner-city residents are expected to benefit.
- Implementation of the project began in December 2003 and should be completed by the end of 2004.

- The J\$12 million project was the first to be implemented and completed under the European Union's Poverty Reduction Programme (PRP).
- The project was completed on time and \$1.5 million under the budget.
- The community contribution included formulating the project, preparing the Bill of Quantities and organizing labour on a voluntary basis and at discounted costs.
- The beneficiaries include 155 students between the ages of 3 – 6 who are from innercity communities.



Whitfield Town community members working on their project.



Students at the Galilee Basic School enjoying their new facilities.

## St Leonard's Basic School Completion

- The Community raised funds on their own to start work on the building and acted as project managers for the completion, which was financed by JSIF
- Financed by a J\$5 million allocation under the European Union's Poverty Reduction Programme (PRP).
- The knowledge of project management garnered by the PMC is being passed on to the wider community through information sharing exercises.
- The project began in April 2004 and is scheduled to be completed by the end of August 2004.



Members of the St. Leonard's Benevolent Society signing the financial agreement for their project.

A handwritten signature in black ink, appearing to read 'Scarlett Gillings', positioned above a horizontal line.

Scarlette Gillings

Managing Director

Dated this 25th day of August, 2004



A planning meeting for the St. Leonard's Basic School project.