

## **JAMAICA**

### **Environmental Cooperation**

*Agreement signed at Washington November 26, 1991;  
Entered into force November 26, 1991.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED  
STATES OF AMERICA AND THE GOVERNMENT OF JAMAICA  
CONCERNING THE ESTABLISHMENT OF AN ENTERPRISE FOR  
THE AMERICAS ENVIRONMENTAL FOUNDATION

The Government of the United States of America and the Government of Jamaica ("The Parties"),

Seeking to implement the Enterprise for the Americas Initiative,

Desiring to enhance the friendship and spirit of cooperation between the Parties,

Desiring to promote environmentally sound and sustainable economic development,

Recognizing that environmental protection, conservation and sustainable natural resource management are key elements in building an ecologically and economically sound future for all countries in the Western Hemisphere,

Wishing to follow upon the Agreement Between the Parties Regarding the Reduction of Certain Debts Owed to the United States Government and its Agencies (the "Debt Reduction Agreement") of August 23, 1991, which reduces certain debt owed by the Government of Jamaica to the Government of the United States of America, through the exchange of old obligations for a new obligation ("New EAI Obligation"),

Have agreed as follows:

Article I  
PURPOSE

The purpose of this Agreement is to provide for the establishment of an Enterprise for the Americas Environmental Foundation for the promotion and implementation of activities designed to conserve and manage the natural resources and environment of Jamaica in the interest of sustainable development.

Article II  
ESTABLISHMENT OF THE ENVIRONMENTAL FOUNDATION

1. The Government of Jamaica shall ensure that an environmental foundation ("the Foundation") is established in accordance with the laws of Jamaica.

2. The Parties, jointly in consultation with prospective members of the Board of the Foundation to be established pursuant to Article IV, shall agree on Articles of Association governing the operation of the Board of the Foundation.

No disbursements pursuant to Article VII 1. and VII 2. may be made prior to the adoption of the Articles of Association. The procedures for its operations, other than those set forth in the Articles of Association, shall be adopted by the Board by a majority vote provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance with Article IV 1.a. and b.

### Article III ESTABLISHMENT OF THE ENVIRONMENTAL FUND

1. The Government of Jamaica shall create an environmental fund (the "Fund") which shall be administered by the Foundation established pursuant to Article II. Any monies deposited in the Fund, or grants made from the Fund, shall be free from any taxation, levies, fees or other charges imposed by the Parties to the extent permissible by law.

2. Subject to Article IV of the Debt Reduction Agreement, the Government of Jamaica shall ensure that the entire amount of interest owed on the New EAI Obligation falling due on or after the date of entry into force of this Agreement is deposited in local currency in the Fund in accordance with the payment schedule at Appendix B of the Debt Reduction Agreement. Any interest which becomes due on the New EAI Obligation prior to the date of the entry into force of this Agreement, or subsequent to the termination of this Agreement pursuant to Article X, shall not be deposited in the Fund but shall be deposited in U.S. dollars in the appropriate U.S. Government account.

3. Monies from other sources, including public and private creditors of the Government of Jamaica, in the form of local currency or other currencies, may also be deposited into the Fund. Once deposited, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

4. Deposits in the Fund shall be the property of the Government of Jamaica until they are disbursed.

### Article IV THE BOARD OF THE ENVIRONMENTAL FOUNDATION

1. The Parties shall ensure that a Board of the Foundation is suitably constituted. It shall consist of the following seven members:

- a. one representative of the Government of Jamaica;

- b. one representative of the Government of the United States of America;
- c. one representative of the University of the West Indies;
- d. four representatives from a broad range of Jamaican environmental and local community development nongovernmental organizations, and scientific and academic bodies. These representatives shall constitute a majority of the members of the Board.

2. The four representatives described in paragraph 1.d. above shall be appointed by the Government of Jamaica in consultation with nongovernmental organizations.

3. The appointment of the representative described in paragraph 1.c. above shall be made by the Government of Jamaica on the recommendation of the Vice-Chancellor of the University of the West Indies.

4. Board members representing each Party shall serve at the discretion of that Party. Board members described in paragraph 1.c. and 1.d. above shall serve for a period of two years and may be removed only to the extent provided by law. Consecutive terms may be permitted.

5. If at any time the Board considers a particular issue involving activities or interests of any organization, a representative of which is a member of the Board, that representative shall present to the Board a statement of such activities or interests. Such representative shall not participate in the discussions or decisions of the Board involving that particular issue, to the extent such participation would present a conflict of interest.

6. The Board of the Foundation shall meet at least once every four months.

7. The quorum for Board meetings shall be five members, of which two shall be representatives of the Parties.

## Article V

### FUNCTIONS OF THE ENVIRONMENTAL FOUNDATION

1. The Board of the Foundation shall be responsible for the management of the program and oversight of grant activities funded from the resources of the Fund. In this capacity the Board of the Foundation shall:

- a. Issue and widely disseminate a public announcement of the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance and the qualifications of organizations eligible to submit proposals for grant awards;

- b. Receive proposals for grant assistance from entities described in Article VI 2. of this Agreement, and make grants to such entities for the activities enumerated in Article VI 1. of this Agreement;
  - c. Publicly announce grants awarded by the Foundation.
- 2. The Board of the Foundation shall have overall responsibility for the Fund and shall establish policies and approve projects.
- 3. The Board of the Foundation shall appoint a fiscal agent to manage the investment portfolio of the Fund.
  - a. The fiscal agent shall be charged with the investment and disbursement of the monies in the Fund. The terms of appointment of the fiscal agent shall include a provision that requires the fiscal agent to ensure that the Board of the Foundation is promptly notified in writing when the Government of Jamaica makes a deposit in the Fund.
  - b. Deposits in the Fund shall be prudently invested by the fiscal agent. Returns on investment shall be deposited by the fiscal agent in the Fund.
  - c. The fiscal agent shall make every effort to ensure that such investments yield a positive real interest rate as defined in terms of the Jamaican Consumer Price Index. To the extent that prudent investment practices are not accomplishing this goal, the Foundation shall promptly bring this matter to the attention of the Parties for their consideration, with a view toward pursuing appropriate corrective measures.
- 4. The Board of the Foundation shall be empowered to engage staff for the proper performance of its functions and to engage independent contractors as technical or professional staff as necessary.
- 5. The Board of the Foundation shall present to the Parties:
  - a. An annual program by 1 June 1992, and thereafter on the first of June of each year, covering the following twelve-month period from 1 August through 31 July;
  - b. An annual report by 30 October 1993, and thereafter on 30 October of each year, on the activities funded by the Foundation (which shall include on-going, multi-year projects) covering the previous 1 August – 31 July period;

- c. An annual audit by an independent auditor, by 30 October 1993, and thereafter on 30 October of each year, covering the previous 1 August – 31 July period.

6. Proposed grants from the Fund in excess of U.S. dollars 100,000 over the life of a project shall be presented by the Board to both Parties. If either Party disapproves of such a grant, that Party must notify the Board of its disapproval, in which case the Board may not award the proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members of the Board shall no longer be subject to either Party's disapproval.

7. The Board of the Foundation shall ensure that performance under grants is monitored to determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee to the Foundation. Such reports shall review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least annually.

## Article VI

### ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded under this Agreement are:
  - (i) restoration, protection, or sustainable use of the world's oceans, seas, and atmosphere;
  - (ii) restoration, protection, or sustainable use of diverse animal and plant species;
  - (iii) establishment, restoration, protection, and maintenance of parks and reserves;
  - (iv) development and implementation of sound systems of natural resource management;
  - (v) development and support of local conservation programs;
  - (vi) training programs to strengthen conservation institutions and increase scientific technical, and managerial capabilities of individuals and organizations involved in conservation efforts;
  - (vii) efforts to generate knowledge, increase understanding and enhance public commitment to conservation;
  - (viii) design and implementation of sound programs of land and ecosystem management;

- (ix) promotion of regenerative approaches in farming, forestry, fishing, and watershed management;
- (x) agriculture-related activities, including those that provide for the biological prevention and control of animal and plant pests and diseases, to benefit the environment; and
- (xi) local community initiatives that promote conservation and sustainable use of the environment.

2. Organizations which shall be eligible for grants from the Fund are:

- a. Jamaican nongovernmental environmental, conservation, development, and educational organizations;
- b. Other appropriate local or regional entities;
- c. In exceptional circumstances, the Government of Jamaica.

Grants shall be awarded to organizations strictly on the merits of proposals presented to the Board of the Foundation without regard to whether the proposing organization does or does not have representation on the Board.

3. The Board of the Foundation shall give priority to projects that are managed by nongovernmental organizations and that involve local communities in their planning and execution.

## Article VII

### PAYMENTS FROM THE FUND

1. The Board of the Foundation may disburse grants from the Fund to organizations eligible under Article VI 2. when it approves a proposal eligible under Article VI 1. All disbursements shall be made pursuant to a project grant agreement and be made promptly. In no case shall more than 14 days elapse after receipt by the fiscal agent of a request from the Foundation for disbursement of funds and actual disbursement of such funds.

2. The Board of the Foundation may direct the fiscal agent to draw sums from the Fund necessary to pay for the Foundation's administrative expenses, including the fiscal audit required pursuant to Article V. These sums may not exceed 15 percent per annum of the annual payments into the Fund made by the Government of Jamaica pursuant to the Debt Reduction Agreement, except as the Parties may otherwise agree by exchange of notes.

Article VIII  
CONSULTATION AND REVIEW

1. Upon the request of either Party, the Parties shall consult concerning the implementation or interpretation of this Agreement. These consultations shall take place within 60 days after the request for consultation is received in writing from the other Party.

2. Either Party may request consultation with the Foundation and the other Party after reviewing the Foundation's reports and audits presented pursuant to Article V 5. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

3. The Parties will meet to review the operation of this Agreement three years from the date of its entry into force.

Article IX  
SUSPENSION OF DISBURSEMENTS

1. If at any time either of the Parties determines that issues requiring consultation under Article VIII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the Government of the United States of America, the Government of Jamaica shall immediately instruct the Board to suspend disbursements which may be made under Article VII 1. of this Agreement.

3. Upon providing such written notification to the Government of the United States of America, the Government of Jamaica may immediately instruct the Board to suspend disbursements which may be made under Article VII 1. of this Agreement.

4.
  - a. suspension of disbursements shall mean that no further approval of grants will be undertaken until the Parties agree to resume such activity.
  - b. Disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement is suspended pursuant to that grant agreement.
  - c. Notwithstanding subparagraph 4.b. above, should the Parties jointly certify in writing to the Board that the manner in which the grant agreement was approved was inconsistent with Article IV 5. or the Articles of Association of the Foundation, the



Parties may require the Board to suspend disbursements pursuant to that grant agreement.

5. If the Government of Jamaica fails to suspend disbursements which may be made under Article VII 1. of the Agreement within 14 days of receiving written notification from the Government of the United States (“the notification period”), the Government of the United States may, at its discretion, require that interest payments on the New EAI Obligation referred to in Article III of this Agreement falling due subsequent to the notification period, be made in U.S. dollars and be deposited in the appropriate U.S. Government account(s).

#### Article X TERMINATION

1. Either Party may terminate this Agreement upon six months’ written notice to the other Party.

2. No disbursements from the Fund shall occur after a Party has given notice to terminate this Agreement, unless the Parties agree to permit disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.

3. Upon termination of this Agreement, amounts remaining in the Fund shall, at the discretion of the United States Government, be converted into U.S. dollars and transferred by the Government of Jamaica into the appropriate United States Government account(s).

#### Article XI ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

1. This Agreement shall enter into force upon signature and shall remain in force unless terminated by the Parties in accordance with Article X.

2. This Agreement may be amended by written agreement of the Parties.

3. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental or conservation purposes.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Washington, this 26th day of November, 1991, in duplicate, in the English language.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:	FOR THE GOVERNMENT OF JAMAICA:
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E.U. Curtis Bohlen

Richard L. Bernal