

JAMAICA SOCIAL INVESTMENT FUND FINANCING

Initial funding for the JSIF was obtained from the World Bank (IBRD / WB) in the form of a US\$20 million loan, this helped to leverage assistance from other sources as follows - the Inter-American Development Bank (IDB) US\$10 million, the Government of the Netherlands US\$3 million, Organisation of Petroleum Exporting Countries (OPEC) US\$2 million, and the Department for International Development (DFID) £476,000 (US\$0.75M). In 2000, additional funding in loans and grants was secured from the Caribbean Development Bank (CDB) US\$14.32M, and the European Union a 6 million respectively.

JSIF was chosen as the executing agency for the EU's Poverty Reduction Programme (PRP), which is funded by an EU a 6 million grant because of the Fund's notable success in targeting and improving the conditions in some of the poorest communities. This Project has an increased emphasis on community contracting and beneficiary participation; which gives communities more control over the design and implementation of their projects.

The WB is also taking a community driven approach through its, National Community Development Project (NCDP), which is financed by a loan of US\$15M to the

Government of Jamaica (GOJ). The NCDP is focused on development through increased involvement of the community at all stages of the project cycle. It was officially launched on February 17, 2003 and is to be implemented over a four (4) year period. In 2005 the GOJ obtained further funding to support the NCDP from the Organisation of Petroleum Exporting Countries, which has entered into a loan agreement for US \$5 million that will end in 2009.

Further funding was obtained in June 2003 with The Basic Needs Trust Fund grant of US\$2.86M, which is being provided jointly by the CDB and the Canadian International Development Agency (CIDA). This grant makes funding available for infrastructure construction, minor maintenance for education and health facilities, skills training and upgrading, institutional strengthening, public awareness and information, and project management and implementation. During 2005 the GOJ negotiated with the WB to provide financing for the preparation of the Inner City Basic Services for the Poor (ICBSP), a project intended to improve access to basic and socio-economic infrastructure for residents in targeted

communities in Kingston and St. Andrew, St. Catherine, Clarendon and St. James. A grant of US\$650,000 has been provided from the Japanese Policy and Human Resources Development (PHRD) fund, along with a project preparation loan of US\$650,000 from the WB toward these

project preparation activities. It is anticipated that the ICBSP will commence implementation early in the next financial year with funding of approximately US\$25M from the WB.

BREAKDOWN OF FUNDING ARRANGEMENTS

Current Funding Agreements

SOURCE	AMOUNT ¹ (US\$m)	CLOSING DATE	TYPE
Government of Jamaica	14.66	Ongoing	Local Counterpart
Beneficiaries (Community Contribution)	1.62	Ongoing	Local Counterpart
Organisation of Petroleum Exporting Countries	5	June 30, 2009	Loan
International Bank for Reconstruction and Development (Inner City Basic Services for the Poor - project preparation)	0.65	January 16, 2006	Loan
Japanese Policy and Human Resources Development (PHRD)	0.65	December 31, 2005	Grant
Basic Needs Trust Fund	2.86	June 30, 2010	Grant
International Bank for Reconstruction and Development (NCDP)	15	January 31, 2007	Loan
European Union	6.4	December 2005	Grant ²
Caribbean Development Bank	14.32	March 31, 2006 ³	Loan ⁴
Total	61.16		

¹ Amounts expected to be drawn on

² 6 million Euro approximately US\$ 6.4 million, at the date of the signing of the financing agreement

³ Revised Closing date

⁴ This amount includes a grant of US\$124,000

Closed Funding Agreements

SOURCE	AMOUNT⁵ (US\$m)	CLOSING DATE	TYPE
Beneficiaries (Community Contribution) ⁶	1.83		Local Counterpart
Government of Jamaica ⁷	10 ⁸		Local Counterpart
Inter-American Development Bank	9.5	July 31, 2002	Loan
Department for International Development	0.77	December 31, 2001	Grant
International Bank for Reconstruction and Development	20	July 31, 2001	Loan
Organisation of Petroleum Exporting Countries	2	June 30, 2001	Loan
Government of the Netherlands	2.8	March 31, 2001	Grant
Government of Japan	.49	December 31, 1996	Grant
Total	47.39		

⁵ Actual amounts drawn

⁶ Varied closing dates for each funding source as agreed on in the relevant financing agreements

⁷ Varied closing dates for each funding source as agreed on in the relevant financing agreements

⁸ This incorporates financing from the European Union during the first phase