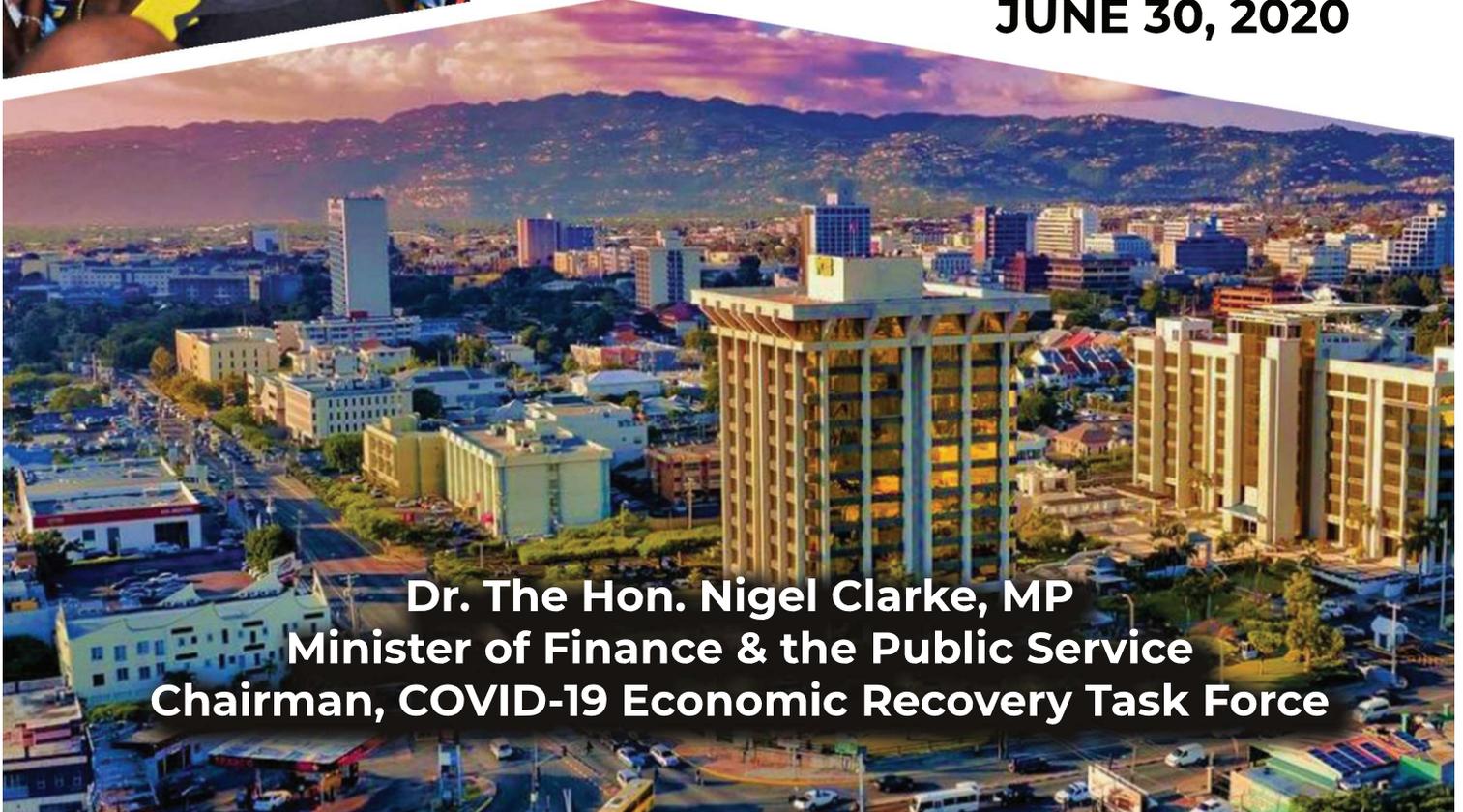


COVID-19 ECONOMIC RECOVERY TASK FORCE

“REBUILD JAMAICA”



**FINAL REPORT
JUNE 30, 2020**



**Dr. The Hon. Nigel Clarke, MP
Minister of Finance & the Public Service
Chairman, COVID-19 Economic Recovery Task Force**

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1.0 CHAIRMAN'S MESSAGE



The COVID-19 pandemic is the most serious global public health threat in a century and is causing the most damaging global economic crisis since the Great Depression of the 1930s.

Every country in the world is being gravely affected, and Jamaica is no exception. The decline in employment and economic output is expected to be of historic proportions as every sector in the economy takes a hit. The resulting precipitous decline in the Government's revenues comes at a time as public expenditure pressures increase. The ongoing and essential public health measures and resulting economic dynamics will severely disrupt the normal flow and pattern of life and strain the social fabric.

The still uncertain depth and duration of the pandemic compounds the challenges. Any approximation of a normal pre-COVID-19 life is unlikely to resume until a vaccine is developed and large numbers of persons are inoculated. However, Jamaica cannot afford to wait until then to begin to chart our economic recovery. Our recovery efforts must immediately start and we must adapt to living with the realities of COVID-19.

The crisis has unveiled social fragilities that need to be addressed for Jamaica to recover sustainably and with greater resilience. Although pre-COVID-19 unemployment was at historical lows, majority of households lack an income stabilizer. As such, within budget capacity, the GOJ social support interventions will need to continue in the short term even as the social safety institutions are strengthened over the medium term.

The sub-optimality of informality, for State and citizen, has been brutally exposed by the pandemic. Similarly, the economic, social, and educational barriers imposed by a lack of individual identification, absence of access to a bank account and an Internet connection are even more evident in light of the pandemic.

To be clear, Jamaica's challenges predate COVID-19. The pandemic has simply put the spotlight on these issues, and magnified the scope and complexity of the policy responses required. As challenging as the times may be, it also presents the opportunity to embrace reform with ambition. The COVID-19 Economic Task Force recommends not simply "*fixing what has been broken by COVID-19*", thereby returning Jamaica to the pre-COVID-19 reality. The aim is to go beyond to also "*address the fundamental gaps that have been exposed by COVID-19 and exploit the opportunities the crisis offers.*" In other words, we must do better. We must embrace reform with ambition to be on a better footing as recovery takes hold.

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In so doing, we have to be cognizant of the historical fact that past recoveries have taken a decade or more. However, the success of our collective efforts over the last seven years in fiscal, monetary and structural reforms in reducing debt, increasing foreign exchange reserves, restoring macro-economic stability, privatizing state enterprises and reintegrating public bodies in addition to our fiscal over-performance have provided buffers. Provided that macroeconomic stability is preserved, these reforms provide a head start for a quicker recovery¹ of two to four years assuming the global economy returns to growth in 2021/22 as forecasted.

Equally, however, we must also be aware that the balance of payments and debt dynamics unleashed by the COVID-19 pandemic mean that there will be little room for policy errors. To avoid a repetition of our historical experiences with prolonged economic recoveries, the durations of which can only be measured on generational timescales, we will need to engender social consensus around a coherent policy agenda and have a bias towards implementation with unity of purpose.

This COVID-19 Economic Recovery Task Force was commissioned with these objectives in mind and this Report draws upon the input of diverse stakeholder groups.

Jamaica's resilience has been tested time and time again. And we have always come on top. This time is no different. By embracing reform with ambition, Jamaica can endure this pandemic, absorb its adverse social and economic effects, restore lost jobs and output, and not only "rebuild Jamaica", but attain even higher levels of economic and social development in the years to come.

HON. NIGEL CLARKE, DPHIL, MP
MINISTER OF FINANCE AND THE PUBLIC SERVICE
CHAIRMAN, COVID-19 ECONOMIC RECOVERY TASK FORCE

June 30, 2020

¹ Economic recovery is defined as Jamaica achieving levels of employment and aggregate economic output that existed prior to the COVID-19 pandemic.

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2.0 ACKNOWLEDGMENTS

The Prime Minister, the Most Honourable Andrew Holness, ON, MP appointed the COVID-19 Economic Recovery Task Force (the “Task Force”) on April 27, 2020. During the last eight (8) weeks, the Task Force engaged in intense reflection, analysis, and discussion on the prospects and possible plans for Jamaica’s economic recovery in light of the challenges and setbacks brought on by the COVID-19 pandemic. This process extended to the Task Force sub-committees whose deliberations have integrally informed this work.

The Task Force included six ministers of government including myself. I’m grateful to my cabinet colleagues on the Task Force for chairing sub-committees and for the support they provided to me in my capacity as Chairman of the Task Force.

I’m equally grateful to every member of the Task Force for the fulsome participation in Task Force meetings, for the ideas and points of view exchanged, and for the energy and commitment brought to this task with a vision to rebuild a better Jamaica

Extensive work was undertaken in each sub-committee. These sub-committees benefited from the participation of several Jamaicans from diverse backgrounds (See Chapter 20), who agreed to serve despite having other competing priorities. I am truly grateful to them for their time and input.

It is important to note that the output of the Task Force is not all contained in this Report. Our work and output also included various protocols developed by the Local Services and Tourism Sub-Committees, which were submitted to the Ministry of Health and Wellness (“MOHW”). Several of these have been officially sanctioned, publicized and operationalized, and have already contributed to a safe reopening of various segments of the economy.

PricewaterhouseCoopers assisted the Tourism and Construction/Infrastructure Sub-Committees in their deliberations and their input is greatly appreciated.

The Planning Institute of Jamaica provided support on the Social Development chapter and I am also grateful for their contribution.

Finally, I express gratitude to members of my office staff who coordinated meetings of the Task Force, kept notes of meetings and reviewed sub-committee submissions.

HON. NIGEL CLARKE, DPHIL, MP
MINISTER OF FINANCE AND THE PUBLIC SERVICE
CHAIRMAN, COVID-19 ECONOMIC RECOVERY TASK FORCE

June 30, 2020

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3.0 BACKGROUND

- 3.1 **COVID-19.** On January 30, 2020, the World Health Organization (“WHO”) declared a Public Health Emergency of International Concern (“PHEIC”) regarding the outbreak of novel coronavirus (2019-nCoV) / COVID-19. On March 11, 2020, WHO declared COVID-19 a pandemic. Jamaica confirmed its first case of COVID-19 on March 10, 2020.
- 3.2 **Public Health Impact.** The Government of Jamaica (“GOJ”) has mounted a largely successful and intense prevention and control programme for the outbreak. Within days of the first confirmed case of COVID-19, schools were closed, permits for entertainment events were rescinded, bars were closed, stay-at-home orders were imposed, international borders were closed, and curfews were imposed, among many other measures implemented under the Disaster Risk Management Act. As of June 28, 2020, Jamaica has recorded 696 confirmed cases of COVID-19, 10 deaths, and 552 recoveries.
- 3.3 **Economic Impact.** The COVID-19 pandemic will lead to a severe downturn in the Jamaican economy. The Planning Institute of Jamaica (“PIOJ”) has projected that the economy will contract by between 4% and 6% in fiscal year 2020/21 versus a pre-COVID forecast of 1.2% growth. This contraction is driven by the global impact of the pandemic on key economic drivers such as tourism and supply chains; and the necessary measures implemented by Governments around the world aimed at containing the spread of COVID-19. The Ministry of Finance and the Public Service (“MOFPS”) estimates that revenues in 2020/21 will decline by approximately \$81 billion vis-à-vis the approved estimates, while other inflows will be lower by \$5 billion even as new expenditure of \$34 billion is accommodated. The total fall-out from COVID-19 is therefore likely to cost the government J\$120 billion. Though the economic contraction is global and not unique to Jamaica, COVID-19 has exposed and exacerbated the deficiencies that exist in our public health system, the challenges posed by the high levels of informality in our society, the vulnerabilities in our social infrastructure, the capacity restrictions of our telecommunications infrastructure, and the low level of digitization and automation that exists within the society and economy.
- 3.4 **Economic Policy Response** The Government of Jamaica’s economic policy response has included a \$31 billion stimulus consisting of approximately \$15 billion in tax cuts and spending stimulus of \$16 billion (originally \$10 billion). In addition, health expenditures of \$6 billion and public body support of \$3 billion make for a total fiscal intervention of approximately \$40 billion outside of measures taken at the Student Loan Bureau (payment deferrals and processing fee waivers), National Housing Trust (interest rate reductions), and other measures (waivers of duties on personal hygiene

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products, waiver of SCT on alcohol used to make sanitisers, etc). The primary fiscal surplus has, therefore, been relaxed from 5.4% of GDP approved for FY20/21 to 3.5% of GDP to accommodate the emergency expenditure. See Appendix 1.

- 3.5 **Suspension of Fiscal Rules** Jamaica’s Fiscal Rules were suspended for fiscal year 2020/21 and the target date for attainment of the debt/GDP objective of 60% has been pushed back by two years to 2027/28 to accommodate the shock.
- 3.6 **Task Force Establishment.** On April 27, 2020, the Prime Minister, the Most Honourable Andrew Holness, ON, MP, announced the establishment of a Cabinet-approved multi-sectoral Task Force to help chart Jamaica’s economic recovery from the fallout and devastation caused by the COVID-19 pandemic.
- 3.7 **Composition.** The COVID-19 Economic Recovery Task Force (the “Task Force”) is chaired by Minister of Finance and the Public Service, **Dr. the Hon. Nigel Clarke, MP**. The members of the Task Force includes:
 - 3.7.1 **Hon. Edmund Bartlett, CD, MP** – Minister of Tourism
 - 3.7.2 **Hon. Olivia “Babsy” Grange, CD, MP** – Minister of Culture, Gender, Entertainment, and Sport
 - 3.7.3 **Hon. Audley Shaw, CD** – Minister of Industry, Commerce, Agriculture and Fisheries
 - 3.7.4 **Hon. Dr. Christopher Tufton, MP** – Minister of Health and Wellness
 - 3.7.5 **Hon. Daryl Vaz, MP** – Minister without portfolio in the Ministry of Economic Growth and Job Creation
 - 3.7.6 **Hon. Fayval Williams, MP** – Minister of Science, Energy and Technology
 - 3.7.7 **Mr. Ivan Anderson** – Managing Director, National Road Operating and Constructing Company Limited (NROCC)
 - 3.7.8 **Mr. John Byles** – Chief Executive Officer, Chukka Caribbean Adventures
 - 3.7.9 **Mr. Lloyd Distant** – President, Jamaica Chamber of Commerce

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- 3.7.10 **Mr. Keith Duncan** – President, Private Sector Organisation of Jamaica (PSOJ)
- 3.7.11 **Ms. Dianne Edwards**, President, Jamaica Trade and Invest
- 3.7.12 **Mr. Lenworth Fulton** – President, Jamaica Agricultural Society
- 3.7.13 **Ms. Gloria Henry** – President, Global Services Association of Jamaica
- 3.7.14 **Dr. Wayne Henry** – Director General, PIOJ
- 3.7.15 **Mr. Peter Knight**, Managing Director, National Environment and Planning Agency
- 3.7.16 **Hon. Michael Lee-Chin, OJ** – Chairman, Economic Growth Council
- 3.7.17 **Mr. William Mahfood** - Past president of the PSOJ
- 3.7.18 **Mr. Joseph M. Matalon, CD** – Past president of the PSOJ
- 3.7.19 **Mr. Richard Pandohie** – President, Jamaica Manufacturers and Exporters Association
- 3.7.20 **Mr. Omar Robinson** – President of the Jamaica Hotel and Tourism Association
- 3.7.21 **Professor the Hon. Gordon Shirley, OJ** – President & Chief Executive Officer, Port Authority of Jamaica
- 3.7.22 **Ms. Nadine Spence** – Gender activist
- 3.7.23 **Mr. Adam Stewart, CD** – Deputy Chairman of Sandals International
- 3.7.24 **Mr. Donovan Wignall** – President of the Micro, Small and Medium-sized Enterprise (MSME) Alliance
- 3.7.25 **Ms. Helene Davis Whyte, CD** – President, Jamaica Confederation of Trade Unions
- 3.7.26 **Professor Alvin Wint, CD** – Emeritus Professor, University of the West Indies
- 3.7.27 **Mr. Chris Zacca, CD, JP** - Past president of the PSOJ

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3.8 Task Force Objectives and Process

3.9 **Objectives.** The primary objectives of the COVID-19 Economic Recovery Task Force were to develop recommendations that are designed to:

3.9.1 Induce readiness of both the private and public sectors for living and productively operating with the realities of COVID-19.

3.9.2 Promote recovery of jobs lost.

3.9.3 Generate growth in 2021 with recovery of lost economic output within the next two - four years.

3.9.4 Promote the maintenance of macro-economic sustainability which is necessary to achieve the above.

3.10 **Balancing our Approach.** The novel coronavirus, and COVID-19 disease it causes, will be a feature of normal life for the foreseeable future. Long-term mass lockdown is not a viable option, and as such it is critical that re-opening protocols are developed in order to provide clear guidelines vis-à-vis the balancing of lives and livelihood, as necessary steps are undertaken to re-open the economy.

3.11 **Framework.** The Task Force considered various measures and initiatives to be recommended for implementation by the Government of Jamaica. These are designed to contain the coronavirus and COVID-19, to create an enabling framework for the reopening of the economy, to accelerate the recovery of employment and economic activity to pre-COVID levels and for Jamaica to emerge economically and socially stronger through policy initiatives that boost competitiveness, increase productivity, enhance resilience, and improve the social safety net.

3.12 **Sub-Committees and the Consultation Process.** The Task Force established several sub-committees² which co-opted individuals not on the Task Force and engaged in consultation with various parties including civil society, the private sector, and public health leaders. This approach harnessed the power of Jamaica's social partnership which has been useful in tackling issues of national importance. The sub-committees prepared reports which have informed this final report of the Task Force.

² See Chapter 20 - Appendix II for a listing of the Sub-Committees and their membership

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4.0 KEY FINDINGS

- 4.1 **Embrace Ambition.** Jamaica’s challenges existed pre-COVID-19. On our journey to the 2030 vision, there was much to change and improve. The COVID-19 pandemic has simply increased the scope and complexity of the policy responses required. This crisis therefore presents the opportunity to embrace reform with ambition. The COVID-19 Economic Task Force recommends not simply “*fixing what has been broken by COVID-19*”, thereby returning Jamaica to the pre-COVID-19 reality. We must go beyond this to also “*address the fundamental gaps that have been exposed by COVID-19 and exploit the opportunities the crisis offers.*” In other words, we must do it all.
- 4.2 **Key Findings - How COVID-19 May Influence the Future.** In considering Jamaica’s strategy for economic recovery, the Task Force reflected on the fundamental ways in which COVID-19 may influence the future. These in turn influenced our recommended policy responses.
- 4.2.1 **Higher levels of Indebtedness.** The post-COVID-19 world will be characterized by higher levels of sovereign indebtedness across the world. This has implications for the future. Pre-COVID-19, Jamaica’s debt/GDP was likely to be in the mid-80s as a percent of GDP by March 2021. The impact of COVID-19 means that the outturn of this metric will likely be in the high-90s as a percent of GDP instead due to the anticipated GDP decline and lower fiscal savings for fiscal year 2020/21. It is important that even as Jamaica endures and absorbs the economic impact of COVID-19, debt reduction remains the anchor of fiscal policy. Countries that pursue a path of unsustainable debt may find risk premia moving in an adverse direction when they can least afford it, generating further economic instability.
- 4.2.2 **Changing Consumer Patterns.** Until a vaccine is found and much of the world inoculated, consumers will adopt new behaviors. It is highly possible that even after such public health breakthroughs old patterns of consumption may not return. This presents opportunities and threats. In land-based tourism, the opportunity exists to regain market share as larger, more mature markets have had more difficult experiences with COVID-19. In cruise tourism the opportunity exists to command more share of the cruise itinerary as consumers begin to opt for multiple stops in one country. In banking, consumers may switch to the provider

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with the better and more efficient online offering. A similar logic applies across other industries.

- 4.2.3 **Consolidation and Increasing Market Power.** In certain industries, segments of the supply chain have been weakened by the crisis. This may prompt mergers and acquisition activity and consolidation along or across the value chain. This could have consequences for market power dynamics, pricing, and supply chain choice.
- 4.2.4 **Search for Robust Supply Chains.** Usual supply chains, across industries, have been severely disrupted on account of the COVID-19 pandemic. This is prompting a rethink of supply chains with respect to their robustness. This presents both opportunities and challenges. The opportunity exists to attract new business in key sectors. The Global services/business process outsourcing (“GSS/BPO”), logistics and manufacturing opportunities will emerge. The challenge is to ensure the Jamaican business environment is competitive and efficient so we can retain the business we have and grow. Furthermore, food security requires a strategic repositioning of agriculture.
- 4.2.5 **Changing Working Patterns.** The physical distancing requirement of the COVID-19 pandemic has introduced remote working and teleworking into the mainstream. These arrangements have largely worked for many. As a result, the possibility of outsourcing is more evident now than before. This again creates new opportunities in the GSS/BPO space to move higher on the value chain. Additionally, flexible work arrangements will add to productivity but will require labour market reforms for optimization.
- 4.2.6 **Greater importance of the digital and online economy.** The experience of the “Great Lockdown” around the world has induced greater levels of usage and acceptance of digital and online options. It can be expected that commerce will move online at an even faster pace than pre-COVID-19. E-commerce options will become a more important comparative advantage for all businesses. This underscores the need for faster, cheaper, more reliable, and more competitive communications infrastructure as well as a transition to a digital society and economy.

- 4.3 **Key Findings – Pillars of Economic Recovery.** In the chapters that follow, the Task Force has assembled analysis and recommendations under various headings and titles. However, consistent themes recur in these

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recommendations that we refer to as the pillars of economic recovery. The COVID-19 Economic Recovery Task Force's recommends these overarching objectives as essential to Jamaica's economic recovery.

- 4.3.1 **Build a COVID-19 Resilient Economy.** The coronavirus and the COVID-19 disease it causes will continue to infect persons across the globe for the foreseeable future. However, we cannot remain in curfew and lockdown indefinitely. Success therefore is going to require building an economy that can thrive even with the realities of COVID-19.
- 4.3.2 **Recommit to, and Accelerate, Macro-Fiscal Reform and Business Climate Improvements.** Structural imbalances of deep-rooted macro-economic instability and an uncompetitive business environment complicated, and severely lengthened, Jamaica's previous attempts at economic recovery. The significant sacrifices by the Jamaican people and economic gains made in the last seven years to address these long-standing imbalances cannot be lost. Jamaica needs to be agile and on a strong footing for a robust economic recovery. Recovering strongly from the COVID-19 pandemic will require the maintenance and entrenchment of macro-economic stability and improvements in the business climate that boost productivity. This in turn rests heavily on completion of institutional reforms and legislative amendments.
- 4.3.3 **Restore Tourism.** Jamaica is forecasted to experience the worst annual economic decline in at least 40 years. The tourism sector, which has been the fastest growing, and the most consistent, over the last 25 years, is forecasted to register a contraction of -85% in the March 2020 – June 2020 quarter. Like much of the region, Jamaica's economic decline in this crisis is tourism-led; as such, one of the simplest and quickest paths to recovery is to ensure that the tourism industry returns to healthy levels. Restoration of tourism to pre-COVID-19 levels of output will go a long way to achieving the Task Force's objectives.
- 4.3.4 **Deepen Local Supply Chains.** When Jamaica's economy recovers, we must recover stronger, with higher levels of growth. A sure way of achieving this is to ensure that production of goods and services has a larger domestic component and thus greater value added in Jamaica. In turn, this will result from deepening the supply chain in Jamaica, strengthening linkages between the domestic economy and tourism. For example, opportunities abound to deepen local

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supply of agriculture, entertainment, and manufactured goods to the tourism sector.

- 4.3.5 **Strengthen Resilience.** The need to build our economic recovery on a base of greater economic, social, and environmental resilience is a recurring theme. Jamaica is susceptible to natural disaster shocks and the open nature of the economy leads to the frequent importation of international crises. We must continue to institutionalize resilience to fiscal costs of natural disaster. Digitalising the economy, strengthening the social safety net, and formalizing the society improve resilience. In addition, untapped potential in agriculture is foregone due to the vulnerability of the agriculture sector to weather events. Meanwhile, historically, growth in the agriculture sector is correlated with overall growth in Jamaica's economy. In addition the agriculture sector is the primary source of income for hundreds of thousands of rural Jamaicans. Finally, COVID-19 demonstrated the need for higher levels of domestic food security. The resilience of the agriculture sector is of critical importance to Jamaica. Economic recovery will require the attraction of investments that boost resilience through climate-proof and/or more energy efficient infrastructure.
- 4.3.6 **Boost Public Sector Efficiency and Private Sector Competitiveness.** This is central to economic recovery. Private sector competitiveness is enhanced by investment that boosts the ability of firms to produce and compete. These are dominant themes throughout. Inland and cruise tourism, agriculture, manufacturing, logistics and GSS/BPO output, for example, are increased by higher investment that makes these industries more productive and competitive. As both private and public sectors' service to the MSME sector improves turnaround times and ease of access, the MSME is able to produce more per unit time.
- 4.3.7 **Digitize and Modernise Jamaica.** COVID-19 provides the opportunity for Jamaica to build its economic recovery on a more modern foundation. Enormous efficiency gains remain to be reaped from better use of technology and digitization of public and private sector services.
- 4.3.8 **Diversify Jamaica's Economic Base.** Jamaica's economic base is too primary and too narrow. This makes us more vulnerable. Economic recovery should also sow the seeds of economic diversification – with a competitive economy, opportunities exist in logistics, light assembly and

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manufacturing of medical supplies, for example. Boosting efficiency and competitiveness, while digitizing and modernizing the economy will allow the production of other goods and services to be feasible here.

- 4.3.9 **Increase Economic Formalisation.** The fragility of a society that is largely informal, has no means of identifying its citizens, and is unable to locate them was brutally exposed during the worst stages of COVID-19. Informality retards the ability of the individual to progress. The level of informality within the economy also constrains the pace of growth. Industries with relatively high levels of informality tend to have lower levels of productivity. Informality limits access to capital and utilizes lower levels of human capital. Greater levels of economic formalization would enhance economic recovery.³
- 4.3.10 **Strengthen the Social Safety Net and Pursue Labour Market Reforms.** Our recovery will be more sustainable if we improve the personal resilience of the Jamaican citizen. To do so, we will need to strengthen the social safety net and invest more in youth as well as community and social development. In addition, labour market reforms are required to respond to the competitive demands that are likely to dominate in the post-COVID-19 world. Labour flexibility will be required as working patterns around the world change.
- 4.3.11 **Increase GOJ Technical Resource Capacity.** The Task Force recommendations will require improved technical resource capacity for implementation. In particular, increased project management, IT, financial, and change management resources will need to be available to targeted ministries, departments, and agencies as well as increased legal resources for the Attorney General's chambers and the Office of the Parliamentary Counsel.

³ PIOJ

5.0 THE COVID-19 ECONOMIC SHOCK, ITS IMPACT, AND THE TASK OF RECOVERY

5.1 **COVID-19 Economic impact.** The COVID-19 pandemic has had a profoundly negative impact on Jamaica. Containment measures taken around the world, and locally, to slow the spread of the coronavirus have brought economic activity to a halt. Curfews, physical distancing, stay-at-home orders, shutting of international borders, among other measures, have resulted in precipitous falls in economic output. Inflows of foreign exchange are substantially lower, government revenues are expected to fall dramatically and unemployment has risen sharply.

5.1.1 **COVID-19 Supply Shock.** The supply and demand shocks are transmitting simultaneously through the economy. The supply shock arises as containment measures have retarded the production of goods and services. Several sectors have been closed for business, including tourism, entertainment, and sport while others have reduced opening hours and production levels. Jamaica's base of production of goods and services is largely dependent on the movement of people and goods across borders. Restrictions at sea and airports have therefore served to amplify the supply shock.

5.1.2 **COVID-19 Demand Shock.** For the same reasons, local and international demand has also substantially shrunk simultaneously. Job losses in source markets for tourism, in addition to travel restrictions, translated into blanket cancellations across destination markets including Jamaica. Layoffs in the tourism, attraction, aviation, entertainment, restaurant, fast food, GSS/BPO and other sectors have reduced local demand. This has been compounded by the impact of the pandemic on the informal cash economy where limited physical activity has led to sharp fall in demand.

5.2 **COVID-19 Economic Implications for Jamaica.** The implications of the COVID-19 pandemic for Jamaica's economy are multi-faceted. Direct adverse effects are on government revenues, foreign exchange inflows, employment, and economic growth.

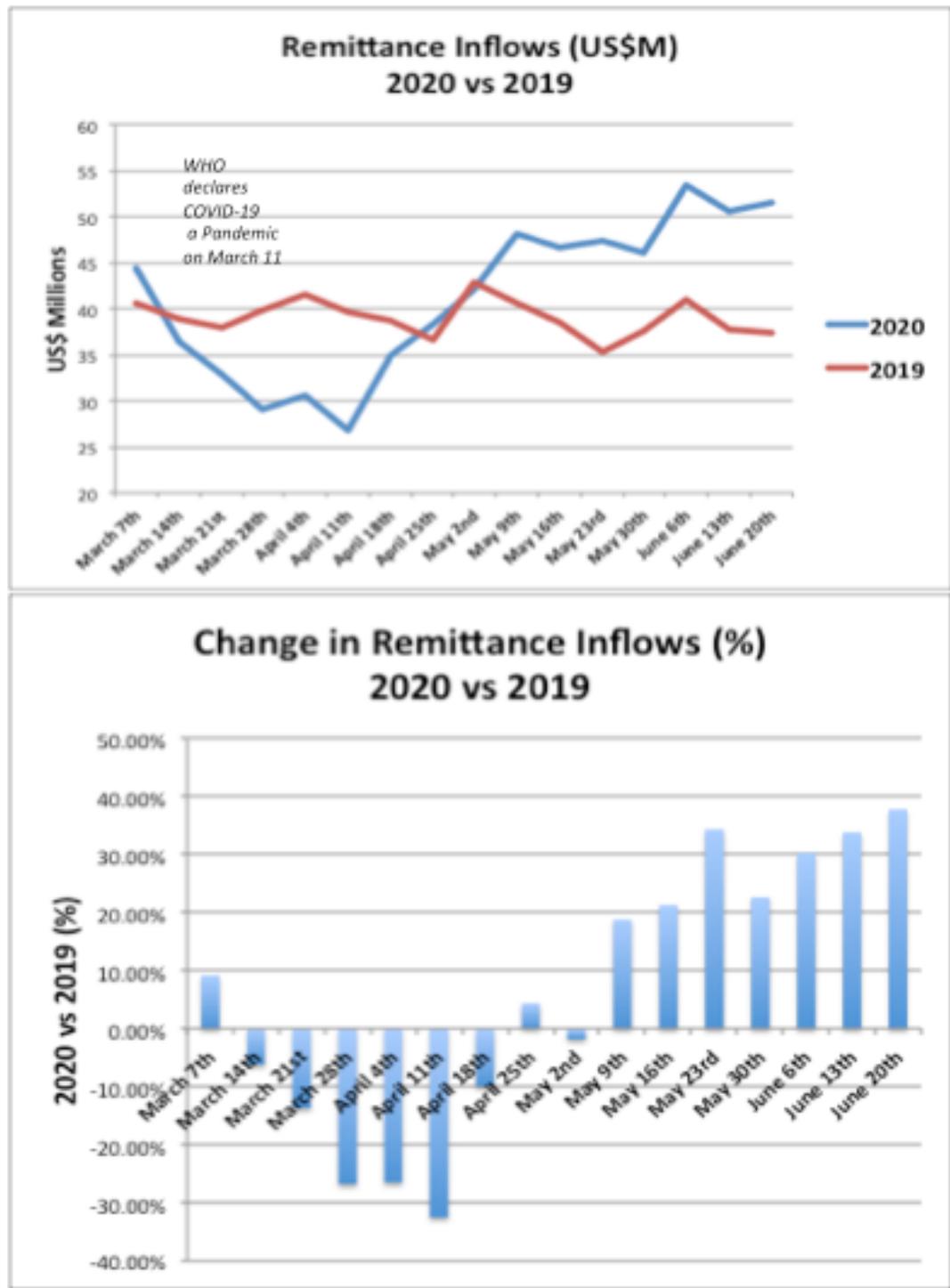
5.2.1 **Government Revenues.** The Government's First Supplementary Estimates forecast a decline in revenues of

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\$81 billion for fiscal year 2020/21 vis-à-vis the approved 2020/21 budget. Preliminary indications are that revenues for May 2020 were lower by 27% vis-à-vis the approved budget, though they were 4% ahead of the First Supplementary Estimates for the same period. Across the three broad categories of Income and Profit based Taxes, Production and Consumption Taxes and Border Related Taxes, the latter registered the largest decline of 44%. Bearing in mind that Border Related Taxes usually account for approximately 40%, or more, of tax revenues, it is clear that economic recovery cannot happen without a full restoration of cross-border economic activity including tourism.

5.2.2 **Foreign Exchange Inflows.** Jamaica, like all countries, depends on inflows of foreign exchange to finance the importation of goods and services. Our traditional sources of foreign exchange income are from tourism receipts, remittances, GSS/BPO services, in that order, and from the export of other goods and services including agriculture, mining and manufactured products. Depending on the timing and pace of the resumption of tourism activities, related foreign exchange inflows are forecasted to decline by US\$2 billion relative to the last fiscal year. With respect to remittances, Jamaica has been positively surprised over the three-month period March 10 – June 20, as cumulative remittance inflows registered an *increase* of approximately 5.5% as compared with the same period last year.

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5.2.3 **Oil Imports.** Given prevailing prices of oil, which are expected to persist throughout fiscal year 2020/21, while global economic activity remains subdued, Jamaica is forecasted to spend US\$700 million less on imports of oil.

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- 5.2.4 **Current Account Deficit.** These trends, among other factors, suggest that Jamaica's current account deficit, which has been in the sustainable region of 2%-3% of GDP, readily financed by Foreign Direct Investment inflows, will deteriorate to approximately 6.5% - 7.0%⁴ of GDP during fiscal year 2020/21.
- 5.2.5 **Foreign Direct Investment.** COVID-19 will have the effect of slowing the pace of, and hence reducing levels of, Foreign Direct Investment. The United Nations Conference on Trade and Development (UNCTAD) estimates that global foreign direct investment will decline by 40%.⁵
- 5.2.6 **Balance of Payments Shock and Financing.** A balance of payments shock is, therefore, one of the more pronounced economic manifestations of the COVID-19 pandemic. The COVID Economic Recovery Taskforce therefore supports the Government's decision to access the IMF's Rapid Financing Facility through which US\$520 million has been disbursed to the Bank of Jamaica. Furthermore, the COVID Economic Recovery Task Force supports continued engagement with other multilaterals, such as the Inter-American Development Bank and the World Bank.
- 5.2.7 **Substantial Growth in Unemployment.** Jamaica's unemployment rate was at a historic low of 7.3% in January 2020 which reflected the largest employed labour force in Jamaica's history of approximately 1,269,100 persons.⁶ Though official numbers are not yet available, data from the Ministry of Tourism suggests that at least 50,000 direct employees have been laid off in the hotel sub-sector alone in addition to tens of thousands more in other sub-sectors. In addition the GSS/BPO sector has reported job losses in excess of 6,000. Conservatively, the employed labour force is likely to have declined by in excess of 100,000 due to the COVID-19 pandemic.

⁴ Bank of Jamaica

⁵ <https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2396>

⁶ STATIN

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5.2.8 **Deterioration of Credit Quality.** Another dimension through which the economic impact of the COVID-19 pandemic will be transmitted is through the financial sector, including lower credit growth and risks to credit quality. Borrowers may come under stress as the economy contracts requiring a calibrated response. In addition, financial sector liquidity could be adversely impacted.

5.3 **COVID-19 Growth Implications**

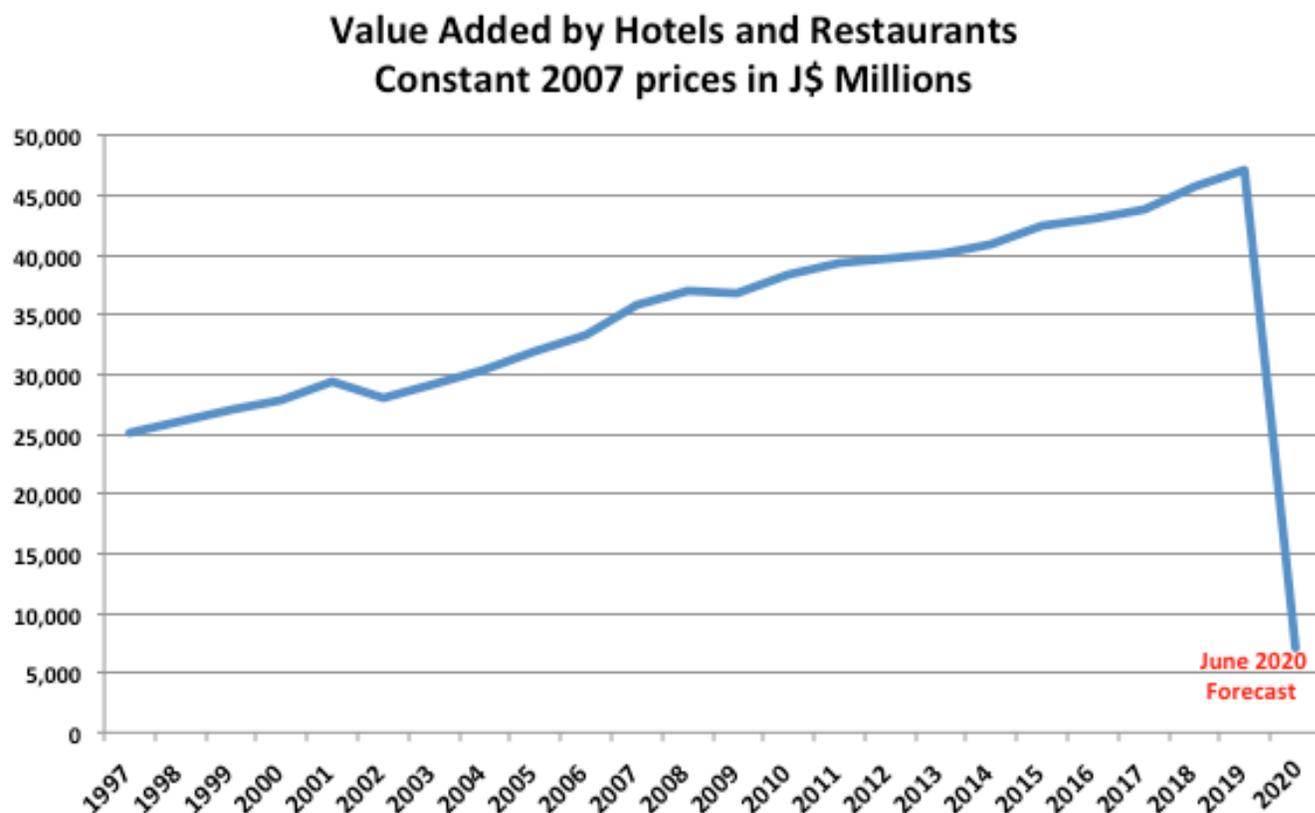
5.3.1 **Economic Output.** The full impact of the COVID-19 pandemic is not yet known. However, the negative impact on economic output was already evident in the January – March 2020 quarter. In its Quarterly GDP Report on June 30th, the Statistical Institute of Jamaica (“STATIN”) reported a GDP decline of 2.3% and noted that “[t]he economy was negatively affected by the spread of the novel coronavirus, COVID-19 and the measures adopted by the Government to limit its spread.” STATIN further reported that the hotels and restaurants sector declined by 14.1%. This was as a result of the actions in the last twenty-one days of March where hotel occupancies fell from approximately 75% to zero, almost “overnight” with a 19% decline in year-over-year visitor arrivals for the quarter. However, projections from the IMF, IDB, PIOJ and the BOJ indicate that for fiscal year 2020/21 Jamaica is likely to experience economic contraction in the range of 4% - 6% for the quarter ended March 2020. For the quarter ending June 2020, PIOJ estimates that the Jamaican economy, overall, will decline by between 12% and 14%. The main driver of this decline is forecasted to be a tourism sector operating at a near-zero utilization.

5.3.2 **Tourism-led decline.** Unquestionably, the most significant growth impact is from the hotels and restaurants sub-sector of the tourism industry, which is forecasted to decline by 85% for the June 2020 quarter. To put it in context, it took approximately 22 years, between 1997 and 2019, for economic output of the hotels and restaurants sector to expand by 87%. Economic output that took a generation to build is projected to be erased in a single quarter. See Chart 1. Comparison with the GDP impact of the 9-11 terrorist attacks also helps to put the scale of the COVID-19 crisis into context. The Hotel and Restaurants experienced a

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quarterly GDP contraction of 10.6% in Q4 2001 followed by 6.7% in Q1 2002. This is at least eight orders of magnitude lighter than the 85% decline expected in the same sector for Q2 2020 as a result of the COVID-19 pandemic

5.3.3 Chart 1 – Value Added by Hotels and Restaurants 1997 – June 2020.⁷

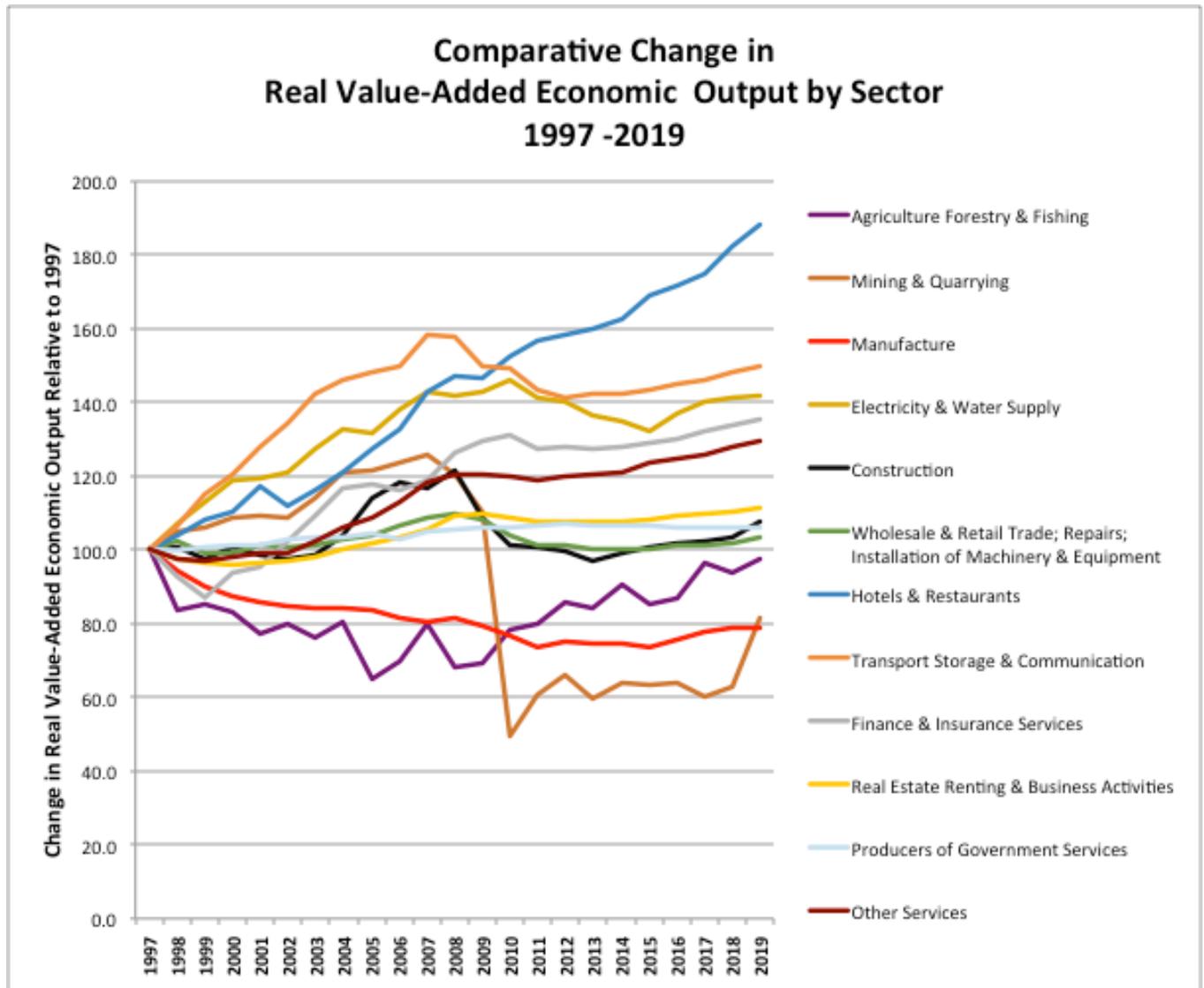


⁷ STATIN

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5.3.4 Pre-COVID-19, The Hotels and Restaurants sector exhibited the most consistent and fastest pace of growth over the past 22 years. This makes the recovery of tourism critical to Jamaica’s economic recovery. See Chart 2.

5.3.5 Chart 2 – Comparative Change In Real Value-Added Economic Output by Sector⁸, 1997 – 2019



⁸ STATIN

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5.3.6 **Critical Importance of Tourism to Recovery.** While other sectors are negatively affected by COVID-19, the oversized contribution of the performance of the hotel and restaurants segment to the economic decline points to what ought to be a key strategy in Jamaica's economic recovery. We must focus on rebuilding tourism output. Progress is easily measurable: stop-over arrivals, cruise arrivals, occupancy levels, average room rates, average length of stay are key metrics which we can use to monitor the success of the recovery effort. Restoration of tourism to pre-COVID levels of output is critical to achieving Jamaica's economic output

5.4 **Brief Review of Jamaica's Previous Major Economic Declines and Recoveries.** As we seek Jamaica's economic recovery from this pandemic, it is critical to review the Jamaican historical record of past declines and recoveries.

5.4.1 **Worst Economic Decline in 40 years.** The forecasted decline in economic output, if realized, would represent the largest annual GDP contraction in at least 40 years and perhaps longer. To date, the most significant decline in annual economic output in Jamaica's history was -6.5% in 1976. The economic decline due to COVID-19 pandemic will easily vie as one of the worst economic contractions in Jamaica's history, and may possibly eclipse the contractions in 1980 and 1976 in severity.

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5.4.2 Table 1: Worst Annual GDP Contractions in Jamaica's History.⁹

YEAR	ANNUAL GDP DECLINE	PRINCIPAL CAUSE
1976	-6.5%	Commodity price & supply shocks and social turmoil
1980	-5.7%	Balance of Payments crisis
1985	-4.5%	Commodity price shock
2009	-3.2%	Global financial crisis

5.4.3 **Worst Quarterly Economic Contraction on Record.** The forecasted quarterly contraction of 12% - 14% would be, by many multiples, the worst quarterly decline since Jamaica started measuring growth quarterly 23 years ago. To date, the most significant quarterly decline occurred during the Global Financial Crisis when the economy declined by 4.6% in the second quarter of 2009.

5.4.4 Table 2: Worst Quarterly GDP Contractions since STATIN started to measure Quarterly Growth in 1997:¹⁰

YEAR	QUARTERLY GDP DECLINE	PRINCIPAL CAUSE
Q2 2009	-4.6%	Global Financial Crisis
Q1 2009	-3.9%	Global Financial Crisis
Q1 1997	-3.2%	Local Financial Sector Crisis
Q4 2009	-2.6%	Global Financial crisis

5.4.5 **Structural Imbalances have impeded recovery from past crises.** Jamaica has had a long history with economic crises

⁹ PIOJ

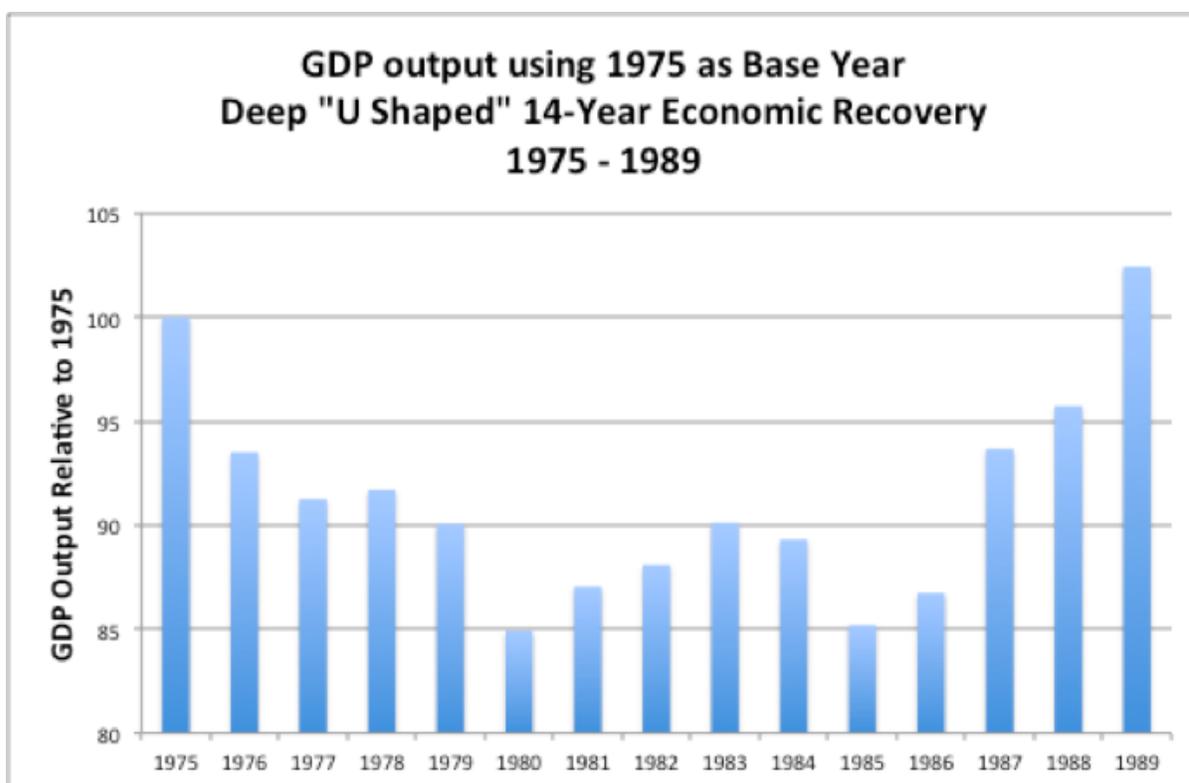
¹⁰ PIOJ

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of varying severities. These include the multiple oil shocks of the 1970s, the balance of payment crisis of the 1970s, alumina price collapse in the 1980s, the financial sector crisis of the 1990s and the global financial crisis of 2009. Structural imbalances in Jamaica's economy over time, among other factors, have further impeded economic recovery from prior crises. In addition, past recoveries have also been affected by follow-on and independent exogenous shocks such as natural disaster and other events.

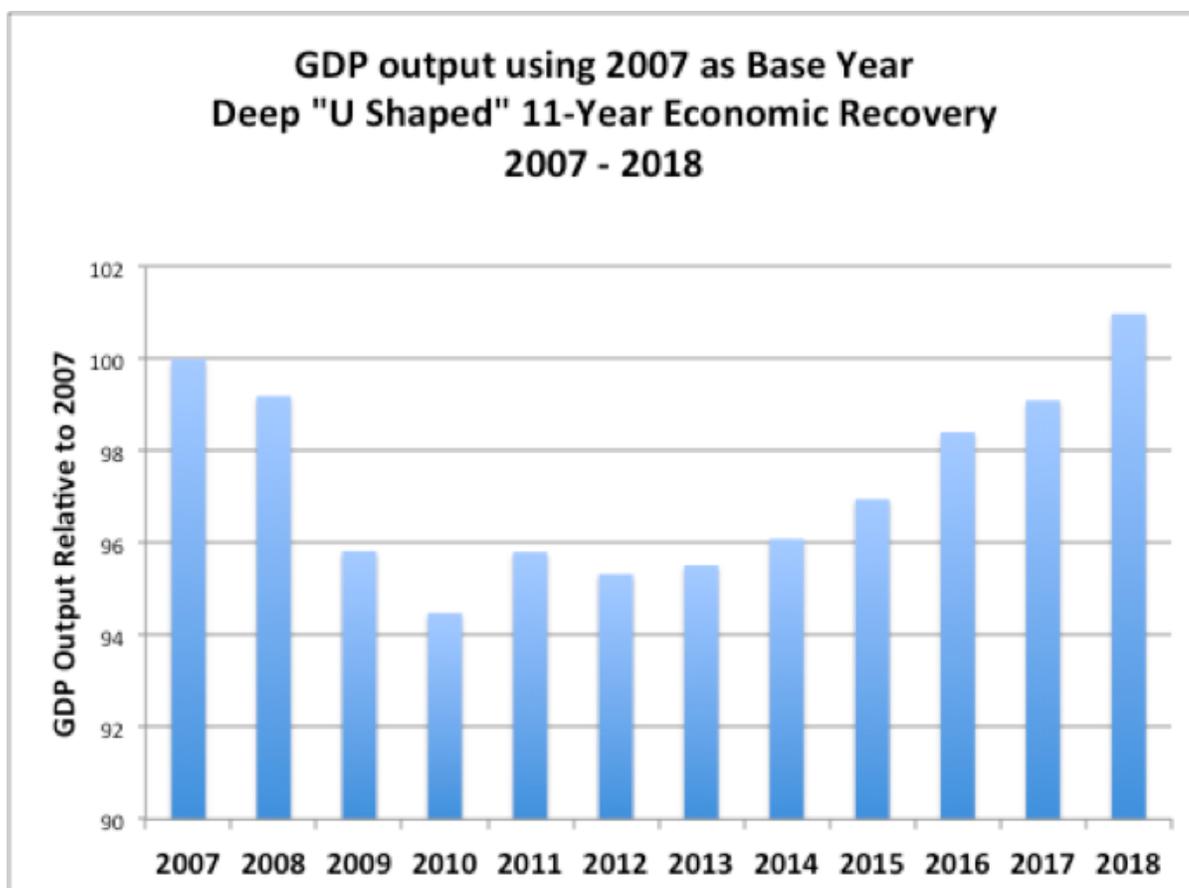
5.4.6 14-Year Economic Recovery from the 1970s Economic Crisis.

It took 14 years for the Jamaican economy to return to 1975 levels of output after the major economic contraction in 1976. Of course, many other socio-economic factors complicated the recovery in this period. While the details are beyond the scope of this report, such factors included significant oil shocks of the 1970s that created a severe balance of payment crisis by 1979, domestic policy choices at various intervals that exacerbated the economic problems, and deep structural factors that complicated recovery efforts. Also, during the ensuing period, Jamaica was negatively impacted by separate commodity and natural disaster shocks.



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5.4.7 **10-Year Economic Recovery from the 2008-2010 Global Financial Crisis.** More recently, it took approximately 10 years for the Jamaican economy to return to 2007 levels of economic output after the Global Financial Crisis of 2008-2010. This was amidst the longest fiscal consolidation cycle that Jamaica has undertaken to correct large fiscal and external imbalances. Jamaica entered the Global Financial Crisis with unsustainable levels of debt among other deficiencies, which made recovery long and arduous. It required a decade-long adjustment period to recover lost output. During this time, efforts would have been hampered by setbacks from commodity and repeated excess rainfall and drought shocks.



5.4.8 **Historical Economic Recoveries have been Long.** The deeply entrenched macro-economic instability in the pre-crisis periods historically would have compounded the economic challenges and stymied recoveries during those times. By the standard that we are embracing to define economic recovery -- i.e., *returning to pre-crisis levels of*

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economic output – there is no denying the fact that those previous recovery periods were tortuously long. This historical perspective is very relevant today.

5.4.9 **The Realities are Harsh.** For Jamaica to have the best chance of economic recovery this time, we have to be cognizant of the historical fact that past recoveries have been long, too long. To avoid a repeat, we must engender social consensus around a coherent policy agenda and have a bias towards implementation. We have to be aware that Jamaica can experience natural disaster and commodity price shocks even as we recover from the economic impact of the COVID-19 pandemic. As a result, focused and timely implementation of strategic priorities is essential even as we enhance our economic resilience. And there will be little room for policy errors.

5.5 **What Kind of Economic Recovery can Jamaica Expect?** The future remains uncertain. Until a vaccine is developed and much of the world is inoculated from the coronavirus, there could be local and global outbreaks that impede our economic recovery. However, Jamaica has buffers that give us a better chance at economic recovery as compared with prior periods of economic decline.

5.5.1 **Jamaica’s COVID-19 Economic Recovery will take time but less than in prior crises.** Recovering output lost in the COVID-19 pandemic will take time and will depend, to a large extent, on the global recovery. However, Jamaica’s period of reforms has reduced, though not eliminated, structural imbalances and have provided buffers that allow Jamaica to better absorb and respond to the COVID-19 pandemic. Though the nature of this economic crisis is different, several objective structural improvements have created buffers that provide room for optimism that Jamaica can recover in substantially less time than in other periods of crisis.

5.5.2 **Fiscal Responsibility has provided buffers.** Achievement of primary surplus balances of 7% or more for seven consecutive years 2013/14 – 2019/20, among other factors, account for a dramatic reduction in public debt which puts Jamaica in a relatively better position when compared with previous economic crises.

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- 5.5.3 **GOJ Cash Reserves have provided buffers.** With the passage of the 2020/21 First Supplementary Estimates, the GOJ plans to deploy \$87 billion of GOJ pre-COVID-19 cash reserves to assist in filling the void created by lower inflows of revenue to government accounts. These cash reserves would have been built from fiscal over-performance, privatization of state-owned enterprises, and reintegration of public bodies into parent ministries. While the pre-COVID-19 plan was to utilize these funds to accelerate debt reduction, the availability of these resources has allowed the Government to maintain planned borrowing for 2020/21 at pre-COVID-19 levels. It should also be noted that this has also allowed for public sector employment to be maintained at pre-COVID-19 levels.
- 5.5.4 **Monetary Reforms have provided buffers.** Various monetary reforms have introduced two-way movement of the exchange rate and have accommodated a decreased footprint of the BOJ in the foreign exchange market. These have allowed for the increase in non-borrowed foreign exchange reserves by US\$1 billion between 2016 and 2019. Importantly, too, Jamaica's pre-COVID-19 reserve adequacy was at approximately 108%¹¹ of international accepted benchmark measurement pioneered by the IMF. Jamaica's improved foreign exchange reserve position has provided a buffer during this crisis.
- 5.5.5 **Pre-COVID Monetary Easing has Provided Buffers.** Policy reform that made inflation targeting the anchor of monetary policy, in addition to the introduction of a two-way foreign exchange market, allowed for sustained monetary easing prior to the COVID-19 pandemic. The policy interest rate was reduced 10 times since 2018 and was at 0.5% pre-COVID-19. While room for further lowering has been reduced, easier monetary conditions mean that firms and households can access credit at more affordable prices.
- 5.5.6 **Capitalisation of the Central Bank has Provided Buffers.** The Bank of Jamaica has been capitalized in the amount of \$20.6 billion and the GOJ has settled Central Bank losses in

¹¹ BOJ

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the amount of an additional \$33.2 billion over the past two fiscal years. These have put the BOJ in a stronger position to pursue open-market operations and relax the reliance on blunt prudential tools for liquidity management. The BOJ's enhanced ability to respond to liquidity pressure has provided buffers.

5.5.7 Disaster Contingency Policy has Provided Buffers. For 30 years prior to fiscal year 2018/19, the constitutionally provided Contingencies Fund had a maximum of \$100 million in it for emergencies/disasters. In March 2019, the GOJ added \$2.0 billion in capital to the Contingencies Fund in a historic capitalization and again, in March 2020 another \$2.4 billion was added bringing the total balance in the Contingencies Fund to \$4.5 billion. Due to the emergency and disaster conditions created by the pandemic, the GOJ was able to draw down on the Contingencies Fund to advance \$4.2 billion in CARE social and economic support grants prior to the passage of the Supplementary Budget. Access to emergency resources meant that the GOJ could engage in a timely and immediate counter-cyclical response. It is important to note that the Contingencies Fund was restocked to pre-COVID-19 levels through allocations in the Supplementary Budget that provide for a repayment of the advances.

5.5.8 Two to Four Year Economic Recovery from COVID-19. Baseline economic forecasts from the IMF, PIOJ and BOJ suggest that Jamaica should be able to achieve pre-COVID-19 levels of economic output in 2 – 4 years. These baseline economic projections rely on assumptions of a recovery in the world economy in 2021/22 and a rebound in the domestic tourism sector by 2022/23. On that basis, Jamaica is expected to achieve pre-COVID-19 levels of economic output by March 2023. However, any other external shocks like a natural disaster or commodity shocks could extend this further.

5.6 COVID-19 Resilience is a Pre-requisite for Economic Recovery. The best laid economic plans would be at serious risk of interruption by COVID-19 induced reversals if Jamaica does not implement strategies that enable our society to “live, work, and produce with COVID-19.”

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6.0 TOWARDS A COVID-19 RESILIENT JAMAICA

- 6.1 **Background.** We face the simple fact that contagion from coronavirus will be a feature of daily life for the foreseeable future. Long-term lockdown is not a viable response. No society could afford this economically, emotionally, or psychologically. A pre-requisite to implementing strategies designed to catalyse Jamaica's economic recovery, therefore, is the design and implement of a risk-based framework that prepares Jamaica for life with COVID-19. It should facilitate a reopening of the economy while containing the spread of the coronavirus. This framework needs to include transparent and predictable public health responses in response to variations in available health capacity.
- 6.2 **Overview.** We need the following for a COVID Resilient Jamaica:
- 6.2.1 **Risk-Based Alert System.** The implementation of a simple risk-based alert system.
 - 6.2.2 **Re-Opening Timeline.** Setting out a proposed timeline for the opening of key areas in the coming months.
 - 6.2.3 **Health Infrastructure Improvements.** Critical improvements to health infrastructure are required to adequately support the prevention and treatment of COVID-19.
 - 6.2.4 **Protocols.** Providing general Protocols that provide the minimum standard for all sector specific Protocols to be developed.
- 6.3 **Risk-Based Approach.** In an effort to mitigate against the risk of rapid spread of the virus, the adoption of a risk-based approach is recommended with respect to the re-opening Protocols, using the health system's capacity as the primary consideration predicated on the following metrics:
- 6.3.1 **COVID Beds.** % of COVID-specific hospital beds in use.
 - 6.3.2 **Ventilator Beds.** % of ventilator-assisted beds in use.
 - 6.3.3 **Positive Tests.** % of respiratory cases that test positive for COVID-19 based on surveillance.
- 6.4 **Alert System.** A four-stage alert system is proposed to easily communicate the current threat level within which the country is operating. Each level would be communicated by a shade of amber and a number between 1-4 to denote the level that is currently being observed. This alert system would

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also be adapted for use in parishes and communities through the implementation of surveillance infrastructure, which includes online tracking of cases across communities, in conjunction with extensive testing.

- 6.5 **Alert System Stages.** The stages of the proposed alert system are outlined below.

Level 1- DETECT	Sporadic number of COVID-19 cases in Jamaica
Level 2- CONTROL	Health system is able to manage number of active COVID-19 cases
Level 3- RESTRICT	High risk as health resources are strained due to number of active COVID-19 cases
Level 4- LOCKDOWN	Health resources are beyond capacity to manage number of active COVID-19 cases

- 6.6 **Trigger Criteria.** The respective alert level would be triggered where two or more of the outlined risk assessment criteria are met. It should be noted that restrictions are cumulative (e.g., at Alert Level 4, all restrictions from Alert Levels 1, 2 and 3 apply) and are subject to change based on specific Orders of the Government of Jamaica.

- 6.7 **Level 1 Triggers.** The proposed risk assessment triggers for Level 1 are:

6.7.1 **COVID Beds.** Under 10% of total available COVID hospital beds in use.

6.7.2 **Ventilator Beds.** Fewer than 10% of ventilator-assisted hospital beds in use within the last 10 days.

6.7.3 **Positive Cases.** Under 5% of respiratory cases testing positive for COVID-19 based on surveillance efforts in hospitals over 3 consecutive weeks.

6.7.4 **Level 1 Measures.** The proposed range of measures for Level 1 include:

- Contact tracing of any positive case.

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- Quarantine and self-isolation required for suspected and confirmed cases of COVID-19.
- Testing of patients with respiratory infections in hospitals.
- Encouraging of physical distancing.
- No restrictions on gatherings.
- Stay home if you are having flu-like symptoms.
- Frequent hand washing, cough into elbow, don't touch your face.

6.7.5 **Communication** will be monthly live media updates.

6.8 **Level 2 Triggers.** The proposed risk assessment triggers for Level 2 are:

6.8.1 **COVID Beds.** Between 11-20% of total available COVID hospital beds in use within the last 10 days.

6.8.2 **Ventilator Beds.** Between 11-20% of ventilator-assisted hospital beds in use within the last 10 days.

6.8.3 **Positive Tests.** Fewer than 5% of respiratory cases testing positive for COVID-19 based on surveillance efforts in hospitals over 3 consecutive weeks.

6.8.4 **Level 2 Measures.** The proposed range of measures for Level 2 include:

- Wearing of masks while in public spaces
- Keep at least 6 feet physical distancing.
- Limitation on the number of people at public gatherings.
- Businesses can open to the public if following public health guidance.
- Schools can open (subject to COVID-19 Protocols).
- Sport and recreation activities are allowed (subject to conditions on gatherings).

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- High-risk individuals are encouraged to remain at home.
- Extensive testing and contact tracing of individuals/groups suspected of having been exposed to the virus.

6.8.5 **Communication** is one weekly live media update.

6.9 **Level 3 Triggers.** The proposed risk assessment triggers for Level 3 are:

6.9.1 **COVID Beds.** Between 21-50% of total available COVID hospital beds in use within the last 10 days.

6.9.2 **Ventilator Beds.** Between 21-50% of ventilator-assisted hospital beds in use within the last 10 days.

6.9.3 **Positive Tests.** Over 5% of respiratory cases testing positive for COVID-19 based on surveillance efforts in hospitals over 3 consecutive weeks.

6.9.4 **Level 3 Measures.** The proposed range of measures for Level 3 include:

- Persons instructed to stay home other than for essential personal movement.
- Schools operate via distance learning.
- People must work from home (except for specific exemptions).
- Businesses can open premises (subject to MOHW guidelines).
- No more than 10 people at all private and public gatherings.
- Bars, night clubs, and other recreational facilities closed.
- Restaurants to restrict dine in services; focus instead on takeaway service.
- Restrictions on movement (e.g. curfews) and reduction in workday hours.

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6.9.5 **Communication** is live media updates between 2-3 times weekly.

6.10 **Level 4 Triggers.** The proposed risk assessment triggers for Level 4 are:

6.10.1 **COVID Beds.** More than 50% of total available COVID hospital beds in use within the last 10 days.

6.10.2 **Ventilator Beds.** More than 50% of ventilator-assisted hospital beds in use within the last 10 days.

6.10.3 **Positive Tests.** Over 15% of respiratory cases testing positive for COVID-19 based on surveillance efforts in hospitals over 3 consecutive weeks.

6.10.4 **Level 4 Measures.** The proposed range of measures for Level 4 include:

- People instructed to stay at home in their controlled environment other than for essential personal movement.
- Travel is severely limited.
- All gatherings cancelled and all public venues closed.
- Businesses closed except for essential services (e.g. supermarkets, pharmacies, clinics, gas stations) and lifeline utilities.
- Educational facilities closed.

6.10.5 **Communication** is daily live media updates

6.11 **Assumptions across Levels.** All alert levels assume:

6.11.1 **PPE Supply.** Maintenance of at least three months' supply of personal protective equipment (PPE) in national stores.

6.11.2 **Essential Services.** Essential services including supermarkets, health services, emergency services, utilities, and goods transport will continue to operate.

6.11.3 **Health & Safety.** Employers in those sectors must continue to meet health and safety obligations for their employees and places of operation.

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- 6.12 **Lockdowns.** It is proposed that surveillance mechanisms track cases in communities and should a cluster arise then a lockdown would be triggered. Lockdowns can operate at the community, parish, or national level, based on the outcome of MOHW’s surveillance. Individual businesses could also be ordered closed depending on the number of cases suspected or confirmed in relation to that business, as well as the risk of further spread. MOHW will develop specific risk assessment measures regarding lockdown of communities or parishes.
- 6.13 **Communication.** In terms of communication, the current alert level would be prominently displayed on all GOJ websites, in a highly visible banner at the top of the home page, as well as on all MOHW social media pages. Daily COVID-19 updates noting the following would be provided to all media outlets (television and radio) for inclusion in all regular new broadcasts, daily newspapers, as well as at the beginning of all JIS media updates.
- 6.14 **Key Milestones for Re-opening.** Having established the mechanics of a simple alert system, the diagram below outlines the key milestones and associated requirements vis-à-vis the opening up of the economy. These areas will only be opened if the country is at Alert Levels 1 or 2 on the reopening dates proposed.

REQUIREMENTS LISTED BELOW ASSUME A LEVEL 2 ALERT LEVEL. ALL MEASURES UNDER LEVEL 2 WILL BE ADOPTED	
KEY MILESTONES	REQUIREMENTS
Work from Home Order ends <i>May 31, 2020</i>	<ul style="list-style-type: none"> ▪ Workplace infection prevention and control guidelines established by MOHW ▪ Businesses to adhere to MOHW IPC Protocols and Guidelines prior to reopening ▪ Consideration to continue Work From Home by employers to be given to individuals over 65 y.o. and with underlying conditions where possible ▪ Transportation protocols established
Repatriation of Jamaicans who are overseas; Air and seaports open to repatriating Jamaicans <i>June-July 2020</i>	<ul style="list-style-type: none"> ▪ Monitoring of repatriated Jamaicans by 1,300 health aides and through use of technology ▪ Surveillance systems of communities with high number of repatriated individuals ▪ Repatriations take place on a phased basis so as not to overwhelm health system ▪ All returning travelers to get health card with information on quarantining where necessary
Airport fully open; Tourism resumes <i>June 2020</i>	<ul style="list-style-type: none"> ▪ Thermal scanners installed at all airports ▪ Implementation of isolation facilities at both international airports ▪ Enhanced screening at all airports
Seaports fully open <i>August 2020</i>	<ul style="list-style-type: none"> ▪ Thermal scanners installed at all seaports ▪ Implementation of isolation facilities at all seaports ▪ Enhanced screening of all passengers and crew at seaports including cruise shipping piers
Schools re-open <i>September 2020</i>	<ul style="list-style-type: none"> ▪ COVID-19 prevention and physical protocols established for schools

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6.15 **Health Infrastructure Recovery Plan:** Given that the country will have to live with COVID-19 for the foreseeable future, the public health infrastructure will need to be enhanced to ensure that it can both curtail the spread of the virus, while also having the requisite capacity to handle the cases that will invariably occur. As such, the MOHW has developed a comprehensive recovery plan that outlines key improvements to the health infrastructure of the country. The Committee has reviewed this plan and has outlined below the interventions believed to be of urgent priority, subject only to the further review of the Ministry of Finance and the Public Service.

6.16 **Health Intervention Focus Areas.** The health interventions to contain COVID-19 can be grouped into the seven key areas outlined below.

6.16.1 **Health Workers.** Increasing the number of skilled and competent health personnel is required to adequately monitor and mitigate against rapid transmission of the virus and ensure the health system's capacity to respond when new cases emerge. Specific initiatives include:

- Creation of 2,208 posts for community health aides (1,300 already being engaged).
- Accelerated training programme for community health aides to assist in contact tracing across Jamaica.
- Creation of 500 new posts for Public Health Inspectors.
- Increase accelerated training programme for Patient Care Assistants (PCAs) across all hospitals while also increasing their numbers across the country.
- Creation of 3000 new posts to enhance hospital monitoring.

6.16.2 **Surveillance.** Strengthened surveillance systems are imperative to the overall management of the COVID-19 response in order to quickly detect events of significance for public health and health security and then facilitate deployment of resources and implementation of appropriate measures to ensure the health and well-being of the population. Specific initiatives include:

- Enhanced monitoring of active cases in hospitals and those in isolation to garner more data on the specific progression of the virus in Jamaica (including time to recover, symptoms, cluster information).

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- Enhanced use of the JAM-COVID app and other emerging technologies to conduct contact tracing to monitor individuals in home quarantine or self-isolation.
- Use of technology platforms to provide real time data to policy makers and other key stakeholders.
- Identification of vulnerable groups (e.g. prisons, golden age homes, infirmaries, persons with underlying conditions) to facilitate targeted interventions.

6.16.3 **Health System.** To ensure health facilities are in a state to effectively anticipate, respond, and recover from the impacts of the likely recurrence of COVID-19 involves enhancing facilities designated for COVID-19 treatment, increased use of technology in the delivery of health care services, bolstering the national Infection, Prevention and Control (“IPC”) programme across the island, and improving coordination of multisectoral approaches through national partnerships. Specific initiatives include:

- Maintaining at least 3-months’ supply of PPEs in national inventory.
- Construction of a 5-bed Intensive Care Unit (“ICU”) for Mandeville Regional Hospital.
- Expansion of ICU capacity at Cornwall Regional Hospital.
- Creation of 4-bed High Dependency Unit (“HDU”) space on Ward 3 at the Spanish Town Hospital.
- Increase national capacity for HDU/ICU through increasing the number of trained critical care personnel.
- Improvements in waiting areas to enhance IPC measures in 10 hospital outpatient departments (“OPDs”) and ten health centres.
- Stagger appointments at OPDs to reduce overcrowding.
- Establish COVID-19 clinics or counters in all facilities for continued care of recovered patients.

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- Improvements in ten health centres to enhance IPC in consultation rooms.
- Installation of hand hygiene stations in all emergency departments (“ED”s), OPD, and health centre waiting areas.
- Installation of messaging in all ED, OPD and health centre waiting areas re: sanitation and hygiene practices.
- Appointment systems implemented in primary care to decrease overcrowding.
- Fast track tele-consultation for stable patients with chronic diseases and transmission of prescriptions to pharmacy for pick up.
- Develop fast-track system for patients over 65 years in OPDs.
- Establishment of national inventory and mapping of available resources for emergency response: expertise, staff, logistics, equipment, facilities.
- Expanding space for establishing emergency operating centres (“EOCs”).
- Strengthening of Infection Prevention and Control (“IPC”) Committees in hospitals.

6.16.4 **Testing.** It is essential to strengthen Jamaica’s laboratory systems to more effectively, safely, and accurately detect and characterise pathogens causing epidemic diseases in order to respond appropriately to COVID-19 as well as other infectious diseases. Specific initiatives include:

- Increased testing (including random testing in hospitals and in the wider population).
- Development of proficiency in classical diagnostic techniques including bacteriology, serology, and Polymerase Chain Reaction (“PCR”) testing in at least two regional hospital laboratories.
- PCR testing implemented in at least one private laboratory.

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- Public-private partnership to enhance testing (this includes private labs collecting samples to be tested by public labs).
- Training of staff to achieve competency in PCR testing to build capacity at the National Public Health Laboratory.
- Reviewing of existing antibody test kits to select best-performing kits that can be used across the public and private lab network.

6.16.5 **Community Engagement.** Engagement will be undertaken at the community level to ensure that information about IPC is widely disseminated. The information will enable persons to protect themselves and others from the virus, reduce its impact on health, social life, and the economy, and garner accurate updates on perceptions, risky behaviour, and misinformation, in an effort to ensure the relevance of public relations and communications efforts around the virus. Specific initiatives include:

- Implementation of interventions based on the identification of vulnerable groups. These interventions will largely be led by community health aides.
- Development of health collateral to facilitate increased understanding of the virus and how to prevent infection.
- Development and execution of public awareness campaign which also includes strategies to address research findings on public perceptions, misinformation and risky behavior in relation to COVID-19.

6.16.6 **Points of Entry.** As the country reopens its borders to accept both repatriated Jamaicans and to enable the full resumption of tourism activity over time, measures to bolster monitoring of persons traversing through points of entry will have to be enhanced. This is in an effort to mitigate against the increased likelihood of a public health crisis from the importation of COVID-19 cases as persons enter the island. Specific initiatives include:

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- Improving facilities for processing of travellers by the health team at both international airports and cruise ports.
- Increasing facilities for isolation at both international airports and cruise ports.
- Providing thermal scanners at all ports of entry (including cruise ports).
- Requiring all incoming passengers to sign up on electronic app/system prior to entry in Jamaica.

6.16.7 **Legislation and Policy Development.** A sufficiently robust legal framework is required to support and enable the implementation of actions in response to the COVID-19 emergency. Currently, there are several gaps in the existing legislative and policy framework which impact a number of critical areas that relate to the coordination and management of the GOJ's and specifically, MOHW's, COVID-19 response. These include no rules or regulations to support home quarantine, lack of clearly defined roles of Medical Officers of Health, a need to strengthen rules and procedures for the management of disasters related to bio-hazards, inadequate supporting legal framework to enforce and manage new IPC mechanisms, weak legislative framework to support central coordination of all health resources during a crisis, lack of a robust legislative framework for the registration of private health facilities and nursing homes, and limited legislative framework for electronic prescribing for clinical management within an infectious environment. Specific initiatives include:

- Reviewing priority legislations and draft amendments as well as required regulations for submission to Parliament in order to bolster the legislative framework.
- Establishing a legislative framework for Information Systems for Health architecture to support ICT enhancement to health systems.
- Collaborating with sector leaders to develop sector-specific IPC measures.

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- Increasing the number of public health inspectors by 300 more.

6.17 **General COVID-19 Protocols.** In addition to the proposed national risk-based alert system framework, and the specific health intervention measures, containment of the virus as the economy recovers will depend on the adherence of each Jamaican employer, employee and household to a general set of COVID-19 Protocols. The Infection and Prevention Control Recommendations for Employers, the Environmental Health and Interim Guidelines and Procedures for the Reopening of Public Facilities/Spaces for COVID-19 as prescribed by MOHW will serve as the base set of Protocols to be adopted (Please see Appendices for details). This provision of these general Protocols does not obviate the need for each sector to create their own specific Protocols, as the minimum standard, with approval from the MOHW prior to implementation. The General COVID-19 Protocols include:

6.17.1 **Prevention & Containment.** Prevention and containment is a key strategy to minimize the impact on Jamaica’s labour force. The risk of spread and exposure to COVID-19 can be reduced through:

- Regular cleaning and disinfection.
- Hand and respiratory hygiene.
- Physical distancing.
- Effective risk communication.
- Training and education.
- Management of people with COVID-19 or their contacts.

6.17.2 **Target Entities.** The MOHW has developed a set of Protocols as a basis for decision-making by owners and/or operators of public establishments / facilities, (“Establishments”) namely:

- Educational institutions.
- Recreational facilities.
- Bars.
- Places of amusement

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- Ministries, departments, and agencies.
- Food establishments
- Manufacturing and processing plants.
- Points of entry.
- Health facilities.
- Beauty salons, barbers and cosmetology groups

6.17.3 **Physical Distancing.** Establishments should implement physical distancing strategies to include:

- Altering workspaces to allow workers and customers to maintain physical distancing and physically separate employees from each other and from customers, when possible.
- Flexible worksites (e.g., telework).
- Flexible work hours (e.g., rotate or stagger shifts to limit the number of employees in the workplace at the same time).
- Flexible meeting and travel options (e.g., postpone non-essential meetings or conduct them virtually).
- Defer or suspend workplace events that involve close and prolonged contact among participants, including social gatherings.
- Increase physical space between employees and customers (e.g., drive-through service, physical barriers such as partitions).

6.17.4 **Improved Ventilation Systems.** Establishments should implement initiatives to improve ventilation systems including:

- Ensure that ventilation systems operate optimally and provide acceptable indoor air quality for the current occupancy level for each space.

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- Improve central air filtration to the MERV-13 or the highest compatible with the filter rack, and seal edges of the filter to limit bypass.
- Implement preventive maintenance schedules.

6.17.5 **Cleaning and Disinfecting.** Establishments should implement initiatives to include:

- Cleaning, using soap and water, with mechanical action (brushing, scrubbing) removes dirt, debris, and other materials from surfaces.
- After the cleaning process is completed, disinfection is used to inactivate (i.e. kill) pathogens and other microorganisms on surfaces.
- High-touch surfaces should be identified for priority and periodic disinfection (commonly used areas, door and window handles, light switches, kitchen and food preparation areas, bathroom surfaces, toilets and taps, as per MOHW Guidelines.
- Disinfectant solutions must always be prepared and used according to the manufacturer's instructions, including instructions to protect the safety and health of support staff, use of personal protective equipment, and avoiding mixing different chemicals.

6.17.6 **Employee Behaviour.** Establishments should implement measures to have their employees abide by the following:

- Reporting any respiratory signs and symptoms to your physician and, if there are no symptoms of COVID-19, persons should return to work with a medical certificate.
- Employees who are well, but have sick family members with COVID-19 are to also report the situation and stay at home.
- Keeping informed or updated on developments of COVID-19, especially being aware that SARS-CoV-2 can be transmitted within work environments.
- Complying with workplace policies including:

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- Wearing appropriate face coverings (e.g., masks) as per the risks and duties to be performed.
 - Maintaining physical distancing.
 - Adhering to proper personal hygiene practices.
 - Sneeze and cough etiquette and hand washing/hand sanitization practices.
 - Avoiding touching eyes and nose.
 - Adhering to the routine cleaning and disinfection measures as per MOHW guidelines.
 - Regular cleaning and disinfection of frequently touched surfaces based on MOHW guidelines.
- Avoiding using co-workers' personal devices, office spaces, work tools and equipment.
 - Participating in related training provided by the employer.
 - Reporting to supervisors any situation which may affect the health of other workers.

6.17.7 **Hand Hygiene.** Establishments should implement initiatives to include:

- Installing hand-washing stations fully equipped with soap, water, disposable hand towels, and hands free garbage bins.
- Sanitizing stations must be equipped with alcohol-based hand-sanitizers (containing at least 62% alcohol).
- Hygiene stations should be placed in strategic locations throughout the workplace.
- Appropriate communication materials to promote hand hygiene should be posted in prominent places.

6.17.8 **Respiratory Hygiene.** Facilities should promote respiratory etiquette for all persons within the facility, ensure that face masks and paper tissues are available,

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for those who develop a runny nose or cough at work, and ensure compliance with the requirements of wearing a mask or a face covering in accordance with the Disaster Risk Management Act, 2015.

6.17.9 **Physical Distancing.** Measures should be introduced to encourage:

- Maintaining a distance of at least 2 meters between people and avoiding direct physical contact with other persons (i.e., hugging, touching, shaking hands).
- Reducing density of people in the building (no more than 1 person every 4 square meters).
- Physical spacing at least 2 meters apart for workstations and common spaces; where the 2 meters (6ft) is not attainable, physical barriers of 1 meter (3ft) must be installed.

6.17.10 **Communication, Training & Education.** Businesses should increase awareness among workers of COVID-19 and promote safe individual practices at the workplace by erecting posters, videos, and electronic message boards, as well as conducting periodic training among the staff.

6.17.11 **Protocol for Sick Employees.** For sick employees, suitable facilities should be provided including identification of a room that will be used as a sick bay / holding area which should have at minimum an equipped hand-washing station, or where not practicable, the provision of a hand-sanitizer station (equipped with the requisite alcohol content - 62% alcohol). Employees presenting with respiratory symptoms who have not been exempted by their physician should be provided with Personal Protective Equipment and should be sent home to seek medical care with the appropriate precautions taken.

6.17.12 **Protocol for Employees who Test Positive.** Where an employer is informed that an employee is confirmed to have COVID-19 the Health Department should be immediately informed so that the necessary Public Health measures can be put in place including interviewing the patient and initiation of contact tracing. Deep cleaning

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and disinfection must be conducted within the facility in accordance with MOHW guidelines and special attention made for those areas where the infected person(s) was stationed/visited. In the event that a large number of persons become infected,¹² this may result in a site lock down.

- 6.17.13 **Mask Etiquette.** The MOHW advises the wearing of facial barriers (masks) in public settings where other physical distancing measures are difficult to maintain (e.g., grocery stores and pharmacies). In addition, the MOHW recommends the wearing of masks in the following situations: (a) if you are taking care of a person with suspected COVID-19 infection, (b) if you are ill, i.e., coughing or sneezing, (c) persons who are quarantined or isolated at home with or without respiratory symptoms, (d) caregivers of persons who are quarantined or isolated and other members of the household (e) persons who have had COVID-19 and have been discharged from hospital should wear a mask for two weeks; and (f) elderly and persons with chronic illnesses, who are at high risk, if infected, of developing severe illness and complications of illness. These persons must also avoid ill persons and minimize contact with the public.
- 6.17.14 **Mask Use.** Appropriate use of masks / facial coverings is essential to ensure their effective use and to reduce the risk of transmission associated with the incorrect use and cleaning of masks. Masks/facial coverings should: (a) fit snugly but comfortably against the side of the face, (b) be secured with ties or ear loops, (c) include multiple layers of fabric, (c) allow for breathing without restriction, and (d) be able to be washed and dried without damage or change to shape. It is expected that all staff employ the measures or steps listed below: (i) before putting on a mask, clean hands with alcohol-based hand rub or soap and water, (ii) place mask carefully to cover mouth and nose and tie securely to minimize any gaps between the face and the mask; (iii) while in use, avoid touching the mask; (iv) remove the mask by using appropriate technique (i.e. do not touch the front but remove the lace from behind or using the ear loops); and (v) replace

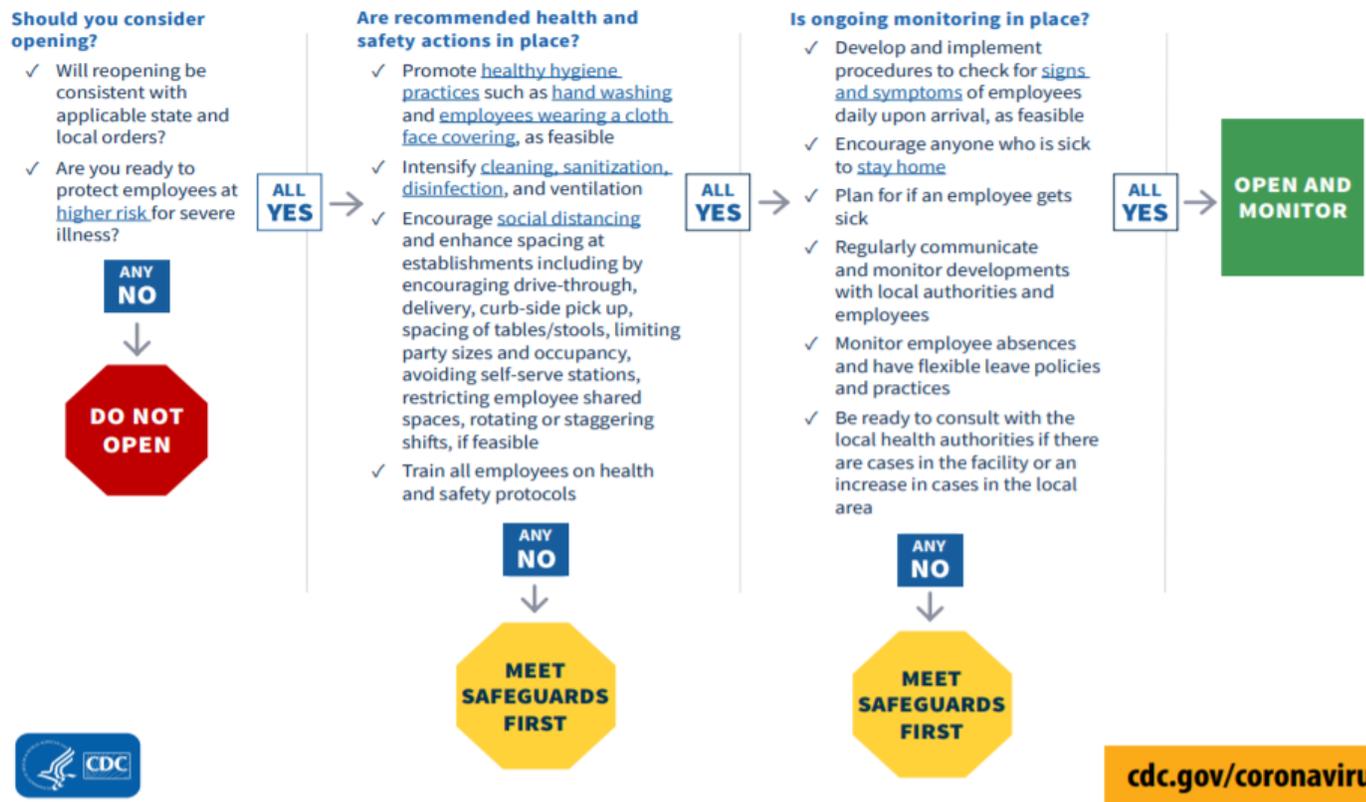
¹² The specific parameter will be determined and disseminated by the MOHW

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masks with a new clean, dry mask as soon as they become damp/humid.

6.18 **General Re-opening Guidelines.** The decision tree outlined below is a schematic flow of all the parameters that has to be met before the operations can be approved or considered for reopening. The purpose of this tool is to assist businesses in making (re)opening decisions during the COVID-19 pandemic. Where any operator or owner answers **NO** to any of the item areas within the decision tree, reopening will need to be reconsidered or re-evaluated based on the ease of spread of the SARS-CoV-2 virus, and to protect the safety and health of all employees and customers.

Diagram 1: Decision-Tree for Restaurants, Bars, Supermarkets and the like



Adapted by the MOHW, May 15, 2020

7.0 SOCIAL DEVELOPMENT CONSIDERATIONS FOR ECONOMIC RECOVERY

- 7.1 **Background.** The social context is of primary significance in consideration of Jamaica's economic recovery. Jamaica's social challenges have long been evident. Poverty, low education outcomes, areas of poor quality housing, violence including domestic violence, susceptibility to non-communicable diseases, structural gender biases and inadequate accommodation for disability are among the social factors that have long existed in Jamaica. The extent to which these factors elevate risk and impede the potential for economic activity have been unmasked by the COVID-19 pandemic.
- 7.2 **Policy Context.** It should be noted that most of the social protection and labour dynamics that have come to the fore over this period, have been considerations already envisaged within the PIOJ's Jamaica Social Protection Strategy (PIOJ, 2014), the National Poverty Reduction Policy and Programme (PIOJ, 2018), and other supporting policy documents. The COVID-19 pandemic has underscored the relevance and imperative nature of many of the strategic priorities and recommendations that have already been tabled. It is anticipated that in light of the global and local impact of the COVID-19 pandemic, there will be a likely increase in the demand for benefits and services provided by a number of government and non-government programmes, including those under the National Poverty Reduction Programme (NPRP), which will require service providers to be equipped with the capacity and resources to respond.
- 7.3 **Social Protection.** The experience of the COVID-19 event has reiterated the critical role of social protection in all its components: social assistance, social security, and labour market dynamics.
- 7.3.1 **Existing Programmes.** In response, the Government of Jamaica was able to immediately respond to the economic and social shocks of the pandemic by ramping up provisions for existing programmes, including the PATH programme, and rapidly creating initiatives to alleviate the experience for families and enterprises.
- 7.3.2 **The Covid Allocation of Resources for Employees ("CARE") Programme** The Ministry of Finance and the

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Public Service's COVID-19 Allocation of Resources to Employees Programme (CARE Programme) was a major initiative that responded to meeting basic needs, as well as bolstering many individuals from the negative impacts of loss of employment. The role of social protection as a social stabilizer has therefore been underscored; however, as the economy is stimulated to recover, the additional role of social protection as a critical element to achieve economic growth will be evident.

7.3.3 **Short-term Recommendations.** Efforts must continue the active collaboration with private sector and NGOs to:

- Expand the reach of safety nets through strengthened registration efforts.
- Implement the new Social Pension announced by the Minister of Finance in the 2020/21 Opening Budget Presentation.
- Provide accessible training and certification to assist redeployment of displaced employees.
- Within the budgetary envelope, devise stimulus provisions to enable small and medium businesses to recover quickly.
- Accelerate strategies for building resilience in small producers, entrepreneurs, e.g. social and physical infrastructure, crop/livelihood insurance, asset formation.
- Utilize the current experience to advance financial inclusion (i.e. the un-banked) at the lower socio-economic levels. (See Chapter 9.0 - Financial Sector Development).

7.3.4 **Medium-term Recommendations.** The Government should:

- Ensure systems of national identification and social registries.

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- Address comprehensive inclusion of persons with disabilities and the elderly in appropriate transfers.
- Complete the examination of contributory unemployment insurance in the context of social security reform.
- Expand the avenues for attachment to social security, particularly within the informal economy.
- Construct a comprehensive database of all families through which State sponsored social assistance can be administered to families in need during a crisis, to facilitate the administering of benefits in a structured manner at national and local levels. The database should be separate from PATH because of its function but should include all PATH families.

7.4 **Labour Market Development.** COVID-19 adversely impacted labour employment across micro, small, medium and large enterprises, to varying degrees within each category. Marginal, seasonal and customer-driven employment across the spectrum of informal and formal economies have been impacted, leading to thousands of workers losing employment status in different ways.

7.4.1 **Redundancy Act – Application to COVID-19.** Tens of thousands of workers, across many sectors, have been laid off as a result of the COVID-19 pandemic. However, lay-offs have been concentrated in certain sectors including tourism. Under the Redundancy Act employers are required to make an employee redundant 120 days after being laid off, at the request of the employee. Given the exceptional circumstances, particularly in the tourism sector, where firms have little or no revenue, a large redundancy claim could push many enterprises into bankruptcy and exacerbate the challenge of economic and jobs recovery. On the other hand, relinquishing this right in law, without a commensurate benefit, would prejudice the interest of the employee. As such, the Task Force recommends that employers engage directly with their employees on this issue. Furthermore, the Task Force recommends that the GOJ consider continuing SET Cash and BEST Cash payments for eligible and verified applicants for a further 60 days. This would likely incentivize a standstill on redundancy claims, giving more time for jobs and output to recover.

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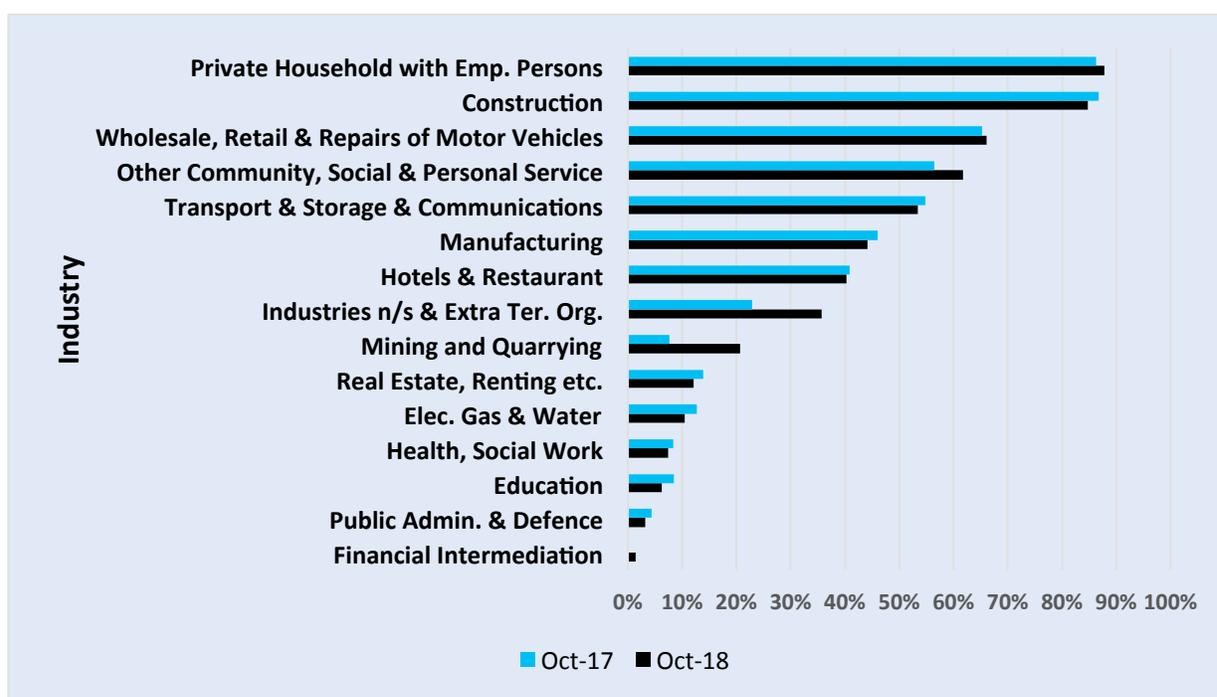
- 7.4.2 **Skills Training.** Economic recovery must focus on people and their skills. Therefore, skills training and development is an important part of Jamaica's job creation and economic recovery strategy. In particular, skills training to allow Jamaica to transition up the value chain in the GSS/BPO sector is important. In addition, skills training in animation provides scope for diversifying the service sector.
- 7.4.3 **Vocational Training.** In addition to formal education, vocational training and lifelong learning are core elements for the employability of workers. Within a context of economic recovery, re-tooling and re-skilling of workers, especially those who have lost their jobs as a result of the pandemic, and even youth, can aid in enabling workers to respond to labour market demand and seizing employment and entrepreneurship opportunities, boosting innovation and productivity. Initiatives which should be pursued in this regard include:
- 7.4.4 **Youth Training.** Strengthen youth training programmes such as HOPE.
- 7.4.5 **Legislation.** The revision of Labour Legislation to make them more adaptive to changing work environments and work modalities, and responsive to emerging health and economic dynamics; this is among recommendations arising from the Labour Market Reform Commission 2017.
- 7.4.6 **Unemployment Insurance.** Fund and complete the feasibility study on an Unemployment Insurance Scheme for specified categories of workers within the context of social security reform. Terms of Reference for this study have been completed under the Labour Market Reform Commission deliberations.
- 7.4.7 **Flexible Work Arrangements.** Encourage and promote the use of flexible work arrangements where possible (this is being done to some extent) but more businesses should adopt this.
- 7.5 **Reduce the Level of Informality in the Jamaican economy.** Informal employment accounts for approximately 47% of total employment (excluding agriculture).¹³ Sectors with the largest proportion of informally

¹³ PIOJ

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employed workers include construction at 85% and wholesale, retail and repair of motor vehicles at 66%. In addition, household work is mostly informal. The level of informality within an economy constrains the pace of growth. It also weakens the social fabric as informally employed workers do not have ready access to social safety net programmes such as the national insurance scheme.

7.5.1 Informal Employment as a Share of Total Employment by Industry:¹⁴



7.5.2 **Productivity.** Industries with relatively high levels of informality tend to have relatively low levels of productivity. Labour productivity tends to be lower in industries that have a larger share of informal employment partly due to:

- **Limited Access to Capital.** Informal firms tend to operate below full potential because of inadequate record keeping which makes it difficult for them to access capital to expand¹⁵.

¹⁴ Table contributed by the PIOJ

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- **Lower Human Capital.** In the 2018 Labour Force Survey undertaken by STATIN two out of every three informally employed persons reported having no qualifications¹⁶.

7.5.3 **Registration.** Registering of small farmers, fishers, producers and entrepreneurs within respective institutional frameworks should foster greater formalization of informal workers and producers.

7.5.4 **Collapse Statutory Deductions into a Single Consolidated Deduction.** The Jamaican payroll is subjected to four statutory deductions calculated on different income bases. Education Tax, HEART, National Insurance Scheme (“NIS”) and National Housing Trust (“NHT”) deductions are all calculated in different ways. Though progress was made with reform that allows for these to be amalgamated and submitted on one form, having 4 separate tax types with different calculation regimes makes the system complicated and accounts some of the informality that exists. The GOJ should consider replacing these four with a single consolidated statutory deduction that on the back-end is separately allocated among the various uses. This would lead to greater compliance and would allow for efficiencies in the compliance function. A simplified system would assist in increasing the level of formalisation in the society.

Consider One-time Annual Deduction Options for Certain Categories of Workers. Domestic workers are among the most disenfranchised groups with respect to participation in the National Insurance Scheme. Anecdotal evidence suggests that their under-representation is not only due to the incremental dollar cost of the statutory deduction but also to the complexity of filling out forms and filing monthly deductions. The GOJ should consider the option of making one-time annual contributions an option to reduce the complexity of compliance.

7.6 **Security, Community Renewal, and the Empowerment of At-Risk Individuals.** The partial lockdown of the country resulted in physical closure of a number of businesses some temporarily and others permanently. This has led to a loss of employment or reduction in incomes for a number of persons especially those in volatile and vulnerable

¹⁶ PIOJ

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communities, many of whom were precariously employed. This loss of income can lead to an increase of social tensions in vulnerable communities. Crime and violence usually find fertile ground under such conditions. As the country seeks to rebound from the economic fallout as a result of the COVID-19 pandemic, mitigating this risk and managing the generally high levels of crime and violence is an important part of the economic recovery process.

- 7.6.1 **Citizen Security Plan.** Prioritise implementation of the Citizen Security Plan (CSP) under Plan Secure Jamaica. The CSP is aimed at improving citizen security in at-risk communities.
- 7.6.2 **Citizens' Security and Justice Programme.** Finalise the transition of services offered under the Citizens' Security and Justice Programme (CSJP) into the relevant government ministries, departments and agencies. The CSJP ends in 2020 and there are elements of the programme that still need to be transitioned into other government entities.
- 7.6.3 **Accommodate Regularised Vending.** Identify spaces in heavily trafficked areas that can be set-aside for itinerant sellers and other illegal vendors as well as funding arrangements that can get them restarted legitimately.
- 7.6.4 **Expand Reach of Existing Social Programmes.** Increase the number of communities benefitting from social intervention programmes. There are a number of social intervention programmes focused on at-risk individuals currently being implemented. However, only a few communities are benefitting from these interventions. The interventions need to be scaled up so that more persons and communities can benefit.
- 7.6.5 **Support Community Businesses.** Implement financing and other business development programmes to support community-based businesses especially those with the potential to expand and provide employment for other residents. While there are existing programmes that provide assistance many of the businesses in low-income communities are not able to access these services for a number of reasons such as lack of knowledge about their existence, informality and no proper systems in place.
- 7.6.6 **Skills Training and Increasing Opportunities.** Increase opportunities for income generation through entrepreneurial

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development and/or skills training for unemployed and unemployable individuals.

7.6.7 **Day Care for Single Mothers.** Implement family support programmes that will enable single mothers to access and retain employment. Explore the possibilities of local authorities operating day-care facilities in select communities that provide safe places for children at a reasonable cost while their mothers are at work.

7.6.8 **Additional Support.** The provision of additional support to vulnerable groups such as the homeless and persons in communities with inadequate sanitary or communal facilities.

7.6.9 **Gang Members.** Provide alternative livelihoods and training for existing gang members. Training has to be twinned with livelihood programmes so that there can be income support while individuals are being trained.

7.7 **Education.** COVID-19 risks widening the disparity in academic performance between students based on income inequalities due to issues of access to technology/online platforms, as well as lack of parental support which tends to be higher among poorer households. Remedial assistance to students at the primary and secondary levels will therefore be required. Proposals to close the gap/address the disparity include:

7.7.1 Provide tablets for students that need access to online resources.

7.7.2 Subsidize WiFi access for students in PATH households.

7.7.3 Enhance the school feeding programme.

7.7.4 Broaden the reach of the school transportation programme.

7.7.5 Strengthen remedial education offerings.

7.7.6 Eliminate application and processing fees for Student Loans for 2020/21.

7.7.7 A revision to practicum assignments at Teacher's Colleges to foster greater involvement in providing support to schools when they re-open, especially in aiding students to catch up.

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- 7.7.8 Re-structuring of school/study hours that will continue to integrate technology and specially cater to students who are behind.

Face-to-face teaching could be shortened for students who have kept pace with online learning, to encourage semi-independent learning and reduce the need for the shift system. Accompanying this shift in resource allocation could be a re-directing/re-assigning of teacher-student contact hours to students who require additional assistance.

7.8 Housing

- 7.8.1 NHT Strategic Review Recommendations The NHT Strategic Review contains many recommendations to reform the NHT and have it fulfill the role of supporting the regularisation of the housing stock in Jamaica inclusive of apportioning resources for social housing. The NHT Strategic Review has been tabled in Parliament. Its recommendations should be considered for implementation.

8.0 ECONOMIC POLICY MEASURES TO SUPPORT THE RECOVERY

Within the dynamic context of the COVID-19 pandemic, the focus of policy-making should be on giving the best possible support to a recovery of jobs and economic output within the targeted time period of 2-3 years. Cognizant that the risks of natural disaster and commodity shocks are ever present, timely implementation of measures provide the best hedge against these structural vulnerabilities. With a bias towards implementation, Jamaica has to take accountability for its vulnerability.

8.1 Macro-Policy Framework

8.1.1 Maintenance of Macro-economic Stability is Paramount.

It is of overwhelming importance that macro-economic stability, defined as simultaneous attainment of (i) sustainability of public debt and government finances (ii) sustainability of external accounts (iii) low, stable and predictable inflation and (iv) financial sector stability is maintained. This will provide the best chances for a speedy recovery relative to previous experience. On the other hand, loss of macro-stability would be very costly, diminishing prospects and increasing time to return to pre-COVID-19 levels of output. Some of the protracted challenges with economic recovery in the past have been by entrenched macro-economic instability

8.1.2 Suspend Fiscal Rules for 2020/21; Extend Debt Reduction

Timeline. The COVID-19 Economic Recovery Taskforce supports the suspension of the fiscal rules for 2020/21, which would allow additional space to respond to the COVID-19 expenditure demands in light of anticipated lower revenues. Furthermore, in light of the expected higher than planned Debt/GDP outturn for March 2021, on account of lower GDP base and reduced fiscal savings, among other factors, extension of the debt reduction timeline from 2025/26 to 2027/28 is supported.

8.1.3 Reject Proposed Policy Responses that would Threaten Macro-economic Stability or that Establish Precedents that if Generally Applied could also Threaten Macro-

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economic Stability. The extended time periods of Jamaica's decade-long recovery from the global financial crisis and decade-and-a-half recovery from the 1970s economic collapse were influenced by the chronic macro-economic instability that existed during those periods. A quick 2-to-4 year recovery will require that Jamaica maintains, and does not sacrifice macro-economic stability. This will mean jettisoning policy recommendations that otherwise pose a threat to stability.

8.2 **Expenditure Policy Recommendations.** The recovery will be gradual. It will be crucial for the GOJ to strategically allocate scarce incremental public expenditure, as it arises, in ways that boost chances of a sustained and strong recovery. There should be a positive policy bias towards prioritising incremental revenue, over the recovery period, towards local value-added capital expenditure, strengthening of health capacity, building out education infrastructure, deepening internet/broadband connectivity, advancing Jamaica as a digital society, expanding the social safety net, strengthening economic resilience and strategies designed to maintain productive capacity. In addition, there should be a policy bias toward enhancing public safety through community renewal and improving the public safety capacity and response of the security forces.

8.2.1 **The Reality of Budget Rigidity.** Any economic recovery plan and set of expenditure policy recommendations must recognize the structural rigidity in Jamaica's budgetary framework. Over 66% of budgetary expenditure¹⁷ is accounted for by line items that are fixed – debt service, compensation and pension obligations. Much of the remaining 34% is accounted for by ongoing programme commitments. Discretionary room is therefore not available in abundance.

8.2.2 **Maintain Some Flexibility.** Despite structural rigidities it is necessary for expenditure policy to retain some amount of flexibility to account for the possibility that recovery may not be a straight line.

8.2.3 **Prepare for a Second and Third Wave of Infection Possibilities.** Notwithstanding implementation of health

¹⁷ First Supplementary Estimates 2020/21

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protocols, within the recovery timeframe of 2 – 4 years, it is possible that Jamaica and/or its trading partners could experience second and third waves of infections that could lead to further periods of curtailment of economic activity. Policy choice should therefore incorporate the required pacing and flexibility in anticipation of these risks.

- 8.2.4 **Public Sector Transformation and Overhauling the Wage Structure.** Continue efforts to rationalize public bodies by merging, closing, outsourcing to increase efficiency of the public sector and generate fiscal savings for high priority spending. In addition, overhaul the compensation structure to retain skills and reward performance, make it transparent, and streamline salary scales and allowances with a view to simplify, increase transparency, and make more equitable.
- 8.2.5 **Policy Bias towards Local Value-added Capital Expenditure.** Capital expenditure is often heavily import dependent. This demands foreign exchange and, though productivity enhancing, a large foreign composition of capital expenditure leads to economic leakage. During the recovery period the GOJ must focus capital expenditure, where feasible, towards activities that maximise local-value add.
- 8.2.6 **Policy Bias towards Strengthening Health Capacity.** As revenues recover, the GOJ should accelerate capital investment in public health. Targeted upgrading of the ICU capacity of rural and urban hospitals, build-out of centres of excellence for oncology and nephrology, and improvement of primary health facilities will be important to improving resilience of the Jamaican population.
- 8.2.7 **Policy Bias towards Education Infrastructure and Skills Training.** As revenues recover, the GOJ should accelerate the capital investment in public education delivery. Upgrading of school infrastructure to phase-out the shift system in addition to intervention to improve outcomes in Math and English are crucial.
- 8.2.8 **Policy Bias towards Increased Public Technology Investment.** Improved and increased availability of internet and broadband technology that improves connectivity increases productivity and is growth enhancing. The GOJ

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should deepen internet/broadband connectivity through avenues including investing in publicly available hotspots, provision of tablets in schools, build out of computer labs, and in activities that improve computer and online literacy.

8.2.9 **Policy Bias towards Expansion of the Social Safety Net.**

Improving the average productivity and resilience of the Jamaican citizen will boost the chances of a sustained recovery. The GOJ should direct additional resources towards social assistance programmes with a view of expanding the school feeding and school transportation programmes improving PATH benefits, and building-out of social pension system. These are important to improving resilience and productivity of the Jamaican society.

8.2.10 **Policy Bias towards Expenditure that Improves the Resilience of the Jamaican Economy.**

The Jamaican economy is largely dependent on agriculture. However, the output of this sector itself depends on favourable weather conditions. Often in the recent past excess rainfall and drought conditions have stymied agricultural output. Outcomes can be addressed through adequate investment in storage and irrigation in farming communities. These plans need to be accelerated for recovery momentum to be sustained.

8.2.11 **Fuel Hedge is Fiscally Unaffordable.**

The purchase of Call Options on oil for a premium outlay gives the purchaser the right to purchase oil at predetermined strike prices over fixed periods. The cost of the premium for Call Options on oil, with strike prices 20% - 30% higher than current spot prices, is estimated at \$5 billion - \$6 billion for a year's supply.¹⁸ Under the circumstances, this is difficult to incorporate in Jamaica's expenditure profile at the current time given existing priorities.

8.2.12 **Catalyse Mobilization of Private Risk Capital.**

GOJ should seek to catalyse the emergence of private sector run private equity vehicles that have the goal of recapitalizing and acquiring stakes in companies affected by COVID-19.

¹⁸ BOJ

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GOJ's capitalization could come in the form of a first-loss tranche, with commensurate upside, designed to incentivize further private subscription.

8.3 **Pursue Business Climate Improvements to Support Economic Recovery** Maintenance of a stable macro-economic environment along with expenditure policy that supports balanced recovery should be accompanied by a concerted effort to improve the business environment. The business environment is improved through transparency, predictability, efficiency in business transactions.

8.3.1 **Customs Reform.** The Bill to Repeal and Replace the Customs Act has been tabled in Parliament and a Joint Select Committee has been established to review the Bill. It is a lengthy Bill, however, steps should be taken to ensure that the Bill can be reviewed and passed during 2021. This will significantly improve the efficiency of border crossing procedures and enhance the growth and development of many sectors.

8.3.2 **Create a Designation of Priority Investments.** Expedite decisions and other Government processes for projects designated as 'strategic' or 'priority'. The designation, would be based on pre-defined weighted criteria, and would be intended to remove bureaucratic impediments and mobilise Government efforts towards the implementation of high impact projects, as ministries, departments and agencies would be mandated to ensure the speedy facilitation of the designated project.

8.3.3 **Implement a Comprehensive GOJ Land Divestment Policy.** Create a comprehensive and overarching GOJ Land Divestment Policy that is transparent, simple and applies across all Government agencies, rather than just the National Land Agency, thereby enhancing predictability of the process around purchase, sale, lease, and other related land transactions with Government.

8.3.4 **Create a Transparent GOJ Land Bank.** Create a GOJ Land Bank that provides a comprehensive database with key information on all available land across Government so that local and foreign investors can easily identify and apply for the sale/lease of lands. This is expected to promote greater transparency, simplify the process, and simultaneously

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reduce the time taken to identify land, identify the landowners, and then transact a sale/lease.

- 8.3.5 **Create of a National Business Portal.** Licensing and regulatory regimes exist, in part, to enforce minimum standards in the conduct of business for protection of consumers and the public. Often time however licensing and regulatory regimes, across a range of industries, introduce unintended inefficiencies to the productive process. In some cases multiple licenses are required from different agencies for essentially the same process. MSME's, with thinner resource bases, are particularly affected. The GOJ should create a National Business Portal to host a multitude of Business-to-Government (B2G) transactions, allowing MSMEs and foreign investors to i) submit applications online for various licenses, permits and other approvals, ii) have them reviewed by the relevant Government entities, and then iii) obtain decisions online, all in a timely manner that can be transparently tracked. This will pave the way for the full digitization of Government. A Portal is currently being considered for implementation by JAMPRO and could serve as the core platform for the National Business Portal.
- 8.3.6 **Improve the Protection of Minority Investors.** There is the need to amend the Companies Act to include clauses that further protect the rights of minority investors. This will improve the capital formation process and improve the attractiveness of Jamaica as a destination for investment. It will also improve the efficiency of allocation of capital.
- 8.3.7 **Improve the Process of Starting a Business.** Improve the process for online registration of both companies and businesses by improving the process of registering business names. This will also require an amendment to the Companies Act.
- 8.3.8 **Significantly Improve Trading Across Borders Standing.** According to the World Bank, Jamaica currently ranks 134 out of 190 countries in respect of trading across borders. Jamaica's economy is heavily trade dependent. As such the time and cost of import and export procedures have a significant bearing on overall economic efficiency. Jamaica's low "trading across borders" ranking is inextricably linked to complex interplay among numerous

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Government entities that offer various approvals, licenses, and permits having to do with trade – making it more expensive and timelier to move goods across borders. There are a raft of reforms outstanding to bring Jamaica into compliance with the WTO Bali Agreement on Trade Facilitation. This includes reforms to implement the rationalization and re-engineering border regulatory processes to remove duplications and streamline fees charged to MSMEs. These changes will need to be supported by the review and amendment of critical legislation related to these processes in addition to creation of new frameworks, such as the ATA Carnet for Creative Industries as well as an Approved Economic Operator Regime for Exporters.

- 8.3.9 **Improve the Process for the Registering Property.** The graduation towards an electronic titling system for property is a critical measure to improve the efficiency of land transactions and allow for an increased ability to collateralize land titles for business loans. The legislative change to effect this is underway, and the GOJ should now create an Electronic Land Titling System to effect significant improvements to business transactions.
- 8.3.10 **Improve the Efficiency of the Enforcement of Contracts:** Create a comprehensive and updated catalog of Jamaican laws. Implement a comprehensive online resource of Jamaica laws (to include legislation, regulations, gazettes and rules) to provide the legal fraternity with the requisite resources to process legal matters in a timely manner. In addition, there is an expressed need to streamline the mediation of legal matters by creating a more streamlined mediation framework supported by an online system to process, schedule and record the resolution of mediation matters.
- 8.3.11 **Improve Efficiency in Getting Electricity.** While the GOJ has recently launched the online application for development-related applications, online applications for electrical connections to support the operationalization of the new Government Electrical Regulator remains outstanding. This includes the scheduling of electrical inspections and automated updating of JPSCo's systems to seamlessly allow for permanent electrical connections to be established,

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thereby moving the current turnaround time from 105 days to the target of 45-55 days.

8.3.12 **Update Insolvency Regime.** In the time of COVID-19, it is more critical than ever that businesses have the legal framework to support their declaration of insolvency and have the flexibility to restructure to protect their businesses and continue to provide employment. The Banking and Insolvency Act was passed in 2014 and, as was the intention at the time, needs to be reviewed. At a minimum, amendments are required to include rules for the protection of creditors during insolvency proceedings.

8.4 **Mobilise Private Sector Investment**

8.4.1 **Public Private Partnerships (PPP).** It will be important to mobilise private sector investment during the recovery period, which will require a favorable investment climate. In addition the GOJ could mobilise private sector investment while improving labour and capital productivity by advancing public works improvement through the PPP modality. The GOJ should accelerate public private partnerships to unlock private sector investment in infrastructure projects such as water (e.g. storage and treatment plants), roads (e.g., north coast bypass projects), healthcare (e.g. centres of excellence for oncology and nephrology), sewerage (e.g. Soapberry), and waste management (e.g. NSWMA).

8.4.2 **Catalyse Mobilization of Private Risk Capital.** GOJ should seek to catalyse the emergence of private sector run private equity vehicles that have the goal of recapitalizing and acquiring stakes in companies affected by COVID-19. GOJ's capitalization could come in the form of a first-loss tranche, with commensurate return on investment for this risk designed to incentivize further private subscription.

8.5 **Pursue Macro-Economic Institution Building.** Strengthening Jamaica's institutional framework improves our resilience. The institutional framework will be strengthened by the following reforms:

8.5.1 **Continue the Economic Reform Effort.** Jamaica is experiencing extensive policy dividends from its reform effort. Fiscal reform, monetary reform, privatisations, public

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body reintegration and reform, disaster contingency policy are among the network of policies that have provided Jamaica with buffers to absorb and respond to the crisis.

- 8.5.2 **Complete Central Bank Reform.** The Bill to provide operational independence to the Bank of Jamaica has been reviewed by the Joint Select Committee appointed for this purpose. The report of the Committee to the House is the final step before the amended Bill is brought to the House. While it is understood that parliamentary time has been commandeered by immediate needs in response to the crisis, this process that will lead to a completion of central bank reform should be accelerated as soon as the conditions allow.
- 8.5.3 **Consolidated Financial Sector Supervision.** As the economy experiences COVID-19 induced economic pressures, it is vital that risks that may emerge in segments of the financial sector are monitored carefully so early action can be taken as vulnerabilities emerge. To enhance this, coordination and data sharing between the BOJ and the Financial Services Commission need to be strengthened to enable full visibility of the risk profile of financial conglomerates.
- 8.5.4 **Table the Bill for Establishment of the Fiscal Council.** Jamaica is in uncharted territory. While debt sustainability has anchored and continues to anchor fiscal policy, the institutional framework that incentivizes continued fiscal responsibility needs to be further strengthened as highlighted by the GOJ and other key stakeholders.
- 8.5.5 **Accelerate Foreign Exchange Market Development.** Jamaica operates a floating exchange rate regime where demand and supply determine the level of the exchange rate on a daily basis. The BOJ's intervention is reserved for times of extreme volatility and instability. However, markets work most effectively with availability of real-time information to all market participants at the same time. It is also recommended that measures to encourage the inter-bank spot market, and to catalyse private sector innovation with the development of risk-transfer products are accelerated.
- 8.5.6 **Continue Privatisations and Debt Reduction Acceleration Efforts.** The GOJ has announced intentions to list the GOJ's

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interests in JPS and the Jamaica Mortgage Bank among other assets. The GOJ should continue on this path, ensuring that the broad distribution emphasis is maintained and use proceeds to accelerate debt repayment. High debt increases Jamaica's vulnerability and reduces our options. Whenever the opportunity arises to reduce debt with the proceeds of non-core asset sales we should seize that opportunity.

- 8.5.7 **Implement AML/CFT commitments.** Development in an integrated World requires keeping local standards in financial matters consistent with international requirements. Jamaica has made reform commitments to the Financial Action Task Force with respect to anti-money laundering and countering of the financing of terrorism (AML/CFT) reforms. Implementation of these commitments will require a national effort involving public and private sectors. The COVID Economic Recovery Task Force supports the implementation of these commitments including measures to bring non-financial businesses and professions within the spoke of AML/CFT regime, subject to court decisions. Jamaica's economic recovery cannot be assured without these reforms.
- 8.5.8 **Implement International Tax Treaty Commitments.** Jamaica is a signatory to the Mutual Administrative Assistance in Tax Matters (MAAC) Treaty along with 135 countries around the world. *“The Treaty facilitates international co-operation for a better operation of national tax laws while respecting fundamental rights of taxpayers. It provides for all possible forms of administrative co-operation among states in the assessment and collection of taxes including automatic exchange of information.”*¹⁹ Implementation of the treaty requires passage of the Amendment to the Revenue Administration Act which was recently tabled in the House. Failure to implement could create obstacles to Jamaica's recovery with retaliatory action taken by larger countries.
- 8.5.9 **Advance Public Body Governance Reform** The amendment to the public body governance regulations have

¹⁹ OECD website

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passed the House of Representatives. These need to be finalized and brought into law. Improved governance and stewardship of public assets is crucial if Jamaica is to maximize on its opportunities.

- 8.5.10 **Continue to strengthen Natural Disaster Contingency Framework.** Jamaica is vulnerable to natural disasters, which could prolong economic recovery. Efforts must continue to strengthen economic resilience to natural disasters. The Contingencies Fund was capitalized to the level of \$4.5 billion during fiscal years 2018/19 and 2019/20. The benefit of this was immediately obvious in the wake of the worst pandemic in 100 years. The GOJ was able to respond immediately to the social and economic support expenditures by making \$4.2 billion in advances from the Contingencies Fund. The Supplementary Budget has provided for the repayment of those advances and thus the Contingencies Fund is again capitalized at \$4.5 billion. Consideration should be given to using any positive variances in government finances, or a portion thereof, to further capitalize the Contingencies Fund to provide some downside protection from the effect of natural disaster.
- 8.5.11 **Simplification of Tax Administration.** There is public interest in promoting greater formalization in the Jamaican economy. This enhances resilience as public policy benefits from greater levels of data and can therefore be more targeted and effective. A hindrance to formalization is the complexity of tax compliance when considered in relation to the resource-level of the Jamaican society.
- 8.5.12 **Amalgamate Payroll Taxes.** Jamaica can improve efficiency, productivity and compliance while inducing a greater level of formalization through a consolidation, and thereby simplification, of payroll-related deductions. See Chapter 7.5.3
- 8.5.13 **Make the Large Scale Projects and Pioneer Industries Regime Effective.** The Income Tax Relief (Large Scale Projects and Pioneer Industries) Act was passed in 2014 and provides income tax relief for certain projects designated and approved as “large-scale” and certain economic activities that are considered new or “pioneer” industries in Jamaica. However the LPPIA framework needs to be finalized to

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make the regime effective. For instance, the criteria for qualification need to be outlined in regulations and the range of tax types should be broadened, while maintaining the overall cap and measures for claw back introduced.

8.5.14 **Promulgate Amendments to the Casino Gaming Act.**

There is continued serious interest in large-scale tourism investments that incorporates casino gaming. These offer the prospect of significant employment during the construction and operational phases. The GOJ should promulgate Cabinet approved changes to the Casino Gaming Act and facilitate the start of the casino game licensing process.

8.6 **Other Economic and Investment Priorities**

8.6.1 **Prioritise Digitisation of the Economy.** Digitisation of the Jamaican economy and society is a long-term objective that should receive significant attention during the recovery period. Moving public services online improves the efficiency of households and businesses and provides a productivity boost. The GOJ should accelerate public sector efficiency projects designed to move public services critical to businesses and households online. See Chapter 10.

8.6.2 **Accelerate implementation of the Recommendations from the Petrojam Review Commission.** The Petrojam Review Commission was set up to examine the GOJ's strategic options with respect to this asset in light of (i) changing environmental standards, (ii) diversification of Jamaica's energy sources away from heavy fuel oil and the implied lower future revenue for Petrojam, (iii) prevailing production inefficiencies, (iv) non-transparency in pricing, and (v) high level of investment required for sustainability. Among the strategic options is the possibility of using Petrojam assets as principally a storage terminal. Another strategic option is to invite private investment and management through a public-private arrangement under an appropriate regulatory regime.

8.6.3 **Diversify the Jamaican Economy.** The Jamaican economy is susceptible to natural disasters and commodity price shocks. This is a source of Jamaica's economic vulnerability, which is exacerbated by Jamaica's narrow economic base. A few sectors account for a majority of economic output.

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Greater emphasis must be placed on achieving a greater diversification of the Jamaican economy. This will take longer to achieve than the anticipated COVID-19 recovery timeframe would allow but this should not diminish the importance. Jamaica has opportunities to achieve greater levels of output from logistics, agro-processing, animation, medical supply manufacturing, music and entertainment, sports, among other sectors and sub-sectors.

- 8.7 **Risk Management - Principles to guide Fiscal Response to the COVID-19 crisis.** We are in the first phase of this crisis and recovery is unlikely to be in the form of a “straight line”. Instead, there are likely to be “twists and turns” along the path to recovery. When visibility of the path ahead is unclear, it is useful to rally around a set of principles that can provide a guide for possible future action. The Minister of Finance, in his closing 2020/21 budget speech, outlined certain principles that would guide fiscal policy response to the economic crisis created by the pandemic and the COVID-19 Economic Recovery Taskforce would like to endorse these:

8.7.1 *“The GOJ will subsidize people but it is not reasonable to expect the Government to subsidise profits. People, businesses and the government will experience losses from this pandemic. Our first objective will be to protect the neediest people from the worst effects of this COVID-19 crisis. We will also have to make preparation for the government to absorb the hits to its own revenue but we won’t be able to protect businesses from all losses.*

8.7.2 *At the same time, the public interest is served by doing all we can to maintain productive capacity. Productive capacity that is lost takes years to rebuild. We know that from our own experience in Jamaica. When a hotel or a factory is mothballed, it takes years and much capital to get it going again. Over the past few years we have had an explosive growth in the number of small businesses in operation and the number of start-ups. Preserving that productive capacity is a critical objective even as we aim to work together with financial sector institutions and others to maintain the productive capacity in our hotels, attractions, tours, and restaurant space.*

8.7.3 *Whatever fiscal measures we take must be transparent. This is three fold:*

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- *The method of intervention should be easy to understand and its cost should be easy to estimate, if not calculate, and should be available to all parties – the Government, the recipients and the public.*
- *The intervention will be resourced with taxpayer funds and it should be designed in such a way that the public knows its cost*
- *Our fiscal measures should be implemented in a rules-based approach with equal opportunity among eligible beneficiaries.*

8.7.4 ***The Government will do all that it can but the Government cannot do it all.*** *We will have to prioritise and channel our intervention first to the neediest segments of our society, whether individual or business. For those with personal and corporate reserves, who operate businesses that are affected by the effects of the pandemic, we expect that these reserves will be put to work. Those with undrawn lines of credit from financial institutions and those with cash balances, we expect that the government should not be your first call.*

8.7.5 ***Any fiscal stimulus will necessarily be of finite duration.***

8.7.6 ***We will favour simplicity where simplicity does not violate any other principle.***

8.7.7 ***To the extent that conditions deteriorate and further actions, beyond the measures already announced, are required to support businesses we will favour market-based solutions.*** *With respect to any particular case, to the extent that market-based solutions are not feasible any intervention by the Government with taxpayer dollars must be for value. What do I mean? And I want to be very clear on this principle. Beyond the measures announced today and beyond measures in support of employees and MSMEs, the government will not put taxpayer dollars at risk without the prospect of a commensurate return. If it is necessary for the*

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Government to invest we will invest with the view of making a return.”²⁰

²⁰ Minister of Finance, Dr. the Hon. Nigel Clarke, Closing Budget Speech, March 24, 2020

9.0 FINANCIAL SECTOR DEVELOPMENT

9.1 **The Role of Financial Sector Development in Jamaica’s Economic Recovery.** Financial sector development has a crucial role to play in Jamaica’s economic recovery. Though there is no universal consensus among economists on the most important factors that determine the pace of economic growth, research indicates that financial sector development plays an important role.

9.1.1 **Definition of the Financial Sector.** By the term “financial sector” we mean the institutions, products, markets, and regulatory framework that facilitate transactions in an economy by the extension of credit and the management and trading of risk.

9.1.2 **Role of the Financial Sector.** The financial sector mobilises savings and facilitates an efficient allocation of resources. It supports the capital accumulation process, a factor of production in economic growth, and provides payment services to promote economic efficiency. In addition the financial sector provides risk management services that facilitate investment and commerce.

9.1.3 **Financial Sector Development is about the Lowering of Financial System Costs to the Economy.** Provision of financial intermediation services comes at a cost. However, this cost reduces over time as economic productivity is enhanced, including with technological innovation and competition. Financial sector development is crucial for Jamaica’s economic recovery and future growth.

9.2 **Jamaica’s Financial Sector, as Currently Configured, does not Serve the Needs of the Majority of Jamaicans.** This stymies economic opportunity and retards economic development. For example:

9.2.1 **Too Few Jamaicans with Bank Accounts.** The COVID-19 pandemic exposed economic impediments that result from low levels of financial inclusion. Too many Jamaicans do not have bank accounts. This increases transaction costs in the economy as the informal system that substitutes for an absence of bank account penetration exacts invisible costs that hinder labour and capital productivity.

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9.2.2 **Large Number of Bank Accounts are not Used.** The interface between the CARE Programme and the banking sector exposed the number of persons who have bank accounts that they do not regularly use. These accounts often lapse into dormancy making them ineffective. Another factor rendering tens of thousands of accounts ineffective is KYC documentation requiring updating.

9.2.3 **Financial Inclusion.** Access to credit and financial inclusion is constrained, leaving the MSME sector hungry for capital, slowing growth. Access to credit will be important for businesses to endure this period.

9.3 **Jamaica Needs a Financial Sector that Meets the Needs of the Population.**

9.3.1 **Simplify Know Your Customer (KYC) Requirements.** Streamlining KYC requirements would further assist financial inclusion making it easier for Jamaicans to open bank accounts. Digital and portable KYC and remote onboarding for low value transactional accounts would help, including allowing financial institutions to collect and share digital identities.

9.3.2 **Accelerate Fintech and Digital Banking.** Fintech is the term used to refer to innovations at the intersection of finance and technology and usually refers to services that use technology to deliver financial services. Fintech offers huge opportunities to modernise Jamaica's economy, deepen financial inclusion, and lower the cost of financial services. Jamaica needs to accelerate these efforts.

- There are opportunities to reduce traditional branch costs with new avenues like agency banking, mini-branches, digital channels with a range of services that could be provided at a lower cost than ever before. Revisiting some of the regulatory constraints that impede more development is necessary to prepare for a more modern Jamaica.
- BOJ's Fintech Regulatory Sandbox, within which fintech innovations offered by fintech companies in partnership with regulated entities will be tested, including payment solutions and central bank digital currency is an encouraging start.

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9.3.3 **Accelerate an Enabling Environment for Digital Payments.** The Bank of Jamaica is working on the implementation of a National Payment Switch. This process would begin with the design of the system followed by a phased roll-out. This process needs to be accelerated. A digital payment platform offers the prospect for greater inclusion of Jamaicans in the financial system, offering greater ubiquity of seamless payment options while lowering of transaction costs and improving security.

9.4 **Private Sector Credit Growth.** The COVID-19 pandemic has negatively affected the usual revenue patterns of businesses in many sectors. But the financial sector has to nimbly adapt to the new environment to support borrowers.

9.4.1 **More Lending Requires Stronger Collaboration between the Private and Public Sectors.** Banks need to be able to assess credit risk better. Recommendations include:

- Continue to further perfect the existing collateral registry to increase attractiveness of asset-related products (e.g., mortgages, leasing, receivables finance) and ensure that the same collateral is not being used for cross purposes.
- Credit bureaus and credit information sharing needs to be enhanced. In particular, sharing of credit information could be mandated through regulation to remove information asymmetries. Financial information sharing platforms could support this objective.
- Expand coverage of credit bureaus. Currently they capture only 45% of population. It could include micro financial institutions, and mobile financial services as these grow.
- Reconsider calculations for loan-loss provisions which are currently based on conservative rules-based approach (automatic triggers for loan classification, minimum provisioning percentages for each category).
- The legal framework around foreclosure (bankruptcy) needs improvement.

9.4.2 **Promote Greater Transparency and Information in Product Listings.** All lenders should be required to include

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transparent, understandable, and comparable information in their product listings and documentation such that customers can easily choose between financial providers. Such information must reflect the true cost of lending, including the annual interest plus any fees, charges, etc to enable informed decision-making. Regulatory considerations may be needed to enforce.

- 9.5 **Promote Financial Literacy.** The GOJ should consider promoting greater financial literacy with programmes and schools and through partnerships with community based organisations.
- 9.6 **Facilitate Increased Account Portability.** Greater competition will lead to more innovation, better pricing, and improved terms for consumers. Lack of competition keeps interest spreads higher than they would otherwise be and high interest spreads are a net cost to the rest of the economy. However, more competition requires clients to be able to move their deposits freely. Banks need to create a shared payment system and change the clearing system as well. A digital system will be needed to link peoples accounts (like NIDS or TRN) to facilitate such a transition. Switching of loan accounts also should be an option.
- 9.7 **Data Collection, Disclosure, and Analysis.** The BOJ and Financial Services Commission (FSC) collect data from entities they supervise. However, for financial inclusion to be prominent, collection should expand to include micro-financing institutions and credit unions. The legislation to give effect to this needs to be finalised, tabled, and passed. In addition, as lending to households rapidly increases, detailed household lending data and household balance sheets become critical for effective monitoring of risks associated with such lending. Besides, large financial conglomerates are playing a dominant role in the sector; they are highly interconnected and hugely systemic. Thus, strong coordination between the BOJ and FSC is critical to be alert to early warnings of potential systemic disorders in the financial system arising from these financial conglomerates. This also requires significant upgrade to resources and human capital in both institutions.
- 9.8 **Risk-based Supervision.** Institutions should be allowed to provide low-risk products with a lower level of supervision for those products. Moreover, consolidated risk-based supervision is vital for financial sector stability. BOJ's preliminary steps need to be deepened and broadened to cover financial holding companies and all its business entities and intensified to include risks from interconnectedness and contagion from other jurisdictions. This is critically important in the current global crisis environment to protect Jamaica from negative spillovers.

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- 9.9 **Foreign Exchange Investment Limits.** Pre-COVID-19, a timeline for relaxed foreign exchange investment limits was under consideration. This obviously needs to be re-evaluated in light of the impact of the pandemic on Jamaica's traditional sources of foreign exchange. In the current crisis context, therefore, financial and economic stability perspective requires gradual and well-considered enhancements to expanding foreign exchange investment opportunities to not compromise macro stability. Whenever this happens, however, steps should be taken to avoid regulatory arbitrage across various financial institutions.
- 9.10 **Capital Market Development.** Deepening the financial market can support inclusive growth. Developing the primary dealer system, enhancing secondary market trading, and strengthening sovereign benchmarks will expand options for greater access to capital/finance.
- 9.11 **Review Pension Investment Regulations.** As at December 2019, total funds under management were \$701B, approximately equal to 30% of Jamaica's GDP. The assets of pension plans are heavily integrated into the Jamaican capital markets with investments in equities amounting to \$286B or 17% of total market capitalization. Investments in GOJ bonds and Repos stood at \$257 billion representing 37% of total pension assets. Currently, however, no more than 5% of a pension fund's assets can be invested in debt or equity issued by private Jamaican companies. Review these limits and, at a minimum, (i) disaggregate debt and equity for investments in private companies with separate limits for each category, and (ii) increase the limit for private equity investments up from 5%.
- 9.12 **Consider Reducing the Minimum Capital Test ("MCT") Requirement.** The MCT computes the total capital required by an insurance company to adequately cover its risks, and then compares this to the capital actually available to the company. The MCT requirement is currently 250%. However prudential analysis suggests that this way in excess of what is required. The downside of over-reaching on MCT is that the excess, which represents scarce capital, is constrained to be applied to low yielding passive investments. This limits the risk capital available and increases the cost of risk capital.
- 9.13 **Special Resolution Regime:** Finalise the submission and passage of a Bill that would create a Special Resolution Regime for the financial sector. This is essential as the uncertain future from COVID-19 could test the financial system. Having in place the necessary legal framework for systemic resolution is urgent.

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10.0 ENABLING A DIGITAL ECONOMY

- 10.1 **Background.** The COVID-19 pandemic demonstrated the values of online, digital options for commerce and the imperative of ensuring that the Jamaican economy adapts to this modality. This will improve the competitiveness, boost the productivity, and enhance the resilience of the Jamaican economy. Transition to a digital economy will, however, require uniformed and robust broadband infrastructure as well as strategies to catalyse and encourage MSME's to make the necessary investments for this transition.
- 10.2 **Aims and Objectives.** The objectives are to ensure that:
- 10.2.1 Digital technology is utilized more widely across end users, businesses and government.
 - 10.2.2 Businesses are e-commerce ready (including fulfillment) and have an “easy to plug into and use” national payment platform.
 - 10.2.3 Businesses and government are of one mind regarding the mandate to Go Digital with coordinated plans to help create and promote a digital culture.
 - 10.2.4 There exists a uniformed and robust national broadband infrastructure that enables the economy to make a dramatic shift in its competitiveness
- 10.3 **Implement a National Identification System (NIDS).** The Task Force endorses the implementation of the National Identification System and sees its speedy implementation as essential to Jamaica's economic recovery. This Chapter describing the National Identification System was largely taken from the Office of the Prime Minister website:
- 10.3.1 **Disadvantage of Lack of Identification.** The COVID-19 pandemic demonstrated the disadvantage to the country of not being able to properly identify citizens. At present, Jamaica does not have a central national database with the accompanying systems to support secure, reliable identity verification and authentication. The various systems issue different numbers based on diverse standards and are not necessarily able to connect and share information with each

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other due to logistical or legal barriers.²¹ Lack of uniform identification lowers the potential of the economy through exclusion and an increase in transaction costs including security.

10.3.2 **What is NIDS?** The National Identification System, or NIDS, is a unique, reliable and secure way of verifying an individual's identity. It will establish a reliable database of all Jamaican citizens and will involve the issuance of a unique lifelong National Identification Number to every person.²²

10.3.3 **Objectives.** The objective of NIDS is to establish a reliable database of Jamaican citizens and persons resident in Jamaica with a unique identification number.

10.3.4 **Benefits.** A reliable and secure national identification system would enhance the efficiency and effectiveness of Government and improve the delivery of Government services to the public. In particular, the delivery of social and welfare services would be enhanced and coverage would be broadened. Planning for the social and physical infrastructure needs of the society could be more granular. In addition, NIDS would facilitate increased financial inclusion as satisfaction of KYC requirements would be easier. Commerce and economic activity would benefit from easier validation and integrity of platforms. Immigration, border control management, public safety and national security would also benefit from the implementation of NIDS.

10.4 **Transition to Online Public Services.** The success of the CARE Programme online portal in the delivery of social support demonstrated the enormous value to be derived from transition of public services online. Within a six week period, approximately 400,000 persons applied for, and received a benefit from the CARE Programme having applied online through their phone, tablet or computer.²³ It would have been impossible to manually receive and process applications and deliver social support on this scale in anything but several multiples of this time frame.

²¹ OPM website

²² OPM Website

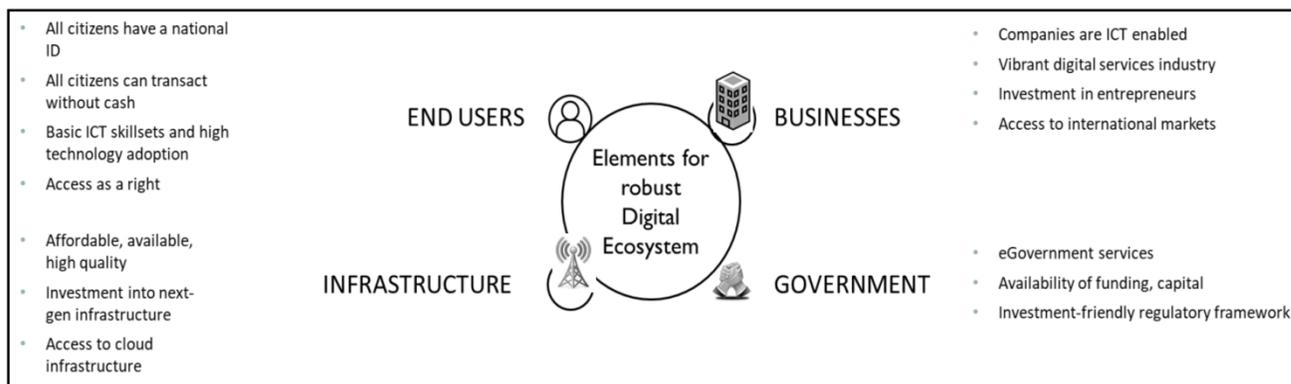
²³ Ministry of Finance and the Public Service report tabled in Parliament

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10.4.1 **Several Public Services are Available Online.** For example, the processing of National Housing Trust (NHT) refunds is handled almost exclusively online delivering efficiencies to those who are accessing this service. Similarly, the ability to pay many tax types is available online among other services.

10.4.2 **Many more Public Services Need to Transition to the Digital Space.** The payment of PATH and NIS benefits, the processing of pensions, for example well as the GOJ public pension system, all need to move a digital format. The Minister of Science, Energy and Technology (“MSET”) announced plans for birth certificate and passport applications to be moved online. A comprehensive timeline and plan for moving public services online should be developed and published. The GOJ should then coordinate to achieve the public service digital transition objectives.

10.5 **Go Digital Package.** Given the GOJ’s plans to build a digital economy and the competitive advantage and productivity enhancements which can be achieved by MSMEs who adopt digital solutions, it is proposed that the MSET develop a “Go Digital” package of benefits for MSMEs to convince and motivate them of the need to adopt new, modern technology.



10.5.1 **DBJ Financing Window.** Leverage a special financing window from the Development Bank of Jamaica (DBJ) or reserving a portion of their voucher programme to assist MSME’s to create an IT digital plan and budget, digital diagnostics, technical assistance and training in digitization projects.

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10.5.2 **Tax Credits**. Consider the use of tax credits for the deployment of digital solutions using local technology companies. In the cases where the voucher does not cover the cost of the tools and professional fees for implementation, a further tax credit can be offered to companies that use local tech resources.

10.5.3 **Digitalization Projections**. DBJ vouchers and tax credits can be used to:

- Assist companies in creating a personalized “IT Digital Plan” with identified technology, budget and implementation plan based on digital diagnostics/assessment.
- Provide access to a range of online “How To” courses, outlining the advantages of digitization and how to prepare for implementation, (e.g. “Digitizing your accounts”, “Digitizing your payroll”, etc.).
- Assist in implementing MSME tools such as Office 365 / Google Suite, digital signature packages such as DocuSign or Adobe Fill and Sign, cybersecurity for small businesses, affordable video conferencing solutions, and other cloud-based solutions for MSMEs (e.g., inventory management, accounting, and business intelligence for KPI tracking).
- Creation of a local online service like DigiCheck, an online self-assessment tool that helps MSMEs discover their level of digital maturity in order to develop a strategy for digital transformation. Users can decide whether to complete a full diagnosis of their company, or pick only one specific area such as ‘Communication’, ‘Management’, ‘Human Resources’ or ‘Production’.

10.5.4 **E-Commerce Starter Package**. DBJ vouchers could be used to (a) help create an online store via a local partner organization; (b) provide technical assistance to help set up an online payment system, (c) provide training in technical and business skills in setting up online businesses, and (d) identify and validate competent technology partners for implementation.

10.6 **Benefits to the MSME**. The benefits of this package to the MSME would include:

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- A reduction in costs through the use of automated back office systems in areas in accounting, payroll, sales, order management, fulfillment, and inventory management.
- The data produced by digitalization would allow businesses to connect with customers in a more engaging way. Products and services could be improved through digitalization, meaning higher customer satisfaction.
- Digitalizing business processes creates efficiencies and improves workflows. Digitalization also empowers employees by increasing their skill set.

10.6.1 **Positive Externalities** The investment by MSME's would also benefit the society. At a macro-level, increased digitalization would improve the interface with government systems, allowing for greater ease in paying taxes on time, applying for TRN, and establishing a company. Greater formalization and data generation will also improve access to finance. loans from financial institutions.

10.7 **Action Plan to Deliver the Go Digital Package:**

10.7.1 **Digital Eco-System.** Businesses need to see what “going digital” means, what they can do when digital technology is incorporated into their business, what happens if they do not (“Fear-Uncertainty-Doubt” or “FUD”), and have pragmatic examples of how technology has transformed businesses (especially MSME's).

10.7.2 **Communications Programme.** The Communications and engagement programme should (a) use media that are most likely to gain the attention of the target group, (b) engage in ways that strike emotively, (c) offer the opportunity to make more money, (d) create Fear-Uncertainty-Doubt (FUD) if the business does not act, (e) provide an easy path for businesses to make the first step, (f) offer resources available to help, (g) be able to demystify – what is needed, and how recommendations will help, (h) provide resources to help steer them along the path, and (i) make it easy to access funding assistance.

10.7.3 **The Impact of Technology.** Technology can help increase business success by (a) improving productivity, (b) providing flexibility in financial management and capacity,

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(c) extending marketing channels, reach and impact, (d) facilitating extended business collaboration, (e) delivering enhanced customer service, and (f) enabling mobile working and telecommuting.

10.7.3.1 **Productivity.** Tools include (a) time tracking to map out where time is spent and by whom to improve accountability, process improvement, and productivity, (b) digital dictation to streamline work processes, (c) project management and task management tools to stay on top of daily business responsibilities, (d) digital filing system to make it easier to sort, save, share, and find documents, and (e) email management process to make it easier to stay on top of the flow of messages.

10.7.3.2 **Financials.** Tools include (a) an online invoicing service to reduce the costs of collecting payment from customers, (b) online budget tracking to keep on top of and reduce expenses, (c) online tax filing system, (d) e-commerce platforms to create new income streams from selling online, (e) accounting software to streamline business finances, (f) storage applications to enable easier sharing of financials with the accountant, (g) and open source applications that replace costly name brand alternatives.

10.7.3.3 **Marketing.** Tools include: (a) software to create a marketing plan that can be edited, updated and shared with colleagues, (b) social media sites like Facebook, Twitter, Google+, Pinterest, YouTube, etc. to promote a business, products, and services, (c) online blog to reach a target audience, (d) email tools to collect email addresses and improve email marketing, (e) video marketing, and (f) website and/or online advertising.

10.7.3.4 **Collaboration and Learning.** Tools include (a) teleconference calls to make sure team members in different locations are on the same page, (b) webinars or web conferences are great for keeping everyone in the loop with travel-free face-to-face time, (c) online business training to expand knowledge and empower team members, (d) cloud-based data-sharing platforms, (e) intranet for local file sharing, and (f) team messaging for quick and clear communications with team members.

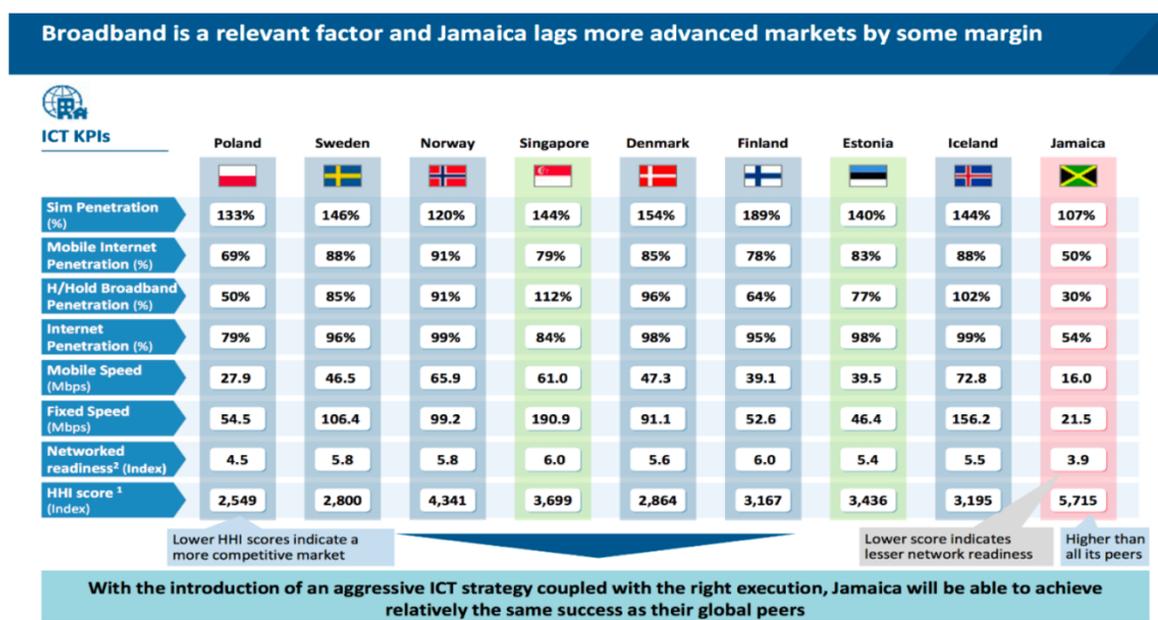
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- 10.7.3.5 **Customer Service**. Tools include (a) social media to conduct customer service, (b) online help desks or ticket systems to handle customer issues, (c) online scheduling of appointments, and (d) online surveys and questionnaires to get customer feedback.
- 10.7.3.6 **Mobile Working and Telecommuting**. Tools include: (a) mobile office that allows productive work from anywhere, (b) remote desktop application to access files from an office computer, (c) online applications to facilitate going paperless to save money on supplies and storage in the office (which is also environmentally friendly), (d) virtual phone number and electronic fax line that can be taken anywhere, and (e) smartphone and select apps that sync with the cloud to stay connected on the go.
- 10.7.3.7 **Failure to Act**. The costs of not adapting technologically include (a) losing relevance, (b) failing to collect key analytics, (c) stifling market share, (d) struggling to retain and hire valuable staff, (e) missing out on social selling opportunities, (f) failing to gain a learning advantage, and (g) increased costs.
- 10.7.3.8 **Readiness Assessment**. Adopting new technologies and optimising a business's online presence can deliver improved productivity across all areas of the business. The Digital Journey assessment guides businesses through four sections covering current digital use and plans for the future: (a) assessing the strength of your online presence, (b) identifying social and digital marketing opportunities, (c) streamlining business plans and systems, and (d) improving project management and data accessibility with cloud computing.
- 10.8 **Broadband Infrastructure for a New Economy**. A new economy envisions new fields of commerce, new capabilities, and new products and services, enabled by a robust digital ecosystem.
- 10.8.1 **Current Situation in Jamaica**. Jamaica currently has (a) two highly leveraged telecoms providers + smaller niche players, (b) 40+ cable providers, (c) GOJ rapidly expanding its own fiber network, (d) firms investing in their own infrastructure, (e) focus on the densely populated centers, (f) duplication of networks in some areas and none in other areas, (g) limited and expensive service for citizens and businesses, (h) monopoly on international connectivity, and

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(i) lack of competition for business-to-business (B2B) services outside of Kingston. As a result, Jamaica suffers from inadequate and expensive connectivity, resulting in low economic growth, stifling of entrepreneurship and foreign direct investment, and a falling behind globally on key “ICT” (information, computing, and technology) readiness indices, particularly in the Business Process Outsourcing (“BPO”) sector, where circuits go down often, connectivity costs are high, and service is often poor.

10.8.2 **Transitioning to an Improved Infrastructure.** One option is for the GOJ to take the lead, subject to fiscal capacity, by developing a single National BroadBand infrastructure. Under this approach, which has been utilized in other countries such as Australia (NBN), Singapore (Netlink NBN), Mexico (Red Compartida), UK (Openreach), and Qatar, the objectives would include (a) providing open access to all, (b) reducing capital expenditure for all (faster acceleration to next generation technology), (c) independently managed, (d) provide 100% access to all Jamaicans with at least 25 Mbps, (e) reduce costs to government, businesses and citizens, (f) usher in a new economy, (g) increase demand by businesses and citizens, and (h) attract new industries.



Source: Delta Partners

10.8.3 **Examples of National Objectives.** Examples of national objectives would include, for example:

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- 100% connectivity by a specific date
- 100Mbps symmetrical fibre connections at affordable costs
- Publicly overseen dark fibre available for lease at a reasonable cost everywhere with neutral, non-discriminatory interconnection points
- Fibre runs to buildings and poles everywhere and is accessible by way of a common interface controlled by government
- One infrastructure, useful to everyone.

10.8.4 **Partnership Approach.** Government may need to play a more active role to create the environment for a digital economy to thrive, in partnership with the private sector. A public-private partnership program would have three critical pillars:

- Infrastructure development (accelerating Jamaica up the curve).
- Creation of a vibrant ICT industry.
- Digitization of Government and roll out e-services. The MSET is working on a comprehensive Digital Global Services Sector Strategy which is a 5-year plan outlining how Jamaica will transform into a digital economy which may involve repurposing certain current agencies, such as the Universal Service Fund, to help provide the necessary human capital, funding, and project management.

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11.0 GLOBAL SERVICES AND BUSINESS PROCESS OUTSOURCING

General macro-economic, business climate improvement, institution-building and other policies, that are aligned with economic recovery, impact the entire economy and are therefore necessary. In addition, Jamaica's economic recovery plan needs to also reflect sectoral focus, where a resurgence of these sectors to pre-COVID-19 levels and beyond is important for overall economic recovery.

The COVID-19 pandemic impacted certain sectors of the economy more severely than others. For sectors that (i) have been significantly impacted by COVID-19 and (ii) account for large proportion of employment and economic activity, it is necessary to devise sector specific COVID-19 resilience and strategic economic recovery measures. The COVID-19 resilience measures are represented by sector specific protocols and the economic recovery measures include specific sector-focused policy proposals.

The Global Services and Business Process Outsourcing Sector is one such sector.

- 11.1 **Overview of the Sector.** The Global Services and Business Process Outsourcing ("GSS/BPO") sectors provide support services to companies operating in areas such as healthcare, telecommunications, national security, among others.
- 11.2 **Pre-COVID-19 Employment of the GSS/BPO Sectors.** The GSS/BPO sectors have experienced rapid employment growth with the number of Jamaicans employed doubling over the past four years. According to the Global Services Association of Jamaica ("GSAJ"), the umbrella organization for the GSS/BPO sectors, the sectors employed over 43,105 persons as at December 2019, an increase of 6,800 as compared with December 2018. This employment is with 79 firms primarily in Montego Bay, Mandeville, Portmore and Kingston & St. Andrew.
- 11.3 **Foreign Exchange Earnings from the GSS/BPO Sectors.** The GSS/BPO Sectors represent the third largest source of foreign exchange inflows after tourism and remittance inflows.
- 11.4 **Impact of COVID-19 on the GSS/BPO Sectors.** According to the GSAJ, over 6,000 persons or 15% of the pre-COVID workforce have been laid off from the GSS/BPO Sectors as a result of the impact of COVID-19 and more than 30% of the remaining workforce now work from home.
- 11.5 **BPO/GSS resurgence is critical for Jamaica's Economic Recovery.** It will be difficult to restore jobs and output lost without achieving same in the BPO/GSS sectors. As such, it will be important to implement Protocols that allow the BPO/GSS sectors to function and serve their clients while

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ensuring the maintenance of an environment characterised by appropriate health and safety standards for all stakeholders. Furthermore, strategies should be pursued that hold the prospect of catalyzing further growth in the BPO/GSS sectors into the future.

- 11.6 **COVID-19 Challenges.** The traditional layout of GSS/BPO facilities allows for close contact between employees and, sometimes, the sheer numbers of persons on one floor could allow for the exposure and spread of infection to several hundreds of persons in a short period of time. Other areas of concern have included (a) transportation of workers which is often done utilizing buses that will require special and frequent cleaning and disinfection procedures, (b) congregation of persons at the entrance and exits of the facility, and (c) use of common areas by large number of persons.
- 11.7 **GSS/BPO COVID-19 Health Protocols.** Specific GSS/BPO COVID-19 Health Protocols were developed by the BPO Task Force in conjunction with the Ministry of Health and Wellness. outlined below apply to BPO facilities, but there are several additional or more detailed Protocols that apply specifically to BPO operations.

11.7.1 **Sanitary and Hygiene Practices.** Handwashing stations and/or hand sanitizer dispenser are to be suitably located at the entrance of the centre to allow for employees to wash and sanitize hands. In addition to the entrance to the complex, hands-free or manual hand sanitizer dispensers are to be placed: (a) at each door, i.e., major entrances such as to conference and training rooms, major work area, (b) within each work / production area (batch of work cubicles) [depending on the size of the production, multiple sanitizer stations / dispensers may be required], (c) lunch rooms, and (d) other heavily trafficked areas. Handwashing facilities for bathrooms, at entrances to the complex, or located on production floors, should be equipped at all times with liquid soap, disposable paper towels and a lined, “hands free” garbage bin which must at no time be more than $\frac{3}{4}$ full. Building occupants should be advised to close toilet lids before flushing (where applicable), appropriate signage should be in place. Employees are also encouraged to carry out timely cleaning / sanitization of their work devices and space. Common spaces and high touch surfaces are to be cleaned frequently (at least once every 2 hours).

11.7.2 **Furnishing & Equipment.** All furnishing, partitions and equipment (where possible) must be made of material that can be easily cleaned and sanitized. Where possible eliminate the use of carpets, rugs, mats, curtains and blinds.

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Where the use of these items is unavoidable, a strict weekly deep-cleaning (shampooing and steam wet vacuum) and daily vacuuming schedule must be documented and adhered to. In cases where an appropriately maintained disinfectant foot bath is in place at the entrance of the building, there should be daily vacuuming and monthly deep cleaning of carpets.

11.7.3 **Facilities.** All BPO facilities are to be so designed or retrofitted to allow for a 2-meter passage-way all around work area (each set of cubicles). If the 2-meter passage-way is not feasible, then a one-way traffic flow should be implemented to avoid workers coming into close contact with each other as they move through the space. Work cubicle arrangements must allow each worker a work-space of at least 4.5 square meters (with a minimum width of 2.25 meters). All GSS/ BPO facilities should be so arranged to allow for at least 6 feet separation between work cubicles. Where this is not possible staff seating should be arranged to allow for 6 feet separation between team members. All work cubicles are to be outfitted with the necessary physical barriers at heights of: (a) at least 0.5 meter above the desk (in situations where 6 feet separation is maintained for staff seating) and (b) at least 1 meter above the desk (in situations where there is less than 6 feet but not less than 3 feet separation is maintained for staff seating).

11.7.4 **Physical Distancing.** Physical distancing is expected to be exercised in all workspaces, lunch areas (outdoor dining is preferred under favorable environmental conditions), common areas and bathrooms. Other Protocols include:

- No close congregating at any time (scheduled breaks should be arranged to prevent overcrowding in common areas).
- Encourage the use of stairs (where elevators are to be used, implement measures include restricting the number of persons in the elevator to no more than two persons at any given time).
- Where there is a single entry/exit the movement of people a one-way traffic flow should be implemented, allowing for the maintenance of the physical distancing requirements.

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- Schedule breaks among workers in teams which manage specific accounts to reduce intermingling of different teams / groups within the workspace and limits the possible exposure of multiple persons from different groups.
- Breaks for staff including lunch should be staggered allowing for the maintenance of the physical distancing requirements.

11.7.5 **Other Initiatives.** Management must have in their possession a map of layout of floors with workstations and persons assigned to workstations as well as supervisors attached to groups. This along with phone contact and address must be updated weekly and be available when needed by the Health Department. Recreational rooms, meeting and training rooms can be utilized if the physical distancing requirements are adhered to, including the provision of hand sanitizing stations in these areas. Personal equipment (example: headsets and other devices) used by employees to carry out their functions or duties should not be shared. Ideally, all entrance doors should be either to be left open, manned, or fitted with automatic doors. Where this is not possible, the door handles must be cleaned frequently. In addition, hand wash / hand sanitization stations should be located close by to allow for appropriate hand hygiene. Temperature checks should be conducted on entering and leaving the building with implementation of Stay at Home if sick Policy. A daily temperature log should be kept and updated. Persons with a fever should be immediately isolated and sent home. All equipment and major contact points must be cleaned at the start and end of each shift. Materials for cleaning must be provided.

11.7.6 **Transportation.** Transportation provided for staff should be cleaned and sanitized at the end of each route traversed (especially where multiple trips are made within the scheduled work hours). The vehicles used for transporting staff members must carry only seated passengers as per the recommendations of the GOJ. As far as possible, windows are to remain open during transportation of the workers to allow for proper ventilation. All staff members transported on staff bus should be logged for each trip.

11.8 **GSS/BPO Sector Recovery Recommendations.** Even as Protocols are implemented to provide a safe and healthy environment for GSS/BPOs stakeholders, it is also important to support the future growth of the

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GSS/BPO sector with forward-looking policy choices. These include articulation of amended regulations that allow for Remote or Teleworking, development of skills that position the sector to attract higher value-added investment, improvement in communications infrastructure.

- 11.8.1 **Facilitate Remote Working and Tele-Working Permanently.** In response to the dislocating impact of COVID-19, temporary arrangements, that facilitate remote working and teleworking, have been made. This has cauterized job and economic losses in the GSS/BPO sectors. However, customers have become sensitized to the vulnerability of the sector posed by exclusive reliance on dense workplace environments. As a result remote working and teleworking arrangements are now considered to be a critical competitiveness factor, improving flexibility and resilience. SEZ regulation will need to be responsive to these dynamics while introducing measures to prevent leakage and abuse.
- 11.8.2 **Upskill Talent for GSS/BPO.** It is vital that as the Jamaican economy recover, efforts are made to ensure that firms operating in Jamaica can compete for higher value business services. This will require the availability of a deeper reservoir of skills which in turn will necessitate the application of fiscal space to training needs.
- 11.8.3 **Market Jamaica as a High-value GSS/BPO Destination.** Jamaica has been successful in attracting GSS/BPO investment. Successfully moving up the value chain will require firms that specialize in these areas to choose Jamaica as an investment destination. While “creating conditions” naturally leads to inwards investment, increasingly countries need to target the investment they want to attract. This would require resourcing Jamaica Trade and Invest to market Jamaica to high-value GSS/BPO firms across the world.
- 11.8.4 **Immigration Policy to catalyse Higher Value GSS/BPO Sector.** Invite higher-value add GSS/BPO firms to establish operations in Jamaica and provide them with “work permit guarantees” which is the ability to bring in a pre-agreed number of highly-skilled employees.
- 11.8.5 **Facilitate Communications Infrastructure Upgrade.** There was a time when, objectively, Jamaica was ahead of the region and its peers elsewhere in the quality, pricing and reliability of its communications infrastructure. The GOJ needs to foster an environment where the necessary

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investments can be made that allow Jamaica to leap forward with respect to having a competitively priced, robust and stable communications infrastructure. See Chapter 10.8.

- 11.8.6 **Support IT Talent Discovery and Exposure.** The GOJ should support hackathons, sandboxes and other initiatives geared towards talent discovery and exposure and the building of capacity in the local IT sector.

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12.0 LAND-BASED TOURISM

Jamaica's economic recovery requires a recovery of land-based and cruise tourism.

- 12.1 **COVID-19 has Induced a Tourism-led Economic Decline.** Tourism directly accounts for about 10% of Jamaica's economic output²⁴ and has an indirect impact on other sectors. In addition, tourism is Jamaica's largest source of foreign exchange inflows. Of all sectors, the COVID-19 pandemic has had the most devastating impact on the tourism sector with the hotel and restaurants category forecasted to contract by a frightening -85% in the June 2020 quarter. This is forecasted to lead to a contraction of the Jamaican economy by 12% - 14% in the June 2020 quarter.
- 12.2 **Significance of Tourism's Decline.** By comparison, the September 2001 terrorist attacks led to a contraction in the hotels and restaurants sector of -10.6% in Q4 2001 followed by -6.7% in Q1 2002. The gravity of the decline can be expressed by comparing the forecasted economic contraction of -85% in output from the hotel and restaurants sector in the March - June 2020 quarter with the fact that it took the 22 years between 1997 and 2019 for output from the hotel and restaurant sector to increase by 87%. What was built over 22 years vanished in a single quarter, due to the COVID-19 pandemic. Of course, the capacity still exists and does not need to be rebuilt. Rebuilding that output lost is essential for Jamaica's tourism recovery.
- 12.3 **Economic Recovery Requires Tourism's Recovery.** Jamaica is unlikely to achieve economic recovery without a recovery of the tourism industry.
- 12.4 **Focus of the Task Force.** The Task Force's Tourism Sub-Committee was focused on developing the protocols required for the hotel industry to reopen to tourists as well as the strategies to be deployed to attain pre-COVID-19 levels of sectoral economic output.
- 12.5 **Tourism Protocols for Reopening.** Extensive protocols, the Tourism COVID-19 Health and Safety Protocols, for the reopening of the hotel and tourism sector have been developed by the Tourism Sub-Committee in coordination with the Jamaica Tourist Board and the Jamaica Hotel and Tourist Association, with the critical assistance of PricewaterhouseCoopers.

²⁴ Formally STATIN measures the output of the "Hotels and Restaurants" sector and, pre-COVID-19, this segment accounted for approximately 8% of GDP. However, what is commonly understood as the "tourism sector" includes attractions, tour transportation and other economic activities which fall under within other segments of the STATIN sectoral breakdown.

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- 12.6 **Tourism Protocols Goals and Objectives.** The goals of the Tourism COVID-19 Health and Safety Protocols are to strengthen Jamaica’s tourism sector’s resilience to COVID-19 and safeguard all stakeholders within the tourism ecosystem including workers, communities and tourists. The specific objectives include the following:
- 12.6.1 Provide guidance to enable consistent recovery Protocols.
 - 12.6.2 Support health and economic risk management across the tourism industry.
 - 12.6.3 Provide a framework to drive quality assurance of implemented Protocols and regular monitoring.
 - 12.6.4 Maximise effective recovery by facilitating and improving the flow of information and coordination.
 - 12.6.5 Enhance and coordinate recovery intelligence gathering and information sharing capabilities.
 - 12.6.6 **Approval Plans.** In addition to adherence to the tourism protocols, operators are required to submit three plans to TPDCo for approval. All of these plans should be developed in collaboration with TPDCo and the Ministry of Health & Wellness. These plans include:
 - Emergency Plan
 - Physical Distancing Plan
 - Communication and Reporting Plan
- 12.7 **Eight fundamental COVID-19 Tourism Protocols** The Tourism COVID-19 Health and Safety Protocols are designed around eight (8) fundamental Protocols:
- 12.7.1 **Sanitization Stations.** Sanitization for workers, visitors and surroundings across all locations.
 - 12.7.2 **Face Masks and/or Personal Protective Equipment.** Face masks and/or personal protective equipment for workers and visitors.
 - 12.7.3 **Physical Distancing.** Physical distancing guidelines for workers and visitors who have not travelled together.

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- 12.7.4 **Clear, Frequent, and Consistent Communication.** Messaging for awareness across Jamaican communities, workers and tourists.
 - 12.7.5 **Technology Enablement.** Reduced cash transactions, expedited check-in/out and encouragement of online menus and ticketing.
 - 12.7.6 **Real-Time Monitoring and Reporting.** Temperature checks, health monitoring and escalation of risks on a real-time basis.
 - 12.7.7 **Rapid and Clear Response.** Clear Protocols when care is necessary for any worker, visitor or community member.
 - 12.7.8 **Training.** Training for COVID-19 Health and Safety Protocols.
- 12.8 **Detailed Tourism Protocols Available in a 119 page Report.** The detailed COVID-19 Tourism Health and Safety Protocols are 119 pages in length and can be found here: <https://www.visitjamaica.com/travelupdate/>.
- 12.9 **Land-Based Tourism Sector Recovery Recommendations.** These recommendations focus on strategies to increase tourism’s contribution to GDP by (i) achieving greater retention of the tourism dollar through deeper linkages, (ii) increasing tourist arrivals beyond pre-COVID levels, (iii) steadily increasing room stock by 700 rooms a year, and (iv) investing in infrastructure that preserves the natural habitat and beautifies tourism corridors.
- 12.9.1 **Increase the Capacity of the Ministry of Tourism (“MOT”).** The MOT is responsible for policy development for, arguably, the most consequential sector in Jamaica’s economy today. Yet it lacks the level of technical resources required to execute its critical role.
 - 12.9.2 **Improving Order Minimum Standards in the Tourism Industry.** If Jamaica’s tourism industry is to achieve its potential of significantly surpassing pre-COVID-19 levels of output while maintaining steady growth into the future, Jamaica must improve order and minimum standards in the industry. Visitor harassment needs to be substantially reduced if not eliminated. See Chapter 13.5.3. Transportation needs to be formalized and regularized and illegal jet skiing, vending, and horseback-riding must be eradicated.

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- 12.9.3 **Amend the Tourist Board Act.** A detailed review and amendment of the Tourist Board Act is overdue. Legislative changes are necessary to improve the efficiency of granting requisite licenses and to govern how entities are licensed, their minimum standard obligations once licensed, the obligation of the licensing authority, procedures for renewal, suspension and/or cancellation of licenses.
- 12.9.4 **Expand the Functions and Objectives of the Jamaica Tourist Board (JTB).** The JTB plays a critical role, which should be broadened to include licensing, inspection, and quality control.
- 12.9.5 **Create the role of an Inspecting Officer, licensed with the JTB.** These officers would be expected to patrol and inspect hotels, public and private beaches, craft markets, and attractions to ensure minimum tourism standards are being met in accordance with respective licenses. They would have responsibility for inspecting safety and security issues as well as including harassment, illegal vending, etc.
- 12.9.6 **Repeal the River Rafting Authority Act and Consolidate Regulatory Functions in the Tourist Board Act.** Diluting the regulatory function for tourism and attraction activities across agencies and laws dilutes the effectiveness and uniformity of Jamaica's regime while increasing complexity.
- 12.9.7 **Consolidate the Licensing and Regulation of Contract Carriage Operators and Domestic Tour Operators under One Ministry.** Again, the fragmentation of the regulatory function as it applies to contract carriage operators across the Ministry of Transportation and Mining on one hand, and the Ministry of Tourism on the other dilutes the effectiveness and leads to an erosion of standards. The recommendation is that these licensing functions be consolidated under the Ministry of Transport and Mining. Transportation associations should be required to submit annual accounts to the appropriate regulatory body. In addition rate structures should be regulated, transparently derived, and publicly posted to ensure wide visibility and awareness. The regulatory authority should have the power to designate certain locations as unauthorized for licensed transportation operators based on orders made by the JTB under the amended Tourist Board Act.
- 12.9.8 **Increase Linkages.** Jamaica's tourism sector can be potentially viewed as a captive export market of considerable

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population size relative to Jamaica's. This can only become a reality, however, to the extent that the tourism product is linked to domestic supply of locally produced goods and services: transportation, entertainment, agriculture, and food and beverages.

- 12.9.9 **Promote Greater Inclusion of Local Entertainment Content**. Inspecting Officers should be empowered to examine compliance with the terms and conditions of work permits. This should include whether locals are being apprenticed in the particular service as required under work permit licenses. Further, it should be a requirement that the appropriate entertainment association is consulted on applications for work permits for the provision of entertainment services.

13.0 CRUISE TOURISM

- 13.1 **Cruise Recovery Objectives.** The recovery of Tourism is critical to Jamaica's ability to rebuild its economy in the wake of the COVID-19 pandemic. The focus of the Task Force's Cruise Industry Sub-Committee has been on identifying the changes which must be implemented to achieve an early restart of activity in the sector and the adjustments which must be made to operate with the novel coronavirus. In addition, however, it should be recognized that in implementing these changes, an opportunity exists for Jamaica to simultaneously address the challenges which have prevented it from establishing itself as the leading cruise destination in the Caribbean region, despite its many advantages. The goal is to be stronger on recovery than prior to the COVID-19 pandemic.
- 13.2 **Cruise Industry Overview.** The local cruise segment has grown dramatically in terms of passenger arrival over the past eight (8) years reaching a peak of over 1.92 million passengers in 2017. Among the key features of the island which make it a favourable destination for cruise lines and their guests are the following: (a) geographic location close to North America (largest cruise market globally), (b) historical richness, unparalleled natural beauty, music, food, entertainment and excitement of the vibe, (c) five dedicated cruise ports, each with a distinct character and each with a wide diversity of attractions and experiences in proximity the terminal (Ocho Rios, Falmouth, Montego Bay, Port Antonio, and Port Royal), (d) the clustering of attraction assets within close proximity to ports that allow for efficient sight-seeing, important to emerging generation z and millennial cruise customers. and (d) home to some of the region's best beaches and attractions, natural and man-made, and music festivals.
- 13.3 **Cruise Industry Challenges.** The cruise industry has suffered from several difficulties historically, including: (a) harassment of the visitors, primarily stemming from transport sector, (b) general disorder in the freelance spaces, (c) poorly organized ground transport operators, (d) oversupply of taxi operators, excepting on maximum capacity cruise days, (e) poor "walk-off" experience outside the terminals (e.g., traffic congestion in resort towns, few green transportation options such as walking paths, limited pedestrian/rest areas in resort towns, lack of public hygiene in towns, and discomfort caused by homeless persons and beggars), (f) lack of diversity in shopping experience, (g) fundamental lack of authentic, live music experiences (e.g., street-side, café, restaurant, local bands), and (h) poor marketing support/exposure for small-scale authentic 'off-the-beaten-track' experiences.

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- 13.4 **COVID-19 Impact.** The COVID-19 pandemic has had a very deleterious impact on the cruise industry globally resulting in the shutdown of the cruise shipping operations. In Jamaica, the COVID-19 pandemic has had a huge negative impact on the cruise sector with many large and small players in the industry having to close their operations and employees and indirect workers losing their jobs. It has also exposed limitations in the way the industry is structured with weak linkages in the source markets and destinations. The Cruise Companies are not registered in the major source countries and pay minimal taxes in these jurisdictions, the bulk of the employees are not primarily from the source markets, and the vessels are not manufactured or drydocked in the sending countries. As a result of these structural characteristics, the lobbying capacity of the cruise lines in the major sending countries is not their strongest feature. The cruise industry has therefore not benefited from financial support from any of the major sending countries. In addition, the numbers of infected guests and crew on cruise vessels has earned them a reputation for providing high exposure to the virus coupled with the risk of leaving guests and crew members stranded at sea for periods longer than planned.
- 13.5 **Cruise Tourism Sector Recovery Recommendations.** It is important that Jamaica distinguish itself from other destinations by being ready for each phase in the process.
- 13.5.1 **Hygiene Protocols.** Develop public hygiene Protocols for the destination, incorporating the testing of passengers, physical distancing, sanitation/waste disposal, protective gear for staff, minimizing the need to handle and exchange documents, screening of staff, training of staff and spot checking by the authorities. This might involve training of Public Hygiene Ambassadors. These Protocols must be tailored for (a) terminals, (b) town squares/public walk ways, (c) attractions, (d) restaurants, (e) entertainment venues, (f) transportation systems. Additional infrastructure may also be required, e.g. isolation rooms at Ports.
- 13.5.2 **TPDCO Protocols.** The COVID Economic Recovery - Cruise Industry Sub-Committee has carefully reviewed the Protocols developed for the Tourism sector by the Tourism Product Development Company (TPDCo) and found them to be comprehensive and adaptable for the cruise sector. Recommendations for amendments to reflect the unique features of the sector are provided in the Appendix where the TPDCo Protocols are amended to reflect the peculiar considerations of the cruise sector.

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13.5.3 **Address Harassment.** Harassment is widely recognized as the main inhibitor to improved guest experiences in Jamaica. The solutions include the following:

- Identify the harassers (the number is not indeterminate; the main offenders include transportation sector, informal craft vendors, hair braiders, weed sellers, touts).
- Implement the Falmouth freelance transport dispatch system in all ports.
- Install CCTV camera system to cover heavily-populated guest areas and problem points (e.g. in central London).
- Develop and clearly communicate enforcement measures to stakeholders.
- Develop near-port experiences of which identified harassers could become a part (e.g. Pedicab experience, electric bicycle/rickshaw rental, safety and maintenance, low-density food/nature/coral reef/ music walking tours, courtesy guides, information booth/mini showcase museums).
- Redeploy some members in Public Hygiene Ambassador roles (train them in standards, customer service and basic business principles, possibly in partnership with HEART-NTA).
- Invest in the infrastructure to support their activities (e.g., Falmouth Craft Market, Ocho Rios Fishing Village).
- Register them and establish them as small enterprise operators with a legitimate space in the sector; assist them to establish themselves as cooperatives/benevolent societies where appropriate.
- Public education campaign on the civic consciousness and dependence on them of happy customer which would generate more money.
- Revise legislation to address the realities experienced by law enforcement officers daily by enacting Anti-Harassment Legislation that defines conduct that

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amounts to harassment and create appropriate offences and punishment.

- Consolidate and harmonize legislation used to protect the safety of tourists.
- Revisit fines under the current relevant legislative provisions and increase sentencing options available under the relevant legislation.
- Monitor and ensure that laws are enforced by the relevant authorities.
- Ensure that relevant stakeholders are placed in a position to make greater use of appropriate technology to capture and present evidence.
- Declare Falmouth as a prescribed area as a matter of priority, which was successfully done previously in Montego Bay and Ocho Rios.

13.5.4 **Bring Order to the Ground Transport Freelance Space.**

Recommendations include:

- Constructing the necessary infrastructure to appropriately accommodate taxi operators within the resort areas.
- Revisit Jamaica Tourist Board (JTB) / TPDCo's licensing policy (e.g., impose a moratorium on issue of new JTB transport licenses).
- Survey current transport carrying capacity for all resort areas; identify number of active taxi drivers at present.
- Consider voluntary retirement options for drivers, as per other islands, in cases of excess supply.
- Consider fiscal tweaking of licenses and green transport incentives to redistribute demand.
- Monitor and ensure that laws are enforced by the relevant Authorities, ensure that relevant stakeholders are placed in a position to make greater use of appropriate technology to capture and present evidence.

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13.5.5 Enhance the Walk-off Experience at each Terminal/Port.

Recommendations include:

- Offer free WiFi throughout all port facilities and in town squares/gathering points, children's playgrounds, water features, cool-play zones.
- Install Information Kiosks with mini-museum element and display relevant artifacts or give in-depth information particular to port brand (e.g., Montauk sea life educational guidance and Berlin Wall artifacts museum/info point).
- Organize street-side cultural shows/live music/street food (in accordance with port differentiation base) to maintain high footfall.
- Train, formalise and relocate hair braiders, peanut sellers, juice pressers, snow cones here – integral, authentic vendors.

13.5.6 **Ocho Rios Upgrading.** There is evident need for properly upgraded public spaces in Ocho Rios from the Reynolds and Ocho Rios Cruise piers to the town along Main Street in the vicinity of the Moon Palace Hotel. Upgrades would be in the form of soft and hard scaping solutions, lighting (preferably energy-efficient) as well as wide sidewalks with themed business frontages. Removal of non-relevant businesses in certain high-trafficked tourism areas would also be beneficial however this would have to be done with the requisite business license structures being applied.

13.5.7 **Montego Bay Upgrading.** Upgrades are underway on the Montego Bay Hip Strip's public spaces from Montego Freeport to Dead End Beach and involve installations including lighting, sidewalks, and soft landscaping. Additionally, building facings are being upgraded with thematic approaches and tourism business orientation.

13.5.8 **Falmouth Upgrading.** The town of Falmouth will see an overall upgrading in keeping with heritage orientation and the removal/relocation of businesses that are not tourism-driven in certain areas.

13.5.9 **Port Royal Upgrading.** Completion of the Promenade currently underway will facilitate ease of pedestrian movement from the terminal into the town of Port Royal.

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There will also be continued development of Port Royal town by the Urban Development Corporation (UDC).

13.5.10 **Improved Shopping Experiences.** Recommendations include

- Establish artisan villages in Montego Bay and Ocho Rios comparable to the Hampden Wharf Artisan Village in Falmouth.
- Attract global brand stores; establish an internationally competitive regime for the development of this retail sub-sector.
- Broaden Jamaica's brand identity with promotion of Jamaica as a shopping destination.
- Passage of the Bill to Repeal and Replace the Customs Act should allow for a reduction of the long bureaucratic Customs procedures that are an obstacle to the growth in in-bond shopping.

13.5.11 **Overcome the 4-stop docking requirement for the Western Caribbean Itinerary.** Recommendations include promoting Jamaica as a **two-stop** destination. To support this objective, cruise vessels should be encouraged to remain at berth into the night allowing guests to experience multiple attractions, dine at local restaurants and participate in Jamaica's unique entertainment events. To encourage this, Jamaica should permit the lines to open their game rooms during the period of extended stay at berth. There should also be active discussion with the cruise lines to deepen the linkages with the island's agricultural sector, its rum distilleries and coffee production factories, among others. This expanded provisioning of cruise lines, coupled with increased bunkering will transform the value proposition of Jamaica and strengthen the relationship with our cruise partners.

13.5.12 **Stimulate PPP's and Private Investment.** Given fiscal limitations, greater reliance will have to be placed on the private sector to undertake some of the key investments in partnership with the Government and public enterprises. The appropriate structure to stimulate the participation of the private sector must be worked out.

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13.5.13 **Use Data to Assess Progress**. Develop data to manage the progression of the island's cruise industry towards becoming the Number 1 in the region. This includes data to monitor spend per passenger, linkages spend per passenger, passengers per country at all four ports, and destination experience for vessels arriving at each port.

14.0 CONSTRUCTION AND INFRASTRUCTURE

- 14.1 **Description.** The construction sector consists of private and public construction of hotels, residential developments, offices and warehouses in addition to physical infrastructure projects of highways, bridges, as well as water, sewerage treatment facilities.
- 14.2 **Importance of Private Construction.** The construction sector tends to be labour intensive and its vibrancy, therefore, has implications for the labour market. Private construction of hotels, residences, offices and warehouses has experienced rapid expansion over the past few years and has contributed to Jamaica's employment growth. This has been influenced by a robust employment market, easier monetary conditions and an improving climate for business. Increasing activity in this sub-sector will be important for Jamaica's economic recovery.
- 14.3 **Impact of COVID-19 on Private Construction.** Hard data is not yet available. However, project sponsors and developers have responded in various ways to the pandemic. Many projects, in particular residential developments, have continued. Others projects have stalled with project sponsors adopting a wait-and-see approach.
- 14.4 **Physical Infrastructure.** In recent years it has been the level and pace of physical infrastructure projects that has had the greater influence on the scale and direction of overall construction sector activity. Given the anticipated decline in revenues, and the interruption caused by the COVID-19 pandemic, the timeline for completion of physical infrastructure projects will be inevitably delayed.
- 14.5 **COVID-19 Construction Recovery Strategy.** Given, among other things, the importance of the labour contribution of private construction and the impact of physical infrastructure projects within the realities of COVID the primary strategies focusses on
- 14.5.1 Assistance of the GOJ to ensure that current projects being implemented by the private sector can be completed as planned.
 - 14.5.2 Enhancing the attractiveness of new projects by more efficient and transparent approval processes.
 - 14.5.3 Given contracted fiscal space, prioritising and identifying the major infrastructure projects that can have the greatest

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impact on both short- and long-term economic growth and job creation.

14.5.4 Identify how more projects can be implemented including PPP arrangements.

14.6 **Challenges with the Development Application Review Process (DARP).**

All projects begin with the review of a development application. This process can be much more transparent, accountable, and efficient. The reform of the Development Application Review Process (DARP) was proposed over a decade ago. Progress has been made but the reform is still incomplete. The process has been plagued by:

14.6.1 **An Absence of Effective Leadership and Oversight of the DARP at the Central Government Level.** Accountability at the Cabinet ministerial level is necessary to galvanise support, oversee performance of the programme and report to the Cabinet.

14.6.2 **Lack of Clear Ownership of the DARP.** Responsibilities split across GOJ ministries, agencies and Municipal Corporations. Each stakeholder their own governance and reporting systems which tend to be independent of each other. The legislative framework for the DARP is also splintered.

14.6.3 **Varying Priorities among Stakeholder Agencies.** There are several agencies (e.g., National Works Agency, National Water Commission, Municipal Corporations, and Water Resources Authority) for which the DARP represents a small part of their responsibilities. There is no real incentive for these agencies to participate in, or undertake activities that can transform the DARP.

14.6.4 **Lack of Effective Cooperation among Stakeholders.** The main stakeholder agencies tend to adopt a territorial approach on issues that require cooperation of all parties.

14.6.5 **Need for Increased Capacity of Technical and Financial Resources.** The wide scope of required reforms creates resource challenges for various project implementers.

14.7 **Recommendations**

14.7.1 **GOJ Reform to Accelerate Private Project Completions.**

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The following recommendations are designed to accelerate the approval and completion time of development projects. The resulting efficiency gains would boost the return and attractiveness of development projects, thereby increasing economic activity in this sector.

- Complete the establishment of a DARP One Stop Shop to handle all major development-related applications to be operationalised through a DARP Review Centre as a one-stop shop for reviewing all development-related approvals for major projects.
- Encourage greater use of the Development Assistance Centre (DAC) in NEPA to provide cutting-edge consultative facilitation and support services to developers and investors.
- Develop Service Level Agreements among regulatory players to institutionalize and clearly reinforce policy decisions and directions in the application review reform programme.
- Fast-track the full operationalization of the Jamaica Application Development Portal (JDAP) to allow for online submission of application, payment of fees and public access to approved permits, licences and building approvals and, once completed, mandate the operationalization and utilization of the JDAP by all MDAs.
- Establish a public-private oversight body, led by a Minister, for the implementation of DARP reforms.
- Introduce special mechanisms to facilitate projects undertaken by Registered Developers using the Stamp Office services that would reduce turnaround time.
- Establish a diaspora investment support window that offers facilitation, guidance, direction in engaging contractors, explain the approval processes and the requirements, and assist in tracking progress of developments to protect diaspora members who have been hard hit over the years.

14.7.2 During Recovery, Prioritise GOJ Infrastructure Projects by Economic Impact

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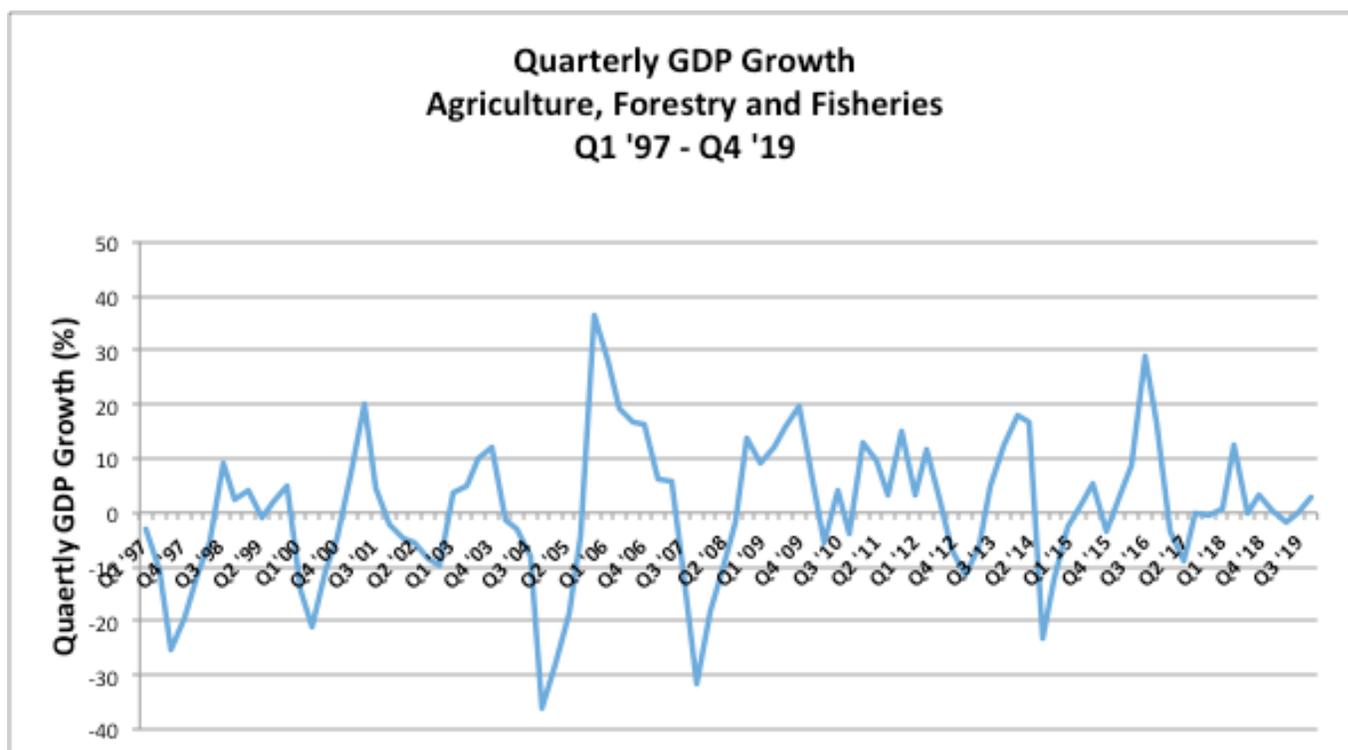
- Given the anticipated decline in revenues and the resulting contraction in fiscal space, develop a Prioritization Framework with a set of weighted economic and social criteria which reflect the most important attributes of the projects to the GOJ (e.g., local value-add, job creation, number of beneficiaries, potential to be financed by a PPP structure, etc.).
- Apply these criteria to the list of projects generated by the agencies to select those projects which fall within the available budget available.

14.7.3 **Identify Financing and Potential PPP arrangements for Projects.** Carry out a market sounding to understand the appetite of the market for the projects and how the projects can be structured.

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15.0 AGRICULTURE, FORESTRY & FISHERIES

- 15.1 **Background.** The Agriculture, Forestry and Fisheries sector (the “Agriculture Sector”) is central to Jamaica’s economic recovery. This sector is among the largest employers in Jamaica, the economic activity generated is a vital source of income for rural households and there is a strong positive correlation between growth in this sector and growth in the economy. The performance of the Agriculture sector also has significant bearing on rural well-being.
- 15.2 **Historical Challenges.** The volatility of the Agriculture Sector over the years has been a major challenge. In recent years, this volatility has arisen from the Agriculture Sector’s vulnerability to weather shocks and from swings in output from the sugar industry. Frequently in recent years, excess rainfall, drought conditions or tropical storms have lowered output. Similarly, price shocks to legacy commodities such as sugar have led to wide swings in output. However, volatility in output existed over a longer historical horizon for similar reasons in addition to structural factors including the erosion of preferential access and the lack of competitiveness of traditional export crops of sugar and bananas.



- 15.3 **Strategic Imperatives.** For Jamaica to achieve a sustained economic recovery, it will be necessary to improve the resilience of agriculture through investment in storage, distribution and irrigation, diversification of

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crops, improvement of land utilisation, increase in crop yields, lower praedial larceny, deepening of domestic linkages and otherwise improving productivity.

- 15.4 **Crop Opportunity and Rationale.** Identified opportunity areas should be targeted for support to build out into standalone industries that can assist in Jamaica's attainment of food self-sufficiency and to support exports and agro-processing for both export and local demand. An opportunity exists for the expansion of production of numerous agriculture crops as indicated in the table below:

Crop	Rationale
Irish Potato	The intent is for the country to be 100% self-sufficient in table potatoes. A medium term objective is to significantly reduce the quantity of processed potatoes imported in the form of fries.
Onions	The short-term intent is to be at least 30% self-sufficient, and gradually work to achieving near 100 % self-sufficiency within five years.
Sweet Potato	Improving production and productivity to meet increasing local demand for fresh and agro-processing, and for increasing exports.
Dasheen	Improving production and productivity to meet local demand, and for increasing exports.
Pineapple	Increased production for the fresh market and for agro-processing to replace the imports of concentrates as a raw material.
Hot Pepper	Increased production targeted to the fresh and agro-processing market (sauces, mainly for export), as well as fresh exports.
Ginger	Increasing production and productivity for the local fresh and agro-processing markets, and for increasing exports.
Yam	Increasing production and productivity for the local fresh and agro-processing markets, and for increasing exports.
Aquaculture	Increased production to replace fish imports.
Small Ruminants	Increased production to replace imports.
Vegetables	Increased production and productivity for the local and tourism markets.

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15.5 Recommendations

15.5.1 Water and Irrigation

- Implement an immediate emergency drought management and mitigation programme. This should include the trucking of approximately 11.7 million gallons of irrigation water over a three-month period targeted to the Central parishes of St Elizabeth, Manchester, Clarendon and St Ann to minimize the effects of drought on agricultural production in these parishes.
- Introduce small-scale irrigation kits to farmers in those productive areas which are not currently served by any established irrigation network. Distribute 2000 ¼ acre drip irrigation kits to farmers. Each kit also includes a 1000 gallon water tank. Linked to this, will be the identification and development of alternative water sources as well as water harvesting systems, in those productive areas. This to provide a more sustainable solution to farmers island-wide. Where necessary, the Ministry will incentivise usage of these lands to increase crop production.
- Acquire and distribute stand-alone water tanks to up to 500 farmers, along with a supporting strategy to ensure the throughput of water necessary.
- Pursue the expansion of existing irrigation systems to expand access to irrigation.
 - Rationalize the use of lands served by existing irrigation systems to ensure that those lands that have access to irrigation, are being optimally used.
 - Over the medium term pursue a water reform project that consolidates irrigation water production and supply under a ‘special purpose vehicle’ that can attract private sector investments, thereby increasing the pace expansion.

15.5.2 Land Reform/Land Use

- A review of all leased land should be carried out by Agro-Invest Corporation and the Sugar Company of Jamaica (SCJ). Leases on lands zoned for agriculture that are currently idle nor being adequately used for

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these purposes should be reverted. The provisions of the Land Utilization Act on the usage of leased Government lands must be implemented.

- MICAF should carry out assessments of large private farms, that are currently idle or that are of low productivity, to ascertain the factors constraining their productivity and working with the owners to develop programmes and strategies for their resuscitation.
- Target support to small farmers using the Production and Productivity Incentive Programme to specifically to enhance their production and productivity in support of national food output.
- Expand on the development of a national inventory of agricultural land overlaid with soil type, irrigation infrastructure, crop suitability and rainfall.
- Develop a policy to allow for more private sector involvement in the management and execution of the agro-parks to increase efficiency of operation and improvement of output.

15.5.3 Storage and Distribution

- Identify and provide support to mechanisms to minimize the incidence of in field losses, as well as along the value chain, to include handling, transportation, and storage.
- Rehabilitate the Government-owned storage facility at Coleyville, Manchester.
- Privatize, by PPP lease arrangement or otherwise, the Agricultural Marketing Corporation Complex at Spanish Town Road, on contractual terms that require its use as a modern storage and distribution hub for agricultural produce.
- Develop, with private sector participation, a fully functional fresh produce and livestock transportation, storage and distribution system, in accordance with good food handling Protocols and traceability. Simultaneously market storage, packaging and distribution of agricultural investment opportunities to the private sector.

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- Introduce reverse factoring into the agriculture value-chain to improve the efficiency and timeliness of payments, especially to the farmers.
- Improve the agricultural export complexes at the airports to ensure greater and timelier throughput for agricultural exports, through adequate ambient, cool and cold storage, and fumigation facilities.

15.5.4 Agro-Processing

- The RADA produce incubators should be fully equipped and activated for processing of crops into juices, and purees for use in national programmes such as the School Feeding Programme, prisons, hospitals, etc.).
- Implement the National Agribusiness Strategy.

15.5.5 Diversification

- Expand the farmers' market concept to more urban centres.
- Explore new markets, especially for agro-processing and exports into regional and other third country markets. This should include, tapping into the increasing global demand for healthy and gluten free food including garlic, ginger, castor oil, turmeric, gluten free flour and breadfruit etc.
- Improve the farm road system to ensure access to some of our more productive areas as well as to minimize crop transport losses.

15.5.6 Fisheries

- Expand the processing period for lobsters to allow for disruptions due to COVID-19.
- Allow for the fishing of sea cucumber after the closure of the lobster season.
- Diversify licenses into new areas, and develop new fisheries such as the sea cucumber

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- Develop and implement a programme for production incentives support to artisanal fishers to rehabilitate equipment that have sustained damages due to restrictions in servicing pots etc. because of the COVID-19 measures.
- Develop and implement a programme for production incentive support to aqua-culture farmers to catalyse continued production.

15.5.7 Technology

- The scale of Jamaica's agricultural productivity must be such that it achieves international competitiveness in terms of quality and costs. Scale should incorporate smaller farmers through the expansion of the satellite farm concept with binding contracts between the satellites and the mother farm.
- Improve the systems for data recording collection, sharing, reporting, and usage across the value chain.
- Under the production incentive programme, implement a support mechanism for expanding the availability of good quality seeds, seedlings and planting materials for crops such as coconuts, sweet potato, tree crops etc
- Re-examine the practice by the Pesticides Control Authority only registering chemicals by brand names. It is suggested that registration by active ingredients (generic) be considered as a less onerous alternative, and will result in more cost-effective products to the farmers.

15.5.8 Examine the possible Expansion of Productive Input Relief

- Examine the application of the Productive Input Relief principle to tools and equipment, agricultural implements, seeds and other input materials, greenhouses and irrigation systems used in agriculture.
- Examine the application of the Productive Input Relief to marine fuel used in the fishing industry.
- Examine the temporary application of the Productive Input Relief to refrigerated trucks to assist with the

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movement of the agricultural products across the island while minimizing spoilage and reducing post-harvest losses along the supply chain.

15.5.9 Praedial Larceny

- Amend the Agriculture Produce Act to expand the range of crops, livestock and enterprises covered under the Act, institute harsher penalties; and introduce a mechanism for the restitution of farmers.

15.5.10 Develop Large-Scale Agriculture

- The promotion of efficient large-scale farming of non-traditional crops will allow for more efficient cost-per-unit of production resulting from the increase in scale, mechanization and application of technology. In addition to reducing costs, consolidation and vertical coordination can also expand the diversity of food products. Larger farms have the advantage of better risk management capabilities due to a more diversified portfolio of products and better storage facilities. Importantly, large scale farmers also can better vertically integrate within the industry by going both upstream and downstream. More focus on the development of large-scale agriculture which utilizes modern technological practices will result in a globally competitive sector, with real prospects for growth, increased agro-processing, food security and poverty alleviation. The key components to development of large-scale agriculture are: (a) availability of large tracts of lands, (b) water distribution, harvesting and storage, (c) financial resources, and (d) negotiated agreements to ensure timely and effective productive use of the land.

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16.0 MANUFACTURING AND EXPORT

- 16.1 **Background.** Pre-COVID-19, the manufacturing sector experienced the most robust and consistent period of growth of any period over the past 25 years. The sector has experienced year-over-year quarterly growth for every quarter of the four years to December 2019, with the exception of only two quarters. Despite the dramatic fall-off in economic activity during the last 2½ weeks of March, PIOJ forecasts growth of 2.8% in the January - March 2020 quarter.
- 16.2 **Manufacturing Value-Add is Unmatched by other Large Sectors of the Jamaican Economy.** Manufacturing involves converting raw material into finished product through the application of machinery, tools, technology, and labour has the potential for substantial value add. The potential for value-add in manufacturing the exceeds the value add of other important sectors of the Jamaican economy.
- 16.3 **Support Jamaica’s Manufacturing Renaissance.** The manufacturing sector will be affected by COVID-19, if only due to the waning of demand. However, the opportunities have also been created by the pandemic which differ for each sub-sector of manufacturing. It is important to regain the pre-COVID-19 trajectory of manufacturing with targeted support of the sector.
- 16.4 **Support Export Manufacturing in Particular.** As Jamaica endures the impact of COVID-19, with decline in foreign exchange inflows, efforts should be made to not only restore our pre-COVID-19 position but to surpass it. An objective that is consistent with that principle and worthy of pursuit is to diversify our sources of foreign exchange to include growth in the export of manufactured items.
- 16.5 **Access to Working Capital.** Roll out special working capital financing facility for viable micro, small and medium enterprises (MSMEs) through the DBJ and or other Approved Financial Institutions and Government Agencies that currently administer loans and grants to micro and small businesses.
- 16.6 **Manufacturing and Export Expansion.**
- 16.6.1 **Promote E-commerce.** Examine the potential to substantially reduce the export processing Customs Administrative Fee (CAF) for products sold through e-commerce below a particular value threshold.
- 16.6.2 **Support Payment Solutions.** Encourage local E-commerce payment solutions by Financial Institutions.

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- 16.6.3 **Facilitate Online Banking**. Online banking – Bank of Jamaica Real Time Gross Settlement System (RTGS) to support real time transactions
- 16.6.4 **Single Window**. Fast tracking permits and licenses locally by accelerated implementation of the electronic single window.
- 16.6.5 **Support Exports**. Examine the feasibility of providing marketing and promotional tax credit on marketing expenses up to maximum of US\$30,000 incurred to penetrate and promote Jamaican brands regionally and in international markets
- 16.6.6 **Reduce JACRA Fees**. Reduce JACRA fees by 50% on imported raw materials that are utilized for further processing for re-export.

16.7 Productivity and Innovation

- 16.7.1 **Productivity Vouchers**. Provide vouchers under the existing DBJ Voucher for Technical Assistance Programme for companies to undertake productivity assessments along with a supporting fund to assist with the implementation of productivity improvement strategies.
- 16.7.2 **R&D Tax Credit**. Examine the feasibility of creating a 100% tax credit for research and development for firms that invest in, develop, apply or adapt new and/or appropriate technology, inclusive of systems, to develop new products, access new markets, enhance competitiveness, improve productivity, or otherwise enhance their ability for effective import substitution or exporting to regional or third country markets. This should include agricultural operations, agribusinesses preparing or packing produce for exports, service and cultural services exporters and entities providing services to the productive sector.

16.8 Logistics and Supply Chain

- 16.8.1 **Reduce Turnaround Time**. Improve turnaround time at Ports for incoming input and outgoing exports. Remove challenges at Ports to reduce inflow and outflow delays that give rise to delayed exports and increased demurrage cost.

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- 16.8.2 **Jamaica Business Fund Programme**. Expand and roll out the Jamaica Business Fund Programme of the DBJ that provides funds for supply chain projects.
- 16.8.3 **Support Supply Chain Mapping**. Support the mapping of the manufacturing and export value chains and provide support to critical service providers.

16.9 **Sale and Consumption**

- 16.9.1 **Promote GOJ E-commerce Sites**. Enhance promotion of existing GOJ E-commerce sites such as Things Jamaica.
- 16.9.2 **Reduce Timeline for Requests**. Reduce the timeline from two (2) weeks to five (5) days for the issuing of safeguards and suspension requests for critical raw materials and exports in CARICOM.
- 16.9.3 **Remove Export Impediments**. Facilitate trade and remove burdensome export procedures. For example, remove the requirement for police integrity form, review the need for and or reduce the turnaround time for the issuing of certificate of free sale by the Bureau of Standards and the Ministry of Foreign Affairs and Trade.
- 16.9.4 **Automate Certification Process**. Automate the CARICOM Rules of Origin certification process which will allow acceptance of electronic forms
- 16.9.5 **Implement Temporary Emergency Protocols**. Implement emergency Protocols for six (6) months in Jamaica/CARICOM for raw materials on the list of ineligibles that are not available regionally or locally to be allowed duty free entry for businesses benefitting under the Productive Input Relief.
- 16.9.6 **Improved Compliance**. NRCA to utilize existing resources to focus on monitoring the compliance of competing imported manufactured goods
- 16.9.7 **Implement Set-Aside Procurement Reforms**. Speedy implementation of the Government Procurement Offset and Set-Aside Regulations. Pilot to be implemented.

17.0 ENTERTAINMENT

17.1 **Definition.** The Entertainment, Culture & Creative Industries (“ECCI”) in Jamaica are described as industries anchored by intellectual property rights, having their origin in individual creativity, skill and talent, which have the common element of selling or otherwise profiting from creative works or services provided by creative actors and/or individual creativity and skill. Jamaica’s Entertainment, Culture, and Creative Industries consists of a mix of formal and informal operators. The sub-committee focused on several areas including (a) music, (b) visual and performing arts, (c) film and television, (d) sport, (e) publishing, (f) digital media, (g) events, festivals, and nightlife, (h) fashion and modeling, (i) gastronomy / culinary arts, and (j) intellectual property rights.

17.2 Jamaica’s Creative Linkages



17.3 **Estimating the Level of Economic Activity in Jamaica’s Entertainment, Culture & Creative Industries.** Creative jobs are characterized by a diversity of: (a) freelancers, (b) contract workers, (c) temporary workers, and (d) permanent employees. Linkage employment and value chain encompasses a wide variety of sectors including legal, technical, financial, and related intellectual property (trademarks, copyright, sync rights, image rights, et. al). Also included are management consultants related to tours and cross-border trade, media consultants related to branding, media, media

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and broadcast rights, among others, making the value chain and sources of income quite diverse.

17.3.1 The entertainment industry generates significant economic activity. Precise statistics are not available, however, the Task Force's Entertainment Sub-Committee thought it a useful exercise to estimate this economic activity. *It is important to note that economic activity is being estimated using gross revenue generation as a proxy. However, gross revenue estimates are no way an approximation for economic value add or GDP contribution.*

17.3.2 The estimation of the gross revenue of these industries provides an idea of the kind of economic activity generated and the importance, therefore, of the domestic Entertainment, Culture & Creative Industries in Jamaica's economic recovery.

These industries have been negatively affected by COVID-19 and Jamaica is unlikely to fully recover without the level of economic activity in these industries returning to their pre-COVID-19 levels

17.4 Nightlife, Events, and Festivals.²⁵

17.4.1 **Community Bars.** Jamaica has an estimated 10,000 community bars with 2.5 employees per bar for an estimated total labour force of 25,000 persons with an estimated average daily sales of J\$7,500, generating total annual estimated revenue of J\$22.5 billion.

17.4.2 **Sports Bars.** Jamaica has an estimated 500 sports bars with 4 employees per bar for an estimated total labour force of 2,000 persons with an estimated average daily sales of J\$20,000, generating total annual estimated revenue of J\$3 billion.

17.4.3 **Small Lounges.** Jamaica has an estimated 50 small lounges with 8 employees per lounge for an estimated total labour force of 400 persons with an estimated average daily sales of

²⁵ Sources: Ministry of Local Government and Community Development Survey, May 2020 (ii) Jamaica Constabulary Force Branch Dance Application data 2013-2019, (iii) Ministry of Culture, Gender, Entertainment and Sport Case Study Data (iv) PIOJ Economic and Social Survey 2018 (v) JAMPRO Film, Animation and Music data 2018/19

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J\$50,000, generating total annual estimated revenue of J\$750 million.

17.4.4 **Nightspots.** Jamaica has an estimated 26 nightspots which have 1,217 full-time employees, 127 part-time employees, and 32 part-time to full-time employees. These nightspots generate an estimated average daily sales of J\$5.85 million, generating total annual estimated revenue of J\$1.76 billion.

17.4.5 **Summary.** In summary, bars, lounges, and nightspots in Jamaica employ an estimated combined total of 28,549 persons and generate estimated annual revenues of approximately J\$28 billion (see report for data sources).

17.5 **Events (Round Robins, Small & Medium Events).**

17.5.1 **Permits.** Between 2012 and 2019, the Jamaica Constabulary Force (JCF) issued an average of ~20,000 permits generating total employment of approximately ~63,000, and generated a total entertainment capital expenditure of ~J\$2.5 billion.

17.5.2 **Round Robins.** Jamaica has an estimated 12,000 Round Robins annually, with 8 single-day employees and 400 part-time to full-time employees with estimated average revenue per event of J\$100,000 and total annual revenue of J\$1.2 billion.

17.5.3 **Small Events.** Jamaica has an estimated 7,000 events with up to 500 persons in attendance with 20 single-day employees and 583 part-time to full-time employees with estimated average revenue per event of J\$500,000 and total annual revenue of J\$3.5 billion.

17.5.4 **Medium Events.** Jamaica has an estimated 1,000 events with between 500 and 5,000 persons in attendance (500-1,500: 650 events; 1,500-3000: 250 events, and 3,000-5,000: 100 events) with 100 single-day employees and 417 part-time to full-time employees with estimated average revenue per event of J\$2.5 million and total annual revenue of J\$2.5 billion.

17.5.5 **Festival Economy.** Festivals in Jamaica have a total estimated annual economic impact ~J\$28.7 billion, with 75% of all these events (see table) having an estimated annual economic impact of J\$21.5 billion.

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FESTIVAL ECONOMY (MAJOR EVENT 5,000+ PAX)						Economic Impact	Economic Impact	Total Economic Impact
Festivals (5000+ pax)								
	No. of Locals	No. of Tourists	Spend per Person/ Day Local (JMD)	Spend per Person/ Day Intl (JMD)	No. of Days	Local (JMD)	International (JMD)	
Dancehall Week	1,500	1,500	\$ 5,000	\$ 50,000	10	\$ 75,000,000	\$ 750,000,000	\$ 825,000,000
National Trials	10,000	1,000	\$ 10,000	\$ 42,000	2	\$ 200,000,000	\$ 84,000,000	\$ 284,000,000
Reggae Marathon	2,500	2,500	\$ 42,000	\$ 49,000	2	\$ 210,000,000	\$ 245,000,000	\$ 455,000,000
Sumfest	16,000	4,000	\$ 17,000	\$ 49,000	7	\$ 1,904,000,000	\$ 1,372,000,000	\$ 3,276,000,000
Dream	7,500	7,500	\$ 47,600	\$ 49,000	6	\$ 2,142,000,000	\$ 2,205,000,000	\$ 4,347,000,000
Rebel Salute	20,000	6,000	\$ 20,000	\$ 40,000	3	\$ 1,200,000,000	\$ 720,000,000	\$ 1,920,000,000
Carnival in Jamaica	6,000	6,000	\$ 30,000	\$ 55,000	9	\$ 1,620,000,000	\$ 2,970,000,000	\$ 4,590,000,000
Easter Ochi	3,000	750	\$ 25,000	\$ 35,000	4	\$ 300,000,000	\$ 105,000,000	\$ 405,000,000
Grand Gala	25,000	2,500	\$ 5,000	\$ 30,000	1	\$ 125,000,000	\$ 75,000,000	\$ 200,000,000
Boys and Girls Champs	25,000	5,000	\$ 42,000	\$ 49,000	2	\$ 2,100,000,000	\$ 490,000,000	\$ 2,590,000,000
Sigma Run	25,000	2,500	\$ 50,000	\$ 30,000	1	\$ 1,250,000,000	\$ 75,000,000	\$ 1,325,000,000
Unruly Fest	3,500	300	\$ 10,000	\$ 17,000	1	\$ 35,000,000	\$ 5,100,000	\$ 40,100,000
Calabash Literary Festival	1,000	2,000	\$ 2,100	\$ 42,500	6	\$ 12,600,000	\$ 510,000,000	\$ 522,600,000
Tmrw Today	7,000	1,000	\$ 4,200	\$ 49,000	7	\$ 205,800,000	\$ 343,000,000	\$ 548,800,000
SPF	1,500	500	\$ 25,000	\$ 35,000	3	\$ 112,500,000	\$ 52,500,000	\$ 165,000,000
							\$21,493,500,00	

17.5.6 **Fashion and Model Industry.** Fashion media content production generates an estimated annual economic value of ~J\$253.3 million, model management generates an estimated economic value of ~J\$59.5 million, and fashion and modelling generate an estimated economic value of ~J\$313.1 million.

17.5.7 **Film and TV Production, Cinema and Theatre.** The total capital outlay and revenue from film and cinema was an estimated J\$3.5 billion and employed an estimated 2,600 persons broken down as follows: (a) Bond25 film capital outlay (J\$1.88 billion with 1,200 employed), (b) other film capital outlay (J\$268.4 million with 1,400 employed), and (c) cinema total revenue (box office receipts, confectionary sales, and film rentals) – (J\$1.32 billion).

17.6 Sports.

17.6.1 **Horse Racing.** The horse racing industry employs an estimated 5,500 persons with monthly betting revenue of J\$700 million, monthly Caymanas revenue of J\$300 million, and total annual economic impact of J\$10 billion.

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- 17.6.2 **Jamaica Premier League (football).** The Premier League has 12 clubs, employs an estimated 400 temporary and 600 permanent persons, with a total annual revenue of J\$320 million (which reflects player wages and club owners investment, but not fan-based revenues).
- 17.6.3 **Sports Associations.** (Overseas Annual Funding and Grants to Local Organizations). The annual overseas funding and/or grants to local sports associations totals an estimated J\$1.35 billion as follows: (a) Jamaica Olympic Association: J\$269 million, (b) Jamaica Football Federation: J\$269 million, (c) Jamaica Cricket Association: J\$100 million, (d) Jamaica Amateur Athletic Association: J\$100 million, and (e) Other: J\$25 million.
- 17.6.4 **Total Annual Sport Economic Impact.** Sports generates total annual economic impact annually an estimated J\$11.67 billion and employs an estimated 5,980 employees.
- 17.6.5 **Copyright-Based Industries.** The total estimated intangible value of copyright-based industries in Jamaica is approximately 5% of GDP, or J\$105.3 billion and employees approximately 3% of the workforce, or ~40,353 people.
- 17.6.6 **Entertainment Annual Economic Impact Total Summary (Tangible Value).** The total estimated tangible economic impact of the entertainment industry is ~J\$84 billion comprising: (a) Events, Festivals & Nightlife: \$56.7 billion, (b) GOJ contribution: \$12.5 billion, (c) Sport: \$11.7 billion, and (d) Film & TV Production, Cinema & Theatre: \$3.2 billion.
- 17.7 **Entertainment Annual Economic Impact and Employment Summary (Tangible and Intangible Value).** The total estimated level of economic activity of the entertainment, culture, and creative industries (“ECCI”) is J\$84.1 billion excluding economic activity generated from intangibles such as trademarks, music catalogues and images.
- 17.8 **Recommendations.** Given the estimated revenue base of these industries, it is unlikely that Jamaica’s economic recovery and occur without a restoration of the vitality of these sectors.

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- 17.8.1 **Resource Allocation.** Identify and access a portion of CARE (COVID Allocation of Resources for Employees) Funds earmarked to address the immediate needs of the entertainment, culture, and creative industries.²⁶
- 17.8.2 **Protocols.** Develop the safety protocols for phased re-opening of activities and events with the MOHW & Key stakeholders guided by the Disaster Risk Management Act.
- 17.8.3 **Collaboration.** Engage in on-going dialogue with various stakeholders to encourage better understanding and collaboration with the industry and private / public sector.
- 17.8.4 **Consolidation.** Streamline and consolidate ECCI ecosystem within the 8 ministries GOJ with responsibility for the sector to increase management efficiencies and funding levels.
- 17.8.5 **Regulation.** Develop legislation and regulatory framework including a Creative Economy Act for Jamaica to encourage formalization of the ECCI
- 17.8.6 **Training.** Build capacity in tertiary institutions responsible for the training of professionals in the sector aligned with the Ministry of Culture, Gender, Entertainment, and Sport (“MCGES”).
- 17.8.7 **Data.** Strengthen the capacity of the Statistical Institute of Jamaica (STATIN) to capture, analyse and disseminate data on the ECCI.
- 17.8.8 **Study.** Commission a study on the value-add of Jamaica’s ECCI.
- 17.8.9 **Incentivise.** Update policies and regulatory framework to incentivise the entertainment sector.
- 17.8.10 **Medium-Term (3-5 years).** Medium-term recommendations include:

²⁶ The CARE Programme already makes provision for entertainment practitioners. As at June 30, 2020 over 640 have applied. Other groups such as those who make a living from sporting and cultural activities could be added.

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- **Infrastructure**. Improve entertainment and sport infrastructure.
- **Technology**. Expand small to medium venue infrastructure and entertainment zones with smart sound technologies.
- **Events**. Establish 12-month calendar of local and international events.

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18.0 CHAIRMAN’S CONCLUDING REMARKS

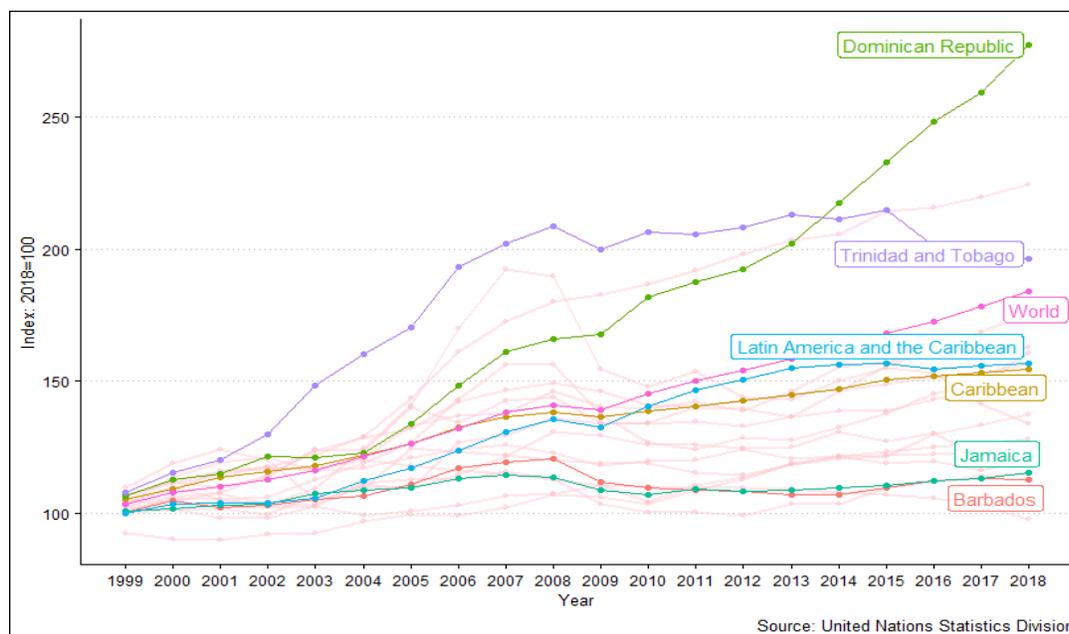
We had robust discussions in the Task Force about implementation. Jamaica’s prospects for economic recovery will depend on the ability to implement the ambitious range of policies, programmes and legislation in a coordinated manner to achieve the desired outcomes.

Historically, this has been one of Jamaica’s major weaknesses. The reasons lie in large part with a deficit in capacity. Jamaica suffers from an insufficient capacity of technical legal, financial, project management, IT, communications, policy, parliamentary, and drafting resources at the appropriate levels in the public sector.

In addition, the pipes through which reform has to be channelled are too narrow. For example, the House of Representatives usually meets only once per week and the agenda for that day is not all available for reform initiatives. Efficiency of proceedings across administrations are hampered either by the outdated nature of sections of the Standing Orders or by a lack of enforcement of more practical sections. The House can only accommodate one Committee meeting at the times designated for these due to insufficient parliamentary staffing. In addition, most Cabinet ministers juggle constituency commitments along with ministerial and parliamentary obligations. The time available for policy development and the shepherding of legislation through its many stages is squeezed.

These affect the ability to scale up to get the necessary frameworks in place for a speedy implementation. Thus, we need to dramatically scale to implement the recommendations herein, recover economically and then grow faster than our peers. Our cumulative growth history over the last 20 years, where Jamaica’s per-capita income stagnated, should motivate us to embrace reform with ambition.

FIGURE 1: Accumulated Growth Rate of Small Island Developing States



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Addressing Capacity Bottlenecks

The current GOJ compensation profile does not allow for the recruitment of the type of skills/competencies necessary to support the implementation of any recovery plan that the Government may embark upon. This is a fact that is recognized and acknowledged through the ongoing Compensation Review of the entire public sector being led by the Transformation Implementation Unit within the Ministry of Finance & the Public Service. This Review is scheduled to be finalised by March 2021.

However, the identification and recruitment of persons with the requisite skills and competencies in the legal, financial, project management, IT, communications, policy, parliamentary and drafting areas must be done with utmost urgency if Jamaica is to implement this broad economic recovery agenda.

In light of the above, the GOJ may need to consider fixed term employment contracts for a strategic but temporary Economic Recovery Technical Support Team of legal, financial, project management, IT, communications, policy, parliamentary and drafting resources which are assigned throughout appropriate ministries, departments and agencies with the view of advancing the economic recovery agenda. These Fixed Term employment contracts would allow flexibility for temporary remuneration outside of the permanent government payment scales.

Parliamentary Measures to Support Implementation of Economic Recovery Agenda

Embracing reform with ambition will require the economic recovery policy agenda to take priority in Parliament. Perhaps the Parliament can meet once every two weeks with the intention of specifically handling economic reform agenda matters which could also be dealt with at regular parliamentary sittings.

In addition, the Parliamentary Standing Orders should be urgently reviewed to improve the practical efficiency of Parliament.

Monitoring and Reporting

There is an adage, “*What gets measured, gets done*”. Jamaica has experienced the truth inherent in this over the past seven years where unprecedented domestic monitoring and reporting on policy commitments and execution played a significant role in policy implementation.

There are strong arguments that equivalent mechanisms could be equally helpful with the task at hand. The format for “measurement” can take different forms. Whatever the form or format, however, transparency and accountability to the public is crucial to any such effort.

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Leverage our Head Start to Move Faster

Though the road ahead may have difficult patches there is reason for great optimism. In our short history Jamaica has time and again demonstrated the ability to reform itself, to bounce back, to achieve the unachievable and to confound the world.

We need to look no further than our most recent history where, with social cohesion as the foundation, and social consensus as the support, Jamaica charted an unlikely course of reform that pre-COVID-19, resulted in a range of outcomes recognised and celebrated around the world.

This time we are starting ahead. There is no precedent for a consensus building broad-based Task Force on Economic Recovery commissioned during the eye of any previous storm. That gives us a head start. We must use it, embrace reform with ambition and Rebuild Jamaica.

**HON. NIGEL CLARKE, DPHIL, MP
MINISTER OF FINANCE AND THE PUBLIC SERVICE
CHAIRMAN, COVID-19 ECONOMIC RECOVERY TASK FORCE**

June 30, 2020

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19.0 APPENDIX I – ECONOMIC POLICY RESPONSE

As at June 20, 2020, the GOJ's economic policy response to the COVID-19 pandemic has included a range of tax measures, social and economic support and health expenditures:

19.1 **Tax Measures.** The tax reduction measures, which cost approximately \$15 billion included:

- a reduction in the rate of General Consumption Tax (GCT) of 1%.
- the introduction of a \$350,000 tax credit for small and medium-sized businesses.
- the reduction of regulatory fees for export.

Beyond this, additional revenue measures that have been included:

- suspension of new compliance enforcement activity during the period March – June 2020.
- waiver of SCT on alcohol used in the production of hand sanitisers.
- waiver of duties on the importation of personal hygiene products.
- waiver of spectrum fees used to provide additional bandwidth to serve classrooms.

19.2 **Spending Stimulus.** The \$16 billion spending stimulus is in the form of social and economic support through the GOJ's CARE Programme and primarily consisted of:

- Compassionate Grants of \$10,000 for the pre-COVID-19 unemployed, informally employed, students over 18 and pensioners. To date approximately 370,000 such grants have been paid.
- Up to a maximum of three (3) Supporting Employees with Transfers ("SET") Cash Grants of \$18,000 each for the formally employed who have been laid off. To date,

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approximately 40,000 SET Cash Grant payments have been made.

- General Grants of between \$25,000 and \$40,000 to occupational groups unduly affected by the pandemic including craft vendors, PPV licensees, contract carriage operators, barbers, hairdressers, bar owners, private early childhood practitioners etc..
- Small Business Grants of \$100,000 to small businesses that filed tax returns for the 2019/20 financial year and which have employees on whose behalf payroll returns were also filed in 2019/20. To date, approximately 1,000 Small Business Grants have been paid.
- Business Employee Support with Transfers of (“BEST”) Cash Grants to employers in the tourism sector, for each employee they retained with emoluments of \$1.5 million or less.
- COVID-19 Grants for PATH Beneficiaries in the aggregate amount of \$1.1 billion.
- Productivity Incentive support to farmers and fishermen in the aggregate amount of \$1 billion.
- Tourism grants to small operators in the tourism industry in the amount of \$1.2 billion to provide support for enduring and recovering from the effects of the COVID-19 pandemic.
- Additional support to the Constituency Development Fund of \$189 million to finance CARE packages for vulnerable through Members of Parliament.
- Additional support to the Ministry of Local Government of \$150 million to attend to the needs of the elderly not on PATH, the infirmed and the homeless and \$140 million to support Municipal Corporations financing of CARE packages to the vulnerable through Councillors.
- Additional support to the Ministry of Labour and Social Security of \$40 million for grants to the disabled who would not have benefited from the core CARE Programme.

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- 19.3 **Suspension of Fiscal Rules.** Jamaica's Fiscal Rules were suspended for fiscal year 2020/21 and the target date for attainment of the debt/GDP objective of 60% has been pushed back by two years to 2027/28 to accommodate the shock.
- 19.4 **Access the IMF's Rapid Financing Facility.** In April Jamaica applied for access to the IMF's Rapid Financing Facility. This access was granted at the maximum amount available of 100% of quota or approximately US\$520 million. These resources were disbursed to the Bank of Jamaica in May and are being used for Balance of Payments Support.
- 19.5 **Student Loan Bureau.** Waiver of Student Loan payments for the months of April, May and June 2020 in addition to waiver of processing and application fees for 2020/21.
- 19.6 **National Housing Trust.** Reduction of interest rates on loans.
- 19.7 **Additional Health Expenditure and Support to Public Bodies.** The Ministry of Health and Wellness was provided with an additional \$6 billion to purchase medical equipment and supplies and to hire additional public health personnel to fight the spread of the coronavirus. In addition \$3 billion in additional support was provided to public bodies.

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20.0 APPENDIX II – ECONOMIC RECOVERY TASK FORCE SUB-COMMITTEES

20.1 Macro-Fiscal - Dr. the Hon. Nigel Clarke, Minister of Finance and the Public Service, **Chairman**

- 20.1.1 **Mr. Richard Byles**, Governor, Bank of Jamaica
- 20.1.2 **Ms. Helene Davis-Whyte**, President, Jamaica Confederation of Trade Unions
- 20.1.3 **Mr. Keith Duncan**, Chairman, EPOC
- 20.1.4 **Dr. Wayne Henry**, Director-General, PIOJ
- 20.1.5 **Mr. Joe Matalon**, Past-President, PSOJ
- 20.1.6 **Prof. Alvin Wint**, Emeritus Professor, UWI
- 20.1.7 **Mr. Chris Zacca**, Past-President, PSOJ

20.2 COVID-19 Resilient Jamaica - Dr. the Hon. Christopher Tufton, Minister of Health and Wellness, **Chairman**

- 20.2.1 **Mr. Dunstan Bryan**, Permanent Secretary, Ministry of Health and Wellness
- 20.2.2 **Dr. Jacqueline Bissasor-McKenzie**, Chief Medical Officer, Ministry of Health and Wellness
- 20.2.3 **Mr. John Byles**, Tourism Attractions Operator
- 20.2.4 **Ms. Helene Davis-Whyte**, President, Jamaica Confederation of Trade Unions
- 20.2.5 **Mr Lloyd Distant**, President, Jamaica Chamber of Commerce
- 20.2.6 **Dr. Dana Morris Dixon**, AGM, Jamaica National Group Limited
- 20.2.7 **Mr. Joe Matalon**, Past-President, PSOJ
- 20.2.8 **Ms. Nadeen Spence**, Gender Activist
- 20.2.9 **Dr. Diana Thorborn Chen**, Advisor to the Minister of Health and Wellness
- 20.2.10 **Mr. Chris Zacca**, Past-President, PSOJ

20.3 Global Services/BPO - Hon. Daryl Vaz, Minister without Portfolio in the Ministry of Economic Growth and Job Creation, **Chairman**

- 20.3.1 **Ms. Gloria Henry**, President Global Services Association of Jamaica
- 20.3.2 **Ms. Diane Edwards**, President, Jamaica Trade and Invest

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- 20.4 **Agriculture** - **Hon. Audley Shaw**, Minister of Industry, Commerce, Agriculture and Fisheries, **Chairman**
- 20.4.1 **Mr. Lenworth Fulton**, President, Jamaica Agricultural Society
 - 20.4.2 **Mr. Michael Lee-Chin**, Chairman, Economic Growth Council
 - 20.4.3 **Mr. William Mahfood**, Past-President, PSOJ
- 20.5 **Manufacturing & Export** - **Hon. Audley Shaw**, Minister of Industry, Commerce, Agriculture and Fisheries, **Chairman**
- 20.5.1 **Mr. Richard Pandohie**, President, JMEA
 - 20.5.2 **Mr. William Mahfood**, Past- President, PSOJ
- 20.6 **Entertainment** – **Hon. Olivia (Babsy) Grange**, Minister of Culture, Gender, Entertainment and Sport, **Chairman**
- 20.6.1 **Mr. Howard McIntosh**, Chairman, Entertainment Advisory Board
 - 20.6.2 **Mr. Kamal Bankay**, Chairman, Sports and Entertainment Network
 - 20.6.3 **Mrs. Gillian McDaniel**, Senior Director, MCGES
 - 20.6.4 **Mr. Lenford Salmon**, Senior Advisor to Minister Grange
- 20.7 **Construction & Infrastructure** - **Hon. Daryl Vaz**, Minister without Portfolio in the Ministry of Economic Growth and Job Creation, **Chairman**
- 20.7.1 **Prof. Gordon Shirley**, President, Port Authority of Jamaica
 - 20.7.2 **Mr. Ivan Anderson**, President, NROCC
 - 20.7.3 **Mr. Peter Knight**, President, NEPA
 - 20.7.4 **Mr. Lennox Channer**, Chairman, NHT
 - 20.7.5 **Mr. Martin Miller**, Chairman, NHT
 - 20.7.6 **Mr. Donald Moore**, General Manager, NHT
 - 20.7.7 **Mr. Gary Howell**, Managing Director, HAJ
 - 20.7.8 **Mrs. Shulette Cox**, Vice Presidet, Jamaica Trade & Invest
 - 20.7.9 **Mr. Milverton Reynolds**, President, DBJ
 - 20.7.10 **Ms. Heather Pinnock**, President, UDC
 - 20.7.11 **Mr. Ainsley Powell**, Commissioner of Taxes
 - 20.7.12 **Mr. Joe Matalon**, Chairman, ICD
 - 20.7.13 **Mr. Peter Melhado**, Chairman WICHON
 - 20.7.14 **Mr. Delroy Alcott**
 - 20.7.15 **Mr. Peter Matalon**, Matalon Homes
 - 20.7.16 **Mr. Michael Lake**, Developers Association

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- 20.7.17 **Mr. Phillip Gore**, Chairman, Gore Developers
- 20.7.18 **Mr. Sylvester Tulloch**
- 20.7.19 **Mr. Christopher Williams**, President, Proven
- 20.7.20 **Ms. Aisha Campbell**, Proven REIT
- 20.7.21 **Mr. Ryan Reid**, CEO, First Rock
- 20.7.22 **Mr. Lenworth Kelly**, IMAJ
- 20.7.23 **Mr. Yago Castro**, Caribbean Cement
- 20.7.24 **Mr. Freddy Moe**, Chairman, Infinite Concrete
- 20.7.25 **Mr. Chris Bicknell**, Chairman, Tankweld
- 20.7.26 **Mr. Don Mullings**, Chairman, M&M Developers
- 20.7.27 **Mrs. Stacey-Ann Dennison-Heron**

- 20.8 **Digital Economy** – **Hon. Fayval Williams**, Minister of Science, Energy and Technology, **Chairman**
 - 20.8.1 **Mr. Lloyd Distant**, President JCC
 - 20.8.2 **Mr. Keith Duncan**, President, PSOJ
 - 20.8.3 **Ms. Diane Edwards**, President, JAMPRO
 - 20.8.4 **Mr. Michael Lee-Chin**, Chairman, EGC
 - 20.8.5 **Mr. Joe Matalon**, Past-President, PSOJ
 - 20.8.6 **Ms. Nadeen Matthews**, CEO, NCB Foundation
 - 20.8.7 **Mr. Justin Morin**, Sandals
 - 20.8.8 **Mr. David Noel**, CEO, Scotiabank Jamaica
 - 20.8.9 **Mr. Darren Peart**, IT entrepreneur
 - 20.8.10 **Mr. Sheldon Powe**, Group CIO, JMMB

- 20.9 **Land-Based Tourism** – **Hon. Ed Bartlett**, Minister of Tourism, **Chairman**
 - 20.9.1 **Mr. Wilfred Bagaloo**, Partner, PWC
 - 20.9.2 **Mr. John Byles**, Co-CEO, Chukka Caribbean
 - 20.9.3 **Mr. Ian Dear**, Chairman, Margaritaville
 - 20.9.4 **Mr. Audley Deidrick**, President, Airports Authority of Jamaica
 - 20.9.5 **Mr. Omar Robinson**, President, JHTA
 - 20.9.6 **Prof. Gordon Shirley**, President, Port Authority of Jamaica
 - 20.9.7 **Mr. Adam Stewart**, Deputy Chairman, ATL/Sandals Group

- 20.10 **Cruise Industry** – **Prof. the Hon. Gordon Shirley, OJ, Chairman**
 - 20.10.1 **Mr. Michael Belnavis**, Mayor, Ocho Rios
 - 20.10.2 **Ms. Marilyn Burrowes**, CEO, Dolphin Cove
 - 20.10.3 **Mr. John Byles**, Co-CEO, Chukka Caribbean
 - 20.10.4 **Mr. Anup Chandiram**, Chairman, Bijoux
 - 20.10.5 **Mr. Ian Dear**, Chairman, Margaritaville

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- 20.10.6 **Mr. Michael Drakulich**, Chairman, Mystic Mountain
- 20.10.7 **Mr. Harriat Maragh**, Chairman, Lannaman & Morris
- 20.10.8 **Ms. Joy Roberts**, Executive Director, Jamaica Vacations
- 20.10.9 **Mr. Bertram Wright**, Chairman, Jamaica Vacations

20.11 New Economy – Hon. Michael Lee Chin, OJ, Chairman

- 20.11.1 **Mr. Wayne Chen**, Chairman, Superplus
- 20.11.2 **Ms. Maureen Denton**, GraceKennedy
- 20.11.3 **Mr. Keith Duncan**, Chairman, EPOC
- 20.11.4 **Ms. Sanya Goffe**, Partner, Hart Muirhead Fatta
- 20.11.5 **Mr. Wendel Ivey**, Senior Research Analyst, Jamaica Productivity Centre
- 20.11.6 **Mr. Simon Johnson**, Senior Analyst, JMMB

20.12 Local Services - Mr. Keith Duncan, Chairman

- 20.12.1 **Ms. Helene Davis-Whyte** – President, Jamaica Confederation of Trade Unions.
- 20.12.2 **Ms. Nadeen Spence** – Gender Activist.
- 20.12.3 **Mr. Donovan Wignall** – President, MSME Alliance.
- 20.12.4 **Jelani Atkinson** – Analyst, PSOJ.
- 20.12.5 **Ms. Rochelle Cameron** – Project Executive, Access to Finance Facilitation Panel Project, PSOJ.
- 20.12.6 **Mr. Courtney Cephas** – Executive Director, Health for Life and Wellness Foundation, Ministry of Health and Wellness.
- 20.12.7 **Mr. Hugh Duncan** – Project Executive, Access to Finance Facilitation Panel Project, PSOJ.
- 20.12.8 **Ms. Justine Isaacs** – Analyst, Access to Finance Facilitation Panel Project, PSOJ.
- 20.12.9 **Mr. Hugh Johnson** – President, Small Business Association of Jamaica.
- 20.12.10 **Alexi Lyn Shue** – Analyst, Access to Finance Facilitation Panel Project, PSOJ.
- 20.12.11 **Mr. Nevada Powe** – Project Architect, Access to Finance Facilitation Panel Project, PSOJ.
- 20.12.12 **Dr. Karelle Samuda** – Special Advisor, Ministry of Finance & the Public Service.
- 20.12.13 **Mr. Oral Shaw** – Principal Director, MSME Division, Ministry of Industry, Commerce, Agriculture and Fisheries.
- 20.12.14 **Mr. Mark Tracey** – Project Executive, Access to Finance Facilitation Panel Project, PSOJ.
- 20.12.15 **Ms. Althea Walters** – Project Executive, Access to Finance Facilitation Panel Project, PSOJ.

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- 20.12.16 **Ms. Denise Williams** – CEO, Financially Focused Communications.
- 20.12.17 **Ms. Winsome Witter** – President, May Pen Chamber of Commerce.