



MINISTRY PAPER NO. ___

MINISTRY OF FINANCE AND PLANNING

DEFERRED FINANCING

Introduction

Submitted for due consideration of this Honourable House, is the Report on the Status of Deferred Financing activities for the period ended March 31, 2006. This Report is being presented pursuant to Section 24E (8) of the Financial Administration and Audit Act (the Act), which requires the Minister to report to the House of Representatives on: -

- (a) the scope of projects;
- (b) the level of financial commitments and the expenditure to date;
- (c) the physical targets; and
- (d) the phasing in of the Government's obligations in respect thereof within the annual estimates of revenue and expenditure,

Status Report

During the period April 1, 2005 to March 31, 2006, no new project was authorised under the *Deferred Financing Facility*. However, disbursements continued on three (3) existing projects, as follows:

- a) Cleaning of the Sandy Gully and Dredging of the Hunt's Bay & Rio Cobre Estuary Phase 11;
- b) North Western Jamaica Schools Project; and
- c) Construction of the state of the art 100-man Police Station at Falmouth, Trelawny.

Expenditure on these projects during the review period amounted to approximately **\$831.1 million**, to bring the total expenditure on the projects to \$4,641.0 million. No cost overruns or variations have been reported on these projects to date.

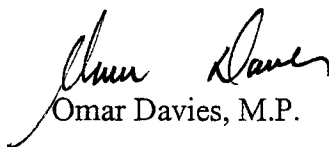
For FY2006/2007, approximately \$1,840.9 million is being provided in the Estimates of Expenditure under the Ministries of Education and Youth, and Transport, Works and Housing.

The schedule of the phasing of the Government's obligations in respect of the annual Estimates of Revenue and Expenditure has been revised to reflect the additional disbursements and is attached at Schedule No.2.

Schedules

Schedule 1 – List of North Western Schools being constructed under Deferred Financing Facilities

Schedule 2 - Schedule of Budgetary Provisions for Deferred Financing Facilities



Omar Davies, M.P.

Minister of Finance and Planning

April 24, 2006

Scope of Projects

a) Cleaning of the Sandy Gully and Dredging of the Hunt's Bay & Rio Cobre Estuary Phase 11

The works on this project were completed during the review period.

b) North Western Jamaica Schools Project

Of the seventeen (17) schools approved for construction under this project, eleven (11) have been completed and handed over to the Ministry of Education; two (2) are currently in advanced stages of completion, while preliminary works only have been completed on the remaining three (3). Practical completion on this project is expected to be achieved during the first half of this fiscal year.

c) Construction of the *state of the art* 100-man Police Station at Falmouth

Preliminary construction work has commenced on this project. However, some delays have been reported. These delays have been attributed to the lack of approval from the Jamaica National Heritage Trust, and the National Water Commission in respect of sewerage disposal.

Financial Commitments/Budgetary Provisions

Since 1997, approximately \$13,538.82 million has been authorized under the *Deferred Financing Facility* arrangement. As at March 31, 2006, approximately \$7,002.16 million has been included in the stock of Public Debt as a result of the *deferred financing* related obligations. A total of \$4,230.58 million of principal has been repaid, while approximately \$2,173.72 million has been paid in interest. The Honourable House is asked to note that the expenditures undertaken under the *Deferred Financing* arrangements have contributed to improving the country's infrastructure, through the rehabilitation of several kilometres of roads, the refurbishing and construction of bridges, schools, police stations and aerodromes.

The House should also note that budgetary allocations totaling \$3,818.7 million were included in the FY2005/2006 Estimates of Expenditure, appropriate to the relevant ministries, pursuant to the provisions of the Act, which require that the corresponding amounts of principal repayments due in the fiscal years (in addition to being provided for in the Public Debt), be provided in the respective ministries' appropriations.

14. **Lucea Basic School, Hanover** 98% complete
15. **Warsop/Wait-a-Bit High School**
Contractor mobilizing to commence site works
16. **Retirement Basic School (Rosemount Basic)**
Site clearance done and works are about to start
17. **Hopewell/Sandy Bay Basic School**
Clearing site to begin site work

April 13, 2006

SCHEDULE NO. 1

MINISTRY OF FINANCE AND PLANNING

**LIST OF NORTHWESTERN SCHOOLS
BEING CONSTRUCTED UNDER DEFERRED FINANCING FACILITIES**

1.	Frome Technical High School Works completed and school handed over	100% complete
2.	Irwin High School (Pitfour/Fairfield) Works completed and school handed over	100% complete
3.	Holland High School (Falmouth) Works completed and school handed over	100% complete
4.	Success Primary School (Lilliput/Barrett Town) Works completed and school handed over	100% complete
5.	Irwin Primary School (Pitfour/Fairfield) Works completed and school handed over	100% complete
6.	Spot Valley (Rose Hall High School) Works completed and school handed over	100% complete
7.	Green Pond High School Works completed and school handed over	100% complete
8.	Green Pond Primary School Works completed and school handed over	100% complete
9.	Green Pond Basic School Works completed and school handed over	100% complete
10.	Hague Primary School (Falmouth/Rock) Works completed and school handed over	100% complete
11.	Hague Basic School, Works completed and school handed over	100% complete
12.	Hopewell High School, Hanover	93% complete
13.	Orange Bay High School, Hanover	15% complete

“	North Coast Highway	31,178,332.06
“	North Coast Highway	74,649,654.97
“	North Coast Highway	18,302,618.16
“	Traffic Management & North Coast Highway	232,276,555.02
“	BNS – Dredging of Sandy Gully & Dualisation of Howard Cooke Blvd/Alice Eldermire Drive (Tr. A)	420,169,744.00
Ministry of Education	BNS – North Western Jamaica Schools (Tr. A)	350,373,085.00
“	UDC/WIHCON St. Catherine Schools	638,500,000.00
TOTAL 2006/07		1,840,852,884.28

2007/2008

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	39,492,554.00
“	North Coast Highway	9,162,220.00
“	Traffic Management & North Coast Highway	290,345,694.00
Ministry of Transport and Works (A)	North Coast Highway	9,162,697.00
“	BNS – Dredging of Sandy Gully & Dualisation of Howard Cooke Blvd/Alice Eldermire Drive (Tr. A)	420,169,744.00
Ministry of Education	BNS – North Western Jamaica Schools (Tr. A)	350,373,085.00
TOTAL 2007/08		1,118,705,994.00

2008/2009

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
“	BNS – Dredging of Sandy Gully & Dualisation of Howard Cooke Blvd/Alice Eldermire Drive (Tr. A)	420,169,744.00
Ministry of Education	BNS – North Western Jamaica Schools (Tr. A)	350,373,085.00
TOTAL 2008/09		788,867,746.00

SCHEDULE No. 2

MINISTRY OF FINANCE AND PLANNING

**SCHEDULE OF BUDGETARY PROVISIONS
FOR DEFERRED FINANCING FACILITIES**

BELOW ARE THE ACTUAL PROVISIONS FOR 2005/06 AND THE ESTIMATED REQUIREMENTS FOR 2006/2007 TO 2016/2017

2005/2006

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	NCB – Washington Blvd/ Mandela Highway	61,327,374.00
“	NCB – Trafalgar/Old Harbour/Mt Rosser	53,973,098.00
“	North Coast Highway	39,492,554.00
“	North Coast Highway	74,649,655.00
“	North Coast Highway	28,979,146.00
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	Traffic Management & North Coast Highway	290,345,694.00
“	North Coast Highway	9,162,697.00
“	BNS – Dredging of Sandy Gully & Dualisation of Howard Cooke Blvd/Alice Eldermire Drive (Tr. A)	420,169,744.00
Ministry of Education	BNS – North Western Jamaica Schools Tr. A)	350,373,085.00
Ministry of Transport and Works (A)	BNS – Dredging of Sandy Gully & Dualisation of Howard Cooke Blvd/Alice Eldermire Drive (Tr. B)	826,475,822.00
Ministry of Education	BNS – North Western Jamaica Schools (Tr. B)	1,016,089,387.00
“	UDC/WIHCON St. Catherine Schools	638,500,000.00
TOTAL 2005/06		3,818,700,476.00

2006/2007

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	NCB – Trafalgar/Old Harbour/Mt Rosser	26,986,548.51
“	NCB – Washington Blvd/ Mandela Highway	48,416,346.57

2014/2015

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2014/15		18,324,917.00

2015/2016

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2015/16		18,324,917.00

2016/2017

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2016/17		18,324,917.00

2017/2018

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	275,188,660.00
TOTAL 2017/18		275,188,660.00

April 13,2006

2009/2010

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	18,324,917.00
“	BNS – Dredging of Sandy Gully & Dualisation of Howard Cooke Blvd/Alice Eldermire Drive (Tr. A)	210,084,872.00
Ministry of Education	BNS – North Western Jamaica Schools (Tr. A)	175,186,542.00
TOTAL 2009/10		403,596,331.00

2010/2011

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2010/11		18,324,917.00

2011/2012

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2011/12		18,324,917.00

2012/2013

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2012/13		18,324,917.00

2013/2014

<u>Ministry</u>	<u>Project</u>	<u>Amount</u> \$
Ministry of Transport and Works (A)	North Coast Highway	9,162,220.00
“	North Coast Highway	9,162,697.00
TOTAL 2013/14		18,324,917.00