

DEVELOPMENT BANK OF JAMAICA

GENERAL LENDING CRITERIA

Target Sectors

The DBJ will finance development projects in the following established sectors:

- Tourism (attractions, accommodation, health tourism, eco-tourism)
- Agriculture and agro-processing/agro-business
- Manufacturing
- Mining and Quarrying
- Education and Training
- Infrastructure and related services (power, water, sewerage, etc.)
- Energy/alternative energy solutions
- Information and communications technology

Project Eligibility

Entities operating in Jamaica and engaged in viable businesses in industry, agriculture, agro-industry, manufacturing, information processing, mining, tourism and other industries and services sectors for:

- Construction of buildings/structures (for productive purposes)
- Establishment of crops and livestock
- Expansion or modification of structures
- Purchase of machinery and equipment
- Purchase of movable fixed assets e.g. tractors, back hoes, farm vehicles, etc.
- Permanent working capital (up to a maximum of 20% of the loan request)
- Rehabilitation of existing enterprises
- Energy-saving projects
- Tourist attractions and wellness projects

Development Criteria

Each project must be able to demonstrate a net economic benefit to the country through any combination of the following general development criteria:

- Employment creation
- Foreign Exchange earnings or savings
- Facilitation and/or stimulation of foreign direct investment
- Expansion of export capacity
- Diversification of an existing industry
- Utilisation of local inputs
- Demonstrate the ability to repay DBJ's loan
- Lead to development of management skills and technological know-how
- Indicate strong market demand for their products and/or services
- Demonstrate the ability to meet projected demand targets
- Where applicable, have an Environmental Impact Assessment (EIA) study done to demonstrate that its operations have no adverse effects on the environment

Other Lending Criteria

- Tax Registration Number (TRN) & National Insurance Service (NIS) Number
- Tax Compliance Certificate (TCC)
- Working capital will constitute no more than 20% of DBJ's loan
- Unless it forms part of a development project, the DBJ will not lend money for refinancing and land acquisition. In the case of land acquisition, the DBJ will only provide financing of up to 10% of DBJ's agreed loan amount

Loan Limits

Debt:Equity ratio of

- 70:30 for loans the equivalent of US\$5,000 and above
- 80:20 for loans below US\$5,000 (for micro and small enterprises)

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**DEFINITIONS OF
MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES**

<i>Enterprise</i>	<i>Asset Base</i>	<i>Annual Turnover US\$</i>	<i>Employment</i>
Micro	< US\$10,000	< US\$125,000	1 – 10 persons
Small	US\$10,000 – US\$100,000	US\$125,000 – US\$1 million	Up to 50 persons
Medium	US\$100,000 – US\$200,000	US\$1 million – US\$4 million	Up to 150 persons
Mature	>US\$200,000	>US\$4 million	> 250 persons
Small Hotels (10 – 100 rooms)		US\$4 million	Up 150 persons