



DEPARTMENT OF EXTERNAL AFFAIRS  
MINISTÈRE DES AFFAIRES EXTÉRIEURES

# communiqué

No: 5  
No.: 5

DIFFUSION: FOR IMMEDIATE RELEASE  
RELEASE: JANUARY 16, 1981

## CANADA ANNOUNCES NEW ASSISTANCE FOR JAMAICA

On the occasion of his meeting today with Prime Minister Edward Seaga of Jamaica, the Secretary of State for External Affairs, Dr. Mark MacGuigan, informed him that Canada will provide at least \$3 million additional government-to-government assistance to Jamaica in 1981. This assistance would be additional to the nearly \$7 million regular Canadian bilateral development assistance in 1980-81.

Dr. MacGuigan also indicated to Prime Minister Seaga that:

- (a) Canada intends to increase its regular programmed bilateral development assistance to \$8 million in 1981-82;
- (b) Canadian International Development Agency (CIDA) officials would discuss a second \$10 million development line of credit for the agricultural sector with a major portion of disbursements in 1981-82 and 1982-83;
- (c) CIDA would send a major planning mission to Jamaica next month to develop a longer-term development assistance programme consistent with the economic recovery programme being discussed with the International Monetary Fund (IMF) and the priorities established by the Government of Jamaica;
- (d) Under CIDA's Industrial Co-operation Programme \$247,000 has been allocated to a Canadian firm, CEDSI Inc. (Canadian Energy Development Systems International), to collaborate with the Jamaican Ministry

of Mining and Energy to plan the development of small scale hydro-electric units for rural communities. This project will also contribute to the establishment of a programme of energy self-sufficiency and energy development for agricultural production and rural development of Jamaica.

The additional economic assistance of at least \$3 million is to help Jamaica purchase essential imports of food and commodities. Dr. MacGuigan noted that Canada would also consider providing emergency bilateral balance of payments support to Jamaica when the discussions between the Government of Jamaica and the IMF are satisfactorily completed.

This additional bilateral assistance will be provided in the form of a concessional loan by CIDA to Jamaica for the purchase of essential imports within the next three to six months. The specific level of additional assistance, terms of the loan and type of food and/or commodities to be provided are now being discussed by CIDA officials and Canadian High Commission representatives in Kingston with the Government of Jamaica.

Jamaica is a country of concentration for Canadian bilateral development assistance. The current regular bilateral development assistance programme comprises two approved projects in various stages of implementation. These projects include a development line of credit for \$10 million with nearly \$5 million being disbursed in 1980-81, a commodity line of credit for \$4 million with \$800,000 being disbursed in 1980-81 and a variety of smaller technical and capital assistance projects. In addition substantial balance of payments support has been provided since 1976 in the form of cash loans of \$25 million as well as loans and grants totalling \$20 million for purchase of food.