

MINISTRY OF INDUSTRY INVESTMENT AND COMMERCE (MIIC)

REPORT ON THE PERFORMANCE OF PORTFOLIO AGENCIES

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INTRODUCTION AND OVERVIEW

1.0 Purpose of the Report to Parliament

This report is a comprehensive summary of the work completed during the 2009/10 fiscal year by each of the twenty agencies falling under the Ministry of Industry, Investment and Commerce (MIIC) portfolio. The report is not intended to fulfil the statutory obligation for reporting under the Public Bodies Management and Accountability Act. All MIIC public bodies are required to (i) prepare separate annual reports which contain audited financial statements and (ii) ensure that these are tabled in Parliament within the time prescribed under the Act.

This report is, therefore, an administrative document mandated by the Ministry to ensure that Parliament and the public have timely access to performance data shortly after the end of a fiscal year. In addition, MIIC agencies are required to highlight their respective areas of focus for the upcoming fiscal year as a means of building early stakeholder collaboration and participation.

2.0 Background to the Portfolio Ministry

The Ministry of Industry, Investment and Commerce (MIIC) was established in September 2007 subsequent to the change in political administration. The formation of MIIC has resulted in all business related subjects being grouped under the same Ministerial portfolio and the housing of Ministry staff in a single location.

The Hon. Karl Samuda, MP leads the Ministry and is responsible for policy mandates and the strategic direction of agencies. He is supported by Minister of State, Michael Stern, MP. The Permanent Secretary, Mr. Reginald Budhan, is responsible for policy advisory support to the Ministers and for the administrative management of the Ministry.

The offices of MIIC are located at 4 St. Lucia Avenue, Kingston 5. The main telephone number is (876) 968-7116 and the website address is www.miic.gov.jm

MIIC is a typical policy ministry with a strong emphasis on the development of policy and oversight of policy implementation, whether through legislation or administrative mechanisms. The implementation of policies, plans, strategies and programmes and projects is executed largely by the twenty (20) agencies and external divisions under the Ministry's portfolio.

The staff complement of the parent Ministry and external divisions (not including agencies) is one hundred and ninety nine (199) persons.

3.0 Portfolio Overview

The subject matter and portfolio agencies can be broadly organized into the key areas of industry, investment, commerce, science and technology (which is an enabler as well as a sector in its own right).

The Industry portfolio focuses on the modernization and development of industry, export development, free zone development and the timely provision of office/factory space for businesses. Within the Industry portfolio also resides the responsibility for micro and small business development.

During the year under review the Ministry established a separate Investment Division recognizing the critical importance of investment to economic growth and development of the Jamaican economy. Through policy and other initiatives, MIIC seeks to create and maintain an investment-friendly environment.

The Commerce portfolio entails regulation of the business environment and consumer protection. Additionally, this area has statutory responsibility for the processing of ministerial exemptions under the Companies Act as well as the processing of applications for duty alterations under the CARICOM Trade in Goods Regime.

The Science and Technology portfolio promotes a greater interest in the application of science and encourages innovation and technology in Jamaica to ultimately contribute to the growth and development of the economy

Consistent with its policy focus, the MIIC structure also accommodates a Policy Division that assists with the formulation of policy as well as the development and monitoring of corporate and operational plans throughout the Ministry. This Division also assists with general planning and project formulation.

Other Head Office internal divisions/units that integrally support the work of the MIIC are:

- Corporate Services
- Finance & Accounting
- Legal
- Communications
- Internal Audit

The addition of the Finance and Accounts Division is a recent development as that Division was established during the year under review, that is 2009/10.

4.0 Vision Statement

The vision of the Ministry of Industry, Investment and Commerce is to foster economic development and improve the quality of life for all Jamaicans.

5.0 Mission Statement

The mission of the Ministry of Industry, Investment and Commerce is to:

- Promote Industrial and Commercial Development
- Promote Local and Foreign Investment
- Facilitate Commerce and protect consumers

6.0 Subject Areas

The Ministry has responsibility for the following subject areas:

- Agro Business
- Anti-Dumping
- Building Inspection
- Commercial Business
- Commodity Supplies
- Companies Act
- Consumer Affairs
- Co-operatives and Friendly Societies
- Intellectual Property
 - Copyright Act
 - Design Act
 - Patents
 - Trade Marks
- Customs Duties (Dumping & Subsidies Act)
- Distributive Trade
- Factory Construction
- Fair Competition Act
- Food Storage & Prevention of Infestation
- Free Zone Development
- Hire Purchase
- Import and Export Licensing
- Industrial Apprenticeship
- Industrial Development
- Investment Promotion
- Manufacturing
- Marketing and Advertising

- Merchandise Marks
- Metrication
- Registration of Business Names Act
- Science and Technology
- Small Business Development
- Standards
- Trade Act
- Weights and Measures

7.0 Mandate

Based on the subject areas assigned, the mandate of the Ministry is to:

- Spearhead Jamaica's readiness for investments, business expansion and operations within a networked world in to increase competitiveness and expand productive employment.
- Promote and facilitate the development of industry and small business sectors, including improved access to credit.
- Facilitate, diversify and promote the export of goods and services.
- Contribute to economic growth by broadening the country's industrial base in a manner that focuses on the use of local resources.
- Provide scientific and technical support to existing industries to enhance their performance in increasingly competitive domestic and international markets.
- Promote a culture of innovation.
- Liaise with the business community to ensure effective management of Jamaica's rights and obligations under CARICOM Trade Regimes.
- Promote the development of the services sector.
- Implement Jamaica's trade remedy laws in a fair, transparent and expeditious manner.
- Provide an efficient service for the regulation and registration of businesses, as well as cooperatives and friendly societies.
- Monitor and regulate the commercial sector.
- Promote fair competition and encourage ethical business practices
- Manage the National Quality Infrastructure through the promotion of standardisation, metrology, certification and accreditation systems.
- Ensure product reliability and consumer safety through the enforcement of technical regulations.
- Ensure the wholesomeness of products entering commerce
- Protect and promote the rights of consumers
- Protect and promote Intellectual Property Rights (IPR's)

8.0 Assignment of Agencies and External Divisions

MIIC implements its policies and programme through the following twenty (20) agencies and external divisions:

- (i) Antidumping and Subsidies Commission (ADSC)
- (ii) Bureau of Standards Jamaica (BSJ)
- (iii) Companies Office of Jamaica (COJ)
- (iv) Consumer Affairs Commission (CAC)
- (v) Department of Co-operatives and Friendly Societies¹(DCFS)
- (vi) Factories Corporation of Jamaica (FCJ)
- (vii) Fair Trading Commission (FTC)
- (viii) Food Storage and Prevention of Infestation Division²(FSPID)
- (ix) Jamaica Business Development Corporation (JBDC)
- (x) Jamaica Commodity Trading Co (JCTC)
- (xi) Jamaica Exotic Flavours and Essences (JEFE)
- (xii) Jamaica Intellectual Property Office (JIPO)
- (xiii) Jamaica National Agency for Accreditation (JANAAC)
- (xiv) Jamaica Promotions (JAMPRO)
- (xv) Kingston Free Zone (KFZ)
- (xvi) Micro Investment Development Agency (MIDA)
- (xvii) Montego Bay Free Zone (MBFZ)
- (xviii) Scientific Research Council (SRC)
- (xix) Self Start Fund (SSF)
- (xx) Trade Board Limited (TBL)

9.0 Functions of the Ministry

The key functions of the Ministry are as follows:

- (a) Performs an overall oversight role of the portfolio
- (b) Provides policy framework to guide operations of agencies
- (c) Pilots the promulgation and amendments of legislation and regulation which guide the operations of the agencies
- (d) Provides strategic direction to agencies on a particular subject matter as may be necessary
- (e) Forms new agencies as required to address aspects of the portfolio and close agencies no longer required
- (f) Sets priorities and allocates financial resources to agencies accordingly
- (g) Monitors performance of agencies
- (h) Resolves difficult issues relating to the subject areas and agencies

¹ An external department of MIIC

² An external department of MIIC

HIGHLIGHTS OF AGENCY ACHIEVEMENTS FOR FINANCIAL YEAR 2009/2010

Investment and Trade

Jamaica Promotions (JAMPRO)

- Unaudited figures³ as at March 10, reflected CAPEX on projects of J\$17.12 Billion or approximately 76.4% of the target.
- The creation of 4,574 jobs or approximately 69% of the target for the year (unaudited figures).
- Export sales facilitated by JAMPRO was J\$3.43 billion as at March 2010, or 98% of the fiscal year target.
- The value of linkages contracts facilitated by the organisation was approximately J\$935 million, relative to J\$113.8 million in FY2008/09. 85% of the linkage contracts signed were in the ICT sector.
- The development and implementation of the National Export Strategy (NES).
- The Private Sector Development Programme (PSDP) came to an end in December 2009. Through the Programme, Jamaican firms were able to obtain grants (139 firms received grants valued in total at J\$132 mn), forge linkages, access export marketing assistance and receive business information, among other services.
- The reopening of a Regional Office – the North American Regional Office;
- Preparation to exploit opportunities in China through Expo Shanghai 2010 to be staged May 1, 2010 to October 31, 2010.
- Work also continued during the year on the establishment of Jamaica's International Financial Services Centre (JIFSC). The draft bill to establish the statutory body for the development and promotion of Jamaica as a centre for international financial services was prepared and presented to policymakers for implementation.

Kingston Free Zone

- Occupancy at KFZ was 94%
- Occupancy at the Portmore Infomatics Park was 100%
- Employment at KFZ fell by 11% in 2009/10
- Unaudited figures indicate a profit of J\$55.17 M in 2009/10
- A development plan was prepared for the expansion of office space at the Portmore Infomatics Park.

³Figures reported are as at March 2010. JTI collects this data on a quarterly basis. Final, audited figures will not be available before June 2010.

Montego Bay Free Zone (MBFZ)

- 90% occupancy of available office space and 88.5% occupancy of factory/warehousing space.
- Project undertaken to upgrade and improve properties.
- Employment decreased by 3.7%.
- Profit after depreciation was \$61.7 M (unaudited)

Industrial Development : Quality Infrastructure

Bureau of Standards Jamaica (BSJ)

- A total of 66 standards are currently in various stages of the promulgation process. Of these, there are 31 standards being revised.
- Fourteen (14) standards were approved by the Honourable Minister.
- The National Building Code (11 International Code Council Codes (I-Codes) and 11 Jamaican Application Documents) was completed and presented to the Prime Minister.
- National Certification Body of Jamaica (NCBJ) was accredited by the ANSI-ASQ National Accreditation Board (ANAB) to offer certification to ISO 9001.
- Under the Productive Integration of Micro-Enterprises in Jamaica (PIMJ) Project executed by the Jamaica Business Development Centre (JBDC), the BSJ provided HACCP training to 17 persons in the Agro-Processing Cluster
- BSJ is a partner agency in the Jamaica Import/Export Inspection Office (also referred to as the One-Stop Shop) which was officially opened in June 2009 on the Port of Kingston.
- New equipment was acquired for Laboratory Maintenance/Upgrade.

Jamaica National Agency for Accreditation (JANAAC)

- Six training courses completed
- Launch of JANAAC on International Accreditation Day (June 9, 2009).
- Three laboratories applied for accreditation
- JANAAC has now completed 24 milestones towards international recognition, with 6 remaining to be completed.

Industrial Development: Office/Factory Space

Factories Corporation of Jamaica (FCJ)

- Properties sold realising net proceeds of \$43.4M.
- Occupancy rate of 75%
- Revenue targets were exceeded by \$52.4 M

Industrial Development: Micro and Small Business Sector

Jamaica Business Development Corp. (JBDC)

- 12,350 individuals/entities were assisted by JBDC.
- The number of new clients for the period was 2200.
- JBDC established a network of Business Information Centres (BICs) across the island in an effort to strengthen the access of MSMEs to technical, business, marketing and financial services.
- As at March 31, 2010, the Financial Support Services Unit (FSSU) at JBDC had approved 100 applicants for loan funding.
- Loan disbursements totalled \$140.7 M with 541 additional jobs to be created.
- Over the period, there were 400 active suppliers to the Things Jamaican outlets with 70 new products added over the period.
- 12 entities housed in the JBDC Incubator and Resource Centre and 150 workshops were conducted at the Centre.
- Under the PSDP Programme which ended on December 31, 2009, 196 entities were assessed and upgrading requirements established and 170 activities were undertaken for 5 clusters since the beginning of the cluster programme in 2007.
- Thirty (30) workshops took place to enhance the competitiveness of MSMEs.
- The ninth annual producer's fair and second small business expo were staged.

Micro Investment Development Agency (MIDA)

- MIDA disbursed \$135.49 M to finance 885 micro businesses through seven Community Development Funds (CDFs).
- These loans generated direct employment for 1,184 persons within the period.
- 56% of the loan recipients were women.

Self Start Fund (SSF)

- Disbursement of \$26.7 Million to the SME sector.
- Facilitated business loans to 113 entrepreneurs within the SME sector (with an average loan size of \$200,000).
- Assisted in the creation/preservation of approximately 441 jobs.

Industrial Development: Protection of Intellectual Property

Jamaica Intellectual Property Office (JIPO)

- 1,791 trademark applications were received.
- 1,741 trademark registrations were processed.
- 127 patent applications were received.

- 55 industrial design applications were received.
- Extensive work was undertaken on seven different pieces of intellectual property legislation.
- JIPO participated in 9 different training activities.
- Study tour was completed under the Geographical Indicators Project by private and public sector participants.
- JIPO ensured that Jamaica was represented at several high level international forums on intellectual property.

Commerce: Business Registration and Monitoring

Companies Office of Jamaica (COJ)

- 8,883 companies filed annual returns which was 11% above target.
- 1,416 delinquent companies were removed from the Company Register.
- 18,499 annual returns were received over the period.
- 3,202 new companies were registered.
- 7,385 business names were registered.
- 96% of customers gave a favourable rating in the annual customer satisfaction survey.
- There was a reduction in multiple rejections and the redesign of the various legislative forms was completed.
- COJ Amnesty for Charitable Organisations was implemented and 708 companies filed 2,622 annual returns during the amnesty period.
- There were 83,072 website transactions and this was 38% over the target.

Department of Cooperatives and Friendly Societies (DCFS)

- 119 audits were conducted covering 178 years.
- 10 new societies were registered.
- 46 disputes were settled involving \$5.08 M.
- 3 investigations were completed.
- 46 inspections were completed.
- 8 liquidations are in progress.
- 646 society members were trained.
- 3 societies were deregistered.
- The Co-operative Development Committee was re-activated with a mandate to provide technical support to the Department and the Co-operative & Friendly Societies island-wide

Commerce: Regulatory

Anti Dumping and Subsidies Commission (ADSC)

- One new investigation⁴ opened.
- Advice rendered to the CSME Secretariat and CARICOM in regard to two consultancies for building capacity for Trade Remedies disciplines.
- Duties executed by the Executive Director of ADSC as a panellist on a second WTO Dispute Settlement Panel.
- Issues relevant to the energy subsidies in Trinidad and Tobago were studied by the ADSC during the year.
- The ADSC was consulted by industry representatives about difficulties regarding five (5) product groups (industry sectors) in the year.

Trade Board Ltd. (TBL)

- TBL facilitated the export of products valued at US\$209.12 M under various trade agreements.
- Twenty-five (25) scrap metal dealers/carriers renewed their registration during the period under review.
- TBL issued 1,534 scrap metal shipment certificates valued at US\$17.9 Million.
- An amendment was passed to the Trade Act to significantly increase penalties under the Act.
- Two scrap metal dealers were suspended during the period under review.
- Import licensing permit requests declined overall by 36% to 9,464 for 2009/10 and by 38% in the motor vehicle trade moving from 8,637 motor vehicle applications in the previous year to 14,015 applications in 2009/10.

Bureau of Standards – Compliance Activities

- 10,267 inspections were undertaken.
- 208,557 units of product were removed from sale for breaches.
- 5,739 consignments were inspected and 209 consignments were detained.
- Formal inspections of used tyres commenced December 2009 and 16,425 tyres were inspected with a pass rate of 85%.

Food Storage and the Prevention of Infestation Division

- 14,808 inspections were conducted.
- 712 samples were taken.
- 512,722 metric tonnes of commodities were inspected.
- 28 metric tonnes were condemned.
- 719 export fumigations were completed.

⁴ Case No. AD-01-2009, Cement from the United States of America, opened November 2009.

- 1,163 disinfestations were undertaken
- 296 pesticide tests were conducted.
- 7,453 microbiological tests were completed

Commerce: Consumer Advocacy and Competition

Consumer Affairs Commission

- A comprehensive audit was conducted of used car dealers islandwide.
- The CI/IDB funded project - The Promotion of Consumer Protection in the Caribbean – was launched.
- 2,030 cases out of 2,324 were settled (an 87% resolution rate)
- Refunds of \$23.8 M were negotiated for consumers
- 283 outreach activities were held and 716 media exposures with 93,191 persons being directly exposed to the work of the CAC in community outreach programmes.
- 83 surveys were conducted.
- 11 meetings of the distributive trade were convened.
- Recommendations were submitted to improve the efficacy of the Consumer Protection Act.
- The launch of the Nutritional Guide titled “*Eating Right When Money Tight*” by the CAC.

Fair Trading Commission

- 424 matters were investigated by the FTC, with 266 being completed and closed (a resolution rate of 63%).
- The FTC started and/or completed studies in the distributive trade, health insurance and retail banking.
- A major investigation was completed in solid waste haulage.
- Competition advocacy discussions and/or papers were completed in the agriculture, energy, gaming, governance, health, housing, information and communication technology, manufacturing and tourism sectors.
- A second draft bill to amend the Fair Competition Act was received and reviewed during the 2009/10 fiscal year.

Science, Technology and Innovation

Scientific Research Council

- Services in biotechnology - over 1500 Tissue Cultured plantlets were supplied by the SRC to local farmers.
- Technical Services in food processing to clients- over eighty six (86) clients were assisted in food processing.

- Analytical services (chemical and microbiological) were provided in water, wastewater and food to the agro-processing and manufacturing sectors as well as to private individuals
- Environmental pollution load was addressed through the design of over forty (40) and the implementation of nine (9) wastewater treatment systems.
- One (1) new wastewater treatment system was designed and constructed for a major local fast food chain.
- Five accredited training programmes delivered by SRC
- Research data was generated on the glycemic index of five (5) Jamaican commodities.
- The implementation of the National Health Fund (NHF) project on hypertension and diabetes completed.
- Four (4) contracts for the research and development of food products were completed; five (5) are more than 80% completed.
- Eight (8) wastewater treatment systems were completed and 6 were commissioned; one (1) entity was trained in the use of tissue culture technology and was facilitated to establish a commercial/semi-commercial production of plantlets.
- Sale of Food Formulations and Transfer of Technology- Twenty six (26) food formulations have been sold to micro, small and medium enterprises (MSMEs) in the productive sector.
- A new database consisting of over 300 records was developed for the region.
- Caribbean Energy Information System (CEIS)- The development of a Regional Renewable Energy Information Platform – www.cipore.org
- Completion of the Assessment of the Analytical laboratories.

Jamaica Exotic Flavours and Essences (JEFE)

- Product development undertaken on a range of flavoured waters.
- JEFE is Implementing a project to supply fruit juices to 136,000 school children.
- Commercial production of a local tomato ketchup was started.
- The development of a line of cosmetics using local essences.
- A new local beverage was developed

HIGHLIGHTS OF AGENCY TARGETS FOR FINANCIAL YEAR 2010/2011

Investment and Trade

Jamaica Promotions (JAMPRO)

- Investment Generation: Total CAPEX of J\$24.4 Billion
- Job Creation: Employment opportunities for approximately 6,471 Jamaicans
- Export Sales: Export sales of approximately J\$3.76 billion.
- Linkages Contracts and contract values: The facilitation of 45 linkages contracts generating a total sum of J\$ 322 million.
- A review of Jamaica's incentives framework will be undertaken along with the submission of policy proposals grounded in research related to the ICT/BPO, health and wellness and film sectors, in an effort to secure large scale investment projects and create jobs.
- Efforts will be focused on six priority sectors in collaboration with key stakeholders: ICT, Creative Industries, Agriculture, Tourism, Manufacturing and Mining and Energy.
- Using the NES as a guide, the organisation has identified sectors and sub-sectors for the focus of export promotion activities.
- Nation Branding for Brand Jamaica to provides cohesive framework for the general marketing of the country at an international level, as well as locally.
- Promotional Re-branding following on the decision to revert to the use of the name Jamaica Promotions Corporation (JAMPRO).
- Research based market/sector/product profiling.
- Targeting developing & emerging markets
- The Caribbean, Latin America and Emerging Markets Office, in carrying out its promotional activities, will be developing a comprehensive marketing strategy for China.
- As a part of the renewed thrust of the organisation to focus on promotion of opportunities, opportunity packaging will play a pre-eminent role in how JAMPRO does business.
- Integration of web-technology (including social networks such as Facebook and Twitter) to support promotional efforts in general, coupled with the use of SMS technology to provide 'just in time' information on export and investment opportunities.
- The organisation will supplement its promotional activities in target markets through the use of focused in-market experts to identify leads and facilitate high-level meetings.
- The ground floor of the building will be retrofitted as a 'Business Hub' to provide potential investors, as well as overseas distributors/importers with the opportunity to view goods produced by the organisation's export clientele

- Events will include two key trade promotion activities - Shanghai 2010 Investment/Trade Forum and Expo Jamaica 2010 (previously known as the JMA/JEA Expo).
- JAMPRO will seek to support the Haitian Redevelopment Strategy by participating in the procurement process of the International Development Agencies (IDAs) as they seek to assist the redevelopment of Haiti following the devastation caused by the January 2010 earthquake.

Kingston Free Zone (KFZ)

- Projected net profit of \$30.1 M
- Occupancy Rate of one hundred percent (100%)
- Improvement of the company's preventative maintenance programme.
- Pursuit of the proposal made to the Port Authority of Jamaica for the further development of the Portmore Informatics Park.
- Engagement of an Architect & a Quantity Surveyor to prepare architectural drawings and schematic costs for new buildings, in preparation for expansion
- In conjunction with Jamaica Trade & Invest/JAMPRO, KFZ will market ICT space to secure interest for additional space planned for Portmore Informatics Park.

Montego Bay Free Zone (MBFZ)

- Projected net profit of \$17.45 Million
- Occupancy Rate of 100% for office space and 90% for factory space.
- Establish start-up centre in 5,000 sq ft of space.
- Refurbish and convert 30,000 sq ft of space for ICT rental.
- Establish an arrangement for the training of call centre agents.

Industrial Development: Quality Infrastructure

Bureau of Standards Jamaica (BSJ)

- Implementation of the Wooden Furniture Business Incubator Project.
- Participation in inter-comparison activities and similar international cooperative exercises with other national metrology institutions
- Acquisition of equipment for laboratories to ensure the effective and efficient delivery of services
- Upgrade the Packaging Laboratory by expanding the scope of services offered
- Continuation of the revision of the Standards Act 1969, Weights and Measures Act 1976, Processed Food Act 1959
- Continuation of the implementation of ISO 9001:2008 *Quality management systems - requirements*; ISO 14001:2004 *Environmental management systems - requirements with guidance for use* throughout the BSJ and ISO/IEC 17025:2005 *General requirements for the competence of testing and calibration laboratories* in the laboratories

- Accreditation of NCBJ to offer certification services to ISO 14001:2004
- Implementation of an Energy-saving Project to include an Investment Grade Energy Audit
- Continued execution of the capital projects that are in progress and commencement of the following:
 - Creation of new Microbiology Laboratory – Engagement of Professional Services
 - Construction of Training Facility – Professional Services
 - Install generators in Buildings (outside of the Main Building)

Jamaica National Agency for Accreditation (JANAAC)

- Implement a strategy that will encourage at least five (5) labs to apply for accreditation.
- Process in a timely manner 80% of all accreditation applications received from clients.
- The assessor base is to be expanded by 20%.
- Conduct at least five (5) training courses.
- 80% of Caribbean Laboratory accreditation Services (CLAS) management and technical meetings attended and decisions implemented.
- Signing of a Multilateral Agreement with the Inter-American Accreditation Cooperation.
- Complete a market research study.

Industrial Development: Office/Factory Space

Factories Corporation of Jamaica (FCJ)

- Refurbish existing buildings at Garmex Free Zone at a cost of \$250M.
- Implement maintenance programmes at all facilities at a cost of \$75M
- Construct three (3) new buildings at Garmex Free Zone at a cost of \$400M.
- Construct new buildings at Portmore at a cost of \$750M.
- Development of Naggo Head (37 Lots) 21 acres. (*Planning & infrastructure only*) at a cost of \$60M.
- Complete the sale of fifteen (15) properties with an approximate net value of \$441,157,500 and negotiate the sale of a further eight (8) properties in which interest has been expressed.
- FCJ also intends to improve its profitability by achieving the following targets:
 - A minimum rate of eleven percent (11%) net profit
 - Improving occupancy of rental space to eighty-one percent (81%)
 - Maintain target trade receivables at twenty eight (28) days.
 - Achieve a return on investment of 4%.

Industrial Development: Micro and Small Business Sector

Jamaica Business Development Corp. (JBDC)

- The focus will continue to be on developing and promoting the creative industry through the facilitation of networks/clusters in agro-business; fashion, wellness and gift and craft.
- Disbursement of \$250 M to the MSME sector.
- Assistance provided to 11,500 clients.
- Provide support to 2,200 new clients.
- Providing business profiles and sensitisation sessions on new business opportunities for MSMEs such as: beekeeping and related products and green house farming.
- Commence implementing activities that will capitalise on the opportunities that will be provided by the Olympic World Games 2012.
- Expand the partnership between JBDC and the Diaspora to include Canada and the UK in mentoring young entrepreneurs through the mentorship programme
- Develop and promote a “Waste to Profit” campaign to provide awareness of new potential business opportunities.

Micro Investment Development Agency (MIDA)

- Loan disbursement of \$222M
- Finance 1200 Micro Enterprises
- Borrowed funds of \$40M
- Loan recovery of 96%
- Collect 240 M
- Low arrears on loans of 4-10%

Self Start Fund (SSF)

- Disbursement of \$45M to SME Sector
- Provision of working capital and fixed assets loans to approximately 300 entrepreneurs
- Creation/preservation of approximately 600 jobs within the SME Sector
- Reduction of arrears on active portfolio loan to 7% or less

Industrial Development: Protection of Intellectual Property

Jamaica Intellectual Property Office (JIPO)

- Review current IP legislation and facilitate enactment of new legislation.

- Introduction of a JIPO Journal for the publication of Trade Marks, Designs, Patents and Geographical Indications and offer an On-Line Service for the Trade Marks System
- Strengthen and modernize the Patents Directorate and automate the Patents Registration System
- Expand public education and public awareness programmes.
- Increase revenue intake.
- Monitor regional and international IP developments, IPR negotiations and provide expert representation as required.
- Secure training opportunities on IP for staff, law enforcement officers and prosecutors.

Commerce: Business Registration and Monitoring

Companies Office of Jamaica (COJ)

- 8,500 companies to file annual returns.
- 80,000 online transactions.
- 15,000 annual returns targeted for processing over the period.
- 2,500 new company applications.
- 800 expedited registrations for new companies.
- 6,000 new business names applications.
- Merger of Business Registration and Customer Service Units to facilitate “One-time” rejection of certain company and business name documents.
- Redevelopment of COJ Website to facilitate online registration of companies and business names as well as other company documents.
- Continuation of the redesign of legislative forms.
- Relocation of COJ's offices to facilitate better customer services.
- Implementation of DPMIS system redundancy to provide redundancy in operations in case of natural or man-made disaster, reduction of downtime for processes linked to guaranteed services and instant backup facilities.

Department of Cooperatives and Friendly Societies (DCFS)

- 142 audits covering 256 years
- 25 new societies registered
- 10 investigations
- 120 inspections
- 10 liquidations in progress
- 600 society members trained
- 20 societies deregistered
- Facilitate annual audits for reviewing of societies' performance by their members.
- Regulation and supervision of societies through administration of the Co-operative Societies and Friendly Societies Acts & Regulations

- Effect corporate governance and adherence to statutes
- Facilitate settlement of disputes within societies.
- Intensify programmes for training and systems development in societies through technical support.
- To increase employment creation, income generation, foreign exchange earnings and import substitution
- Adequate system of accountability developed within 60 societies to enhance transparency/accountability and prevent malfeasance or misfeasance.

Commerce: Regulatory

Anti Dumping and Subsidies Commission (ADSC)

- Completion of amendments to legislation.
- Industry and public education will continue.
- Review of IT infrastructure with a view to retooling
- Continued support to industry.
- Maintain ADSC's capacity for three investigations per year.

Trade Board Ltd. (TBL)

- 7,200 import licenses issued.
- 1,800 export license issued.
- 6,550 motor vehicle permits issued representing 8,500 units.
- Obtain Ministerial approval for amendments to the Revised Motor Vehicle Import Policy
- Implement Trade Board Information System (TBIS) Release 2 which will provide additional functionality, such as Carfax history (specifics of individual motor vehicle units)
- Commercialization and rollout of Public Key Infrastructure (PKI).
- Establish database for motor vehicle imports and dealers. This will look at historical data/trends forming the basis for requests. Data for year 2000 onwards to be incorporated in historical series.

Food Storage and the Prevention of Infestation Division (FSPID)

- Continue modernization initiatives for the Division's operations and move towards the more scientific Hazard Analysis and Critical Control Point (HACCP) based inspection system.
- Having all its laboratories gaining international accreditation under the National Quality Infrastructure (NQI) Project.
- The FSPID will continue to be integrally involved in the effective operations of the One Stop Shop through inspections, sampling, disinfestations and processing of import documentation

Commerce: Consumer Advocacy and Competition

Consumer Affairs Commission (CAC)

- Resolve 2000 consumer complaints (target is 85% resolution in 10 days)
- \$24 M refunded to consumers
- 100,000 consumers contacted through community outreach programmes
- 100 media exposures/advertisements
- 53 surveys completed
- Effective complaint handling systems, which respond promptly to the public's needs and which utilize all available resources and technology as efficiently as possible.
- Legal framework, which offers the best possible protection for final consumers, while facilitating free trade and global competitiveness.
- Development and execution of appropriate consumer education programmes tailored to reach school children and adults using all available and practical means.
- Commitment of all Officers of the Commission to deliver excellent public service and peak performance.
- Support of Consumer Advocacy Groups
- Market Intelligence Services
- Continued employment of the Consumer Protection Act 2005 within the operations and management of the Commission and its work programmes.
- Regional and International Cooperation
- Corporate Services and Training

Fair Trading Commission (FTC)

- Increased emphases on enforcing the provisions of the FCA through the Courts
- Undertake industry studies to demonstrate the benefits of competitive markets to promote a better understanding of the role and function of the FTC.
- Continue to advise policymakers on the implications of existing and proposed policies.
- Maintain and enhance presence in the international competition arena to provide advice on regional competition issues; and to further facilitate the growth and development of the capacity of the FTC.
- Streamline and improve internal processes to enhance the delivery of services to internal and external customers.

Science, Technology and Innovation

Scientific Research Council (SRC)

- Clear production technology is implemented in at least one (1) company, with efficiency increasing by 30% in water usage and raw material utilization.
- At least ten (10) new farmers utilizing Tissue Culture plantlets supplied resulting in a 10% growth in production of banana, sweet potato and other crops.
- Facilitate two (2) businesses resulting in the employment of at least ten (10) additional persons
- Vent schedule activities completed within agreed time line for five (5) new products
- Pollution load decreased by 10% through the design and implementation of at least (twenty)20 wastewater treatment systems.
- Two (2) new wastewater systems are designed locally/regionally through research data and consultancy services.
- Two (2) new subcontractors acquired for wastewater management services
- Acute oral toxicity studies on two (2) new and two (2) other functional teas
- Technical documents on feasibility for at least one (1) area each in food & wellness industries developed
- Natural products pilot plant for small scale production of essential oil is established. Demo model is established for production of three (3) essential oils.
- Optimising solar drying technology to present users of the technology with more cost effective and efficient options improving productivity. At least one (1) commercial model of the solar dryer will be developed.
- Developing Biotechnology techniques to meet planting material needs of the productive sector and to conserve locally important species
- Competence established in molecular characterization of scotch bonnet pepper and sweet potato
- Initiation protocols are developed for at least 1 new plant from the Ministry of Agriculture
- Development of media formulation for conservation protocols of at least two (2) new plants to further develop gene bank meeting international standards
- Root tuber gene bank contains at least 90% of sweet potato cultivars of economic importance and at least 2% cassava cultivars
- Bio fuels project to determine alternative fuel sources including vegetable oils completed.
- At least two (2) cooperation agreements developed and approved projects implemented with R & D institutions.
- Comparative analysis of regional data on petroleum activities for eighteen (18) regional countries including Jamaica will continue to be analysed verified and validated and information presented on CDs

- Marketing campaign/tools are developed by May 2010 to stimulate public awareness and demand for available technologies generating expressions of interest from at least 40% of target markets.
- By March 2011, at least two (2) contractual agreements are finalized for utilization of cleaner production technology, at least 60 request are processed for wastewater treatment technology; at least fifteen (15) wastewater treatment systems are commissioned at least two (2) entities are trained in the use of tissue culture technology and facilitated to established a commercial/semi-commercial production of plantlets.
- By March 2011 at least two contractors/engineers are licensed to construct biodigesters septic tanks (BST)
- At least twelve (12) food formulations are sold by March 2011 to MSMEs in the productive sector and technology transfer services are provided for commercialization of these products.
- Establishment of a multi-use agro processing incubator facility for MSME.
- At least ten (10) new businesses are established in agricultural production of lemon grass and or utilising lemon grass for food and non-food products.

Jamaica Exotic Flavours and Essences (JEFE)

- In collaboration with the Rural Agricultural Development Authority (RADA), JEFE will continue to strengthen the relationship with farmers who will be engaged as contract commodity providers to ensure that adequate supplies of raw materials are available based on current and future demand.
- Continue to collaborate with the Scientific Research Council, the Bureau of Standards and the University of the West Indies to ensure that product development work is efficiently carried out in terms of the targeted local produce.
- Acquiring additional equipment to improve efficiencies. These will be acquired as much as possible from future earnings as the demand for its products increases and the income earned improves.
- The acquisition of ISO and HACCP certification will be pursued in 2010. This will enable the company to gain greater access to international markets, in fulfilment of its export promotion mandate.

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
ANTI DUMPING AND SUBSIDIES COMMISSION (ADSC)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The Mission of the ADSC is to:

- Foster equity in Jamaica's international trading environment by enforcement of Jamaica's trade remedies legislation (anti-dumping, subsidies-countervail and safeguards)
- Provide advice regarding international trade policy development and trade agreement negotiations
- Promote public awareness of and train industry personnel to utilise Jamaica's international trade remedies regime.

2.0 Vision

To achieve international recognition as a trade remedy model for developing countries; to be the vanguard trade remedies body in the region; a centre of excellence and a leader in trade remedies and related matters, implementing Jamaica's antidumping, subsidies and safeguards legislation in a fair, transparent and expeditious manner, providing to all its constituents, accurate information and sound advice, and conducting its work with due diligence, maintaining the highest standards of integrity.

3.0 Mandate and Functions

3.1 Authority for Core Mandate

The core mandate of the Commission is derived from the Customs Duties (Dumping and Subsidies) Act of 1999 (CDDSA) and the Safeguard Act of 2001 (SGA) for which the Commission is named as the Investigating Authority (IA) (collectively, "the Acts").

3.2 Summary of Mandate

Jamaican industries suffering material or serious injury or threat of injury as a result of imports into the domestic market under conditions outlined in the Acts, may apply to have an investigation conducted by the Commission. Where appropriate conditions exist, an anti-dumping or countervailing duty or a safeguard measure will result. The Government's stated policy of stimulating niche-manufacturing and agri-business

benefit from the rigorous administration of a trade remedy regime to defend domestic production. The ADSC is mandated to assist Jamaican industry as well as importers and exporters, to understand and use international trade remedy disciplines (anti-dumping, subsidies countervail and safeguards) as defensive mechanisms. This is pursuant to the expressed commitment of the Government of Jamaica (GOJ) to foster an environment supportive of the manufacturing and agri-business sectors, as it maximises national economic gains in all sectors.

In an increasingly liberalised global environment, safety measures are essential so that imbalances in the international trading environment can be remedied where they arise and are identified. The Commission plays a critical role and performs an important strategic function in this regard. Survival of domestic industries under the pressures of globalisation and the accompanying risks of unfair as well as fair competition from unchecked dumped, subsidised or voluminous imports provide the ADSC with its core mandate - investigation and prescription of remedies for unfair international trade practices defined by World Trade Organisation (WTO) as dumping and some subsidies; as well as significant unexpected increases in imports into Jamaica, where these injure domestic producers. The ADSC is charged with making determinations, where warranted, of tariff measures to remedy these defined instances of injurious international trade.

The work of the Anti-dumping and Subsidies Commission includes:

- Implementation and enforcement oversight of the Trade Remedies regime (Antidumping, Subsidies and Safeguards) to help Jamaican industries to survive unfair or overwhelming competition from imports in defined situations according to WTO, regional and bilateral trade agreements.
- Advice regarding legislative framework for Trade Remedies in Jamaica and related matters;
- Advice, comments and participation on international trade policy and negotiation issues, so that trade policy and implementation thereof develops in a manner most favourable to growth and development of Jamaican industry;
- Educate industry, the private sector, and the general public about Jamaica's Trade Remedies regime and its use for their benefit.

3.3 Accomplishments in FY 2009-2010

The Staff met and instructed industry sectors which indicated that they were injured as a result of imports; helped them to evaluate whether their situations are appropriate for filing trade remedy cases with the Commission; helped them to assess the information that is required to file a case with the Commission or to use other vehicles available to them to address the problems they are encountering with imports. The Staff communicated with sectors considering filing complaints for investigations.⁵

⁵ The Anti-dumping and Subsidies Commission is precluded from publishing except in controlled confidential documents, the identity of the sector anticipating or filing a trade remedy complaint.

- Staff provided investigative and analytical support to Commissioners, as they made decisions regarding requests to consider trade remedy matters.
- The Commission opened one (1) new investigation.⁶
- Staff communicated with and through portfolio Ministry, Chief Parliamentary Counsel, Ministry of Finance and the Public Service regarding legislative drafting instructions to complete amendments designed to increase WTO compliance.
- The Commission introduced formal guidelines and approved provisional guidelines for Reviews and published to parties Notices of Expiry of Final Determination and an advisory on provisional guidelines for Reviews.
- The Staff rendered advice and attended meetings on behalf of Jamaica on WTO Rules and CARICOM.
- The Commission provided advice to the CSME Secretariat and CARICOM in regard to two consultancies for building capacity for Trade Remedies disciplines.
- The Staff continued to develop its expertise through rigorous study and hands on experience. The Executive Director executed duties as a panellist on a second WTO Dispute Settlement Panel.
- The Commission made every effort to meet all reporting requirements as a Public Body.

3.4 Legislative Review

The Commission reviewed and rendered advice regarding its enabling legislation and its compliance with the WTO Agreements as well as with other trade agreements. Additionally, negotiations, jurisprudence and practice recommendations from the WTO as well as new trade obligations all need to be factored into the legislative framework in which the Commission operates.

3.5 Trade Impact, Policy and Negotiation Support

The Commission provided analytical support to Government's trade policy mechanisms and in this vein:

- Facilitated trade policy development by research and analysis and offered recommendations regarding development of coherent international trade policy, within the framework of Jamaica's obligations as member of WTO and CARICOM.
- Provided advice to other arms of Government, such as the Chief Parliamentary Counsel (CPC) and the Ministry of Foreign Affairs and Foreign Trade (MFAFT) to help accomplish the goals of coherence, usability and completeness in trade remedy legislation and the international trade policy regime.

⁶ Case No. AD-01-2009, Cement from the United States of America, opened November 2009.

- Supported the development of international trade policy, negotiations and related matters facing Jamaica and the region, through its CARICOM organs.
- Participated in broader mandate of Government of Jamaica in such matters as Fiscal Responsibility, Ethical Infrastructure and Governance and Vision 2030 for National Development.

3.6 Education of Industry and the Public

- The ADSC developed and delivered programmes to educate the public on trade remedies, the Commission's role and the roles of producers, importers, exporters and others under the regime.

4.0 Highlights of Performance for Financial Year 2009/2010

4.1 Case-Related Activity

One (1) new investigation was opened during the 2009/2010 Financial Year.

Case No. AD-01-2009 - CEMENT

In the Matter Of The Initiation Of An Investigation Into Injurious Dumping In Jamaica of Ordinary Portland Grey Cement and Blast Furnace Slag Blended Cement Exported From The United States of America, Normally Classified Under HS Codes 2523.291 and 2523.290.

On November 26, 2009, the Anti-dumping and Subsidies Commission, pursuant to Section 22 of the Customs Duties (Dumping and Subsidies) Act 1999, initiated an investigation into the alleged injurious dumping into Jamaica of the above-referenced goods. Information was sought and information in the case is still being received and analysed as of the completion of this report. The Preliminary Determination in the matter is now scheduled to be made by April 9, 2010.

4.2 Industry Queries and Examinations

Sometimes matters are consulted on by the Staff of the Commission which do not result in a case being opened, either because the elements needed for a trade remedy case do not exist, or though the elements do exist, the industry experiences difficulty compiling or filing the required documentation; or needs more time to open a case.

- The ADSC was consulted by industry representatives about difficulties regarding five (5) product groups (industry sectors) in the year. One of the sectors studied during the year related to all manufacturing activity in the country and is discussed below (Energy from Trinidad and Tobago). For three (3) of the industry sectors, the ADSC was requested to assess the possibility of

filing or initiation of new trade remedy cases (dumping, countervail or safeguard). The ADSC will continue to communicate and advise the sectors.

- **Energy Subsidies Study** - A query which was received through the Ministry of Foreign Affairs and Foreign Trade (MFAFT) to review concerns noted through the Jamaica Manufacturers Association, regarding energy subsidies in Trinidad and Tobago was studied by the Staff during the first part of the year. The allegation was that the support (subsidies) given to the energy sector in Trinidad and Tobago created an unfair advantage for their manufacturers over Jamaican producers. The Staff's preliminary response noted key issues pertaining to actionable subsidies, as well as highlighted other issues that arose and the need for these to be explored by the Ministry of Foreign Affairs and Foreign Trade (MFAFT) or other Ministries, Departments and Agencies. The Staff and MFAFT gathered material on the issue of dual pricing schemes and various types of energy subsidies and how these relate to WTO law. The fact that Trinidad and Jamaica are members of CARICOM as well as of the WTO added a layer of complexity. The ADSC offered a written report covering recommendations regarding how the matter might be pursued.

4.3 Litigation

Caribbean Cement Company Limited (the Claimant) filed in the Supreme Court to enforce a 2004 determination of the Commission against cement imported from China and was granted interim orders and leave to pursue judicial review of decision of the Minister of Finance and the Public Service ("MFPS") and the Commission regarding imposition and collection of the anti-dumping duties on cement from China.

The Attorney General's Chambers filed an application to set aside the orders granted to the Claimant. Preliminary Motion was heard by the Court on applications to set aside the Order and interim declarations. The judgement of the Court in relation to the applications is awaited. The hearing on the merits has not yet been scheduled.

4.4 Industry and Public Education

ADSC Staff delivered presentations to the Bar Association, Kiwanis, and UWI students. Compact discs were also distributed.

a) Tenth Anniversary Celebrations - Public Education

During the 2009/2010 Financial Year, the ADSC marked ten (10) years of service to the Jamaican private sector under the theme, "Ensuring Equity in Internal Trade" and subtheme, "Ten years of working to ensure a level playing field for domestic industry." The Commission used this milestone to accomplish a modest

public education campaign about its role and the legal instruments at its disposal. This was done in three primary ways: –

- A Panel Discussion by trade remedies experts was hosted to launch a book by the Commission's former legal counsel.⁷ The event was an opportunity for professionals involved in International Trade dialogue, implementation and negotiation, to gather and focus on the strides that Jamaica had made and needs to make in this arena and to discuss publicly the accomplishments of the Commission in developing expertise in International Trade Remedies and related issues such as WTO Dispute Settlement.
- A Worship Service of Thanksgiving was held to mark the milestone, the main address was given, by Permanent Secretary, Mr. Reginald Budhan, who appealed to those present to consider carefully their spending patterns as part of the economy and encouraged them to be generous.
- Jamaica Information Service (JIS) "Think Tank." As part of the activities for the Tenth Anniversary, the Executive Director and the Senior Legal Counsel of the Commission participated in a JIS public awareness feature, "Think Tank" to educate the public on the mandate, role and functions of the Commission. Segments of the tape then aired for a month or more as part of the JIS programme, Jamaica Magazine, on radio and television.

b) Information Technology Development

- The Commission reviewed and retooled its Information Technology (IT) infrastructure in order to further enhance its interaction with stakeholders through web-based and other IT solutions.

4.5 Negotiations

4.5.1 WTO Rules Negotiating Group (Anti-dumping)

The Commission provided ongoing support to the Ministry of Foreign Affairs and Foreign Trade (MFAFT) in the form of review, analysis and written comments to the WTO Negotiating Group on rules in respect of trade remedy related matters.

4.5.2 Special Safeguard Mechanism (SSM)

During the review year, the ADSC gave assistance to MFAFT and the negotiating staff at the Jamaica Mission in Geneva through research and analysis and written comments on the Special Safeguard Mechanism (SSM) in the agriculture negotiations which are ongoing at the WTO.

⁷ "Power and Judicial Activism in the WTO, *The Appellate Body's Interpretation of Trade Remedy Agreements*" Delroy S. Beckford, PhD., VDM Verlag Dr. Muller, 2008.

4.5.3 Jamaica Trade & Adjustment Team (JTAT)

The Commission was represented on the Jamaica Trade and Adjustment Team (JTAT). Work performed in this regard included research, analysis, review of documents including agreement texts and written comments/proposals.

a. CARICOM/CANADA Negotiations

The Commission is represented on the Jamaican team for the negotiation of a Free trade Agreement between CARICOM and Canada.

b. Jamaica's Third Trade Policy Review

The Commission assessed the status of the Trade Remedy regime in Jamaica and supplied comments for the Third WTO Trade Policy Review of Jamaica.

c. CARIFORUM/EC Economic Partnership Agreement (EPA) - Implementation

The ADSC participated in the discussions, proposals and plans for implementation of CARIFORUM/EC Economic Partnership Agreement (EPA).

4.6 Regional and International Contribution

The ADSC has gained recognition as a leader, regional resource and centre of excellence. The staff met with consultants to CARICOM to discuss the harmonization of antidumping and subsidies countervail legislation for the region. The staff also sits on the Steering Committee for the harmonization project.

The ADSC tendered for a consultancy to build capacity in the region in trade remedies, but was not awarded the consultancy. The Commission was one of several GOJ agencies which met with officials who visited Jamaica from Haiti in 2009 to discuss assisting Haiti to implement its WTO and CARICOM treaty obligations and rights.

4.7 Challenges and Constraints

The ADSC attributed the dearth of industry filings to the following factors:

- Need for greater awareness/deeper understanding of the role of trade remedies
- Lack of in-house technical expertise in firms that could utilise the remedies
- Perceived lack of expertise in Jamaica in the use of the remedies
- Cost of expertise required to file and sustain cases

- Fragmentation (lack of cohesion and or capacity to compile industry data and disseminate them within industry associations).

5.0 Focus and Priority Targets for Financial Year 2010/2011

5.1 Legislative Review

ADSC will continue to facilitate where possible, completion of amendments to resolve issues with the Customs Duties (Dumping and Subsidies) Act, 1999 and Regulations and the process of commencing/advancing amendments needed to resolve deficiencies in and strengthen the Safeguard Act, 2003 and Regulations.

5.2 Industry and Public Education

The ADSC will seek to educate businesses, and other associations, the public sector and the general public on trade remedies and related matters; mechanisms for use; responsibilities of importers, local industry; and role of the Commission. This will be undertaken by means of:

- Speaking engagements, workshops/seminars
- Trade Gateway Newsletter and other publications
- Facilitation of media coverage and publicity for ADSC's role and functions.

5.3 Information Technology Development

Though at a slower than desirable pace as a result of financial constraints, the Commission expects to continue to review and retool its Information Technology infrastructure.

5.4 Trade Negotiation and Policy Support

The ADSC will continue to support the MFAFT by means of review, analysis and written comments to the WTO Negotiating Group on Rules and trade remedy related matters.

The Commission also intends to put forward recommendations to include in its mandate, review and evaluation of the impact of applied tariff changes as required.

The Commission also expects to continue research and propose potential mechanisms for defence of Jamaica's service industries, analogous to trade remedies for goods.

5.5 Addressing Industry Constraints

The ADSC will develop mechanisms to help industry in using trade remedies and finalize complaints. These will include:

- Industry help desk facility;
- Courtesy telephone calls/consultations with industry
- Office visits
- Customized industry instruction.

5.6 Development of Organisational Capacity - A Strategy of Excellence

Some of Jamaica's major trading partners have used trade remedies for upwards of fifty (50) years, one or possibly two, over one hundred (100) years consequently the staff of the Commission must be technically competent. Staff and Commissioners need excellent grasp of the rules under which they must adjudicate cases and provide policy directives and guidance.

Maintain capacity to carry out investigations; adjudicate cases when filed effectively, efficiently and in a compliant manner. The Commission estimates that it has current capacity to conduct (3) investigations in one year.

6.0 Budgetary Allocation

The budget approved for Financial Year 2009/2010 was \$29.121M. The amount allocated from the Consolidated Fund for Financial Year 2010/2011 is \$35M.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

ANTI DUMPING AND SUBSIDIES COMMISSION



MIIC Permanent Secretary, Reginald Budhan and Mrs. Budhan greet Andrea Marie Brown, Executive Director at the ADSC 10th Anniversary Service of Thanksgiving held at Meadowbrook United Church, October 4, 2009.



ADSC Senior Legal Council demonstrate her point to Executive Director in Staff Meeting

MINISTERIAL REPORT TO PARLIAMENT ON THE PERFORMANCE OF THE BUREAU OF STANDARDS JAMAICA (BSJ) FOR FINANCIAL YEAR 2009/2010 AND FOCUS FOR FINANCIAL YEAR 2010/2011

1.0 Mission

The BSJ is the internationally recognized national body responsible for maintaining trust in Jamaica's national quality infrastructure.

The mission of the BSJ is thus linked to promoting the international competitiveness of Jamaican producers, facilitating trade and protecting consumers by providing standardization, metrology and regulatory services.

2.0 Background

The BSJ is a statutory body established by the Standards Act 1969 and operates under the aegis of the Ministry of Industry, Investment and Commerce (MIIC). A fourteen-member Standards Council, comprised of the Director of Standards (Executive Director) and thirteen (13) stakeholder group representatives appointed by the Minister of Industry, Investment and Commerce, has responsibility for policy implementation and general administration of the BSJ.

In addition to the Standards Act, the operations of the BSJ are governed by the Processed Foods Act 1959 and the Weights and Measures Act 1976. Some aspects of its operations are also carried out in accordance with the Customs Act 1941, the Trade Act 1955, and the Petroleum (Quality Control) Act 1990.

3.0 Functions

The BSJ has both regulatory and developmental roles. In carrying out its regulatory functions, the BSJ:

- Guides the promulgation of national standards which facilitate trade and provide the basis for identifying goods which are a threat to health and safety;
- Satisfies international requirements of transparency and global collaboration by maintaining the National Enquiry Point in the context of the World Trade Organization/Technical Barriers to Trade (WTO/TBT) Agreement;
- Influences development of international food standards through its work as the national contact point for the Codex Alimentarius Commission, the FAO/WHO body responsible for the establishment of international food standards;

- Ensures compliance of goods and services through monitoring at ports of entry, in the marketplace, and at points of production;
- Tests and analyzes raw materials, components and finished goods;
- Certifies products, processes, systems and practices;
- Calibrates and verifies the accuracy of metrology equipment.

The developmental role of the BSJ is closely linked to national economic growth given the importance of positive international recognition for goods and services produced in Jamaica. In this regard, the BSJ:

- Provides national and international standards information
- Promotes application and development of national and regional standards
- Offers industrial training through seminars and in-plant courses
- Conducts research and development
- Provides technical advice/consultancy.

Other objectives of the BSJ include:

- Encouraging the mutual recognition of accreditation and certification systems based on internationally accepted criteria
- Promoting consumer welfare and safety
- Contributing to preservation of the environment and conservation of natural resources
- Providing guidance to national and regional bodies on matters including disputes settlement
- Promoting and protecting the interests of Jamaica in regional and international standardizing fora, including external negotiations
- Promoting awareness of standards and standards-related matters to governments, commerce, industry and consumers.

4.0 Priority Programmes and Targets for Financial Year 2009/2010

The following were indicated in the Ministry Paper of 2008/2009 as some of the main areas of focus for Financial Year 2009/2010:

TARGETS	ACHIEVEMENTS	CONSTRAINTS/ REMARKS
Implementation of the Pilot Phase of the Wooden Furniture Business Incubator Project	The project, which has a duration of 3 years, commenced in April 2009 with the launch of a pilot phase. The pilot phase came to an end in December 2009. Funding for this project is being provided by the BSJ in the amount of J\$100 million. The BSJ administers the Secretariat for the project. The aim of the project is to improve the quality of infrastructure of the local furniture sector; through the provision of technical support to new and existing micro and small furniture and wooden products manufacturers.	
Participation in intercomparison activities and similar international cooperative exercises with other national metrology institutions	<p><i>Mass Intercomparison</i> (within CARICOM) – This is an activity under the CROSQ/IDB/PTB Regional Quality Infrastructure Project (RQI) that commenced in November 2009. The intercomparison is star-type that is, the transfer standard returns to the pilot laboratory for recalibration each time another laboratory performs a calibration.</p> <p><i>Pressure Intercomparison</i> (within Inter-American Metrology System - SIM) – This activity is currently underway. It commenced in July 2009.</p> <p><i>SIM/OAS Certified Reference Material Verification /Production Project</i> - The third year of this project (April 2009-March 2010) involves the development of reference material for beef. Test results were submitted by all participants to the coordinating laboratory (CENAM-Mexico) in January 2010. Based on a comparative analysis of the results, Jamaica/BSJ needs to investigate why its sodium and potassium concentration levels are low and repeat the tests. The</p>	<p>The participants are the standards bureaux in Jamaica, Trinidad & Tobago, St Vincent & the Grenadines, St Lucia, Grenada and Guyana.</p> <p>The 10 countries in SIM participating in this project are Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay, Mexico, and Jamaica.</p>

TARGETS	ACHIEVEMENTS	CONSTRAINTS/ REMARKS
	results were submitted in March 2010. Jamaica/BSJ's fat and nitrogen results were acceptable.	
Upgrade of laboratories	\$42.4M was expended on acquisition of laboratory equipment.	
Continued restructuring of the organization to ensure improved efficiencies	Major activities are as follows: - A number of divisional areas are being rationalized - The organization has been strengthened with the engagement of five (5) directors, who have been engaged to assist the Executive Director in the strategic management of the organization.	The rationalization process will continue during the next financial year.
Continuation of the revision of the Standards Act 1969, Weights and Measures Act 1976, Processed Food Act 1959 and attendant regulations to each	Standards Act 1969 - The Draft Policy Statement and Recommendations for the new Standards Act are being reviewed by the Standards Council. The protocol to be followed in bringing the recommendations to the attention of the portfolio Ministry is to be developed by June 2010. Weights & Measures Act 1976 - The Draft Policy Statement and Recommendations for the new Metrology Act are 50% complete. Processed Food Act 1959 - Recommendations were made in October by an Attorney-at-Law and Regulatory Scientist, Mr. Robert Black, who was engaged as a Consultant by the Ministry of Agriculture & Fisheries under the European Banana Support Programme, to incorporate administrative provisions from the Processed Food Act into the Standards Act. These recommendations are to be discussed by the Management Team and a recommendation made to the Standards Council by April 2010.	
Implementation of ISO 9001:2000, quality management systems -	A consultancy firm to guide the development and implementation process was engaged in April 2009 while a Quality & Environmental Systems Manager was engaged in August 2009. The process, which was initially envisaged to take 48 weeks, has been	It is to be noted that ISO 9001:2008 is being implemented and not the previous version (ISO 9001:2000). Approval is to be

TARGETS	ACHIEVEMENTS	CONSTRAINTS/ REMARKS
<p>requirements; ISO 14001:2004, environmental management systems - requirements with guidance for use throughout the BSJ and ISO/IEC 17025:2005, general requirements for the competence of testing and calibration.</p>	<p>broken down into seven (7) phases: Phase 1 - Gap Audit and Analysis Phase 2 - Business Process Mapping-Sequence and Interaction; Electronic Based System Phase 3 - Project Planning, Goal Setting and Awareness Phase 4 - Development, Documentation and Implementation of Policies, Procedures and Standard Operating Procedures Phase 5 - Checking Correcting, Internal Audits, Review, Corrective Actions Phase 6 - Readiness and Final Review Phase 7 - Certification Audit & Future Planning</p>	<p>sought from the Standards Council in April 2010 for an extension of the consultancy firm (another 48 weeks) to continue to guide the development and implementation process for all three systems.</p>
<p>Accreditation of NCBJ to offer certification services to ISO 9001:2008 and ISO 14001:2004</p>	<p>In November 2010, NCBJ was accredited by the ANSI-ASQ National Accreditation Board (ANAB) to offer certification to ISO 9001. An ISO 14001 witness audit (to be conducted by ANAB) has been scheduled for the end of March 2010. The anticipated outcome of this exercise is that NCBJ will be accredited by ANAB to offer ISO 14001 certification services.</p>	
<p>Continued execution of capital projects.</p>	<p>Renovation of the Old Furniture Building - 90% complete. Creation of the office for the Project Management Department - completed in August 2009</p>	

5.0 Highlights of Performance for Financial Year 2009/2010

5.1 Policy Issue 1 - Standards Compliance Programme

To ensure compliance of all goods (locally produced and imported) with the requirements of compulsory product standards (technical regulations) and labelling regulations, the BSJ continued its Standard Compliance/Import Monitoring Programme. This involves inspections, examinations and investigations at the ports of entry and establishments in the domestic market.

ACTIVITIES	ACHIEVEMENTS		VARIANCE		REMARKS
	April 09 – Mar 10	Apr 08 – March 09	#	%	
Inspections of establishments	10,965	10,267	698	6.8	Inspections conducted at the premises of importers; and in retail/wholesale outlets and food factories. It also includes visits conducted to test and/or certify weighing and measuring devices used in trade.
Withdrawals from sale (units)	210,830	208,557	2,273	1.1	Food items, clothing and footwear are the main items withdrawn from the marketplace for being offered for sale after expiration dates, or having otherwise breached the labelling regulations.
Port of Entry visits	4,707	4,883	(176)	(3.6)	In addition to APM Terminals and the airports, inspection visits are also made to the cold storages, Berths 5, 6 & 7 and more recently Berth 11, which has replaced APM Terminals as the new stripping station.
Consignments inspected	7,270	5,739	1531	21	Consignments inspected at the ports of entry and on importers' premises. Imports have increased despite the recession therefore the number inspected has also increased.
Consignments detained	332	229	103	45	Items detained are rehabilitated, destroyed or re-exported.

Specific Initiatives

(a) National Quality and Innovation Awards Programmes

The activities of the sixth (6th) National Quality Award (NQA) Programme were launched in March 2008 and culminated with an Awards Ceremony on 15 October 2009.

The NQA programme, which was developed by the BSJ as part of its standards monitoring and promotion thrust, forms part of a national initiative with the objectives of:

- Promoting the international competitiveness of Jamaican products and services
- Creating a national medium for the recognition of business excellence.

Awards of Excellence were presented to three (3) companies representing the manufacturing, services and small business sectors. In addition, sectional awards were presented to ten (10) companies in accordance with the following criteria: (1) Organizational Focus; (2) Customer Focus; (3) Human Resource Focus (4) Process Management and (5) Business Results.

(b) Gas Pump Certification Programme

The Gas Pump Certification Programme is designed to monitor the volumetric delivery of products from the gas pumps, thus ensuring that the amount dispensed from pumps is in agreement with the indicated meter reading. Inspections are conducted at the end of six (6) months when the certificate would have expired. In addition to activities under the Certification Programme, pumps are tested randomly.

5.2 Policy Issue 2 - Promulgation of Standards

The BSJ continued its efforts to facilitate the development of national standards by co-opting representatives from industry into technical groups to identify and develop standards relevant to the industries they represent. There are a total of 66 Standards currently in various stages of the promulgation process. Of these, there are thirty one (31) standards being revised, eighteen (18) being adopted/adapted and eighteen (18) being developed by thirty (30) technical committees and technical sub-committees.

(a) Standards Gazetted

For the period under review Jamaican Standard Specification have been received for the following:

- JS 305: 2009 Proprietary dairy cattle starter and milk production ration
- JS 308: 2009 Jamaica Application document for the International Property

Maintenance Code

- JS 311: 2009 Jamaica Application document for the International Private

Sewage Disposal Code

- JS 313: 2009 Jamaica Application document for the International Fuel Gas Code

- JS 314: 2009

Jamaica Application document for the International Fire Code

- JS 315: 2009

Jamaica Application document for the International Residential Code

- JS 316: 2009

Jamaica Application document for the International Code . Council

Electrical Administrative Provisions and Electrical Code

(b) Standards Approved by the Portfolio Minister

The following standards were approved by the portfolio Minister in March 2010:

- JS ISO 14050:2002 Environmental Management - Vocabulary
- JS ISO 14001:2004 Environmental Management Systems - Requirements with guidance for use (To replace JS ISO 14001:1996)
- JS ISO 14004:2004 Environmental Management Systems - General guidelines on principles, systems and support techniques
- JS ISO 14015:2001 Environmental Management - Environmental assessment of sites and organizations (EASO)
- JS ISO 14040:2006 Environmental Management - Life cycle assessment - Principles and framework
- JS ISO 14044:2006 Environmental Management - Life cycle assessment - Requirements and guidelines ISO/TR 14047:2003 Environmental Management - Life cycle impact assessment - Examples of application of ISO 14042
- JS ISO/TR 14048:2002 Environmental Management - Life cycle impact assessment - Data documentation format
- JS ISO/TR 14049:2000 Environmental - Life cycle impact assessment - Examples of application of ISO 14041 to goal and scope definition and inventory analysis
- JS ISO Guide 64:1997 Guide for the inclusion of environmental aspects in product standards
- JS ISO/TR 14062:2002 Environmental Management - Integrating environmental aspects into product design and development
- JS ISO 14063:2006 Environmental Management - Environmental communication - Guidelines and examples
- JS ISO 14064-1:2006 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
- JS ISO 14064-2:2006 Greenhouse gases - Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements

- JS ISO 14064-3:2006 Greenhouse gases - Part 3: Specification with guidance for the validation and verification

(c) Standards to be submitted for Approval

The following draft Jamaica Standard Specifications will be submitted to the portfolio Ministry for approval by 30 April 2010:

- Transportable Gas Containers
- Bituminous Materials

(d) Standards Development Fora

In addition to the technical committees, there are two (2) groups established to facilitate standards development:

- Jamaica Standards Network (JSN)
- National Codex Committee (NCC)

5.3 Policy Issue 3 - Building Code Project

The National Building Code (11 International Code Council Codes (I-Codes) and 11 Jamaican Application Documents) was completed and presented to the Prime Minister. A Memorandum of Understanding among University of Technology Jamaica (UTech), HEART-NTA, the Jamaica Institution of Engineers (JIE) and the BSJ for the provision to training to professionals and artisans has been signed. The two educational institutions will provide certified and non certified International Code Council courses to professional students and artisans. The JIE will host training seminars for its membership while the BSJ will target the general public.

5.4 Policy Issue 4 - Business Competitiveness Enhancement

(a) IDB MIF/GOJ Project: Implementation of Quality Environmental and Food Safety Systems in Jamaica (Quality Jamaica Project)

The Quality Jamaica Project, which commenced in January 2002 and officially came to an end in August 2009, was jointly funded by the IDB through its technical cooperation facility, the Multilateral Investment Fund (MIF), and the GOJ/BSJ. The main objective of this project was to contribute to the development and sustainability of small and medium-sized enterprises (SMEs) through assistance (financial and technical) in implementing quality and environmental management systems.

(b) National Certification Body of Jamaica (NCBJ)

The National Certification Body of Jamaica (NCBJ) was established in April 2007 as one of the outputs of the Quality Jamaica Project (Component 4). The NCBJ has implemented ISO/IEC 17021:2006 *Conformity assessment – requirements for duties for bodies providing audit certification of management systems* and in November 2010 was accredited by the ANSI-ASQ National Accreditation Board (ANAB) to offer certification to ISO 9001.

(c) CROSQ/IDB Project: Promoting Small and Medium Enterprise Competitiveness in the Caribbean through Technical Standards

The BSJ is one of four sub-executing agencies responsible for executing the CARICOM Regional Organisation for Standards and Quality (CROSQ)/IDB Project for Promoting Small and Medium Enterprise Competitiveness in the Caribbean through Technical Standards. The project, which commenced in 2005, is expected to end in 2011. The aim of the project is to improve the competitiveness of SMEs in the CARICOM region, via the establishment and implementation of regional technical standards, in order to increase trade in goods and services and promote regional, hemispheric and global integration.

(d) Enhancement of Technical Capacity of SMEs

Under the Productive Integration of Micro-Enterprises in Jamaica (PIMJ) Project executed by the Jamaica Business Development Centre (JBDC), the BSJ provided HACCP training to seventeen (17) persons in the Agro-Processing Cluster.

5.5 Policy Issue 5 - Popularization of Science, Technology & Standardization

The SRC, the BSJ, and the Ministry of Education (specifically the Association of Science Teachers of Jamaica - ASTJ) once again hosted science, technology and standardization essay, poster and quiz competitions and summer camps island-wide to promote the importance and relevance of science, technology and standardization and to encourage career paths in these fields. In 2009/2010, the activities were as follows:

The Annual Science, Technology and Standardization Essay & Poster Competitions - One hundred and six (106) essays and ninety three (93) posters were received from primary and preparatory schools islandwide. Sixty nine (69) essays and one hundred and seventeen (117) posters were received from high schools islandwide.

The Annual Science, Technology and Standardization Quiz Competitions - Three competitions involving thirty (30) primary, preparatory and high schools were held in the eastern and central regions of the island.

The Annual Science, Technology and Standardization Summer Camps - These were jointly hosted by the BSJ and SRC. The theme for the summer camps was *Science, Technology & Standardization – Exploring Our World* and involved students from Grades 4-6. One hundred and twenty eight (128) students attended the three (3) camps which were located in Westmoreland, St James, and Kingston.

5.6 Policy Issue 6 - Consumer Protection

(a) One-Stop Shop

The Jamaica Import/Export Inspection Office (also referred to as the One-Stop Shop) was officially opened in June 2009 to combine the efforts of three government Ministries (MIIC, MOH and MOAF) in the area of goods inspection, making the process more efficient, thus cutting back on costs. The BSJ is one of the agencies which operate from this office, which is located at Berth 11, Port Bustamante. All inspections of containers which were previously conducted at APM are now conducted at this new location.

(b) Tyre Inspection

The BSJ began formal inspections of used tyres in December 2009. During the period December 2009 to March 2010, sixteen thousand four hundred and twenty five (16,425) tyres were inspected; with two thousand four hundred and eighty six (2,486) failing to meet the established requirements. This represents an 85% pass rate.

5.7 Policy Issue 7 – Regional & International Affairs

The participation of Jamaica in regional, hemispheric and international standards development and related issues was further strengthened during the review period with the following activities being the main highlights:

(a) Involvement in the Leadership of Regional Organizations

CROSQ - CARICOM Regional Organisation for Standards and Quality (CROSQ) is an intergovernmental organization responsible for harmonizing/implementing of standards, facilitating international competitiveness of goods and services in the CARICOM Single Market and Economy and enhancing social and economic development.

(b) Development and Harmonization of Regional Standards

The Council for Trade and Economic Development (COTED) at its meeting held 8-9 February 2010 in Guyana provisionally approved (19) voluntary CARICOM Regional Standard Specifications.

As at March 2010, sixty one (61) CARICOM Regional Standard Specifications are being developed by CROSQ. Jamaica is responsible for the development of twelve (12) of these standards.

(c) Provision of Technical Assistance

In August 2009, the BSJ made a presentation to a 5-member Haitian delegation on the role, function and operations of the BSJ. The aim was to assist in capacity building in light of Haiti's acceptance as a member of CARICOM.

In November 2009, The BSJ hosted a delegation of 4 persons from Trinidad & Tobago who were in Jamaica on a benchmarking visit to obtain information on (1) the history and current status of the BSJ, (2) operations of the inspection and metrology areas, and (3) physical layout of the BSJ's property.

In December 2009, The BSJ hosted a delegation of 2 persons from the Trinidad & Tobago Bureau of Standards, who were in Jamaica to (1) benchmark the process undertaken by the NCBJ to attain accreditation, (2) hold discussions re developing a MRA in the area of developing the competence of auditors in Trinidad & Tobago, and (3) gain an understanding of the BSJ's product certification programmes.

(d) Laboratory Maintenance/Upgrade

As a part of the upgrading process for the laboratories several new pieces of equipment were acquired.

5.8 Other Activities

(a) Support for Research and Development

For the 3rd consecutive year, two (2) students from the UWI Chemistry Department participated in an eight-week work-study programme in the BSJ's Chemistry Laboratory.

(b) Capital Projects

The following capital projects, inter alia, were pursued during the Financial Year 2009/2010:

- *Projects completed* - Creation of Office for Project Management Department; Expansion of the Packaging Building; Installation of Electronic Entry & Automatic Gate Barrier System; Installation of Hurricane Shutters to the Main, JANAAC and NCBJ Buildings; Installation of Fire Protection System; and Installation of Central A/C Unit on the ground and 1st floors of the Main Building (to reduce energy costs by 20%).

- *Projects underway* – Creation of Staff Recreational Facility, Implementation of Electronic Access Control System, and Renovation of the Old Furniture Building (to house the Furniture Incubator Project).

6.0 Summary of Main Programmes for Financial Year 2010/2011

For Financial Year 2010/2011, the focus will be on continuing or commencing implementation of the following projects and programmes:

- Implementation of the Wooden Furniture Business Incubator Project
- Participation in intercomparison activities and similar international cooperative exercises with other national metrology institutions
- Acquisition of equipment for laboratories to ensure the effective and efficient delivery of services
- Upgrade the Packaging Laboratory by expanding the scope of services offered
- Continuation of the revision of the Standards Act 1969, Weights and Measures Act 1976, Processed Food Act 1959
- Continuation of the implementation of ISO 9001:2008 *Quality management systems - requirements*; ISO 14001:2004 *Environmental management systems - requirements with guidance for use* throughout the BSJ and ISO/IEC 17025:2005 *General requirements for the competence of testing and calibration laboratories* in the laboratories
- Accreditation of NCBJ to offer certification services to ISO 14001:2004
- Implementation of an Energy-saving Project to include an Investment Grade Energy Audit
- Continued execution of the capital projects that are in progress and commencement of the following:
 - Creation of new Microbiology Laboratory – Engagement of Professional Services
 - Construction of Training Facility – Professional Services
 - Install generators in Buildings (outside of the Main Building)

7.0 Budgetary Outturn 2009/2010 and Proposal for Financial Year 2010/2011

The BSJ is designated as a self-financing public entity. As at March 2010 actual unaudited income was \$668M and actual unaudited expenditure is US\$645M. Budgeted income for the 2010/2011 financial year is \$692M while estimated expenditure is \$672M.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

BUREAU OF STANDARDS JAMAICA



Chairman of the Standards Council , Rev. Dr. Arnel Henry (2nd from right) proudly makes a symbolic presentation of the National Building Code of Jamaica to the Hon. Bruce Golding, Prime Minister (2nd left). Looking on are Richard Okawa (l), of the International Code Council, and the Hon. Robert Montague (r), who has responsibility for Local Government.



The Hon. Karl Samuda, Minister of Industry, Investment and Commerce admires prototypes of wooden products developed as part of the Furniture and Wooden Products Incubator Project. Gladstone Rose (c), Senior Director, and Noel G. Osbourne (r), Executive Director, of the Bureau of Standards Jamaica look on. Occasion was the launch of the Design Centre based at the BSJ, on 4 December 2009.

MINISTERIAL REPORT TO PARLIAMENT ON THE PERFORMANCE OF THE COMPANIES OFFICE OF JAMAICA (COJ) FOR FINANCIAL YEAR 2009/2010 AND FOCUS FOR FINANCIAL YEAR 2010/2011

1.0 Mission

The mission of the Companies Office of Jamaica (COJ) is to enable the legal creation of companies, sole proprietorships, partnerships and industrial and provident societies in an environment of trust and commitment to all its stakeholders, in order to foster trade, commerce and wealth creation.

2.0 Role and Functions

The COJ is an executive agency responsible for the administration of the Companies Act, the Registration of Business Names Act and the Industrial and Provident Societies Act. Hence the agency is responsible for the registration and regulation of companies, business names and industrial and provident societies. The COJ is also the official repository of information pertaining to those entities.

3.0 Priority Targets and Objectives for Financial Year 2009/2010

Six (6) priority targets were identified for the Financial Year 2009/2010 in addition to the maintenance of all registration services within targeted timelines. These were:

- Amnesty (temporary reduction of certain fees) for charitable organisations
- Merger of Business Registration and Customer Service Units in order to offer one-time examination of documents
- Continuation of the redesign of legislative forms
- Installation of VoIP telephony system
- Make preparations for relocation of the Agency's offices to more comfortable premises at the expiration of the present lease in 2010.
- Redevelopment of COJ Website to facilitate online filing of business name documents as well as certain company documents

4.0 Highlights of Performance/Achievements for Financial Year 2009/2010

4.1 Summary of Achievements

As in previous years the Agency's major focus was on improving the services it offers

to its customers during the 2009/2010 Financial Year. This included the maintenance of its wait times for attendance and registration turnaround timelines, reduction in multiple rejections and the redesign of the various legislative forms under the Companies Act 2004.

4.2 Guaranteed Registration Services

Table 1: Guaranteed Service Delivery Times

Services	Guaranteed Registration Times	Actual % of documents processed within target time
New Company Registration (normal)	4 wk. Days	93.54
New Company Registration (expedited)	1 wk. Day	96.85
Business Name Registration (normal)	2 wk. Days	90.01
Business Name Registration (expedited)	1 wk. Day	94.10
Registered Office Notice	4 wk. Days	93.66
Registration of Change of Directors	4 wk. Days	94.79
Certified Copies of Company Documents	25 minutes	17.95 ⁸ (Actual average time)

4.3 COJ Amnesty for Charitable Organisations

During the Second Quarter the Cabinet gave approval for the Agency to partially waive fees for the filing of certain documents by non-profit companies (companies limited by guarantee) for a period of six (6) months. The Amnesty commenced on September 1, 2009 and terminated on February 26, 2010. During the period the Agency retained the services of the Jamaica Information Service to assist with the attendant publicity for the Amnesty. The number of companies which took advantage of the Amnesty amounted to 708. The number of Annual Returns filed amounted to 2,622. Revenues earned amounted to \$7.286M while revenues foregone totalled \$15.17M.

4.4 Public Education

The Agency undertook/participated in 30 public education seminars/ presentations during the course of the year under review. The Agency's public education efforts included participation in a Jamaica Trade & Invest workshop on Business

⁸ Due to the malfunctioning of the Lobby Manager software, data was not available for the months of April, and July 2009.

Formalization Guidelines, the Jamaica Intellectual Property Office Creativity Expo, JBDC's Annual Small Business Expo, JBDC Small Contractor Workshop, registration of Business Names session at the Portmore Garmex Academy, Young Entrepreneur's Expo. Presentations were made to/at Diageo proprietors on Business Names, UWI Open Campus (Eastern) Management Event, Small Business Association outside broadcast, New Testament Church of God Convention, Scotia/UTECH Teen Billionaire Summer Workshop 2009, JBDC Business Clinic in conjunction with the St. Ann Chamber of Commerce, Portmore HEART Academy Exit Readiness Programme, National Contracts Commission, Dinthill Technical High School, National Education Symposium, UWI Final Year students, the MSME Alliance, farmers, members of the Jamaica Agricultural Society, the Seventh Day Adventist ASI Chapter and Career Day at Northern Caribbean University.

The Amnesty for Charitable Organizations commenced in September 2009 with a press launch by Honourable Karl Samuda. The Agency hosted 4 "Meet the People" sessions, two (2) in St. Andrew and the others in Manchester and St. Ann respectively at which several presentations were made to small but appreciative audiences on compliance requirements for non-profit organizations. The Agency's officers participated in several radio and television interviews in order to disseminate information regarding the Amnesty and there were several advertisements and notices published in the print media regarding the Amnesty. The COJ retained the services of the Jamaica Information Service to assist with the publicity for the Amnesty.

The COJ Mobile visited the parishes of, St. Catherine, Trelawny, St. Ann, St. James, Hanover, Westmoreland, Clarendon and Manchester. Revenues earned from the Mobile totalled \$8.93M.

4.5 Merger of Customer Service and Business Registration Units

The merger of the Units continued with regard to the registration of new companies and Business Names. Statistics showed that the rejection rates for companies and business names examined using this methodology were much lower than for those examined in the traditional manner.

4.6 Passage of Regulations for Companies Act/Amendments

The Agency's legal officers reviewed several drafts of the Companies (Amendment of Fifteenth Schedule) Order 2009 and 2010 which relate to the long awaited fee increase, and the Companies (Transitional Provisions) (Amendments) Bill 2010 which relates to Articles of Continuance. In addition the legal team in conjunction with the Senior Legal Officer, MIIC commenced the conciliation of the lists of proposed amendments to the Companies Act 2004 submitted by the COJ and the Companies Office Advisory Board (COAB).

4.7 Enhancement of Website to Facilitate Electronic Registration

During the Year the development team worked on improving the company name search facility and researching software alternatives to the Adobe Lifecycle software which was the Agency's first choice for use with the upgraded Website but was not affordable. The research was completed and most of the software sourced and acquired.

The Agency held discussions with officers of the Tax Administration Services Department regarding granting permission for the COJ to "stamp" documents electronically. The permission will bring the COJ one step closer to being able to facilitate electronic registration of new companies.

The most commonly used legislative forms (Articles of Incorporation, Business Names application, Annual Returns, Notice of Particulars/Change of Directors) were made more user-friendly using information technology features in preparation for electronic filing during the period under review.

The Project is currently running behind schedule. The Schedule was therefore recast in order to include electronic filing of new company documents within the scope of the Project, and to take account of the delays encountered as a result of the need to research and source alternate software, the delayed approval from the Ministry of Finance and the Public Service for the hiring of the Project Manager and the sudden resignation of a developer on the Project and the subsequent recruitment of a replacement. The Project is now slated for completion in March 2011.

4.8 Overview of Human Resources Delegated Responsibility

During the period under review the Agency suspended four (4) officers in accordance with its Disciplinary Procedure as a result of a complaint by National Commercial Bank and a subsequent investigation undertaken by the Agency's internal auditors. Disciplinary hearings were conducted in relation to three (3) of the officers. As a result two (2) officers were reinstated while one (1) was dismissed. That officer has appealed the COJ's decision.

There were four (4) resignations of critical staff particularly in the Information Technology Unit during the period. The Agency therefore spent a considerable amount of time recruiting replacement staff.

The COJ received word from the Cabinet Office that it was satisfied with the proposed Organizational Structure submitted by the Agency early in the Financial Year and was submitting it to the Ministry of Finance and the Public Service for approval. Late in the Year the Agency received word from that Ministry that while it approved the upgrade of several existing positions it would not support so many new positions. The Agency was disappointed with the vague response received and has decided to pursue the matter further. The implementation of the new structure without

the new positions which are critical to the proper operation of the structure is not feasible.

In addition to the Lateness Policy the Educational Support, Succession Planning, and Revised Performance Incentives policies were implemented during the Year.

4.9 Redesign of Legislative Forms

During the Year the COJ Legal Team continued to work with the developers under the Website Redevelopment Project (WRP) to enhance the legislative forms most frequently utilized by the Agency's customers so that they become more user friendly. New features include explanations, completion guides relocated from the back of the forms to the fields to which they relate and automatic population of forms with information already provided by the customer. The updated forms will be demonstrated to officers in the portfolio Ministry and to the Agency's major clients in the coming Financial Year.

Late in the Year the COJ received the comments of the Office of the Chief Parliamentary Counsel (CPC) regarding the legislative forms and the proposed amendments to be made to them. The COJ provided responses to the issues raised by the CPC.

4.10 Installation of VoIP telephony system

During the Year Syncon Technologies Limited obtained and installed all equipment which comprised the VoIP telephone system. LIME (formerly Cable & Wireless Jamaica Limited) was then contracted to install a T1 Line on which the system will operate. After a protracted period LIME personnel installed the necessary line. The implementation of the system was completed during the 2009/201 Financial Year and was fully functional although at the beginning there were some configuration issues. The new system will facilitate easier access to these offices by COJ customers and significant cost savings for the Agency

4.11 Relocation of the Agency's offices

The Agency began the process of searching for alternate accommodation for its offices in anticipation of the expiration of its lease of premises situate at 1 Grenada Way. Several buildings were inspected but none were considered suitable. The Agency submitted an expression of interest for lands within the Caymanas Economic Zone and made known to its portfolio Ministry its interest in pursuing a joint venture with the Department of Co-operatives and Friendly Societies to erect a modern office building at No. 2 Musgrave Avenue, Kingston 10. Information received by the COJ however is that the Ministry is actively engaged in discussions to sell that property to a Private Sector entity. The Agency has taken the decision to renew its lease with its present landlords for one (1) year at least while it continues its search for suitable accommodation. The landlords are not averse to renewing the Agency's lease on the

same terms and conditions as before. However the Agency is hoping to renegotiate those terms of the original lease which proved to be inimical to its interests, such as having the annual increase in rental directly related to the annual rate of inflation.

5.0 Operations

The Agency faced the same challenges as in the previous year but with less intensity as it actively sought ways to overcome them. The challenges related mostly to high volumes of documents received for registration, high rejection rates and long waits for customers to receive attention.

5.1 Business Registration

During the 2009/2010 Financial Year the Business Registration Unit was inundated with a higher than projected volume of documents to process. Despite that however the Unit was able to process documents within the projected registration timelines. The overrun rate for the year was 6.99% which was a 1% increase over last year's figure of 5.985%. At the beginning of the year the Unit began processing business names in the DPMIS system. This assisted in streamlining the Agency's operations.

Table 2 Guaranteed Turnaround Times

Key Corporate Objective	Planned Performance	Actual % of documents processed within target time
Annual Returns	4 wk. days	95.28
Charges certified	5 wk days	84.77
Registered Office Notice	4 wk days	93.66
Change of Directors	4 wk days	94.79
New local Companies	4 wk days	93.54
Expedited New Companies	1 wk day	96.85
Business Names	2 wk. days	90.01
Expedited Business Names	1 wk day	94.10
Company Secretary	4 wk. days	94.8

Table 3 Registration Services – Summary of Volumes

Registration Service	Planned Volume	Actual Volume	Variance (%)
Local companies (regular)	2750	2002	(27.2)
Local companies (expedited)	880	1200	36.36
Business Names	7260	7385	1.72
Registered Office Notice	2860	2644	(7.55)
Change of Directors	3850	4840	25.71

5.2 Compliance

For the latter half of the Financial Year compliance activities centred around the Amnesty for Charitable Organisations. The Compliance Unit worked closely with the Jamaica Information Service to spread the word to companies limited by guarantee regarding the temporary discount in filing fees for certain documents especially Annual Returns and Financial Statements. There were several notices placed in both the print and electronic media. In addition senior staff participated in interviews conducted on both radio and television and hosted 4 'Meet the People' Sessions.

Although the gains realised from the Amnesty were disappointing, there were some benefits derived- 708 companies utilised the services offered and 5,867 documents were filed, including 2,622 Annual Returns and 1,898 Financial Statements. The Amnesty contributed to the Compliance Unit meeting most of its annual volume targets. Revenues earned from the Amnesty amounted to \$7.286M while revenues foregone totalled \$15.17M.

Table 4: Target and Actual Volume Performance Indicators

Performance Objective	Targeted Volume	Actual Volume	Variance (%)
Companies filing Annual Returns	8000	8883	11
Companies filing Registered Office Notices	2740	2875	4.9
Companies filing Particulars of Directors	3500	5131	46.6
Delinquent Companies removed from the Register	1300	1416	(8.92)
Volume of Annual Returns received	15000	18499	23.33

5.3 Information Technology

During the Financial Year the Unit processed 548,217 pages of documents at the rate of 38.21 documents per hour which was 36.46% above the target of 28 documents per hour.

The COJ Website was well utilised during the Financial Year. The volume of transactions on the Site amounted to 83,072 which was 38.45% more than planned while revenues earned totalled \$8.342M, which was unprecedented. There were 613 subscribers to the Site.

Table 5: IT Unit – Performance against Targets

Performance Objective	Planned Volume	Actual Volume	Variance (%)
Time to process incoming documents	28 docs. per hour	38.21 docs. per hour	36.46
Volume of website transactions	60,000	83,072	38.45

5.4 Customer Service

During the 2009/2010 Financial Year the Agency processed 30,310 customers. Although the Customer Unit continued to deal with several customer service challenges such as wait for attendance and the internal rate of rejected documents, its services improved somewhat judging by the results of the Customer Satisfaction Survey which was conducted during the Second Quarter. Results of the survey indicated that 96% of customers were satisfied with the services it provides. This represents an improvement over the results of the survey undertaken during the last Financial Year which registered a 92% satisfaction rating. Customers registered three (3) major areas of concern- the time to wait for attendance, general appearance of the Customer Service area and delivery of expedited Business Names.

Although an area of concern for customers and the Agency was the wait for attendance, there was some improvement over the previous Year's figure as in 2008/2009 the average time was 26.25 minutes while the average wait time during the present year was 18.43 minutes. Likewise there was an improvement with regard to the provision of copies of documents in that the average time last year was 20.68 minutes while for this year it was 13.59 minutes. The average time to reserve a company name 36.32 minutes was less than last year's average of 43.07 minutes.

Table 6: Customer Service Unit – Time Sensitive Indicators (2008/2009)

Performance Objective	Target	Actual	Variance (%)
Reservation of company names	2 hrs. (120 mins)	36.32	73.3
Customer Satisfaction	70%	96%	37.14
Rejection rate for documents presented	25%	2.79%	88.88
Average time to provide copies of company documents	25 mins	13.59	45.64
Average Wait time for attendance	30 mins	18.43 mins	38.56

Table 7: Customer Service Unit – Targets vs. Actual Performance

Performance Objective	Target	Actual	Variance (%)
Certified copies	25000	45795	83.18
Uncertified copies	6000	5854	(2.43)
Public Search (onsite)	1000	2476	147.6

6.0 Summary of Main Targets/Programmes for Financial Year 2010/2011

During the 2010/2011 Financial Year, the COJ will undertake the following programmes:

- Merger of Business Registration and Customer Service Units to facilitate” one-time” rejection of certain company and business name documents
- Redevelopment of COJ Website to facilitate online registration of companies and business names as well as other company documents
- Continuation of the redesign of legislative forms
- Relocation of COJ’s offices to more comfortable premises for staff and customers
- Implementation of DPMIS system redundancy to provide redundancy in operations in case of natural or man-made disaster, reduction of downtime for processes linked to guaranteed services and instant backup facilities
- 8,500 companies to file annual returns.
- 80,000 online transactions.
- 15,000 annual returns targeted for processing over the period.
- 2,500 new company applications.
- 800 expedited registrations for new companies.
- 6,000 new business names applications

6.1 Finance and Administration

Revenues earned for the 2009/2010 Financial Year amounted to \$203.29M which was 5.79% above the revised budgeted amount of \$192.165M. The budgeted amount was reduced from \$226.839M due to delays in the implementation of the new fees approved by Cabinet. Expenses incurred totalled \$212.49M which was 3.1% below the budget of \$219.3M. The Agency ended the Year with a deficit of \$4.060M.

Table 8: Budgetary Allocation

Revenue and Expenses Category	Actual Mar 2010	Budget Mar 2010	Variance (\$'000)	Variance %
Companies	154,394	150,275	4,119	2.7%
Business Names	33,330	25,120	8,210	33%
Searches, Copies & Others	15,570	16,770	(1,200)	(7.15%)
Subtotal	203,294	192,165	11,129	5.79%
Interest income	5,134	3,300	1,834	56%
Total Revenues	208,428	195,465	12,963	6.6%
Operating Expenses	212,488	219,290	6,802	3.1%
Operating Surplus / (Deficit)	(9,194)	(27,125)	17,931	-
Operating Income Surplus/(Deficit) + Interest	(4,060)	(23,825)	19,765	-
Funding from GOJ [1]	-	-	-	-
COJ's Contribution to Consolidated Fund	-	-	-	-

Table 9 shows a summary of the financial out-turns for the last two (2) Financial Years as at March, 2010) and the projection for the 2010/2011 Financial Year.

Table 9: Financial Out-turns 2008/2009, 2009/2010 & Projections for 2010/2011 (\$'000)

Descriptions	2008/09 Actual	2009/10	2010/11 Projected
GOJ Funding	Nil	Nil	Nil
Revenues	193,805	203,294	239,070
Contribution to Consolidated Fund	-	Nil	2.066

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

COMPANIES OFFICE OF JAMAICA



Mr. Craig Neil, Legal Officer and Mrs. Yvette Rowe-Fender, Compliance Supervisor man the COJ booth at the JBDC Small Business Expo at the Hilton Hotel



Business Registration personnel examining documents

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
CONSUMER AFFAIRS COMMISSION (CAC)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Role and Function

The mandated role and function of the Commission are driven by consumer's rights and strategic objectives. In light of the foregoing, the Commission will continue to:

- (i) Protect Consumers from hazards to their health and safety
- (ii) Promote and protect Consumers' socio-economic interests
- (iii) Ensure Consumers' access to adequate information to enable them to make informed choices according to their individual wishes and needs

- (iv) Provide consumer education
- (v) Ensure effective and timely consumer redress and
- (vi) Provide support for the formation of consumer groups and foster the opportunity for such organizations to present their views in decision-making processes, which affect Consumers.

The Consumer Education Programme of the CAC is based upon the Charter of Rights of the Consumer and the United Nations Guidelines for Consumer Protection to which Jamaica became a signatory in 1985. The Programme is predicated upon the following eight (8) basic Consumer Rights:

- (i) The Right to Safety
- (ii) The Right to Choose
- (iii) The Right to be Informed
- (iv) The Right to be Heard
- (v) The Right to Redress
- (vi) The Right to the Satisfaction of Basic Needs
- (vii) The Right to a Healthy Environment
- (viii) The Right to Consumer Education

Consumers are educated on issues that may tend to impinge on these rights, their own responsibilities as consumers and the laws that protect them. The modalities employed include education of the population at large, through the local print and electronic media, including the use of the Internet.

The Commission liaises with domestic regulatory agencies, such as the Fair Trading Commission (FTC), Bureau of Standards Jamaica (BSJ), Office of Utilities Regulation (OUR) and Departments of the Ministry of Health (MOH).

Links are also maintained with regional and international consumer organisations such as Consumers' International and the Caribbean Consumer Council (CCC), which enable the CAC to garner information for dissemination locally. With the implementation of the CARICOM Single Market (CSM) it is even more critical for the link to be strengthened. The CCC facilitates this. In addition, the Commission responds readily to requests from various international consumer organisations largely via the Internet and at international conferences.

Scheduled, as well as ad hoc, surveys are conducted and the results posted on the CAC's website for the benefit of the general public. February 2009 saw the start of the monthly publication of petrol prices in the Gleaner, and the Observer. Since the publications began prices have been generally stable and the range of prices has reduced. The data obtained, in particular those relating to prices, are also proving to be very useful to a number of organizations such as the Bank of Jamaica and the Planning Institute of Jamaica at the macro level.

The Commission continues to encourage the development of strong consumer lobby groups and therefore continues to provide support to Non-Government Organisations (NGOs) such as the National Consumers' League (NCL).

2.0 Priority Programmes and Targets – Financial Year 2009/2010 START

The Government's policy priorities are listed as follows:

- Effective complaint handling systems, which respond promptly to the public's needs and which utilise all available resources and technology as efficiently as possible
- Maintenance of a first world Institutional framework (with the legal and research capacity), which will offer the best possible protection and economic advice for final consumers, while facilitating free trade and global competitiveness. This framework is to be girded by a commitment of all Officers of the Commission to deliver excellent public service and peak performance
- Development and execution of appropriate consumer education programmes tailored to reach the total population (including school children using all available and practical means)

3.0 Main Achievements

The fiscal year 2009/2010 saw the Commission maintaining its trend of positive performance through use of new approaches and unprecedented levels of resourcefulness as it sought to carry out its mandate of educating Jamaicans at home and in the Diaspora about their consumer rights and responsibilities.

The agency increased its visibility in the marketplace through media activities, exhibitions and participation in events at schools and conferences and through other available avenues despite the challenges engendered by the changes in the local and global economy.

The CAC's publication of its ongoing grocery and petrol surveys attracted attention from all arenas and, based on consumer response, were very useful in helping the population to make more informed choices at a time when prudent shopping was absolutely vital. The regular supply of information on consumer-related issues and the CAC's ability to negotiate settlement on behalf of consumers are indicators of the increasing relevance of the Commission.

In July 2009, propelled by a desire to assist consumers in the lower income category to maintain balanced diets whilst facing budgetary constraints, the Commission launched its much anticipated Nutritional Guide titled "*Eating Right When Money Tight*". The publication was well received by the public and continues to record a high level of demand from persons throughout the island.

The Commission also extended the scope of its work as directed by the Honourable Karl Samuda, to conduct an audit of Used Car Dealers throughout the island to assess compliance with the stipulated guidelines for the importation of motor vehicles as contained in Section 12.0 of the Revised Motor Vehicle Import Policy. At the end of the exercise, the agency submitted a number of recommendations to the Ministry for consideration. The findings and recommendations were used to inform policy decisions which were subsequently implemented following a meeting by the Ministry with the Used Car Dealers Association.

The CAC continued to spearhead consumer advocacy in the region and through its alliance with the Inter-American Development Bank and Consumer International, hosted the launch of the CI/IDB funded project - **The Promotion of Consumer Protection in the Caribbean** on Tuesday, November 24, 2009 at the Knutsford Hotel, Kingston. The project is a partnership with governmental and non-governmental agencies in Barbados, Jamaica and Trinidad and Tobago. The Consumer Affairs Commission houses the project implementation unit. This project is expected to strengthen the technical capacity of consumer organizations and government agencies in the Caribbean region, particularly in the area of banking and credit for non-government and government consumer agencies. It is also expected to increase access to consumer education and facilitate the sharing of knowledge among regional consumer groups.

On March 11 - 12, the Commission participated in another CI/IDB workshop scheduled to take place in Barbados, the emphasis of which will be '*Model building and data analyses*'. This followed on the heels of the CARICOM's fourth meeting on consumer issues convened March 9 – 10 in Trinidad and Tobago.

In terms of the core areas of its functions, the Commission has already surpassed the projections of the operational plan for 2009/2010. These results were achieved within the constraints of a tight budget and reflected effective and efficient management resulting in value for money. Below are some of the main achievements:

- (i) Resolution of 2,030 or **87%** of a total of **2,324** complaints handled for the Financial Year to date. The four categories with the highest number of complaints were: Appliances and Electronic Items accounting for 654 or **28%** of the cases handled, Utilities **255** or **11%**, Other Services **252** or **10.8%**, and Automotive 238 or **10.2%**.
- (ii) Advice to consumers totalled **2,332** for the period under review. The requests were mainly for guidance before committing to the purchase of an item or any other business transactions. There were also requests from vendors who consulted with the Commission before taking action or making offers of redress to consumers. Total consumer contacts for the Fiscal Year were 4,656.
- (iii) A total of **\$23.8M** was secured on behalf of aggrieved consumers, comprising rebates, refunds, payments, and compensation. The automotive category accounted for **\$15.6M** or **66%** of all compensation/refund.
- (iv) Direct sensitization of **93,191** consumers at **238** events including presentations, exhibitions, expositions, debates, shows and other events in all fourteen (14) parishes. The year's activities saw the collaboration between the CAC and a number of agencies that have requested the Commission's involvement in their planned activities. These included 4-H Clubs, National Youth Service and the Jamaica Cultural Development Commission.
- (v) The Commission conducted twenty two (**22**) surveys on petrol prices, in addition to **one (1)** qualitative survey at the request of the Ministry of Mining and Energy, forty five (**45**) surveys on grocery and agricultural products, twelve (12) on hardware items, and **one (1)** on school textbook prices. The textbook survey is conducted annually during the first week of August, to provide consumers with information on the availability of books required, as well as the best buy. This survey received extensive media coverage demonstrating its usefulness. The survey results were published on the Commission's Website and excerpts in the print media. The Commission also conducted two (2) ad hoc surveys in respect of banking fees and a weight verification investigation which sought to ascertain whether consumers were able to verify the weights of products sold to them.
- (vi) During the Christmas shopping period, the CAC again took the opportunity of posting officers at key locations islandwide. This facilitated interaction on a one-on-one basis with the customers during which the officers were able to encourage prudent consumer spending particularly in light of the economic uncertainties. Consumers were very appreciative of the service.
- (vii) There continue to be designated desk days for the presence of CAC Officers in the parishes of St. Thomas and Manchester to enable members of the public to have easier access to our services including advice, settlement of complaints, or students in need of information to complete assignments.

- (viii) Due to budgetary constraints, the CAC continued to rely on the assistance of media houses and producers of various programmes to help in the dissemination of utilizable information to the Jamaican consumer. As a result, the Commission was afforded **716** media exposures of which 209 were interviews to discuss issues such as the launch of a nutritional guide by the Commission, survey results, World Consumer Rights Day, the CAC's achievements and the way forward, consumers guide to Christmas shopping, identity theft and the recall of a number of items such as: Children's Tylenol, some brands of teethingers, Graco stroller and Toyota's recall of some of its vehicles.
- (ix) The CAC continues to receive recognition and commendation from users locally and internationally for the data available on the website. However steps have been taken to make the facility even more user-friendly while complying with the format established by the Government. The Commission recently published a Facebook account which can be accessed at <http://www.facebook.com/pages/Kingston-6/Consumer-Affairs-Commission-Jamaica/259356899231>
- (x) Inter-agency interaction with the Bureau of Standards Jamaica continued as they were often requested to carry out testing of products that were the subject of complaints. The CAC also served on committees responsible for reviewing and creating standards. There was also continued collaboration in identifying and removing unsafe food products and toys from the marketplace. In addition, the CAC actively supported the Bureau's National Quality Awards by providing sectional prizes for excellence in customer service in manufacturing and services.
- (xi) Improvements in administrative efficiency in respect of staff recruitment and development continue to be an ongoing process. During the year the CAC engaged the services of two Administrative Assistants, an Economist/Research Officer, Finance and Administration Manager, Information Technology Manager, Writer/Editor, and a Regional Officer. There was also redeployment of one staff member to the Complaints Department to fill the void created by the resignation of one of the officers. The engagement of the Economist/ Research Officer and Finance and Administrative Manager were replacement for members of staff who had either resigned or retired.
- (xii) Recommendations were submitted to the Attorney General's Department for a number of amendments to be made to the Consumer Protection Act 2005. These amendments when effected will enable the Commission to be even more effective in resolving consumer complaints.
- (xiii) The Commission, in collaboration with Bureau of Standards Jamaica, launched an Energy Conservation Campaign with specific emphasis on energy-efficient refrigerators and freezers. Newspaper advertisements in the Gleaner and the Jamaica Observer alerted the public to the issue and provided useful tips on how to select these particular appliances.

SUMMARY OF MAIN ACHIEVEMENTS FOR APRIL 2009 – MARCH 2010

ACTIVITY	TARGET	ACTUAL	VARIANCE	EXPLANATION
Complaints Handled	1,600	2,324	+724 (45%)	More complaints were received than anticipated
Complaints Settled	1,280 (80%)	2,030 (87%)	+750	Resolution rate exceeded
Advice/Information Provided	0	2,332	+2,332	
Monies Secured	\$15.00M	\$23.8M	+8.8M	\$15.6M (66%) - Automotive
Community Outreach	55,000	93,191	+38,191	Increase in the use of technologies
Number of Activities	250	283	+33	
Media Exposures (including interviews)	500	716	+216	Increase in the number of free spots
Production of New Material	3	2	-1	Nutritional Guide and brochure on Identity Theft
Grocery and Agricultural Products Survey	49	45	-4	Due to financial constraints the decision was taken to reduce by 2 the number of surveys done in February and March 2010
Petrol Survey	23	22	-1	An additional survey was conducted prior to the imposition of Special Consumption Tax on April 27, 2009. The decision to reduce the surveys from 2 to 1 explains the short fall
Qualitative Survey of users E10 87 Gasolene	1	1	-	Conducted at the request of the Ministry of Energy
School Textbook Survey	1	1	-	
Hardware Items Survey	12	12	-	
Ad-Hoc Surveys	0	2	+2	Bank charges and a weight verification investigation
Website Usage	0	8,801visits 14,856 pages downloaded	-	
Publication of Grocery Prices	22	22	-	Lowest and highest prices are highlighted for each geographic area
Publication of Petroleum Prices	12	12		On request of the portfolio Minister
Publication of the Prices of Agricultural Items	0	10	+10	A decision was taken to publish the information provided by the Ministry of Agriculture and Fisheries
Meeting of the Distributive Trade	12	11	-1	April's meeting was cancelled as the designated date fell on a holiday and rescheduling was not convenient
Audit of Used Car Dealers – Special assignment from the portfolio Minister	150 KMA – 95 Rural - 65	110 KMA – 65 Rural - 45	-40	Thirty-five (35) were no longer in existence or could not be contacted. Two were no longer in the used car business Three (3) dealers refused to cooperate.

4.0 Strategic Focus for FY 2010/2011

The strategic focus of the Commission evolves from the policy priorities identified in the corporate plan. The Commission's policy priorities are listed as follows:

- Effective complaint handling systems, which respond promptly to the public's needs and which utilize all available resources and technology as efficiently as possible.
- Legal framework, which offers the best possible protection for final consumers, while facilitating free trade and global competitiveness.
- Development and execution of appropriate consumer education programmes tailored to reach school children and adults using all available and practical means.
- Commitment of all Officers of the Commission to deliver excellent public service and peak performance.

The programmes to support the policy focus have been designed to:

- (i) Protect Consumers from hazards to their health and safety
- (ii) Promote and protect Consumers' socio- economic interests
- (iii) Ensure Consumers' access to adequate information to enable them to make informed choices according to their individual wishes and needs
- (iv) Provide consumer education
- (v) Ensure effective and timely consumer redress and
- (vi) Provide support for the formation of consumer groups and foster the opportunity for such organizations to present their views in decision-making processes, which affect Consumers.

To achieve the overall objective, the groups targeted will continue to be the general public, businesses, the media, educators, certain grades from the school population and other Administrators of Consumer Protection legislations.

5.0 Summary of Main Programmes for FY 2010/2011

The programmes to be pursued over the short term are captured as below:

- (i) Consumer Education through direct and indirect contact
- (ii) Business Education
- (iii) Complaint Resolution Services
- (iv) Support of Consumer Advocacy Groups
- (v) Market Intelligence Services
- (vi) Continued employment of the Consumer Protection Act 2005 within the operations and management of the Commission
- (vii) Regional and International Cooperation
- (viii) Corporate Services and Training

The activities shown below are proposed with a view to achieving maximum success.

- Restructuring of the CAC and the upgrading of its human resource to enable a more timely response, especially to the demands made of the Research Department.
- Production and airing of messages aimed at reaching at least 1.6 million consumers through the dissemination of information in the print and electronic media, expositions, exhibitions, fairs and the provision of information to various groups by direct contact.
- Serving and voicing Consumers' interest at Committee meetings dealing with Standards, the Environment, Food (Security & Distribution), and Utilities.
- Resolution of at least 85% of Complaints received (within 10 working days) for the Financial Year. On average 2,000 complaints are handled each Financial Year.
- Continued improvement in the level of educational presentations to civic organizations, service clubs and other groupings of consumers on the specifics of redress, development of consumer advocacy skills, etc.
- Provision of Survey and Research Services towards the dissemination of information to consumers in support of their exercise of choice in the market place
- Development of a Consumer Advocacy Kit for NGOs, Community Based Organizations etc.
- Establishment and Maintenance of four (4) additional In-School Consumer Advocacy Clubs
- Development of a Document Centre to enable the Commission to better respond to students need for assistance in conducting research, information to be accessed by Consumer NGOs (and other clients) and respond to enquiries as a result of the Access to Information Act.
- Monitoring of projects supported through the Consumer Alliance initiative/development.
- Maintaining links with known consumer organizations, electronically and otherwise with a view to obtaining relevant information; participation in International workshops and conferences on consumer issues
- Participation in meetings, workshops and conferences; within the region.
- Dissemination of information gleaned through International and Regional contacts to local policy makers, consumer advocates, and the public at large.
- Extending Consumer Outreach by utilizing social networking websites
- Dissemination of 'Consumer Alert' prices via social networking websites
- Launching of the CAC Citizens Charter.
- Strengthening of the consumer protection policies in the Caribbean (Jamaica, Trinidad and Tobago and Barbados) by reinforcing the capacity of non-government consumer organizations and government agencies to champion the rights of consumers particularly within the banking and credit sector. The implementation of the project, which will be jointly funded by the Inter-American Development Bank/Consumer International, is scheduled to last for three years. The coordinator will be housed at the office of the Consumer Affairs Commission.

6.0 SUMMARY OF MAIN PROGRAMMES FOR FY 2010/2011

ACTIVITY	TARGET QUARTER 1	TARGET QUARTER 2	TARGET QUARTER 3	TARGET QUARTER 4
Resolution of consumer complaints	Resolve in 10 working days 85% of complaints (approx. 500)	Resolve in 10 working days 85% of complaints (approx. 500)	Resolve in 10 working days 85% of complaints (approx. 500)	Resolve in 10 working days 85% of complaints (approx. 500)
Advice/Information to consumers	Ongoing Minimum of 600	Ongoing Minimum of 600	Ongoing Minimum of 600	Ongoing Minimum of 600
Monies secured	Ongoing (\$4M)	Ongoing (\$4M)	Ongoing (\$4M)	Ongoing (\$4M)
Community Outreach	4,000 adults 12,000 students	8,000 adults 3,000 students	5000 adults 2,000 students	8,000 adults 13,000 students
Number of Activities	76	47	30	97
Presentation to groups of business persons	3	3	3	3
Meeting with members of the distributive trade	3	3	3	3
Media Exposures – Advertisements	25	25	25	25
Advisories, Releases and Interviews	12	30	30	18
Production of new material	3	3	3	3
Regional Consumer Advocacy Groups	1 Formed	1 Maintained	1 Formed 1 Maintained	2 Maintained
Grocery & Agricultural Products Survey	6	6	6	6
Hardware Survey	3	3	3	3
Petrol Survey	3	3	3	3
Textbook Survey	0	1	0	0
Consumer Survey	1	1	1	1

7.0 Budgetary Allocation

The approved budget for the Financial Year 2009/2010 was **\$120.751M**. The proposed budget for 2010/11 is **\$109M**.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

CONSUMER AFFAIRS COMMISSION



Regional Officer, Mr. Richard Rowe presenting a copy of the Nutritional Guide, 'Eating Right



When Money tight' to a student at a Jamaica Cultural Development Commission event Launch of Nutritional Guide – July 2009

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
DEPARTMENT OF CO-OPERATIVES AND FRIENDLY SOCIETIES
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

To contribute to the social and economic development of the nation, by facilitating the establishment and regulation of Co-operatives and Friendly Societies as viable business alternatives and effective social organizations, and protecting all stakeholders' interests.

2.0 Vision

"To be transformed so as to position the Co-operatives and Friendly Societies as vibrant and viable sectors within Jamaica's socio-economic framework by 2018".

Role and Functions

The Department of Co-operatives and Friendly Societies has responsibility for administering the Co-operative Societies Act and the Friendly Societies Act and their respective regulations. It regulates and supervises credit unions, agricultural societies and fourteen (14) other types of producer and service societies, plus benevolent, specially authorized and friendly societies to a total of six hundred and seventy (670). The Department also plays the important role of ensuring stability in the Co-operative and Friendly Societies Movements which has a membership of over 1.3 million individuals.

The mandate of the Department is to ensure the safety of societies' assets and the protection of members' savings and investments and other stakeholders' interests. Its functions include:-

- Registration of societies and their rules
- Inspection and supervision of societies
- Annual audits and investigations
- Settlement of disputes affecting societies' business
- Inquiries
- Suspension of societies' registrations
- Cancellation of societies' registrations
- Dissolution and liquidation of societies
- Training, promotion, development, research, planning and capacity building for societies.

Additionally, the Department monitors and assists the development of the Co-operative Movement in keeping with Government's policies as well as global trends and provides technical assistance to facilitate sustainability of the Co-operative Societies and Friendly Societies Movements.

The Department is also engaged in activities geared towards educating the youth in particular and the public in general about economic opportunities that co-operatives offer. This objective is facilitated by training, research, promotion and the implementation of Essay competitions in schools, community workshops as well as participation at the Annual Denbigh Agricultural Show and any other fora.

The Department's programmes are implemented through the delegation of responsibilities under the respective Sections (Business Units) of the Department, as follows:

- **Inspectorate:** Regulatory Section that conducts periodic inspections and provides guidance for the entities to operate in compliance with the rules and Acts under which they are registered.
- **Audits and Investigations:** Commission annual audits for all registered entities at the end of their financial year and to investigate all suspected and reported incidences of fraudulent activities.
- **Research, Training and Development:** Facilitates sensitization and training sessions for all groups that have applied for registration under the Co-operative Societies Act and Regulations and the Friendly Societies Act and Regulations. Initiates programmes geared toward promotion and sustainable development of these entities coupled with retreats and strategic planning session for Board, Volunteer, Staff and other Committees within registered societies. Ensures that training need for the staff of the Department are identified, recommendations made and action taken.

4.0 Highlights of Achievements

The key indicators for the Department are detailed in Table 1 on the following page.

Table 1: Performance for 2009/2010 and Targets for 2010/2011

	Target 09/10	Actual 09/11	Target 10/11
Audits	134 Societies for 246 years	119 for 178 years	142 Societies for 256 years
Investigations	4	3	10
Inspections	80	46	120 Societies
Pre-Audit Checks	90	83	120 Societies
Analysis of Financial Statements	56	36	120 Societies
Liquidations	10	8 in Progress	10 Societies
Technical Support & Business Counselling	267 Societies	148 Societies	165
Training (Movement)	600 persons	646 persons	600 persons
Training (Staff)	40 persons	45 persons	40 persons
Group Organization	35	40	40
Group Supervision	25	32	30
Development Planning and Resuscitation	5	13	20
Modernization and Standardization of Regulatory Tools	3	4	3
Operational Assessment	24	20	95
Assessment of Business Plan/Project Proposal	7 Groups	6	10 groups
Assessment of Systems and Internal Controls	20	17	35 Groups 60 Societies
Development of Accounting Systems	22	20	17 Groups 5 Societies
Appraisal of Rules	32	40	35
Special Projects	3	5	3
Settlement of disputes	250 cases involving \$60M	46 cases involving \$5.08M	250 cases \$60M
Rid registers of dormant societies (Cancellation/Mergers/Amalgamation/Transfers)	20	3	20
Registration	25	10	25

Special Activities

- i. Partnership/Collaborations:** The Department worked collaboratively with other entities involved in community development. This contributed significantly in the formation of forty (40) groups in communities island-wide, with ten (10) registered as legal entities. The registration of those societies facilitated projects for community development, land rehabilitation, small business development and income generating ventures in agriculture and craft.

The partnerships and collaborations with the Jamaica Social Investment Fund (JSIF), Ministry of National Security (Citizens Security and Justice Programme), Social Development Commission (SDC), National Irrigation Commission (NIC), IICA/European Union Banana Project have enhanced the Department's impact on critical social-intervention projects.

- ii. Youth Co-operative Education:** The Department - in conjunction with parish credit unions – continued its sensitization programme to establish junior co-operatives in schools and youth clubs, as one of the strategies to improve awareness and acceptance of co-operatives as vehicles for job creation, economic empowerment and social mobility. This was complementary to the ongoing Schools Essay Competition, conducted for students attending primary, all-age, secondary and high schools.
- iii. Schools Essay Competition:** The competition continued among primary, junior high and high school students within two (2) age groups (10 -12 and 13 -17 years). Twenty-seven (27) schools participated in the competition and the winners from Cornwall College and Jessie Ripoll Primary were presented with their prizes at the Awards Ceremony held in June 2009. The schools and teachers also received gifts.

iv. Co-operation Amongst Co-operators:

- a.** Facilitated a visit from representatives of the Kenyan Co-operative Movement and World Council of Credit Unions on September 14, 2009.
- b.** On October 8, 2009 in collaboration with the National Union of Co-operative Societies (NUCS), an Exposition was hosted on the grounds at 2 Musgrave Avenue, which sought to showcase the Department, NUCS and several types of Co-operatives registered in Jamaica.
- c.** Facilitated the re-activation of the Co-operative Development Committee whose mandate is to provide technical support to the Department and the Co-operative & Friendly Societies island-wide.

5.0 The Way Forward for 2010/2011

In order to guarantee the achievements of the Department, two (2) major strategies are proposed in its Corporate and Operational Plans. These are:

1. Completion of the reclassification of the Department's human resources and filling of vacancies for optimal efficiency of the various Sections. The reclassification exercise should be completed in order to provide the Department with the mandate to offer compensation to the staff in keeping with the projected increase in responsibilities for entities registered under the Industrial and Provident Societies Act and the Agricultural Credit Board Acts. These responsibilities are expected to be transferred to the Department during the Fiscal Year 2010/2011.
2. Reviewing of the Information Communication Technology (ICT) Plan. This will focus on policies and programmes that are strategically aligned with MIIC priorities and outputs reporting framework, commitment to the continual upgrading and enhancement of Information Technology systems and the education and training of staff. This would be accomplished through the following:
 - Set up and configuration of a client/server network
 - Set up and configuration of Intranet within the Department
 - The acquisition of the needed equipment, software and accessories:
 - Ongoing IT training and education of staff in new systems and procedures
 - The review of internal IT Policy in keeping with the Ministry's guiding principles.
 - Centralized Database Management System

In addition to these strategies, the Department will:

- continue to aggressively pursue interventions with the portfolio Ministries and stakeholders for final consensus on the Bank of Jamaica (BOJ) Credit Union Regulations, amendments to the Co-operative Societies Act and BOJ/Credit Union Regulations;
- carry out discussion with the Ministry of Finance and the Public Service to facilitate a collaborative/consultative process with Friendly, Benevolent and Specially Authorised societies in soliciting their input to proposed changes to the Friendly Societies Act & Regulations;
- continue to dialogue and work with the Ministry of Agriculture, Attorney Generals Department, Development Bank of Jamaica and other stakeholders to finalize the transfer of the Agricultural Credit Board to the Department in keeping with Cabinet Decision;
- review the deliverables to Societies to ensure that cost recovery systems are implemented for some services that in many instances in the past were rendered free, or if charged for were uncollectible over time and had to be

- written off
- seek to increase its non-tax revenue for services rendered to its clients and ensure collection on a timely basis.

Quantitative targets for the fiscal year 2010/2011 are provided in Table 1. The Department is committed to doing its best to enhance further development of the Co-operative and Friendly Societies Movement in Jamaica as well as additional responsibilities to be assigned during the new fiscal year.

6.0 Budgetary Allocation

Approved Estimates 2009/2010 (\$M)	Proposed Budget 2010/2011 (\$M)
64.85	64.99

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

DEPARTMENT OF COOPERATIVES AND FRIENDLY SOCIETIES



NUCS Expo October 2009

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF
FACTORIES CORPORATION OF JAMAICA (FCJ)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The Mission of the Factories Corporation of Jamaica is to provide commercial space in strategic sectors to facilitate job creation where the market fails to provide such space. This is done through the development, leasing and management of industrial properties island-wide.

2.0 Vision

The Vision of the Factories Corporation of Jamaica is to be a strong catalyst for job creation and dominant provider of industrial, commercial and office space in strategic sectors while remaining self financing.

3.0 Background

The FCJ is a company incorporated under the Companies Act of Jamaica and is fully owned by the Government of Jamaica.

The entity was incorporated in 1987 to implement the Government's Emergency Factory Building Programme of the Government of Jamaica. Under this programme approximately 92,936 sq. m (1 million sq. ft.) of factory space was built.

The Ministry of Industry, Investment and Commerce (MIIC) has portfolio responsibility for the Corporation.

4.0 Role and Functions

With the phasing out of the Jamaica Industrial Development Corporation (JIDC) in 1989 it was decided that FCJ's role should be expanded to include the management of the properties that were under the management of the JIDC.

Presently FCJ controls approximately 78.4 hectares (193.6 acres) of vacant land and some 171,860.35 sm (1,849,217.36 sq. ft.) of factory space situated at thirty-six (36) locations in eleven (11) parishes.

When Factories Corporation commenced operations in 1987, seventy five percent (75%) of its tenants were engaged in the garment industry. Today the occupancy mix is far more diverse and is represented as follows:

- Manufacturing 50%
- Warehousing 19%
- Distribution 16%
- ICT 2.0%
- Service 5.0%
- Other 8.0%

5.0 Highlights of Achievements for Financial Year 2009/2010

(a)	<p>Managed Suitable Property Portfolio</p> <p>Four (4) properties have been sold realising net proceeds of \$43.4M. Fifteen (15) properties are in the process of being sold totalling \$560.2M with anticipated net sale proceeds of approximately \$441.2M. There are also expressions of interest in an additional eight (8) properties.</p>
(b)	<p>Website Development</p> <p>The redevelopment of FCJ's Website has been completed. The site is updated monthly with current statistics on occupancy of factory buildings and provides full details and pictures on the size of each property and rental rates. Properties for sale are also posted on the web site.</p>
(c)	<p>Improved Profitability as at March 2010</p> <p>Revenue was above budget by \$54.52M, while expenditure was \$8.82M above budget. Investment income was \$20.89M higher than budget, due mainly to interest on tenants' deposits and the devaluation of the Jamaican dollar. The current year surplus was \$197.38M from which a distribution of \$100M was made to the Accountant General. Surplus after distribution is \$97.38M when compared to the budgeted figure of \$51.01m. This was achieved mainly as a result of new tenants, as well as increase in rental rates.</p> <p>Trade receivables showed a reduction from 31 to 21 days exceeding the target of 28 by 7 days.</p>
(d)	<p>Improved Management and Accountability Systems</p> <p>Internal Audits are conducted on a quarterly basis by a contracted audit firm, while the Annual Audit of financials is undertaken by an external audit firm. All required performance and contract reports are submitted to the Office of the Contractor General, Ministry of Finance & the Public Service and the Ministry of Industry, Investment and Commerce.</p>

6.0 Strategic Focus for Financial Year 2010/2011

For the Financial Year 2010/2011 the FCJ will implement the following:

- Anchor the development of the proposed Caymanas Economic Zone
- Refurbish existing buildings at Garmex Free Zone at a cost of \$250M.
- Implement maintenance programmes at all facilities at a cost of \$75M.
- Construct three (3) new buildings at Garmex Free Zone at a cost of \$400M.
- Construct new buildings at Portmore at a cost of \$750M.
- Development of Naggo Head (37 Lots) 21 acres. (*Planning & infrastructure only*) at a cost of \$60M.
- Purchase office accommodation for the Ministry.
- Complete the sale of fifteen (15) properties with an approximate net value of \$441,157,500.00 and negotiate the sale of a further eight (8) properties in which interest has been expressed.

(It should be noted that the aforementioned depends on the successful access of funding from financial institutions)

FCJ intends to improve its profitability by achieving the following targets:

- A minimum rate of eleven percent (11%) net profit
- Improving occupancy of rental space to eighty-one percent (81%)
- Maintain trade receivables at twenty eight (28) days.
- Achieve a return on investment of 4%.

7.0 Budget for Financial Year 2008/2009 – 2010/2011

Categories	2008/2009	2009/2010	2010/2011
Income			
(a) Operating	381,906,523.09	539,204,342.87	476,369,610.00
(b) Sale of Property	225,675,100.00	43,400,000.00	441,157,500.00
Expenditure			
(a) Capital	216,975,600.00	56,571,7941.41	694,266,515.00
(b) Recurrent	347,654,752.63	326,611,668.03	406,004,013.00

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

FACTORIES CORPORATION OF JAMAICA



Montego Bay Freeport



Naggo Head - Information, Communication and Technology Centre

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
FAIR TRADING COMMISSION (FTC)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Role and Function

Established in 1993, the FTC administers the Fair Competition Act (FCA), which provides for the maintenance and encouragement of competition in the conduct of trade and business and in the provision of services in Jamaica, with a view to ensuring that markets are competitive and that consumers are provided with competitive prices and product choices.

In that regard, the functions of the FTC are to:

- Carry out on its own initiative or at the request of any person such investigations or inquiries in relation to the conduct of business as will enable it to determine whether any enterprise is engaging in business practices which contravene the FCA.
- Carry out investigations that may be requested by the Minister or that it may consider necessary or desirable in connection with competition matters.
- Advise the Minister on such matters relating to the operation of the FCA, as it thinks fit or as may be requested by the Minister.

The FCA authorizes the Commission to obtain such information as it considers necessary to carry out the functions listed above; and makes it an offence to fail to provide the Commission with information when requested to do so; or to obstruct an investigation by destroying evidence or by knowingly providing false or misleading information.

2.0 Priority Programmes for FY 2009-2010

For the Financial Year 2009-2010, the FTC set the following four broad programmes as its main priorities:

1. Focus increasingly on matters that raise competition concerns in markets.
2. Disseminate information to all relevant stakeholders on matters of competition significance.
 - Issue advisories, opinions, guidelines, publications; and execute media campaigns.

- Organize seminars, workshops and meetings specifically with manufacturers and distributors on how to identify the various offences against competition.
 - Continue to collaborate with the Office of Utilities Regulation, as well as the Telecommunications department of the Office of the Prime Minister, to promote competition in the telecommunications industry.
 - Participate in, and organize appropriate forums for policy makers within the public sector as well as the Judiciary.
3. Provide guidance to the Ministry of Foreign Affairs & Foreign Trade and CARICOM on issues relating to competition law and policy within the region.
 4. Continue to improve the technical and administrative capacity of the Staff.

3.0 Performance relating to each programme

3.1 Focus increasingly on matters that implicate competition in markets

Complaints Handled

A total of 424 matters were investigated by the FTC, with 266 being completed and closed, a resolution rate of 63%.

A total of 209 complaints were received during the year under review. The table below provides a breakdown of the number of complaints received, categorized by industry.

Table 1: Number of complaint received

Industry Category	No. of Complaints received	Percentage of total received
Telecommunications	59	28.2
Household appliances and supplies	26	12.4
Motor Vehicles	20	9.6
Financial & insurance services	18	8.6
Real estate & construction	15	7.2
Education	15	7.2
Professional services	8	3.8
Transportation	6	2.8
Government services	5	2.4
Other	37	17.8
TOTAL	209	100

3.2 Court Matters

Bent/Speare Entertainment Limited

In accordance with the terms of the Consent Order Bent/Speare Entertainment Limited paid the FTC's costs amounting to \$437,000 and issued a Public Apology in the Daily Gleaner newspaper.

The case stemmed from two complaints received in December 2006. The informants, both alleged that the Respondent had scheduled a concert titled 'Welcome to Jamrock'.

The Respondent advertised that 'Advanced VIP' tickets were being sold for \$3,000 and VIP tickets would be sold at the gate for \$3,500. Both Informants alleged that, in fact Advanced VIP tickets were being sold for \$3,500. Following its investigations, the FTC issued a directive that Bent/Speare sell pre-sold tickets at the price advertised. Bent/Speare complied with the directive.

3.3 Consent Agreement

University of Technology Jamaica

The University of Technology Jamaica (UTECH) in promoting the '*UTech Track and Field Classic 2009*' held at the National Stadium on Saturday, April 18, 2009, had advertised that several Olympic stars including Asafa Powell, Shericka Williams, Andrew Hines, Darrel Brown and Marvin Anderson would be featured. These athletes however, did not participate in the games.

The FTC conducted an investigation and concluded that UTECH's conduct constituted a breach of Section 37 of the FCA.

Upon informing UTECH that it had breached the FCA, UTECH acknowledged that its actions were likely to have misled members of the public. A Consent Agreement was therefore entered into; requiring that UTECH issue a public apology in the Sports Section of a national newspaper for two consecutive weeks and to pay the FTC's costs of \$124,000.

3.4 Industry Studies

Distributive Trade

In April 2009, the FTC completed a study of the distributive trade, specifically the market for basic food items. The purpose of the study was to identify the reasons for the asymmetric price transmission (APT) mechanisms in the markets for basic food items distributed in Jamaica.

The asymmetric price transmission may be the result of anticompetitive conduct or the result of an unpredictable business climate:

Health Insurance

The FTC started a study of the health insurance market to measure the impact on competition on the consolidation of Blue Cross Jamaica Limited and Sagicor Life Jamaica Limited.

Retail Banking

The FTC began conducting a study of the commercial banking sector. The objectives are to (1) characterize the extent of information asymmetry on the part of consumers of retail banking services; (2) characterize the costs which are likely to be faced by consumers in switching from one bank to another; (3) recommend measures to mitigate the adverse effects, if any, of the factors identified in (1) and (2).

To facilitate this study, the FTC has submitted a research proposal to the International Development Research Centre (IDRC) for a grant of Cad\$40,000. The proposal has been short-listed for one of the competitively awarded grants.

3.5 Major investigation completed

Non-residential solid waste haulage

The FTC concluded its investigation into the operation of the National Solid Waste Management Authority (NSWMA) and its four regional bodies, regarding the haulage of non-residential solid waste. To restore the competitive environment, the FTC has recommended that, if the state is going to be involved in the commercial operation of collecting non-residential waste that the commercial unit must operate independently.

4.0 Disseminate information to all relevant stakeholders on matters of competition significance.

FTC Events

During the review period the FTC hosted or facilitated four very important events:

1. FTC Symposium

On July 16, 2009, the FTC held a symposium entitled "*Facilitating Competition through effective adjudication and enforcement*", in order to revisit the arguments and

solicit views from the public as to the most appropriate body to determine alleged contraventions of the FCA at first instance.

The papers presented are available at www.jftc.gov.jm; and have been submitted for publication in the June 2010 issue of the West Indian Law Journal.

2. Workshop for the Judiciary

On July 18th and 19th, 2009, the FTC hosted its 6th Workshop for the Judiciary of the region. It focussed on Restrictive Agreements - Vertical and Horizontal arrangements, and the areas covered included the concept of agreements in vertical relationships, evaluation of indirect evidence of cartel agreements and facilitating practices among competitors. The event was funded by then Inter-American Development Bank (IADB).

3. 10th Annual Shirley Playfair Lecture

The 10th Lecture in the Shirley Playfair Lecture Series was held on September 10, 2009. The Presenters, Mr. Omar Azan, President of the Jamaica Manufacturers Association (JMA), and Mr. Declan Purcell, Director of Advocacy, Competition Authority of Ireland presented their views on "*The relevance of Competition Law in good and not so good times*".

4. Lecture – Faculty of Law

The FTC facilitated a lecture at the Faculty of Law in February 2010. Presentations were made by Professor Lino Briguglio and Magistrate Silvio Meli of Malta's Commission for Fair Trading, the appellate body for competition matters in Malta. Both persons visited the FTC to gain insight into the manner in which competition law is enforced in Jamaica.

FTC Publications

In addition to the four events, the FTC published its annual magazine and quarterly on-line newsletter, during the review period.

- *Competition Matters 2009* — the 14th issue of the FTC's annual magazine was published in December 2009 and distributed to approximately 700 persons, both locally and overseas.
- *FTC Newslire* — launched early in the Financial Year, this on-line quarterly newsletter contains information on competition matters dealt with by other competition agencies from around the world.

FTC Other Outreach Activities

1. On April 16th, the Executive Director was guest speaker at the Rotary Club of Kingston's luncheon where he spoke on "*Staying Afloat in Turbulent Times; the Importance of Competition Policy*". Excerpts from the Luncheon were televised on TVJ and an interview with the Executive Director was aired on the same station.
2. Staff of the FTC was interviewed on several radio stations regarding the FTC's investigation into the no show by several athletes at the UTECH Track & Field Classic 2009.
3. Senior Legal Counsel participated in a Public Forum entitled "*The Role of the Fulbright Programme in Promoting Nation-Building in Jamaica.*"
4. The Executive Director and the Competition Bureau Chief meet with the Head of the Department of Economics of the University of the West Indies to discuss the likelihood of including a course on Competition Law & Policy in the curriculum of UWI's BSc Economics programme. The proposed course content and syllabus are designed by the FTC. Since 2006, the FTC has conducted a course in the LLB programme at the Cave Hill campus of the University of the West Indies.
5. On June 5, 2009 the Financial Gleaner published an FTC article entitled "The Role of Competition in National Development". The article spoke of the negative effect on consumer welfare of maintaining the Common External Tariff (CET) on imported cement. The study estimated that consumers saved in excess of \$694 million during the period in which the CET was removed.
6. On June 20, 2009, the Executive Director spoke at the Jamaican Bar Association's Continuing Legal Education Seminar on the "*The Interface between Competition Law & Regulation*". The theme of the Seminar was "Regulatory Oversight of Commercial Activities – Legal Perspectives".
7. The FTC released its new slogan "*Ensuring a Competitive Marketplace*", which replaces "*A Fair Deal, Your right by Law*". The new slogan more accurately reflects the role and functions of the FTC.
8. On March 12, 2010, a Legal Officer participated in the Jamaicans for Justice's radio talk show – *The Community Lawyer*. The discussion centered on World Consumer Rights Day.
9. The FTC made four presentations to the staff of Nestle Jamaica Limited on the role and function of the FTC and the responsibilities of firms as outlined in the Fair Competition Act (FCA).

FTC Competition Advocacy Efforts: Informing Government Policy

The FTC's advocacy efforts took various forms with several policy makers and Government Departments. Among them were:

Agriculture

- Participated in discussions with the Ministry of Agriculture and Fisheries regarding their plans for modifying the criteria for setting the conch quota.

Commerce

- Participated in the series of workshops hosted by the Jamaica Intellectual Property Office (JIPO), on the Administration of an effective Geographical Indications System.
- Submitted to the MIIC, the FTC's view on whether the FTC and the Anti-Dumping & Subsidies Commission should be merged to form one entity and concluded that the benefits to be realised from merging are far outweighed by the potential losses from doing so. See www.jftc.gov.jm.
- With respect to the rates of duty being charged on imported tyres, submitted to the MIIC, our recommendation that the rates of duty for imported new tyres and imported used tyres that are not subject to any manufacturing process before distribution, should be adjusted such that they are equivalent.
- Recommended to the Ministry of Finance & the Public Service that there should be no disparity in duty concessions granted to operators in the market for rent-a-car services. We were informed that members of the Jamaica U Drive Association were awarded a 30% duty concession on the purchase of new vehicles, while non-members were granted 15%.

Energy

- Continued to participate in discussions on the revision of the existing Energy Policy.

Gaming

- Participated in a meeting of the Special Select Committee of Parliament that was reviewing the proposed amendments to the Betting Gaming & Lotteries Act. The FTC subsequently submitted its opinion to the Office of the Prime Minister on the "Competition Implications of Commingling Arrangements on Local Horse-Racing". See www.jftc.gov.jm.

Governance

- Commented on specific sections of the E-Government Procurement Roadmap & Implementation

Health

- Submitted to the Council for Professions Supplementary to Medicine, its opinion on the Council's "*Guidelines for Advertising*" for specified health professionals; and whether the Guidelines accord with the requirements of the FCA.

Housing

- Participated in the Ministry of Water and Housing's Technical Consultation Session on the National Housing Policy and Implementation Plan which looks at several aspects of Jamaica's housing needs for the next 20 years.

Information Communication & Technology (ICT)

- Commented on the international submarine cable landing and voice/data/transit carrier Licence which was issued to Fibralink Jamaica Limited several years ago. The OPM was considering the issuing of new licenses and/or the revision of the existing licenses and the FTC made recommendations as to the conditions that should be attached to the granting of Carrier Licenses.
- Participated in 'working' sessions of the Information and Telecommunications Department's Retreat. The FTC addressed the competition-related issues on several new initiatives and on-going plans.
- Participated in several meetings of the Regulatory Agencies including the Broadcasting Commission, Spectrum Management Authority, Central Information Technology Office, Office of Utilities Regulation and the Office of the Prime Minister. The purpose is to finalize Jamaica's ICT Policy and to facilitate information sharing among regulatory bodies.
- Participated in a meeting with the Hon. Prime Minister, at which several aspects of the ICT sector and the February 2010 version of the draft ICT Policy was discussed. With respect to the FTC, the discussions centered on how best to handle competition issues as Jamaica seeks to maximize its returns from the ICT sector.

Manufacturing

- Submitted to the MIIC a policy paper which examined the effects of the Common External Tariff (CET) on Competition Policy and competitiveness with respect to the cement market in Jamaica. It also examined several options that are available to the Government for ensuring competitiveness in that market. The FTC also submitted a Sensitivity Analysis to inform policy-makers' decision in establishing the appropriate level of CET on imported cement without unduly hindering the competitiveness of the market.

Tourism

- Conducted a study on the Competitiveness of Jamaica's Tourism Sector. The study compared Jamaica with other Caribbean and Latin American destinations and itemized the factors that should improve Jamaica's competitiveness. See www.jftc.gov.jm.
- Commented on the Ministry of Tourism's proposal to establish an educational campaign to promote the participation of the tourism industry workers in pension and retirement schemes.

FTC Speeches and Presentations to Regional and International Bodies

- The Senior Legal Counsel of the FTC presented a paper at the ACP Dialogue on Legal and Systematic Issues in the EPAs, in Dakar, Senegal. The paper entitled "*Article XXIV of GATT and Tax Implications of EPAs*" looked on the content, duties and other regulations and implications related to the creation of the EPAs, trade diversion and scope of possible compensation.
- The Senior Legal Counsel of the FTC participated in the Regional Seminar on Trade & Competition, where he presented a paper entitled "*Enforcement of Competition Law in CARICOM: Perspectives on challenges to meeting Regional and Multilateral Obligations*".
- The Executive Director presented a paper entitled "*The Enforcement of Jamaica's Competition Law*" at the Caribbean Law Institute Centre Inaugural Symposium. <http://www.cavehill.uwi.edu/clic/symposium>.
- The Executive Director participated in the 8th Annual International Competition Network (ICN) Conference, in Zurich, Switzerland. the FTC participated in the discussion panels and made presentations in two sessions.
- The Competition Bureau Chief conducted the Economics module of the Competition Law Course which is a part of the curriculum of the LL.B.

programme of the Cave Hill campus, University of the West Indies. He had also conducted the module in February 2007 and February 2009.

In all instances the FTC's participation was funded in full by the respective organizers. Further, all presentations have been posted on the FTC's website, located at www.jftc.gov.jm.

5.0 Provide guidance to the Ministry of Foreign Affairs & Foreign Trade and CARICOM on issues relating to competition law and policy within the region.

1. Submitted comments on the Competition provisions contained in the Implementation of CARIFORUM-EC Economic Partnership Agreement to the Ministry of Foreign Affairs & Foreign Trade.
2. The Senior Legal Counsel made a presentation to a delegation from Haiti on the role and functions of the FTC. This was a part of the CSME Haiti Component of the CARICOM/CIDA Trade & Competitiveness Project.
3. Staff members of the FTC met with a consultant hired by the CARICOM Secretariat to review the existing communication methods on the implementation of various CSME initiatives.
4. The Executive Director presented the FTC's views to the session on the Benefits of Competition Policy in the CSME Unit's Newspaper Editor's workshop hosted by the CARICOM Secretariat on October 22nd and 23rd at the Jamaica Pegasus Hotel.
5. Participated in discussions and submitted an opinion to the CARICOM Secretariat regarding its study on the treatment of monopolies in the CSME.
6. The FTC submitted its presentation entitled "*Jamaica's Experience & Benefits: Competition Law Administration*", to a Workshop in Georgetown, Guyana.
7. Submitted comments to the Ministry of Foreign Affairs & Foreign Trade, on sections of the CARICOM/Canada Trade & Development Agreement.
8. The Executive Director participated in the CSME Unit's Competition and Consumer Welfare Workshop on March 18, 2010 in St. Kitts & Nevis; where he presented a paper entitled "*Consumer Welfare within Competition Policy – Institutionalizing Competition in the CSME*".

5.1 Continued to improve the technical capacity of the Staff

1. A Legal Officer attended a four-day workshop on consumer protection hosted by the United States Federal Trade Commission and the Caribbean Consumer Council.
2. The Chairman and Senior Technical Staff participated in a Workshop on Competition Law & Policy in Small States, held in Barbados.

6.0 Legislative Processes

There are no further developments in respect of the establishment of Regulations under Section 40 of the FCA; nor has the process of amending the FCA regulations been advanced. Both of these pieces of work, together with enactment of regulations regarding the FTC's investigative and hearing procedures are being addressed through the establishment of a Competition Tribunal to hear competition cases.

The second draft Bill containing the relevant proposals for amending the FCA was issued by the Chief Parliamentary Council (CPC) and reviewed by the FTC during the Financial Year. Comments were forwarded to the CPC through the Ministry.

7.0 Funding from International Agencies

7.1 Inter-American Development Bank (IDB)

The three (3) year IDB Project was completed during the 2009-2010 Financial Year. The purpose of the project was to strengthen the technical capacity of the FTC to be an effective enforcer of competition policy in Jamaica; and to better inform economic actors about the criteria and enforcement mechanisms of competition policy and the importance of competitive markets. Based on the performance of the FTC during the project period, specifically in achieving mid-term targets and expenditure savings, the IDB maximized the project's output and impact by extending the initial project period by 18 months. All activities outlined in the original workplan were undertaken within or under budget; and a number of other related activities were undertaken from savings from the original budget. The IDB is satisfied all targets were met.

Following are the main achievements:

1. *Comprehensive training of technical staff*— Through the hiring of two competition law experts who conducted training sessions, the technical staff was exposed to best practices for the enforcement of competition law and the procedures for the identification, assessment, preparation and presentation of cases. The consultancy also provided for the development of the FTC's case selection criteria, investigation manual and procedures and guidelines.

The training and resources documents have resulted in:

- More efficient use of the Commission’s resources
 - Increased capacity to investigate
 - Reduced time taken to investigate matters
 - Increased ease of identifying potential breaches of the FCA
2. *Assistance in reviewing, for amendment purposes, the Fair Competition Act*— A draft version of the FCA with accompanying explanatory notes was produced by an overseas consultant with expertise in both competition law and legislative drafting.
 3. *Outreach activities*— The project facilitated 4 public lectures; 3 workshops for the judiciary, publication of several articles in the newspapers, publication of 3 issues of the FTC’s annual magazine; airing of several radio programs.
 4. *Upgrading of the FTC’s case workflow system*— The upgraded case management system and information technology platform provides the FTC with appropriate tools to facilitate case investigation and management reporting.
 5. *Acquisition of journals and books*— The project allowed for the purchasing of thirty-three books and subscriptions on various aspects of competition law.
 6. *Acquisition of video conferencing equipment*— Used to communicate with overseas Consultants for cases and training; and to participant in webinars and teleseminars.

The following tables compare the approved budget with actual expenditures.

Table 2a: Approved budget

Investment category	IDB Budget US\$	GOJ Budget US\$	Category as percentage of total budget
Component I	219,000	69,300	65.6%
Component II	50,000	16,000	15.1%
Operational & Admin.	0	45,000	19.3%
Mid Term & Final Evaluation	20,000	0	
Audit	4,000	0	
Contingency	11,000	5,000	
Total	304,000.00	135,300.00	439,300.00

Table 2b: Actual expenditure

Investment category	IDB Actual US\$	GOJ Actual US\$	Category as percentage of total
Component I	209,064.58	76,070.60	65.0%
Component II	72,904.68	14,825.49	20.0%
Operational & Admin.	0	41,893.80	15.0%
Mid Term & Final Evaluation	10,721.76	0	
Audit	7,114.39	0	
Contingency	4,194.59	1,765.89	
Total	304,000.00	134,555.78	438,555.78

8.0 Summary of Main Programmes for the 2010-2011 Financial Year

1. The Commission's goals for the 2010/2011 Financial Year are:
2. Increased emphases on enforcing the provisions of the FCA through the Courts
3. Undertake industry studies to demonstrate the benefits of competitive markets to promote a better understanding of the role and function of the FTC.
4. Continue to advise policymakers on the implications of existing and proposed policies.
5. Maintain and enhance presence in the international competition arena to provide advice on regional competition issues; and to further facilitate the growth and development of the capacity of the FTC.
6. Streamline and improve internal processes to enhance the delivery of services to internal and external customers.

9.0 Budgetary Allocation

The following table summarizes the actual amounts expended by the FTC in each of the three (3) previous Financial Years. Also included is the Budgetary Request for the 2010-2011 Financial Year.

Table 3: Summary of Actual amount expended

Object	2010-2011 Request (\$)	2009-2010 Actual (\$)	2008-2009 Actual (\$)	2007-2008 Actual (\$)
Compensation of Employees	51,169,120	46,711,950	49,124,006	45,326,100
Travel Expense & Subsistence	5,157,000	5,699,665	5,293,878	4,425,170
Rental Of Bldg., Machinery & Equip.	8,079,280	7,822,701	4,630,470	4,551,824
Public Utility Services	1,746,000	1,927,600	1,848,598	1,580,604
Purchase of other Goods & Services	2,987,300	3,519,138	2,805,038	1,895,133
Asset Purchases		2,444,937	278,610	
Total	69,138,700	68,125,991	63,980,600	57,778,831

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

FAIR TRADING COMMISSION



From L-R: Dr. Derrick McKoy, Chairman - FTC; Mr. Declan Purcell, Presenter; Honorable Karl Samuda, Minister of Industry, Investment & Commerce; Mr. Omar Azan, Presenter; and Dr. Peter-John Gordon, Commissioner - FTC.

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
FOOD STORAGE AND PREVENTION OF INFESTATION DIVISION
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The mission of the FSPID is to ensure the safety and wholesomeness of food/feed entering commerce, through application of sound scientific principles in a timely and professional manner, so limiting consumption of potentially harmful food/feed.

2.0 Role and Functions

The role of the FSPID is to carry out the Government's programme of surveillance and regulation of the food industry to ensure the safety and wholesomeness of food/feed entering commerce. The Division carries out the functions of: inspection, sampling, disinfestations, laboratory tests, training and research into problems of post harvest/crops/stored-products management, pesticides and biological toxin management.

3.0 Highlights of Achievements for the 2009/2010 Financial Year

3.1 Entomology

In addition to routine sample testing, research into stored products and entomological problems was undertaken. Areas of research included:

- (a) Insect monitoring and trapping in warehouses.
- (b) Competence/assessment for testing laboratory accreditation.
- (c) Production/distribution of a technical paper on split ginger processing and storage.
- (d) Testing of eight hundred & eleven (811) food/feed samples.
- (e) Investigating the efficacy of insecticide used by the Inspectorate Unit for fumigation trials (insect bioassays).
- (f) Conducting germination trials in collaboration with Bodles Agricultural Station and the Jamaica Livestock Association.
- (g) Presenting a scientific paper at the Jamaica Society of Agricultural Scientists on Food Safety

<u>Test Services Performed</u>	<u>Total</u>
Moisture content determination	262
Insect count and identification	258
Fragment analyses and extraneous matter	291
Total	811
Number of sample reports	310

The percentage of samples from major client groups for routine laboratory analyses include: distributors 52.15%, manufacturers/processors 8.20%, other mills 8.60%, animal feed mills 24.02% and insect identification 7.03%.

3.2 Rodent Biology and Control

The effort to prevent and mitigate rodent infestation in food/feed stores, post offices, prisons and hospitals continued islandwide. Assistance was also provided to other institutions on request.

During the review period, stakeholders in the food industry were empowered through various training programmes and consultations, to take responsibility for rodent control through proper environmental management.

The following operational activities were undertaken:

- Twenty (20) rodent control programmes were implemented
- One hundred and twenty-three (123) inspections conducted
- Three thousand five hundred and forty (3,540) bait stations set
- Sixty-Two (62) analyses in areas including breeding programmes, rodenticide evaluations and species identification tests
- Eighteen (18) lectures conducted with one hundred and thirty-four (134) persons trained
- One thousand six hundred and forty-two (1,642) individuals /companies received consultations.

3.3 Microbiology

Analyses of food samples submitted by inspectors and private entities were carried out, as indicated below, in an effort to identify contaminating stored-product microorganisms.

- Two thousand two hundred and thirty (2,230) samples were received and seven thousand four hundred and fifty-three (7,453) tests carried out for bacteria and fungi.
- One (1) warehouse was visited.

3.4 Pesticide Residues

Apart from routine pesticide residue, mycotoxin and other chemical analyses (Table 1-below); the FSPID was also involved in other activities to enhance laboratory capabilities and public awareness. The FSPID continues to interact with other educational institutions to promote its work.

Since April 2009, the FSPID began to participate in a three-year regional project (RLA 5053) supported by the Food and Agriculture Organization (FAO) and the International Atomic Energy Agency (IAEA), through their joint FAO/IAEA programme of nuclear techniques in food and agriculture. The objective of the project is to apply a diagnosis system for evaluating the impact of pesticide contamination in food and environmental compartments. The FSPID participated in three of the regional activities and will host the final meeting with participants from about 18 countries in 2011.

The FSPID is actively involved in the Codex subcommittee on pesticide residues which is chaired by the Registrar of the Pesticides Control Authority of the Ministry of Health.

Table 1: Pesticide Laboratory Work

Tests	Output No. of samples
Pesticide Residue	229
Mycotoxin	48
Other chemical analyses	13
Total	296

3.5 Inspectorate and Disinfestations Unit

Surveillance and regulatory activities were maintained to ensure that only safe and wholesome food reaches the consumer. This was done through inspections, sampling and disinfestations.

3.6 FSPID Office in Montego Bay

The strategic move of having an out post in Montego Bay has resulted in one thousand eight hundred and seven-nine (1,879) food establishments being inspected to date. The quantity of food inspected was 377,843.85 metric tonnes valued at J\$2,464.72 Million.

The following represents a summary of activity for the unit:

• Inspections	14,808
• Samples submitted	712
• Disinfestation operations	1,163
• Food condemned (metric tonnes)	28
• Export certificates issued	648

3.7 Training and Information

<u>Organization/Programme</u>	<u>Persons Trained</u>
(a) Pest Management	33
(b) HACCP	14
(c) Farmer Training (Fresh cut callaloo)	30
(d) Consumer Affairs Commission	40
(e) Craft & Agro production	46
(f) General fumigation training of Pest Control Operators/Company	5

- Training involved pest management and good food storage practices.
- Preparation/distribution of three thousand six hundred and forty-four (3,644) brochures
- Dissemination of information on pest management and food storage
- Update of website
- Attended inter-agency meetings/seminars on pest control and food safety (e.g.) with National Environment Protection Agency, Food Safety Committee & National Food Nutrition Coordinating Committee of Jamaica (NFNCCJ).

For the period under review one thousand eight hundred and eighteen (1,818) food establishments have been issued with certifications of compliance in accordance with the Act and Regulations.

The FSPID was also involved in other activities including:

- Coordinating and staging exhibition at JAS Agricultural show at Denbigh, RADA Production and Marketing Organization (PMO) Conference & Exhibition (Trelawny), Two 4-H Exhibitions (Clarendon and Nyammins & Jammins in Montego Bay).
- Participating in SRC Career Expo where approximately 200 persons visited the Division's booth and 600 brochures were distributed. The Division also participated in a live broadcast discussing roles of the Division on Music 99FM hosted by Derval Malcolm.

- Conducting four (4) training programmes in HACCP, ECO2FUME, Integrated Commodity and Integrated Pest Management. Gave lecture at Consumer Affairs Commission on “Contaminants in Foods”.
- Coordinating two Post-Harvest workshops on Fresh Cut Callaloo.
- Participating in four radio interviews and a live broadcast on the role of the FSPID
- Preparation of news release for 2 incidents of contaminated food items detained and dumped by the division.
- Participating in the Denbigh Agricultural Show held August 1-3, 2009
- Giving (3) lectures (Kingston, St. Ann & Portland) to Craft & Agro production group on functions of the Division and Pest Management at Jamaica Business Development Corporation (JBDC) seminar sponsored by the Inter-American Development Bank (IADB).

3.0 Details of Performance for Financial Year 2009/2010

Table 2: Indicators of Performance

ACTIVITIES	TOTAL
No. of inspections (Table 2 for details)	14,808
No. of samples taken	712
Quantities of commodities inspected (m.t.)	512,722
Quantity condemned (m.t)	28
No. of Condemnation Notices	20
No. of Release Notice	25
No. of Detention Notices	57
No. of Other Notices	575
No. of export fumigations	719
No. of tyre fumigations	20
No. of local fumigations	263
No. of mistings	3
No. of spraying operations	155
No. of rodent control programmes	3
No. of disinfestation operations	1,163

Table 3: Inspections

LOCATION	TOTAL
Government Food Store	6
Statutory Bodies	17
Bonded Warehouses	9
Wharves	5
Ships	59
Containers	10,777
Break bulk consignments	890
Hospitals/Health Centres	10
Schools	11
Pest Control Operators	2
Produce Dealers	1
Correctional Centres	5
Distributors	206
Supermarkets and wholesalers	1,583
Bakeries	177
Grain and Farm Stores	86
Mills	16
Factories	69
Spice Dealers	12
Restaurants	709
Hotels	105
Others	53
TOTAL	14,808

4.1 Updating of Methodologies

The FSPID is updating and reviewing the files to reflect the changes in personnel regarding positions and functions and updating certain methodologies that show current trends in the accreditation process. New members of staff are also being trained to handle the systems to be used so that they understand how to apply standard applications.

The cyanide content of these products ranges from 100-150 ppm. This suggests that the bitter varieties of cassava were used to produce these products. The WHO standard for cyanide content in cassava products is 10ppm for consumption. Investigations and further testing are currently being done to validate the findings of the research.

4.2 Post Harvest & Unit

Over 15 varieties of cassava grown locally were processed into cassava meal and evaluated for total cyanide content. The total cyanide content in these varieties ranges from 74 - 150 ppm for bitter varieties and 10-27 ppm for sweet varieties. The WHO standard for cyanide content in cassava products is 10ppm for consumption. Further investigation and testing of local products is currently underway within the Division to validate the findings from the research.

3.3 Revenue earned:

Revenue earned over the period amounted to Eight Million, Five Hundred, Forty-Two Thousand, and Nine Hundred and Ninety-Nine Dollars (\$8,542,999.00)

5.0 Strategic Focus for Financial Year 2010/2011

5.1 Modernization

The primary objective for Financial Year 2010/2011 is to continue modernization initiatives for the Division's operations and move towards the more scientific Hazard Analysis and Critical Control Point (HACCP) based inspection system.

5.2 Accreditation

In addition the Division will be focusing on having all its laboratories gaining international accreditation under the National Quality Infrastructure (NQI) Project.

5.3 Certification

The National Food Safety Compliance (NFSC) Programme will continue with the certification of Food Establishments. Establishments that are already certified will be revisited to ensure compliance.

5.4 One Stop Shop

The FSPID will continue to be integrally involved in the effective operations of the One Stop Shop through inspections, sampling, disinfestations and processing of import documentation.

6.0 Summary of the Main Programmes for Financial Year 2010/2011

6.1 Inspection and Disinfestations

- (a) Inspections for food safety and wholesomeness and compliance with the Food Storage Act
- (b) Sampling for laboratory evaluation, the results of which are used for decision-making
- (c) Disinfestations of food and food storage structures
- (d) Rodent baiting

6.2 Training, Information and Public Relations

The following will be the areas of focus:

- (a) Educating the public for compliance with the requirements of the Food Storage Act
- (b) Stored product management
- (b) Pesticide management in food
- (c) Rodent biology and control
- (d) HACCP- based programmes.

6.3 Rodent Biology and Control

Plans are in place to increase the number of rodent control programmes islandwide, as well as the number of consultations with private businesses, individuals, and community organizations.

The rodent breeding programme for research purposes will be improved. Emphasis will be placed on the evaluation of rodenticides to support regulatory activities.

6.4 Entomology

- (a) The laboratory is in the process of obtaining international accreditation
- (b) Routine sample testing will continue
- (c) Research initiatives will be increased to provide scientific support to the regulatory activities.

6.4 Contaminant Analysis

- (a) Routine testing for levels of pesticides on/in foods destined for the export and local markets
- (b) Routine testing for additives above acceptable levels
- (c) Routine testing for mycotoxins on legumes, especially peanuts and animal feeds.

6.5 Microbiology

- (a) Routine monitoring of imported processed food
- (b) Routine monitoring of bulk grains and raw materials
- (c) Establishment of CARICOM Standards and Code of Hygiene Practice for bottled coconut water.
- (d) Monitoring coliform contamination of cured spices such as ginger and pimento.

7.0 Budgetary Allocation

For Financial Year 2009/2010, budgetary allocation for recurrent expenditure was one hundred and fifteen million, one hundred and thirteen thousand dollars (\$115,113,000). For Financial Year 2010/2011, the proposed budgetary allocation for recurrent expenditure is \$105.3M.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

FOOD STORAGE AND PREVENTION OF INFESTATION DIVISION



Food Storage Inspector overseeing the destruction and burial of rice



Rodents reared in FSPID Laboratory for testing efficacy of rodenticides.

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
JAMAICA BUSINESS DEVELOPMENT CORPORATION
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/11**

1.0 Background

The Jamaica Business Development Centre was established in April 2001. JBDC is the institution mandated to lead Government's facilitation of sustainable development of the micro, small and medium-sized enterprises (MSME) sector. The Government of Jamaica has broadened the scope of the JBDC with the establishment of the Incubator and Resource Centre and the Financial Services Unit. As such, the Jamaica Business Development Centre is now the Jamaica Business Development Corporation. The new name came into effect on November 17, 2008.

2.0 Mission

To promote the creation and sustainable development of micro, small and medium-sized enterprises (MSMEs) in Jamaica.

3.0 Role and Functions

In fulfilling the mandate of facilitating the development of MSME businesses to have them make a more valuable contribution to the country's economy, JBDC's role can be summarized as:

- Provision of strategic technical assistance
- Provision of a strategic marketing programme
- Development of a strategic industrial development framework for MSMEs

4.0 Highlights of Performance/Achievements for Financial Year 2009/2010

Objectives	Achievements
JBDC client listing	<p>- For 2009/10, approximately twelve thousand three hundred and fifty (12,350) individuals/entities were assisted by JBDC. Assistance was in the form of general business advice, training, product development, marketing and consultations. The number of new clients for the period was 2200.</p>
Developing a logical framework for the development of the SME sector	<p>▪ Jamaica Business Information Centres (JAMBICs) JBDC has established a network of Business Information Centres (BICs) across the island in an effort to strengthen the access of MSMES to technical, business, marketing and financial services. There are currently eleven (11) JAMBICs located island wide, four (4) of which were launched in 2009. These four are: the Small Business Association of Jamaica (SBAJ) JAMBIC, Mandeville JAMBIC, Port Antonio JAMBIC and Ocho Rios JAMBIC. Over 2000 persons were assisted at these Centres in 2009/10. The suite of services include loan and grant application processing, website design, internet marketing and training, staff development, employment job bank, marketing and public relations services, business consultations and administrative services.</p>
Developing new and upgrading existing businesses	<ul style="list-style-type: none"> • Technical Assistance delivered to our micro, small and medium enterprise clients included: pattern making assistance, product development and collection development through training, factory visits and delivery of equipment. 3300 persons received assistance. • Over 150 training sessions conducted island-wide in areas such as: recordkeeping, business plan preparation, costing, money management etc. Approximately 5500 persons have benefited from this. • Marketing events have taken place through participation/representation in local and international trade expos as well as the marketing outlet provided by the JBDC-owned <i>Things Jamaican</i> retail stores. Over 750 persons/entities have benefited from this. • As at March 31, 2010, the Financial Support Services Unit (FSSU) at JBDC has approved 100 applicants for loan funding. These include entities involved in the

Objectives	Achievements
	<p>manufacturing of furniture, juice operations, pig rearing and apiculture among others. Total funding approved is \$148.5 M, with \$140.7 M disbursed. Five hundred and forty-one (541) additional jobs are expected to be created from this.</p>
<p>Increasing the market share of targeted sectors through assisting in creating marketing opportunities globally</p>	<ul style="list-style-type: none"> ▪ The Things Jamaican store provides marketing opportunities for the MSME clientele. There are five (5) outlets with over 400 active suppliers. 145 clients' products were screened and seventy (70) clients provided new products for the period. ▪ Kumba Mi Yabba 2009, the Producers' Fair where authentic Jamaican items are on display and sold, had its 9th annual show. The Kingston show was held at the Ranny Williams Entertainment Centre on December 18 – 20 and for the first time, a show was also held in Montego Bay at Pier One on December 12-13, 2009.

In fulfilment of its mandate, during the Financial Year 2009/2010, the JBDC spearheaded a number of events and activities focused on industry and MSME development. The main events were:

- The second annual **Small Business Expo** was held on May 6, 2009 at the Hilton Kingston. Over 2000 persons visited the Expo. Among the topics discussed at the seminars were:
 - Screening a Business idea – Is Business really for me?
 - The EPA & the CSME – How can it benefit me now?
 - This Business of Agriculture
 - The Role of Media in Small Business Development and
 - Options for financing

There were also exhibitors from various financial institutions such as National Commercial Bank and Access Financial Services and business and technical agencies such as Bureau of Standards, Jamaica Intellectual Property Office and Companies Office of Jamaica.

- **The JBDC Incubator and Resource Centre (IRC)**, located on Marcus Garvey Drive, provides hand-holding and 'incubation' services for start-up and existing small businesses. In 2009, there were twelve (12) entities incubated from the fashion and apparel sector at the Centre. During the year, there were over 150 training sessions and workshops conducted at IRC with over 3500 participants.

Achievements of completed developmental projects are outlined below:

The Cluster Sector Initiative (CSI) Component of the Private Sector Development Programme – This programme ended December 31, 2009 and was aimed at enhancing the competitiveness of key sectors being targeted by Jamaica (and the PSDP) for further growth. JBDC is managing five (5) clusters: Wellness, Authentic Gift & Craft, Fashion, Egg and Small Ruminants. The table below provides membership information:

	Jan. 2008	Dec 2009	% change
Number of Cluster members	221	384	+74%

The five clusters have participated in more than 170 activities since the programme began at the end of 2007. These activities include training workshops, trade expo participation, product development, research and procurement of equipment. Some of the achievements of the clusters are highlighted below:

- Collaborating with the Hilton Kingston Hotel, the Jamaica Fashion & Apparel cluster has been successfully staging the monthly Island Couture Fashion Show as a means of providing visibility and awareness of the cluster and showcasing the skills of local fashion designers. The Hotel has added the event to their calendar of activities.
- The Gift & Craft Cluster has formed an alliance with the Caribbean Export Development Agency (CEDA) regarding financial support and product development.
- The Jamaica Fashion and Apparel Cluster members outfitted Ms. Jamaica World 2008: Brittany Lyons with a 32-piece collection for her trip to the Miss World Pageant in Johannesburg, South Africa.
- The Wellness Cluster launched its own unique aromatherapy & spa product line to be marketed locally and internationally. The line includes: lotions, teas and candles made from local indigenous herbs and spices. These are available in JBDC's Things Jamaican retail outlets island wide.
- The Egg Cluster has started exporting eggs to Trinidad. In December 2009, the Cluster exported 27,000 dozen eggs to that country.

The clusters have taken part in events and trade shows such as:

- Style Week

- Caribbean Fashion Week
- Artisans Training and International Gift Show in New York
- Kumba Mi Yabba
- Natural Products Expo in California
- Day Spa Expo in Las Vegas

Training sessions conducted in areas such as:

- Pattern Making
- Collection Development
- E-commerce & Website Development workshop
- Quick Books accounting software
- Business Success Workshop
- Small Ruminant Nutrition & Reproduction
- Record Keeping and Use of Spent Hens for Processed Meat

The Enterprise Rating and Upgrading (ERU) Programme

The Enterprise Rating and Upgrading (ERU) is one of twelve components of the Private Sector Development Programme (PSDP). The overall objective of the ERU activity is to enhance the competitiveness of Jamaican MSMEs by bringing them up to world-class standards through assessment, benchmarking, rating, preparation of an upgrading plan and financial support for upgrading.

Under this programme which ended on December 31, 2009, one hundred and ninety-six (196) MSMEs were assessed and upgrading requirements established and thirty (30) workshops have taken place to enhance the competitiveness of MSMEs. Some of the workshops looked at:

- Business Formalization/Registration and Import and Export Consultancy
- Improving Employee Effectiveness and the CSME
- Expo and Tradeshow Preparation
- Website Development and Content Management
- Machine Operation and Production Flow
- Important Construction Techniques
- How to Start Food Business/ Packaging & Labelling

Productive Integration of Micro Enterprises in Jamaica Project – Inter-American Development Bank (IADB)

The Productive Integration of Micro-Enterprises in Jamaica Project (PIMJ) was launched on December 7, 2007. The Project is a three-year programme aimed at increasing the competitiveness of Micro-Enterprises within the craft and agro-processing sectors (with a focus on fermented, confectioneries and dehydrated products).

Achievements of the project thus far include:

- 14 groups/networks established; 9 of which are craft and 5 agro-processing
- The beneficiaries participated in JBDC Annual Producers' Fair: *Kumba Mi Yabba 2009*
- Basic equipment to facilitate production including stoves, solar dryers and a labelling machine were purchased for the agro-processing groups
- The craft groups have benefitted significantly from basic craft tools such as chisels and a binding machine among other items.
- Product development manuals were created for the craft beneficiaries. These manuals are currently being utilized in the product development workshops being conducted by JBDC with the beneficiaries.
- The agro-processing groups have participated in Hazard Analysis Critical Control Points (HACCP) workshops with the Bureau of Standards.
- Product labels have been developed for the agro-processing groups. Packaging solutions are being developed for the craft groups.
- Samples were taken from the agro-processing group for Nutritional Analysis studies.
- The project team has incorporated the Bureau of Standards, Jamaica Intellectual Property Office, the Scientific Research Council and National Environmental and Planning Agency into workshops which commenced in August 2009 and are scheduled to be completed in the first quarter of 2010.
- JBDC completed business development workshops with the groups in August 2009. The completion of these workshops led to the commencement of the registration process for the groups. At least five of the groups have been registered, with the remaining groups scheduled for completion in the first quarter of 2010.
- The monitoring of the groups will commence in the first quarter of 2010.

Inter-American Development Bank/ Kingston Urban Renewal Project (IADB / KURP)

This project is funded by the Inter-American Development Bank (IADB) and the Government of Jamaica (GOJ). The purpose of the Project is to enhance the social and economic welfare of the communities in the low income, Central Kingston neighbourhood, namely: Tel Aviv and South Side Communities. Components of the project include: business training and development, environmental upgrading and youth development.

Accomplishments:

- 27 Street Signs were manufactured and installed in the Tel Aviv and South Side communities and four (4) murals were painted.

- A total of thirty-two (32) new sanitary units have been constructed in both communities. 123 sanitary units have also been repaired in the two communities.
- A total of **104 young entrepreneurs (ages 17-35)** from Tel Aviv and South Side communities have received training in Small Business Management. Thirty-two (32) businesses have been approved to benefit from a loan fund under the project. Twenty eight (28) businesses were registered with the Companies Office of Jamaica.
- One hundred and thirty (**130**) students participated in HEART TRUST/ NTA certified programmes including: auto mechanics, housekeeping, cosmetology and commercial food preparation.
- There is an Internship/On the Job Component where **63 youths** from the communities are receiving on-the-job training from host companies, including: the Jamaica Constabulary Force (JCF), Ministry of Justice, Runaway Bay HEART Hotel and Morgan's Harbour Hotel.
- Approximately **250** men and women received employment in the various components of the project. Persons were employed in the construction and repairs of the units, cleaning of vacant lots and communities, painting of murals and erecting of street signs, transporting construction material, transporting beneficiaries and goods when necessary and providing catering service.
- **Forty-five (45) persons** from South Side and Tel Aviv communities are participating in a literacy programme.

5.0 Summary of Main Programmes for Financial Year 2010/2011

- For the 2010/2011 Financial Year, the focus will continue to look at developing and promoting the creative industry through the facilitation of the development of networks/clusters in the following sub-sectors:
 - Gift and craft
 - Agro-business
 - Fashion
 - Wellness
- Providing business profiles and sensitisation sessions on new business opportunities for MSMEs such as: beekeeping and related products and green house farming.
- Commence implementing activities that will capitalise on the opportunities that will be provided by the Olympic World Games 2012.
- Expand the partnership between JBDC and the Diaspora to include Canada and the UK in Mentoring young entrepreneurs through the mentorship programme

- Develop and promote a “Waste to Profit” campaign to provide awareness of new potential business opportunities.
- Implementation of activities will be ongoing for the various development projects where intervention will be done through business development training, technical assistance and monitoring.
- Disbursement of \$ 250 M to the MSME sector
- Assist a minimum of 11, 500 clients of which 2,200 are targeted to be new clients.

6.0 Budgetary Allocation

The recurrent budget allocation for financial year 2009/10 was \$185,041,000. The allocation for the recurrent budget for 2010/11 is \$197,800,000.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

JAMAICA BUSINESS DEVELOPMENT CORPORATION



Productive Integration of Microenterprises in Jamaica (PIMJ) Project
JBDC Product Development Officer demonstrating techniques to participants



Soft Toys Training at JBDC's Incubator and Resource Centre

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
JAMAICA COMMODITY TRADING COMPANY (JCTC)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The JCTC provides the Government of Jamaica with a corporate vehicle that can be used to negotiate and execute commercial transactions as the need arises.

2.0 Role and Function

The volatility of supplies and prices in global commodity markets in 2008 required that the Government of Jamaica maintain a wide range of response options. These options include the possibility of state purchasing of critical commodities should this become necessary.

In this regard, the Ministry of Industry, Investment and Commerce (MIIC) decided to reactivate and maintain JCTC as a registered company. JCTC imported fertilizer during the last quarter of 2008 in order to stabilise fertilizer prices to the farming community. Over the fiscal year 2009/10 JCTC was not required to undertake commercial activities.

It should be noted that the JCTC acts in instances of market failure or where the supplier may require direct state importation or exportation of a commodity.

3.0 Activity during 2009/10

The JCTC is managed by a small Board of Directors. The company does not employ permanent staff but uses temporary officers and Ministry personnel on special projects as the need arises. Ongoing administrative support is provided by the portfolio Ministry.

Over the period 2009/10 there was no significant instability of commodity prices or supplies which required GOJ intervention.

During 2009/10 the Board sought to clear all accounts receivables arising from the importation of fertilizer and the Attorney's General's Chambers has been asked to commence litigation proceedings against the two remaining debtors.

4.0 Focus for Financial Year 2010/11

JCTC will continue to monitor commodity markets and will report to the Minister if it detects instances of market failure.

Additionally, JCTC will commission market research over the next fiscal year to identify products that may be exported to Bolivarian Republic of Venezuela in pursuit of the possibility of improving Jamaica's exports to that market as an offset for oil imports.

5.0 Budgetary Allocation

There is no budgetary allocation for JCTC in the 2010/2011 Estimates of Expenditure.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF
JAMAICA EXOTIC FLAVOURS AND ESSENCES COMPANY LTD.
FOR THE FINANCIAL YEAR 2009/2010
AND FOCUS FOR THE FINANCIAL YEAR 2010/2011**

1.0 Mission/Objective

The mission of JEFE is the development of a local flavour industry that provides Jamaican farmers with an additional value added market.

The core objective of JEFE is to produce, from the domestic agricultural base, flavours, essences and purees that meet international quality standards, leading to the development of an additional market for Jamaican farmers.

At the heart of JEFE's operation is the flavour extraction unit, which consists of the Spinning Cone Column along with supporting equipment and instrumentation. The SCC was supplied by Flavour Tech, an Australian company which developed the technology over twenty (20) years ago.

2.0 Vision

The vision of JEFE is to be a model for the successful application of new and emerging technologies, by creating value added products from Jamaica's agricultural base with its rich and unique biodiversity. The vision will be achieved by:

- Promoting and facilitating private sector involvement in local natural flavour production as a viable business
- Facilitating the transfer of Spinning Cone Column Flavour Extraction Technology to Jamaicans, thereby developing local expertise and experience regarding flavour extraction processes
- Providing technical information for scientific research and development as well as product development
- Developing natural flavour standards for Jamaican fruits, vegetables and herbs
- Having proactive leadership and motivated, excellence-oriented employees that strive to implement assigned policies as well as capitalize promptly on opportunities that are beneficial to the company and the nation
- Meeting the company's financial objectives.

3.0 Functions of JEFE

In the face of globalization, the traditional production and marketing of domestic agricultural commodities can oftentimes become uncompetitive. It is in this context that the need to improve the productive capacity of the agricultural sector through the appropriate application of science and technology was identified. JEFE:

- Manages and operates the flavour extraction plant at Bull Savannah, St. Elizabeth
- Supplies natural flavours, essences and purees at the most competitive rates to the local and international beverage and nutraceutical industries
- Develops products using the flavour extracts and purees
- Provides technical information for scientific research and development

4.0 Challenges for Financial Year 2009/2010

4.1 Electricity Supply

JEFE continues to be severely challenged by the quality of electricity which has resulted in substantial losses of processed fruits as well as lost opportunities.

Management's Response

After a year of dialogue, Jamaica Public Service compensated JEFE to the tune of \$417,306. JPS has made a concerted effort to correct the fault in their distribution system but has advised that the installation of a standby generator would be a wise investment. JEFE has completed the procurement process for the acquisition of the generator and is now pursuing funding.

4.2 Insufficient Steam Supply

JEFE's supply of steam, which is critical in its operation, has proved to be insufficient, as the current provider utilizes a percentage of steam produced for its own use. This sometimes limits the amount of steam supplied to JEFE.

Management's Response

JEFE recently received the resources to install its own boiler.

4.3 Insufficient Cold Storage

JEFE's cold storage is limited to 25 drums at a time which negatively affects the company's operation which is now being ramped up as developmental projects mature and demand increases.

Management's Response

JEFE has negotiated a cold storage deal with Harbour Cold Stores at a 40% discount which will satisfy the future needs of the company.

5.0 Projects

5.1 Import Substitution

5.1.1 National School Feeding Programme

JEFE, in collaboration with Nutrition Products Limited and the Ministries of Agriculture and Fisheries, Education, Industry, Investment and Commerce is implementing a project to supply fruit juices to 136,000 children daily under the National School Feeding Programme.

5.1.2 A Line of Local Flavoured Water

Based on in-house product development work, a range of flavoured water using local fruits was introduced to the beverage industry in Jamaica. Work is now underway in two larger firms to introduce these products commercially. Two smaller companies are now finalizing their label requirements to enter the market shortly.

5.1.3 A New Local Beverage

JEFE has developed in-house, the Jamaican equivalent of a popular imported beverage which is being tested by the second largest beverage company in the world.

5.1.4 Local Tomato Ketchup

JEFE has facilitated the first commercial production run of local tomato ketchup, under the Smoke Shack brand, using locally produced tomato puree and essence. In addition, a Jamaican Jerk Ketchup is being produced for the local market.

5.1.5 Local Cosmetic Line

JEFE, in collaboration with the Natural Products Institute at the University of the West Indies (UWI), has developed a line of cosmetics using local cucumber, june plum and lemon grass essences. JEFE has identified a local manufacturer to jointly implement this project.

5.2 Production for Export

JEFE has been involved in extensive dialogue with three (3) companies. Samples have been shipped with a view to exporting substantial quantities of locally produced tomato, guava, june plum and mango essences to the USA and Europe. JEFE is awaiting Kosher certification to enable the company to begin export in 2010.

6.0 Focus for the 2010/11 Financial Year

- The Jamaica Exotic Flavours and Essences Company Limited will continue to focus on the execution of its mandate, specifically as it relates to import substitution and ultimately, food security. To this end, the company will continue to target imported products whose inputs can be substituted with local purees, essences and essential oils. JEFE will then engage in the necessary product development work and in partnership with the relevant agro-processing stakeholders will progressively introduce products with more and more local inputs in the Jamaican market place.
- JEFE, in collaboration with the Rural Agricultural Development Authority (RADA), will continue to strengthen the relationship with farmers who will be engaged as contract commodity providers to ensure that adequate supplies of raw materials are available based on current and future demand.
- JEFE will continue to collaborate with the Scientific Research Council, the Bureau of Standards and the University of the West Indies to ensure that product development work is efficiently carried out in terms of the targeted local produce.
- JEFE has identified the need for additional equipment to improve efficiencies. These will be acquired as much as possible from future earnings as the demand for its products increases and the income earned improves.
- The acquisition of ISO and HACCP certification will be pursued in 2010. This will enable the company to gain greater access to international markets, in fulfilment of its export promotion mandate.

7.0 Operations

Poor quality electricity and insufficient steam supply severely impacted JEFE's operations during the year, however despite these challenges, the company produced 19,777.50 kg. of puree and 691.80 kg. of essences valued at \$1.582M and \$726,390 respectively.

The company continues to be engaged in valuable product development work.

8.0 Financial Year 2009/2010 and Projected Expenditure for Financial Year 2010/2011

The expenditure for the Financial Year to March 31, 2010 was \$10.297M. The projected expenditure for Financial Year 2010/2011 is \$20.6 M.

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

JAMAICA EXOTIC FLAVOURS AND ESSENCES



JEFE's Office in Bull Savannah, Westmoreland



Spinning Cone Column at work

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
JAMAICA INTELLECTUAL PROPERTY OFFICE (JIPO)
FOR THE FINANCIAL YEAR 2009/2010
AND FOCUS FOR THE FINANCIAL YEAR 2010/2011**

1.0 Mission

The mission of JIPO is to establish and administer a modern and effective intellectual property system, which will act as a catalyst for international competitiveness, facilitating economic growth and national development.

2.0 Role and Functions

The main role and functions of JIPO are to:

- (i) Administer intellectual property laws now in force and to be enforced in future, in accordance with national policies and Jamaica's bilateral, multilateral and international obligations on Intellectual Property Rights (IPRs) protection imposed by treaties, conventions, agreements and other legal instruments;
- (ii) Heighten public awareness of the importance of IPRs, the Implementation of the laws and the workings of the intellectual property system in Jamaica;
- (iii) Encourage and facilitate compliance with IPR laws through voluntary means and/or enforcement measures;
- (iv) Ensure that the intellectual property laws and system contribute to national economic growth and development and also to realize the potential benefits of rights holders in Jamaica;
- (v) Advise the Government in its development and implementation of intellectual property policies; to ensure that the laws are consistent with the national objectives, and to adequately implement Jamaica's bilateral, regional and international intellectual property obligations;
- (vi) Participate in the progressive development of intellectual property law in light of new technologies, globalization of trade, intellectual property co-operation and the emergence of new issues impacting the intellectual property system, such as e-commerce, protection of folklore and traditional knowledge, biodiversity and gene patenting;
- (vii) Establish, maintain and strengthen all relevant regional and international affiliations and cooperation with governments, inter-governmental agencies and other intellectual property offices and organizations.

4.0 Highlights of Performance/Achievements against Targets for Financial Year 2009/2010

4.1 Legislation

4.1.1. Copyright & Related Rights

The Amendments to the Copyright Bill Drafting instructions **Copyright Act** arising out of Jamaica's accession to the WIPO "Internet" Treaties, which includes the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty, was received from the Chief Parliamentary Counsel (CPC) and are being reviewed to ensure that they fully reflect the consultations. The reviewed document will be returned to the Ministry before the end of the financial year and it is hoped that the amendments to the Copyright Act will be completed early in the next financial year.

4.1.2 Trade Marks

Following extensive consultations a draft Cabinet Submission was prepared seeking Jamaica's accession to the Madrid Protocol and an increase in **Trade Mark fees**. The Submission is to be redrafted with accession to the Madrid protocol being rescheduled and a recommendation to be made to the Minister for an increase in Trade Mark fees. Drafting instructions for the preparation of amendments to the **Trade Marks Act and Regulations** were completed and sent to the Chief Parliamentary Counsel (CPC). A draft amending Bill is awaited.

4.1.3 Patent & Designs

The draft **Patents and Designs Bill** from the Office of the Chief Parliamentary Council (CPC), was reviewed and drafting instructions for the **Patents and Designs Rules** were submitted in October 2009 to the Attorney Generals Chambers for review to ensure compliance with our treaty obligations and copied to the Office of the Chief Parliamentary Council and the Ministry's Legal Unit. JIPO is awaiting the review of the document by the CPC and AG's Chambers and expect passage before the end of the next financial year.

To satisfy obligations under the World Trade Organization's TRIPS Agreement, Cabinet approval was received for promulgation of the law on **the Protection of the Rights of Breeders of New Varieties of Plants**. JIPO and the Ministry of Agriculture and Fisheries are collaborating in this effort and substantive work is planned for the 2010 to 2011 financial year, including the convening of a group of experts to review the proposals and implications for our biodiversity.

4.1.4 The Protection of Geographical Indications

The Protection of Geographical Indications Act was passed in 2004. The Act is now in force following the completion of the **Regulations in 2009**. Drafting instructions for further amendments to the Act are to be completed.

4.2 Geographical Indications Project

JIPO has recommended and received support from the Ministry of Foreign Affairs and Foreign Trade and the Attorney General's Chambers to amend **The Protection of Geographical Indications Act** to allow for the same level of protection afforded to wines and spirits being afforded other products. Jamaica is being supported in this position by the Swiss Federal Institute of Intellectual Property with whom we have a Geographical Indications technical assistance project which will conclude in June 2010 with 'constitutions' or 'codes of practice' being established for **Blue Mountain Coffee, Jamaica Jerk and Jamaica Rum** to facilitate the registration of these products and spirit as authentic Geographical Indications of Jamaica. Jamaica is also in negotiation with the Swiss Government for a bi-lateral agreement on the mutual protection of GIs.

Activities on GIs under the Project were intensified during the period with a study tour of Switzerland for 15 public and private sector stakeholder interests, including Ministry of Justice, JIPO, SRC, JBDC, Bureau of Standards, Coffee Industry Board, J Wray & Nephew/Lascelles De Mercado, Fi Wi Foods was organised with IPI (March 16 – 27)

4.3 Automation of Trade Marks System (IPAS)

The automation under the Intellectual Property Administration System (IPAS) for trade mark continues as JIPO works towards 100% accuracy in trade marks data, in order to offer an online service to the public.

In 2009/2010 it was again proposed that a project team of data entry staff be hired to complete this process in a more timely manner, however, due to budget cuts JIPO was unable to put this project staff in place. Therefore the current trade mark staff continues to undertake verification and a re-verification of files, along with their current job functions. This process will take up to 2013 to accomplish a 100% 'clean' database. Such a delay in achieving an acceptable data for public access will delay our operational strategy to offer on line service to the public. See tables below for Trademark Applications and Trademark Registration for 2007-2010.

Table 1: Trademark Activity (2007-2010)

Trademark Applications
2007-2010

	January	February	March	April	May	June	July	August	September	October	November	December	Total
2007	104	103	157	88	174	153	187	140	119	163	157	150	1695
2008	173	146	133	203	165	129	145	135	154	178	140	109	1810
2009	152	135	144	151	131	166	166	165	164	177	155	140	1846
2010	110	113	153										376

Trademark Registrations
2007-2010

	January	February	March	April	May	June	July	August	September	October	November	December	Total
2007											112	10	122
2008	159	222	48	25	15	276	146	180	200	141	117	148	1677
2009	94	181	127	372	131	43	142	53	267	215	25	29	1679
2010	84	262	118										464

4.4.1 Automation of Patents & Designs

Data entry of Patent and Designs files continues. There are 5090 files on the system. Following the passage of the Patent & Designs Act, JIPO will implement the usage of the IPAS with WIPO's assistance.

Table 2: Annual Comparison for Patent Applications (2002-2009)

	January	February	March	April	May	June	July	August	September	October	November	December	Total
2002	8	6	7	12	0	7	7	3	10	4	4	1	69
2003	1	4	5	2	2	5	9	1	4	6	3	8	50
2004	6	2	8	6	6	6	10	6	6	6	6	2	70
2005	6	2	7	5	9	10	5	6	8	2	3	7	70
2006	9	12	8	9	7	8	3	8	23	31	15	20	153
2007	17	19	16	8	10	15	17	12	6	14	14	15	163
2008	12	16	14	14	9	10	10	10	6	8	9	9	127
2009	7	15	18	7	8	11	7	10	11	13	10	9	126
2010	12	9	20										41

Table 3: Trends in Industrial Design Application for 2005-2010

	January	February	March	April	May	June	July	August	September	October	November	December	Total
2001	0	2	0	1	1	1	0	1	1	1	1	0	9
2002	0	2	1	0	0	1	1	0	0	0	1	0	6
2003	0	2	1	0	1	0	7	0	0	0	2	3	16
2004	1	1	5	11	5	2	9	4	4	1	9	2	54
2005	0	2	3	3	1	5	1	8	0	1	7	0	31
2006	3	2	1	3	0	2	1	2	0	1	1	2	18
2007	12	0	1	1	9	0	7	2	1	1	0	2	36
2008	2	1	4	6	5	4	0	1	6	5	2	3	39
2009	0	2	2	2	1	4	0	4	1	30	3	4	53
2010	0	0	6										6

4.4 Staff and Other Training

- Six (6) members of the Trade Mark Directorate staff successfully completed the WIPO Distance Learning Courses in various subject areas.
- A visually impaired Broadcaster successfully completed the Course on IP and E-commerce. The Broadcaster has shown a keen interest in working with JIPO on public awareness activities for visually impaired persons.
- The Deputy Director/Legal Counsel was invited to participate in the Uruguayan Copyright Council and Corporacion Innovarte (a Latin American think tank on IP) to examine exceptions and limitations to copyright with a focus on the visually impaired and disabled. The recommendations of the meeting which were presented to the WIPO have been included in the amendments to the Copyright Act.
- IP Training for members of the Judiciary - over twenty five (25) Judges of the Supreme Court and the Court of Appeal, including the Chief Justice, and President of the Court of Appeal, participated in a training session on IP Laws given by members of the JIPO staff.
- Trade Marks Registration Officer, participated in the Worldwide Symposium on Geographical Indications, the objective is to prepare the staff of the Trade Marks & GIs Directorate for administration of Jamaica's GI system (June 10-12).
- Members of the JIPO Board participated in a one day Retreat to address various issues relating to IP, in particular to have an in depth understanding of the international trade mark registration system, Madrid Protocol.
- Manager, Copyright & Related Rights, attended a Leadership Programme (IVLP) where she visited several IP based industries throughout the USA.
- Manager Trade Marks, attended a Trademark Examination Training Course at the US Patent & Trade Marks Office in Washington.

- Manager, Deputy Director/Legal Counsel attended and made a presentation at the Design and Patent Training Course at the USPTO.

4.5 Public Education and Outreach Programmes

Public Education on the subject area of IP and related issues continue to be a major focus of the Office. Given limited staff resources due to budget constraints, the majority of public education programmes continue to be spearheaded by the Copyright & Related Rights Directorate, focusing on target groups.

Public education was focused on secondary, tertiary, governmental, civic and faith based Organizations Island-wide.

4.5.1 Madrid Protocol Sensitisation

The Office conducted extensive research on the advantages and disadvantages of Jamaica's accession to the Madrid Protocol, which is an international registration system for trade marks & service marks. Activities were also held with the Advisory Board of JIPO, Business Community and Legal fraternity on the Protocol, such as: a panel discussion at the Jamaica Employers Federation, Retreat for the JIPO Board; Presentation with Jamaica Exporters Association, Rotary Club of St. Andrew, members of the Jamaica Export Strategy team, Small Business Association of Jamaica and Jamaica Reggae Industry Association.

4.5.2 Intellectual Property Week

One week in the month of April was dedicated to the annual celebration of Intellectual Property Week, which incorporated the celebrations of World Book & Copyright Day (UNESCO), April 23 and World Intellectual Property Day (WIPO), April 26. This represented a major public education programme on IP for the year. The IP Week activities were centred on a Creativity Expo.

Articles on Copyright and Related Rights were published in the Gleaner supplement for World Book and Copyright Day and in the publication of the annual Liguanea Fine Arts & Photography Festival.

4.5.3 Media Activities/Coverage

- Information was posted on IP Week activities on Business Jamaica website.
- Television production 'Maas Gussie's views' which runs on PBCJ on an on-going basis.
- JIPO in collaboration with the JIS had a publicity campaign agreement. The coverage provided included: articles on IP Week on the JIS magazine 'Voice of Jamaica' (radio, television, internet), facilitating interviews on various media networks. JIPO Managers appeared on several television and radio programmes.

4.5.4 Workshops

A workshop entitled “How to Make a Living From Music” was hosted in collaboration with WIPO in Kingston and Montego Bay. The workshop targeted persons involved in various aspects of the music business, composers, artists, producers and publishers.

A three (3) day workshop, in May 18-20, 2009 by two (2) international experts, Senior Legal Counsel for IPI and Legal Advisor for the Parmesan Cheese Consortium in Italy and the Columbian Coffee Federation, JIPO staff and members of the GI Working Group, formed during the study tour Switzerland in March 2009. The target audience over the three days comprised members of the private sector, which included manufacturers, processors/producers as well as exporters, importers, businessmen, public sector participants from several MDAs

Dr. Sophie Reviron of, AGRIDEA, Switzerland, (November 5 – 11) conducted workshops designed primarily to focus on training and discussion on the drafting of Codes of Practice for Coffee, Jerk and Rum taking into consideration the practical deficiencies of Jamaica’s system while placing emphasis on the establishment of a structural system for the recognition of the GIs.

4.6 Partnership with Government Ministries & Agencies

Over the 2009/2010 fiscal year, JIPO partnered with several Ministries, Departments and Agencies (MDAs) including Ministry of Health, JAMPRO, EXIM Bank and Companies Office of Jamaica

4.7 Monitoring IPR Negotiations and Regional and International Developments

JIPO’s Executive Director made a Presentation at the 3rd WIPO International Conference on Creative Industries held in, Cali Colombia, (February 24 – 26, 2010).

JIPO was represented at the 47th General Assemblies of the WIPO Conference held September 22-October 1st 2009, by Jamaica’s Permanent Representative to the UN in Geneva, JIPO’s Executive Director and First Secretary in the Geneva Mission. Jamaica’s delegation met with Director General of WIPO, Dr. Francis Gurry, on the following issues: Dr. Gurry’s commitment to establishing a dedicated Unit for Caribbean countries within WIPO, continued support and assistance to Jamaica in the automation of the IP system, modernization of the patent system, pilot project for copyright registration and capacity building and staff training for JIPO.

WIPO Ministerial Level Meeting for Caribbean Countries - The Permanent Secretary represented the Minister. He along with the Deputy Director of JIPO participated in the WIPO meeting for Heads of IP Offices, held in Grenada, in November 2009.

Manager, Trade Marks and GIs Directorate participated in the WIPO Standing Committee of Trade Marks (SCT) and led Jamaica's initiative for the protection of country names under an amendment to the Paris Convention.

The Executive Director participated in an Inter-regional High Level Forum on IP for Heads of IP Offices from select countries, aimed at examining IP policies and strategies, IP protection in a changing environment and IP and national economic development, held in Beijing, China (March 30 & 31, 2009).

Jamaica was selected to sit on the WIPO Caribbean Working Group for the Protection of Traditional Knowledge, Genetic Resources and Folklore. JIPO's Deputy Director, is Jamaica's representative on the Working Group and participated in study visits held in Belize, Dominica, St. Lucia, Jamaica, Suriname St. Vincent and the Grenadines and Trinidad & Tobago throughout the year 2009.

5.0 Strategic Focus for Medium to Long Term

- Full Automation of the Trade Marks, Patents and Designs Registration systems
- Enactment of the Patent & Designs Act
- Amendment to Copyright Act
- Amendment to Trade Marks Act & Rules
- Amendment of the Protection of Geographical Indications Act
- Offer On Line Services to clients
- Publish a JIPO Journal, towards offering an on line trade mark search
- Develop an educated multi-skilled staff in all areas of IP
- Participation in regional and international fora, particularly in the negotiation of bi-lateral and multilateral agreements.
- Offer a Fee based IP Advisory/Consultancy Service
- Seek sponsorship from international funding agencies to expand general public awareness programme

6.0 Priority Targets/Objectives for the Financial Year 2010/2011

- Review current IP legislation and facilitate enactment of new legislation
- Introduction of a JIPO Journal for the publication of Trade Marks, Designs, Patents and Geographical Indications and offer an On-Line Service for the Trade Marks System
- (iii) Strengthen and modernize the Patents Directorate and automate the Patents Registration System
- Expand public education and public awareness programmes
- Increase revenue

- Monitor regional and international IP developments, IPR negotiations and provide expert representation as required.
- Secure training opportunities on IP for staff, law enforcement officers and prosecutors
- Pilot project on the Voluntary Registration of Copyright
- Geographical Indications (GIs) Project between Jamaica & Switzerland: This two year technical assistance Project on Geographical Indications received full funding from the Swiss Federal Institute of Intellectual Property IPI. A new and improved JIPO website with a focus on GIs is been worked on through funding from the GI Technical Assistance Project. The Project will terminate June 2010.

7.0 Budget Allocation

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	27.0	34.0	30.3	38.5	52.2	70m	68m

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

JAMAICA INTELLECTUAL PROPERTY OFFICE



Executive Director of JIPO, Carol Simpson with representatives of the Milenium Council of Rastafari, at a work on the protection of traditional knowledge hosted at the Institute of Jamaica



Every child must learn about IP, Copyright Manager Philippa Davis sharing information at the annual Liguanea Fine Arts Festival along with manager of Trade Mark, Kai-Sara Davis during IP Week '09

MINISTERIAL REPORT TO PARLIAMENT ON THE PERFORMANCE OF THE JAMAICA NATIONAL AGENCY FOR ACCREDITATION FOR FINANCIAL YEAR 2009/2010 AND STRATEGIC FOCUS FOR FINANCIAL YEAR 2010/2011

1.0 Mission

The Mission of the Jamaica National Agency for Accreditation is to support the effective development of the Jamaican economy by providing conformity assessment bodies with internationally recognized accreditation services that will:

- Encourage Jamaican entities to produce and trade goods and services of consistently high quality
- Allow Jamaican regulators to control the quality of goods and services traded in Jamaica's domestic market, through the implementation of conformity assessment procedures which are in line with international standards and Technical Barriers to Trade (TBT) Agreement of the World Trade Organization (WTO).

2.0 Vision

JANAAC is an effective and efficient customer-focused accreditation body that is recognized as a leader in the regional and international accreditation business.

3.0 Background

New ground rules of trade, established through various World Trade Organization (WTO) agreements, promote free movement of goods and require that safety and quality of products be proven through transparent and reliable conformity assessment systems, thus eliminating technical barriers to trade. These new global rules require that governments implement conformity assessment systems that will ensure that the various agreements are satisfied.

A country's National Quality Infrastructure (NQI) is that set of facilities and mechanisms needed to perform conformity assessment. They cover activities ranging from the establishment of the rules on the market to the activities undertaken to prove that individual products and services meet the requirements set out in the market rules or buyers' specifications.

The NQI therefore embraces activities such as the preparation, adoption and application of technical regulations, the preparation, adoption and application of standards, accreditation, certification, inspection, testing, metrology (measurement)

and other methods of enforcement. A country's NQI may therefore be conceptualized as a national conformity assessment system necessary to ensure that its goods and services meet quality requirements. JANAAC is an important part of Jamaica's NQI.

Jamaica is a signatory to both WTO Technical Barriers to Trade (TBT), and Sanitary and Phyto-Sanitary (SPS) Measures agreements, and is therefore obligated to ensure that its NQI is in line with these agreements.

Consequently, JANAAC was established to facilitate trade between Jamaica and its trading partners by enabling Jamaica's conformity assessment system to meet international standards and the World Trade Organization's (WTO's) various agreements.

4.0 Goals

The long term goals of JANAAC are as follows:

1. Establish and maintain a national accreditation body that conforms to the international standard that all world class accreditation bodies have to meet i.e. ISO/IEC 17011
2. Facilitate global trade by successfully initiating, negotiating, establishing and maintaining the Mutual Recognition Agreements (MRA's) necessary to enable trade with other countries
3. Encourage and promote the accreditation of conformity assessment bodies such as laboratories, certification bodies and inspection authorities within the Island
4. Actively pursue international acceptance of the Jamaica National Agency for Accreditation as well as the conformity assessment bodies accredited by JANAAC
5. Encourage the development of the Jamaican economy by promoting accreditation among national regulatory authorities, as an effective tool for them to identify competent service providers in support of national objectives for health, safety and the environment
6. Continuously investigate opportunities for using accreditation to reduce the cost of trade and to facilitate Jamaican exports in the most cost effective manner
7. Provide advice to various Government agencies and departments on matters connected with accreditation, both on JANAAC's own initiative and where requested to do so

8. Provide technical training and technical information to the productive sector in Jamaica and the Caribbean region.

5.0 Functions

JANAAC'S core functions are to provide:

1. accreditation services to conformity assessment bodies namely:
 - Public and private sector laboratories
 - Inspection bodies
 - Certification bodies
2. technical training and technical information as may be appropriate.

A policy decision was taken that initially JANAAC will concentrate only on accrediting laboratories.

6.0 Main Achievements for Financial Year 2009/2010

a) Establishment of JANAAC's Administrative Systems

Financial Year 2009/2010 was the second year of operation for JANAAC. It completed the recruitment of all eight (8) staff members classified on its establishment and moved to strengthen its relationship with some of its service providers as well as establishing new and more efficient ones as it sought to provide an effective and efficient service to laboratories.

b) Training Services

Provision of technical training is a core function of JANAAC. During the reporting year, JANAAC surpassed its planned objective of conducting 5 courses by completing six (6) training courses as follows:

- “Workshop for the Training of Assessors of Testing and Calibration Laboratories” held on July 6-10, 2009. Twelve (12) Assessors were trained at the Medallion Hall Hotel.
- Seminar on “ISO 15189 and Accreditation” was conducted during the period September 29 – October 1, 2009, for medical laboratory personnel. Sixteen (16) persons attended this seminar which took place at the Medallion Hall Hotel.
- On November 30-December 1, 2009, JANAAC hosted “The Road Map to Accreditation - the 20 Milestone Workshop”. This was done in collaboration with Caribbean Regional Organization Standards and

Quality (CROSQ) and Technische Physikalisch-Bundesanstalt (PTB) Thirty - two (32) persons attended this workshop.

- The “Assessor Conclave Seminar 2009” was held on December 11, 2009 at the Terra Nova Hotel. Forty Seven (47) Assessors attended this seminar.
- Workshop on “Documenting your Quality Management System for Accreditation” took place during the period February 15-16, 2010 at the Medallion Hall Hotel. This workshop was specially designed on the request of laboratory staff who was having problems with documenting their Quality Manual, a requirement of both international laboratory accreditation standards. Thirteen (13) persons attended.
- The “Test Method Validation Workshop” took place on March 1-3, 2010 at the Terra Nova Hotel. This specialized accreditation Seminar was conducted in collaboration with CROSQ and PTB, twenty eight (28) persons attended.

JANAAC also gave support to workshops of other organizations by providing resource persons at the following:

- i. Workshop on “Good Practices for National Pharmaceutical Control Laboratories” conducted by the Pan-American Health Organization (PAHO) and the Government Chemist Laboratory.
- ii. Workshop for the “Training of Assessors of Testing and Calibration Laboratories” - a workshop conducted by the Caribbean Laboratory Accreditation Service Project of CROSQ held during the period March 8-11, 2010 in Barbados.

c) International Accreditation Day

The Launch of JANAAC took place on International Accreditation Day, June 9, 2009 at the Terra Nova Hotel. The Keynote speaker was the Honourable Prime Minister Bruce Golding, who addressed approximately 150 guests. Partners from CARICOM including CEO of Caribbean Regional Organization Standards and Quality (CROSQ) Dr Vyjayanthi Lopez, Dr. Jem Fletcher of the CARICOM Secretariat, Miss Giselle Guevara Manager of the Caribbean Laboratory Accreditation Service (CLAS) Project, Mrs Violet Maurice, Head of the Accreditation Body in Trinidad & Tobago, Mrs. Dianne Lalla-Rodrigues, Director of the Antigua and Barbuda Bureau of Standards and Ulf Hillner of the PTB were in attendance

On International Accreditation Day there was also a technical conference under the theme “Competence and Quality – A Guarantee of Excellence”. A Poster

Display exhibition also took place during the conference with eight (8) organizations mounting exhibits. Over 120 persons attended this conference. The International Accreditation Day was a collaborative effort with CLAS/CROSQ. Eight (8) technical papers were presented. This included two speakers from Trinidad and Tobago. The Keynote Speaker was Ulf Hillner, Project Coordinator for the German sponsored project for technical cooperation with Latin America and the Caribbean. One of the papers presented by Dr Donovan McGrowder, Consultant to the Pathology Department of the University of the West Indies Hospital, has been accepted for publication in the *Journal of Accreditation and Quality Assurance*. Dr Donovan McGrowder is also a technical assessor of JANAAC.

Articles on JANAAC's Launch was carried in publications issued throughout the world. These included "ILAC News" a publication by the International Laboratory Accreditation Cooperation published in Australia which is beamed to all its members in over sixty (60) economies; the "IAAC Newsletter" the official newsletter of the Inter-American Accreditation Cooperation published in Mexico and circulated throughout the Americas; and CROSQ News circulated in CARICOM. An article was also placed on the website of Trinidad and Tobago Bureau of Standards.

The commemoration of International Accreditation Day activities allowed JANAAC to achieve its objective of providing information on accreditation to the private sector and other Agencies and Departments of Government.

d) Accreditation Services

Despite the global financial crisis, JANAAC sought to develop and Implement an effective marketing strategy that would encourage medical and testing laboratories to buy accreditation services. The Launch was followed by direct marketing visits to laboratories which had requested applications to apply for accreditation but had not yet returned them. The seminars were also used as an opportunity to sell JANAAC's services.

To date three (3) laboratories have formally applied for accreditation. JANAAC achieved its objective of efficiently processing all applications received from clients within the timeframe outlined in the document, JANAACMSPR/11 Procedure for the Implementation of the Accreditation Process, except in cases where all documentation was not achieved on time.

c) Collaboration with Regional Bodies

This year JANAAC continued its collaboration with Regional Bodies involved in accreditation with the intent of developing systems that will enable trade. Specifically JANAAC by special invitation has been participating in the Council Meetings of the CARICOM Regional Organization for Standards and Quality

(CROSQ) and as part of the Management and Technical Committees of their internationally funded Projects; namely the Caribbean Laboratory Accreditation Service (CLAS) Project, funded by the European Development Fund, and the Regional Quality Infrastructure (RQI) Project funded by Inter-American Development Bank. These activities have been driven by the fact that in regional co-operations when the various elements of the National Quality Infrastructure (NQI) of individual member countries are not properly harmonize, technical barriers to trade often arise. CARICOM has come a far way with the harmonization of standards but now there is a need to harmonize the other components of the NQI especially the conformity assessment systems.

Additionally, JANAAC collaborated with the CLAS/CROSQ Project to hold two (2) specialized accreditation workshops for laboratory personnel, thus giving laboratories tools to ensure their results are accurate, credible and reliable.

d) Facilitating Global Trade

During Financial Year 2009-2010 JANAAC continued to work toward the establishment of Mutual Recognition Agreements (MRA's) by establishing itself in the international accreditation arena as a knowledgeable accreditation body. As a strategy to achieve this objective JANAAC worked on the recommendations given by International Accreditation Consultant Manfred Kindler of the German Organization Technische Physikalisch-Bundesanstalt (PTB) when he completed a 30 Milestone Process Review of JANAAC in May 2008 on the request of CROSQ's IDB/RQI Project.

The PTB in its Technical Assistance Program has divided the setting up of an internationally recognized accreditation body /system into 30 steps called milestones. It is expected that once the Accreditation Body has achieved all 29 of these milestones it will be able to sign the IAAC/MLA, the 30th Milestone. During Fiscal Year 2009/2010, International Accreditation Consultant, Manfred Kindler visited and reviewed JANAAC status in relation to these milestones. Twenty Four (24) of these milestones were completed and the remaining six (6) partially completed. This compared favourably with May 2008 evaluation when the review showed that JANAAC had only achieved 13 milestones and partially achieved 15.

e) Provision of Technical Information

During Financial Year 2009/2010 JANAAC provided technical information to fourteen (14) stakeholders who requested same.

7.0 Projections for Financial Year 2009/2010

- Assessor base expanded by 20% over the Number registered at March 2010.
- At least 5 training courses successfully conducted

- At least 5 labs apply for accreditation
- Clients Management Manual reviewed and on Site Assessments done within the specified time.
- Market Study completed and documented
- World Accreditation Day event held in June 2010
- Quarterly Newsletter implemented successfully by March 2010.
- 80% of CLAS Management & Technical Meetings attended and decisions arising from meetings implemented.
- 80% of RQI-CROSQ Technical Committee meetings attended and decisions arising Implemented.
- JANAAC optimises the services offered by CLAS-EU Project to build a tradable service in a timely manner.
- JANAAC signs the Multilateral Arrangement (MLA) with the IAAC by March 2011

8.0 BUDGET PROJECTIONS

JANAAC's budget for 2010/2011 is \$ 45.9 M compared with \$64.7M for 2009/2010

Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

JAMAICA NATIONAL AGENCY FOR ACCREDITATION



The Hon. Karl Samuda, Minister of Industry, Investment and Commerce (Centre) with his Permanent Secretary, Mr. Reginald Budhan and the staff of JANAAC



Miss Giselle Guevara of the CARICOM Regional Organization for Standards and Quality looks on while Mr. Manfred Kindler International Accreditation Consultant hands Certificate to Participant Joy Dewnarain from Suriname at the Regional Workshop on Test Method Validation held at the Terra Nova Hotel.

MINISTERIAL REPORT TO PARLIAMENT ON THE PERFORMANCE OF THE JAMAICA PROMOTIONS CORPORATION FOR FINANCIAL YEAR 2009/2010 AND FOCUS FOR FINANCIAL YEAR 2010/11

1.0 Background

Jamaica Promotions Corporation (JAMPRO) is a statutory body governed by the JAMPRO Act of 1990. The organization has since been refocused under the Public Sector Modernization Programme (PSMP), which allowed for the narrowing of the focus of the organization from a wider approach to investment promotion and facilitation, to a more specific sector targeting approach. As Jamaica's investment and export promotion agency, the organisation has been mandated to stimulate, facilitate, and promote the development of trade and industry, and export and investment activities in all sectors of the island's economy. The vision 2030 National Development Plan and National Export Strategy have been key guiding documents in the development of JAMPRO's Corporate and Operational plans for FY2009/10 and also for the upcoming financial year.

In executing its investment and export promotion mandate, the organisation maintains four divisions, two of which undertake core activities. These are the Investment Promotions Division, which is responsible for the systematic attraction, landing and support of foreign and local investments to Jamaica and the Trade & Business Development Division, which is focused on the development and capacity-building of local businesses to compete at global standards both in the foreign and domestic markets, export promotions and the implementation of a national linkages programme that seeks to connect competitive Jamaican producers of goods and services with local and foreign buyers. The two support Divisions include the Finance, Administration and Management Information Systems Division and the recently formed Planning and Corporate Development Division. The latter has specific responsibility for the conduct of research and policy advocacy that supports sustainable investment and export.

2.0 Highlights of Performance/Achievements for Financial Year 2009/2010

The economic and financial crisis and the accelerating economic downturn adversely affected all the major economies of the world. To that end, foreign direct investment flows to Jamaica for FY2009/10 are expected to reflect a falloff relative to the historic peak recorded in 2008 of US\$1.44 billion. JAMPRO's contribution to Jamaica's overall investment performance is captured using the Capital Expenditure (CAPEX) generated by each project it facilitates, as well as jobs created by these projects (both permanent and temporary). Notwithstanding the adverse economic climate, the

organisation has however performed creditably with preliminary unaudited figures⁹ as at March 2010, reflecting CAPEX on projects facilitated by JAMPRO of J\$17.12 billion or approximately 76.4% of the target for the fiscal year. The creation of jobs has proven particularly challenging given the crisis, with 4,574 jobs being created by JAMPRO's intervention, or approximately 69% of the target for the year. Additionally, the shortfall in employment relative to target was attributed to the capital intensive nature of a significant proportion of the foreign investments facilitated during the year.

Notwithstanding a 30% decline in global trade¹⁰ and a 32% decrease in Jamaica's non-traditional exports¹¹, some sub-sectors have proven particularly resilient during the period under review. Export sales facilitated by JAMPRO was J\$3.43 billion as at March 2010, or 98% of the fiscal year target. The value of linkages contracts facilitated by the organisation was approximately J\$935 million, relative to J\$113.8 million in FY2008/09. The majority (85%) of the linkage contracts signed were in the ICT sector.

In an effort to effectively execute its mandate and in response to the heightened financial and economic crisis, JAMPRO identified the following as strategic imperatives for FY2009/10:

- Focus internally, in particular on client service and support by facilitating increased local direct investments; facilitating the deepening of the absorptive capacity of the economy through linkages; encouraging increased investment by existing foreign investors (working with them to expand their operations and/or presenting to them new investment opportunities; building relationships and actively working with individual exporters on their specific needs and; identifying and accessing relevant resources to support clients' development needs
- Focus on the strategic facilitation of high-impact projects
- Focus on the creation of jobs in the ICT/Business Process Outsourcing sector
- Focus on the diversification of investment and export promotion to non-traditional emerging markets (e.g. in the European Union (EU) in the context of the Economic Partnership Agreement (EPA), and sectors (e.g. medical tourism, offshore services enterprises (International Financial Services Centre), and the export of professional services).

⁹Figures reported are as at March 2010. JTI collects this data on a quarterly basis. Final, audited figures will not be available before June 2010.

¹⁰ www.wto.org/statistics

¹¹ Statistical Institute of Jamaica

The Agency also sought to strategically support the continued growth and development of the business sector in Jamaica through the development and implementation of the National Export Strategy (NES). The NES provides a roadmap for targeted focus on various sectors, thereby allowing limited resources to be suitably directed. The NES also outlines at the action plan level, the critical initiatives needed to address cross-sectoral issues facing the export sector. The National Export Strategy was tabled by the Minister of Industry, Investment and Commerce at the 2009/10 Budget Debate at Gordon House on April 29, 2009.

The support for the business sector in Jamaica was augmented by the continued implementation by the organisation, as well as partner agencies such as the Jamaica Business Development Corporation, of the Private Sector Development Programme (PSDP). The PSDP, which began in 2004, came to an end in December 2009. Through the Programme, Jamaican firms were able to obtain grants (139 firms received grants valued in total at J\$132 mn), forge linkages, access export marketing assistance and receive business information, among other services. In an effort to ensure sustainability, key initiatives that began under the PSDP have been incorporated as elements of JAMPRO's corporate strategy for fiscal year 2010/11.

The organisation also partnered with the OTF Group in the execution of its Pioneers of Prosperity Programme. This regional awards event which was held in September 2009, in Jamaica, under the distinguished patronage of the Honourable Prime Minister, Mr. Bruce Golding, sought to; (1) award prizes to regional firms for their entrepreneurship, (2) create role models of entrepreneurship and (3) showcase these role models as examples to the world through a structured public relations programme. JTI was instrumental in ensuring that Jamaican firms applied for the award and hosted the award in conjunction with the OTF Group.

The Agency also initiated a number of strategic interventions geared towards repositioning the organisation to effectively execute its mandate. These included a name change from JTI to JAMPRO, as well as organisational restructuring during the last quarter of FY2009/10. With regard to the latter, the changes included: the creation of a new and fourth (4th) Division – Planning & Corporate Development; the creation of a new department within the Investment Promotions Division, that is, Manufacturing, Energy & Mining Department; the reopening of a Regional Office – the North American Regional Office; the creation of an Export Development Department within the Trade and Development Division; the addition of the Secretariat for the National Planning Summit/Partnership for Transformation and; the addition of the Secretariat for the National Competitiveness Committee, which will incorporate the Target Growth Competitiveness Committee, National Export Strategy, Jamaica Coalition of Services Industries and the Trade Facilitation Board/Jamaica Trade Point Steering Committee. It is expected that the reorganisation will improve the organisation's ability to meet the aggressive targets set for 2010/11.

Another key initiative undertaken by JAMPRO during the year, which could only augur well for future FDI inflows and exports, was the drive to exploit opportunities in China through Expo Shanghai 2010. This Expo will be staged over 184 days from May 1, 2010 to October 31, 2010 in Shanghai, China, under the theme "Better City, Better Life". The Expo will (1) provide a platform for the promotion of Jamaica as a viable investment destination to Chinese and international investors 2) provide an opportunity for the promotion of niche high value low volume Jamaican exports 3) allow for the positioning of Jamaica as the gateway to the Caribbean and the Americas 3) showcase Jamaican culture and 4) provide an opportunity to gain best practice insight into urban development.

An exporter forum related to Expo Shanghai in January 2010, as well as the visit to China by a high-level Jamaican delegation in February 2010 including the Minister of Industry Investment and Commerce, Minister Karl Samuda and the President of JAMPRO, Mrs. Sancia Bennett Templer, were also key undertakings during the year, allowing for the exploration of investment and trade opportunities between the two countries.

JAMPRO's European Regional Office jointly hosted the second annual Jamaica-UK Investment Forum with Developing Markets Associated (DMA) in London on 11th March 2010. The Forum sought to reassure the European investment community that Jamaica's fiscal and monetary environment was stable following the Jamaica Debt Exchange, thus indicating stability for long term foreign direct investment. Presentations were made by Government Ministers, the Governor of the Bank of Jamaica, representatives of the European Commission and the UK Film Council and executives and directors from renowned enterprises in Jamaica and the UK. The Conference highlighted the country's developed commercial infrastructure, investor incentives and opportunities in current and proposed projects within key industry sectors. The event attracted international media houses (Reuters, BBC, Financial Times, and JIS), which generated positive press for the Island.

Special Projects

In FY 2009/10, JAMPRO facilitated the development and implementation of various Special Projects critical to our mandate. These included the National Export Strategy, a pillar of the Vision 2030 Development Plan, the establishment of the Jamaica Coalition for Services Industries and research to support the establishment of Jamaica's International Financial Services Centre (JIFSC).

With regard to the services sector, the organisation established secretariat support for the Jamaica Coalition for Services Industries (JCSI). Consultations were held during the year with industry players regarding Trade in Services in the face of recent Trade Agreements (EU/CARIFORUM Economic Partnership Agreement and the proposed Canada/CARICOM Trade and Development Agreement). Other activities to advance the JCSI work plan were also undertaken.

Work also continued during the year on the establishment of Jamaica's International Financial Services Centre (JIFSC). The draft bill to establish the statutory body for the development and promotion of Jamaica as a centre for international financial services was prepared and presented to policymakers for implementation. In addition, a detailed work programme was finalised and included an assessment of the products and services to be offered by the JIFSC, a review of Jamaica's Tax and Bilateral Investment treaties, and the sustainable development of maritime activities that would enable Jamaica to become a shipping hub.

4.0. Performance Summary: - FY 2009/10 Actual vs. Target ¹²

The following serves to detail major achievements and programmes of the Organisation for FY2009/10 and presents the organisation's targets and key initiatives for FY2010/11.

Table 1 **CAPEX, Jobs, Export Sales, Linkage Contracts
(Performance vs. Target - 2009/10)**

DELIVERABLE	ANNUAL TARGET (as at Mar-10)	PERFORMANCE (as at Mar-10)*
Capital Expenditure	\$22.4 bn	\$17.1 bn
Jobs	6,586	4,574
Non-traditional Export Sales	\$3.5bn	\$3.4 bn
# Linkage Contracts Signed	45	49
Value of Linkage Contracts Signed	\$100 mn	\$935.5 mn

4.1 Investment Promotion

More than 22 new projects were added to the JAMPRO portfolio during the year. This includes 12 ICT projects (specifically 11 Business Process Outsourcing (BPO)/ Call Centre Operators and 1 Offshore Medical Facility), 1 creative industries project, 5 tourism projects, 2 manufacturing projects, and 2 agricultural projects.

In the 2009/10 period total capital expenditure facilitated by JAMPRO amounted to J\$17.1bn. Key among these projects were mega-tourism projects such as Secrets/Seawind Keys and Palmyra, as well as investments in the expansion of Carib Cement. The combined capital spend of these projects amounted to more than J\$14bn during the review period.

¹²Figures presented here are not final as data is collected on a quarterly basis and as such final audited figures will not become available before the end of the first quarter of FY2010/11.

Within the ICT/BPO sector, noteworthy investments were facilitated from renowned multinationals such as Minacs and Hinduja Global, as well as reinvestments by existing international investors, Teleperformance/Alliance One. Investments were also facilitated in the minerals and mining sectors, with companies such as Cement Jamaica investing in a new cement and limestone quarrying operation at Port Esquivel, St. Catherine and Freetown, Clarendon.

The adverse effect of the financial and economic crisis on employment was particularly evidenced among the projects converted by the organisation during the year. Of a target of 6,586 jobs, the organisation was only able to create 4,574 jobs or 69% of the target.

4.2 Employment Generation

In terms of employment, the ICT sector accounted for 48.8% of jobs created and the hospitality sector 34.2%. Investments in the creative industries accounted for 16.8% of the new jobs created

Table 2: Jobs by Sector – FY 2009/2010¹³

Sector	Employment 2009/10 (as at Mar-10)
Information and Communication Technology	2,234
Hospitality/Tourism	1560
Agriculture*, Manufacturing	10
Creative Industries	770
TOTAL	4,574

* Figures presented in the table are preliminary. Final audited figures will not be available before the end of the first quarter of FY2010/11

4.3 Export Promotion & Development

The Export Promotion Department has continued to facilitate the promotion of exports in a challenging business environment. Efforts were heightened during this period to strategically engage with clients, in particular through the expanded Client Servicing Unit within the Business Facilitation Department. JAMPRO facilitated J\$3.4 billion in exports, relative to projected exports of J\$3.5 billion i.e. 98% of the target, as at March

¹³ Note that JAMPRO collects this data on a quarterly basis and as such the figures submitted here are preliminary. Final audited figures will not be available before the end of the first quarter of FY2010/11.

2010. The main contributors to this performance included the processed foods sub-sector (78.8%) and producers of coffee (20.9%).

The organisation facilitated the showcasing of Jamaican products to international distributors, organising outreach and preparatory activities for the engagement of exporters in export promotional events. As at March 2010, the organisation conducted 19 market penetration activities, taking producers of Jamaican products to trade-shows, conducting in-store promotions and taste-tests and in-market sales promotions. These missions largely targeted US and UK markets with a focus on the Agri-business sectors. The events included but were not limited to: the 22nd Annual National Fiery Foods Show, Sial Trade Show in Canada and the Food & Drink Expo in Birmingham, UK and a Prime Ministerial mission to China. In January 2010, an exporter forum was held which focused on the Shanghai World Expo and incorporated keynote presentation by Minister Karl Samuda, with attendance by the Chinese Ambassador to Jamaica. The forum was well received and resulted in several expressions of interest by Jamaican firms desirous of exploring opportunities in the Chinese market.

Export activities at JAMPRO during the review period and in particular the engagement of exporters were aligned to the sectoral focal points strategy delineated in the National Export Strategy (NES), whose design was completed during the year. The execution of the NES during the period also required the organisation to partner and collaborate on a more strategic level with government bodies and private sector organisations, in particular, the Ministry of Agriculture, the Bureau of Standards and the Jamaica Exporters' Association.

4.4 Business Facilitation

Given the global adverse economic climate, promotion Agencies worldwide employed a strategy of increased support to existing investment and export clients. JAMPRO was no exception and during FY2009/10 this strategy was geared towards client retention. This strategy is increasingly of paramount importance as the financial crisis persists and the availability of credit decreases. In this vein, several initiatives focused on the domestic sector, with the total number of client service officers in the contact centre being increased by 3 persons to ensure that all clients were contacted at least once per month and interventions made to resolve concerns, where possible.

Other critical business services offered to JAMPRO's clients during the year included the expansion of JAMPRO Export Centre/Business Information Point (EC/BIP), which is a physical and virtual information centre. In partnership with other key private and public sector entities, JAMPRO's EC/BIP is a part of 18 centre networks across the island. The organisation also achieved registration of all new exporters, with a total of 237 new exporters registered in FY2009/10; the re-registration of exporters, with 638 exporters re-registered during the year; the processing of modernization of industry

applications¹⁴, for GCT waivers, which amounted to J\$318.6 million from capital equipment valued at J\$ 1,907.million; and technical assistance through the provision of guidance and hand-holding for companies to access grant-based financing for business development through a number of partner resources and donor agents. During the review period, over 224 clients benefited from technical assistance services through the JAMPRO, with a total of 134 technical assistance proposals/applications for donor funding reviewed by the organisation. Submissions amounting to J\$313.6 million were made to donors on behalf of clients. In addition, the organisation, through PSDP funding, facilitated the preparation of 12 investment/opportunity profiles on several agricultural products, deemed priority crops by the Ministry of Agriculture, including sweet potato, ginger and pepper.

Additional initiatives during the period included the hosting of 3 Technical Assistance Workshops to expose and train clients in proposal writing techniques in order to enable them to better access grant funding. In FY 2008/09 Jamaica was the recipient of 57% of Caribbean Export Development Agency's (CEDA's) approved grants under the Direct Assistance Grant Scheme. The organisation also facilitated "One Stop Shop" Export Information workshops for new and potential exporters in Kingston and Manchester, to sensitise participants on export requirements and introduce them to key agencies integral to the process.

4.5 National Linkages Programme and Cluster Development

The Jamaica Business Linkages Programme demonstrated marked successes during the period with over J\$935.5 million facilitated from 49 signed business linkage contracts as at March 2010. These were due largely to investments in the ICT sector and to a lesser extent the Tourism sector. JAMPRO participated or hosted various events and meetings during the year to foster linkage opportunities. These included but were not limited to a Chef Cook Off event staged at Devon House to foster linkages between the Hospitality sector (Hotels & restaurants) and the Agricultural sector and a matchmaking session in Montego Bay organised on behalf of Secrets Resorts and local suppliers in the agribusiness sector.

The launch of the Jamaica Business Opportunity Service (JBOS) website has also provided increased opportunities for linkages between buyers and suppliers. Of a targeted 1,000 members, 797 are now registered on the site and actively use the site to promote and request services.

4.6 The Private Sector Development Programme

The Private Sector Development Programme (PSDP) came to an end on 31 December 2009 with close out activities continuing into the first half of **2010**. **The PSDP** was a five-year €26.2 million technical assistance programme financed jointly by the European Commission via the 9th European Development Fund (EDF) and the

¹⁴ The Modernisation of Industry incentive allows eligible exporters to import equipment required to upgrade their facilities free of GCT and duty

Government of Jamaica (GOJ). PSDP's objective was to enhance the prospects for socio-economic development through strengthening of Jamaica's private sector in the challenging context of globalisation and the liberalization within the international economy.

The purpose of the programme was to increase the private sector's contribution to Gross Domestic Product (GDP), and more specifically, the portion which comes from the Micro, Small and Medium-sized Enterprises (MSMEs) sector. This was to have been achieved by (1) addressing competitiveness challenges and constraints at the policy and regulatory levels; (2) enhancing MSME competitiveness via firm and sector/cluster level assistance as well as strengthening the capacity of their representative or intermediary organizations to provide business support services to the MSME sector; and (3) increasing MSME access to corporate finance. A total of 12 PSDP support programmes were designed to achieve these objectives. JAMPRO was given the mandate for implementing more than 60% of the activities under the PSDP.

Key achievements of the JAMPRO under the PSDP are outlined below. The figures presented should be treated as preliminary. By most accounts however, targets were achieved and exceeded and sustainability and exit strategies developed for the components.

- Target Growth Competitiveness Committee (TGCC): The Committee, chaired by the Minister of Industry Investment and Commerce, Minister **Karl Samuda**, **was** successful in meeting its target of research undertaken and policy proposals submitted under the Programme. Of note, during the year in review, 3 policy proposals covering the formation of a collateral registry, the development of a National Competitiveness Committee and the revision of Jamaica's insolvency legislation were submitted for consideration by policymakers.
- Corporate Finance Broker (CFB): As at end December 2009, over 600 clients were provided with financial advisory services, more than 90 loans approved and in excess of J\$331 million in loan approvals facilitated under the Programme. Other avenues for financing, including grant applications, were explored. Applications were submitted for EU Banana Grants and assistance provided to two projects for listing on the Junior Stock Exchange. Targeted workshops were also completed under the programme covering options for financing, basic accounting and record keeping, financial planning and management with marketing.

JAMPRO also worked closely with the Development Bank of Jamaica (DBJ) in establishing the Credit Enhancement Programme, which was focused on improving access to finance by the small and medium sized enterprises in Jamaica. The programme used the feasibility study for the Mutual Guarantee

Fund, which was developed under the PSDP to design an effective mechanism for SMEs accessing credit.

- Export Centres & Business Information Points (EC/BIPs): This component was established in an effort to offer clients with universal access to the requisite information to enter new markets. A total of 18 Export Centres and Business Information Points were established islandwide through the Programme with JAMPRO, Jamaica Exporters Association and JBDC as partner agencies.
- Cluster & Sector Initiatives (CSI): Over 600 firms participated in excess of 70 initiatives which included Market Penetration events, Capacity Building workshops and Marketing and Branding. At the end of the Programme the total membership of the Cluster Programme stood at 767.
- Enterprise Rating and Upgrading (ERU): The ERU was established to offer diagnostics/assessment services to the MSME sector identifying client needs and issues affecting their business expansion and developing an appropriate upgrading/business plan to address specific needs. JAMPRO and JBDC hosted the 2 ERU Units established under the Programme. Over 400 companies were assessed and a total of 131 MSMEs received upgrading grants under this programme component.
- Back Office Services (BOS): Under JAMPRO's Back Office Services Component, support was provided to 6 companies for the development of export marketing plans.

With the completion of the Private Sector Development Programme (PSDP) at the end of December 2009, JAMPRO sought to absorb those developmental activities most aligned to the general services of the organisation that were previously offered through the Programme. Accordingly, activities such as that of the Corporate Finance Brokerage (CFB) Unit, the Export Centre/Business Information Point (EC/BIP), Back Office Services (BOS) and Enterprise Rating and Upgrading (ERU) will be offered as JAMPRO services in 2010.

5.0 Summary of Main Programmes for Financial Year 2010/2011

During the 2010/2011 Financial Year, JAMPRO will focus on the achievement of the following outcomes:

- i. Job Creation: Employment opportunities for approximately 6,471 Jamaicans
- ii. Investment Generation: Total CAPEX of J\$24.4 billion
- iii. Export Sales: Export sales of approximately J\$3.76 billion.

- iv. Linkages Contracts and contract values: The facilitation of 45 linkages contracts generating a total sum of J\$ 322 million.

These targets were set against the background of a persistent global economic recession, which has continued to significantly constrain local and foreign direct investment and exports, as well as heightened uncertainty and instability in the domestic environment which has engendered a return to a funding arrangement between the GOJ and the International Monetary Fund. In particular, the projection for CAPEX was contingent on the realisation of spending on capital items by more than fifty projects in JAMPRO's portfolio, as well as the prospects that may be converted during the year. The achievement of these targets will hinge on the implementation of JAMPRO's Corporate Strategic Objectives outlined below.

5.1 Corporate Strategic Objectives

The organisation has identified the following primary strategic objectives geared towards the fulfilment of its mandate:

- Sustained robust economic growth and development, through expanded exports sales, increased business linkages and the implementation of new investment projects.
- High quality jobs and wealth creating investments to be realized through increased targeting based on rigorous research.
- Highly differentiated, high value niche exports, through the provision of support and development assistance to local companies that demonstrate strong export potential.
- An enabling business environment by advocating for the requisite policy framework necessary to increase Jamaica's attractiveness as an investment and trade hub
- Enhanced competitiveness of the nation, by providing technical support to strategic initiatives and programme designed to improve the way in which local companies conduct business.

In addition to these key targets, the organisation recognizes that there are also other key strategic objectives that must be met, including: facilitating the development and growth of local industries that have natural synergies and links to the areas in which the Corporation will focus its promotional efforts; conducting continual interface with clients to identify their needs, bottlenecks being encountered, and offer solutions for the enhancement of their businesses; enhancing local and international perception of the organisation through constant interface with key stakeholders; and continuing to implement a management system of teamwork, effective internal communications and staff development.

With regard to investment promotion, the organisation will seek to renew its focus on local investors with investment opportunity packaging, market research and policy advocacy undertaken to support the achievement of targets. In particular, a review of Jamaica's incentives framework will be considered along with the submission of policy proposals grounded in research related to the ICT/BPO, health and wellness and film sectors, in an effort to secure large scale investment projects and create jobs.

5.2 Target Sectors

In keeping with the organisations core mandate and guided by the National Export Strategy, the organisation will also focus its efforts on six priority sectors in collaboration with key stakeholders: ICT, Creative Industries, Agriculture, Tourism, Manufacturing and Mining and Energy. Particular focus will be placed on the ICT/BPO sector, from which more than 2,000 jobs will be generated in FY2010/11.

Using the NES as a guide, the organisation has identified the following sectors and sub-sectors for the focus of export promotion activities:

- Creative Industries: Fashion, Gift & Craft, Music;
- Agriculture: Fresh Produce;
- Manufacturing: Agro-Processing/Food & Beverage, Health & Beauty, Bedding & Building Products

5.3 Special Projects

JAMPRO has identified a number of broad strategies that will be implemented in an effort to meet the corporate objectives. Some of these strategies will be facilitated through Special Projects and others through departmental activities. Special Projects aimed at facilitating the delivery of trade and investment targets include:

1. Nation Branding for Brand Jamaica: Nation branding is a crucial component of the work of most internationally recognised Investment Promotion Agencies (IPAs). It provides a cohesive framework for the general marketing of the country at an international level, as well as locally. JAMPRO, in collaboration with its portfolio Ministry, the Ministry of Tourism, and the Ministry of Youth, Sports, and Culture, will develop and implement a nation branding strategy geared towards the promotion of Brand Jamaica, particularly in light of the upcoming 2012 Olympics and other such major events. JAMPRO will serve as the lead agency in the development and execution of the strategy among both the private and public sector stakeholders.
2. Promotional Re-branding: Following on the decision to revert to the use of the name Jamaica Promotions Corporation (JAMPRO), the organisation will be implementing a comprehensive re-branding and communications strategy,

which will seek to reposition and re-establish the organisation as the premier investment and trade promotion agency for Jamaica.

3. Research-Based Market/Sector/Product Profiling: The recent reorganisation of the agency's resources will enable a renewed emphasis on detailed market research in an effort to enhance operational activities.
4. Targeting Developing & Emerging Markets: The developing and emerging markets have demonstrated economic resilience in the face of the global financial crisis. Increased focus on these non-traditional emerging markets, e.g. India, Brazil, China.
5. China Strategy: The Caribbean, Latin America and Emerging Markets Office, in carrying out its promotional activities, will be developing a comprehensive marketing strategy for China. The Chinese market represents both an investment and export opportunity for Jamaica and Jamaica in turn has the potential to become a significant distribution hub for China.
6. Opportunity Packaging: As a part of the renewed thrust of the organisation to focus on promotion of opportunities, opportunity packaging will play a pre-eminent role in how JAMPRO does business. Accordingly, the organisation will research and identify opportunities for investment that may also have a strong potential for export and package these opportunities for promotion.
7. Private-Public Sector Partnerships: The organisation will seek to advance the work already started (e.g. in the ICT sector) to identify the key areas in which the involvement of the private sector will significantly add to the implementation of the projects/initiatives.
8. Use of Technology-Based Promotional Tools: Integration of web-technology (including social networks such as Facebook and Twitter) to support promotional efforts in general, coupled with the use of SMS technology to provide 'just in time' information on export and investment opportunities. Specific tools, such as Webinar, will be utilized during promotional campaigns focused on key markets and/or sectors. In addition, the organization will seek to revamp the website to have greater client interface and relevance and to be more of a marketing tool for trade and investment promotion.
9. Use of In-Market Brokers: The organisation will supplement its promotional activities in target markets through the use of focused in-market experts to identify leads and facilitate high-level meetings.
10. Targeted Support to the MSME Sector through Export Development Activities: The organization will place additional focus on the development of companies with export potential through the provision of a myriad of services, including support in accessing financing, facilitation of technical assistance and intensified client servicing. In addition, there will be a greater focus on the creation of business linkages between investors and local businesses.
11. JAMPRO Business Hub: The ground floor of the building will be retrofitted to provide potential investors, as well as overseas distributors/importers with the

opportunity to view goods produced by the organisation's export clientele. In addition to representing an income earning opportunity, this activity will further boost the organisation's role, in keeping with Business Brand Jamaica, as a business centre and export development and promotions agency. The centre will also showcase investment opportunities packaged via new technology being introduced within the organization.

12. Targeted Promotional Events: The number of promotional activities, e.g. trade shows, inward and outward missions, have been reduced, and focus has been placed on those events that have demonstrated success in previous fiscal years. Two key trade promotion events that will be undertaken during the year include Shanghai 2010 Investment/Trade Forum and Expo Jamaica 2010 (previously known as the JMA/JEA Expo).
13. Haitian Redevelopment Strategy: JAMPRO will seek to support the Haitian Redevelopment Strategy by participating in the procurement process of the International Development Agencies (IDAs) as they seek to assist the redevelopment of Haiti following the devastation caused by the January 2010 earthquake. This effort will require the procurement of a wide range of goods and services for the rebuilding effort and the Corporation will assist the eligible Jamaican producers to participate.

Other major projects to be undertaken by JAMPRO during FY2010/11, include a focus on the promotion of investment opportunities in the Caymanas Enterprise Zone, particularly with regard to the ICT/BPO and manufacturing sectors. Work will continue on the development of a framework for the facilitation of offshore investments in a Jamaican International Financial Services Centre. In particular, the organisation will work to establish a special purpose vehicle that will be responsible for implementation of the strategy for the IFSC. Experts in the offshore sector are currently working with JAMPRO to identify the key areas of opportunity for Jamaica given the country's competitive advantages.

The organisation will also host the Secretariat for the National Competitiveness Council (NCC), which will be chaired by the Honourable Minister Samuda. The NCC replaces the Target Growth Competitiveness Committee, which was one of the twelve components of the Private Sector Development Programme. The NCC will have direct responsibility for the monitoring and implementation of the work programmes of the Trade Facilitation Board, the Business Environment Unit (that focuses attention on improvements in Jamaica's business environment) and the National Export Strategy. With regard to the services sector, the organisation will continue to provide secretariat support services for the Jamaica Coalition for Services Industries (JCSI), which was formed in FY2009/10.

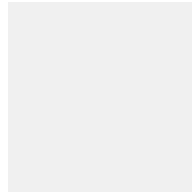
A comprehensive presentation of these and other key initiatives is presented in JTI's Corporate Plan 2010-13 for your reference.

6.0 Budgetary Allocation for Financial Year 2009/2010 and Proposed Budget for Financial Year 2010/2011

The budget received by JAMPRO for Financial Year 2009//2010 was J\$442.6 million while the proposed budget for Financial Year 2010/2011 is J\$439.0 million inclusive of Appropriations-In-Aid. The proposed allocation for the organisation for FY2010/11 is \$382 million from the Consolidated Fund.

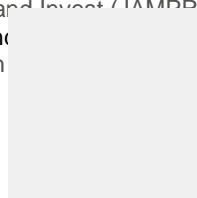
Karl Samuda
Minister of Industry, Investment and Commerce
March 31, 2010

JAMAICA PROMOTIONS CORPORATION



From left: Badrul Haque, the World Bank's special representative to Jamaica, makes a point to Sancia Bennett Templer, President of Jamaica Trade and Invest (JTI/JAMPRO), Patricia Francis, Executive Director of the International Trade Centre (ITC) and the Minister of Industry, Investment and Commerce (MIIC), the Hon. Minister Karl Samuda, at the opening session of the Resource Mobilisation forum for Jamaica's National Export Strategy (NES), which was held at the offices of JTI on November 19. The forum facilitated meetings between stakeholders in the export sector and international funding organisations with the aim of eliciting their financial

Christine Wong (left), general manager of King Pepper – manufacturers of the Eaton's line of products, discusses one of her products with Usain Bolt (2nd right), while Sancia Bennett Templer (2nd left), President of Jamaica Trade and Invest (JAMPRO) and the Hon. Michael Stern, Minister of State in the Ministry of Industry, Investment and Commerce, and Michael Stern (right) look on. The occasion was the "Best of Brand Jamaica" reception, which was held in association with JAMPRO at the Gran Bahia Principe hotel in St. Ann on December 4.



Minister of Industry, Investment and Commerce, Hon. Karl Samuda, speaking with Ambassador of the People's Republic of China, His Excellency Chen Jinghua, during Wednesday's (January 13, 2009) Business Information Forum at the Jamaica Trade and Invest offices, Trafalgar Road in Kingston. The forum was held to inform local exporters of the requirements for including their products in the Brand Jamaica Booth at Expo Shanghai 2010 in China.



Left: Minister Karl Samuda, Minister of Industry, Investment and Commerce addressing attendees at the official launch of Salary.com
Right: From left: Nicholas Kamelio, Salary.com's Vice President of Human Resources, prepares to cut the opening ribbon at the official launch of the ICT company at the Montego Bay Freezone on August 13, 2009. Looking on with the Hon. Minister Karl Samuda, Minister of Industry, Investment and Commerce (MIIC), are Salary.com's Terri Shipp, Senior Vice President Sales, and Deborah Fraser, General Manager. The US-based Salary.com is a leading provider of on-demand compensation, payroll and talent management solutions, which is aimed at helping businesses and individuals manage pay and performance.

Minister of Industry, Investment and Commerce, Hon. Minister Karl Samuda (centre); and Programme Manager for the Private Sector Development Programme (PSDP), Wynette Anderson (left) listening to a point being made by Head of the European Commission delegation in Jamaica, Ambassador Marco Azzocchi-Aleman at the PSDP's awards luncheon at the Jamaica Conference Centre Thursday (December 3, 2009).

MINISTERIAL REPORT TO PARLIAMENT ON THE PERFORMANCE OF THE KINGSTON FREE ZONE (KFZ) FOR FINANCIAL YEAR 2009/2010 AND FOCUS FOR FINANCIAL YEAR 2010/2011

1.0 Role

The primary roles of the KFZ are:

- Create employment opportunities
- Generate foreign currency for the national economy
- Create backward linkages with the domestic economy and
- Facilitate the transfer of technology, particularly through the enhancement of the productive skills of the workforce employed within the Zone.

2.0 Overview of Operations

In the midst of the global economic recession, efforts were made by the Kingston Free Zone's (KFZ) administration during this fiscal year to meet its budgeted targets, mainly through stringent management of expenditure as well as through the provision of strong client servicing practices in order to retain existing clients and thus revenues. Despite these efforts however, three (3) companies reduced the size of their operation as a result of hardships experienced due to the recession, while two (2) other companies have expressed their intention to vacate a total of approximately 29,000-sq. ft. of space during the coming months. Some of this vacant space has already been leased to other clients, and there has been some commitment from potential clients to lease the remaining space as soon as it becomes vacant.

A development plan was submitted by the Board of Directors to the parent company, the Port Authority of Jamaica (PAJ), for the construction of two (2) office-type buildings to house Information & Communication Technology (ICT) companies at the Portmore Informatics Park. Through this development, it is anticipated that more jobs will be created and greater foreign exchange will be generated as this construction attracts additional foreign investment to Jamaica.

3.0 Performance Highlights

3.1 Employment

As at March 2010, employment on the KFZ decreased by eleven percent (11%) when compared to the corresponding month in the previous year. The overall decrease is due mainly to the movement of workers in the ICT sector as some workers employed

to ACS/e-Services Group International were moved between the company's facilities at the Portmore Informatics Park and the Jamaica International Free Zone. As a result of this movement, employment in the ICT sector also reflected a decline of seventeen percent (17%) when compared to the previous period. There was however, an increase of 108% in the manufacturing sector as a new company, Shagroc Limited, a manufacturer of kitchen cabinets, established its operation on the KFZ. There was also a growth in employment in the warehousing sector as the number of workers employed in this sector increased by 18% during this period. A comparative breakdown of employment by sector is provided in Table 1 below:

Table 1: Breakdown of Employment at the KFZ

Type of Operation	2009/2010	2008/2009	% INCREASE (+)/ DECREASE(-)%
ICT	859	1,041	(17.4)%
Warehousing	170	144	18.1%
Manufacturing	25	12	108.3%
Office	37	34	8.8%
TOTAL	1,091	1,231	(11.3)%

3.2 Financial Results

As at March 31, 2010, the KFZ made a profit of J\$55.17 million (unaudited) thereby reflecting a positive variance of \$0.92 million when compared to the budgeted profits of J\$54.26 million. Year-to-date income reflected a reduction of 4% in comparison to the budget due mainly to a reduction in income stemming from the release of space by various companies on the Free Zone. Expenses on the other hand remained under budgeted levels by 7% due to salaries and insurance expenses falling below budget as well as cost saving measures adopted by the company. This reduction in expenses helped to mitigate the effect of the fall out in income experienced during the year.

Table 2: Financial Results

	Year-To-Date as of March 2010			
	Actual J\$M	Budget J\$M	Variance J\$M	Variance %
Income	166,188	173,838	(7,650)	(4.4)%
Expenditure	111,017	119,583	8,566	(7.2)%
Profit (Loss)	55,171	54,255	916	1.7%

3.3 Foreign Exchange Earnings

Foreign exchange earnings from rental income and management fees for the year-to-date ending March 2010 amounted to US\$1,023,979. In addition, J\$59.52 million was earned from the rental of warehousing space to local companies. This allowed the KFZ to fulfil its mandate to generate foreign currency earnings for the national economy through the sale of US\$400,000 to local commercial banks as well as through lease payments on its inter-company account and the repayment of a shareholder's loan to its parent company amounting to US\$878,204.

3.4 Occupancy

Occupancy at the KFZ fell to ninety four percent (94%) during this period while occupancy at the Portmore Informatics Park remained at one hundred percent (100%). It is anticipated that the KFZ will regain its 100% occupancy within the next few months due to firm commitments obtained for its vacant space. Table 3 below shows the utilization of office and factory spaces as at March 2010.

Table 3: Occupancy on the KFZ

Rentable Space	Factory/Warehouse (KFZ)	Office/Telemarketing (Portmore Informatics)
No. of Companies	25	2
Total Available	303,724 sq. ft.	50,000 sq. ft.
Occupied	285,724 sq. ft.	50,000 sq. ft.
Vacant	18,000 sq. ft.	-
Percentage Occupied	94%	100%

4.0 Client Service Activities

The arrangement for the lease of thirty thousand (30,000) sq. ft. of warehousing space to the Jamaica Commodity Trading Company (JCTC) for the storage of fertilizer on behalf of the Ministry of Industry Investment & Commerce (MIIC) ended in September. Eighteen thousand (18,000) sq. ft. of this space has already been refurbished and rented to a new client, Caribbean Depot, while arrangements are in place to refurbish the remaining twelve thousand (12,000) sq. ft. for rental to the same client in the fiscal year 2010/2011.

The Jamaica Agent Services Limited, an ICT company operating at the Portmore Informatics Park, advised that it had submitted a bid for a new contract which would result in an expansion of its facility by 70-140 seats. If successful in this bid, the company plans on utilizing its training rooms, administrative areas and the break room as additional call centre areas.

5.0 Focus for Financial Year 2010/2011

During fiscal year 2010/2011, the KFZ will continue its strategy aimed at expanding the ICT sector with the construction of additional space at the Portmore Informatics Park, on the assumption that the necessary approvals are received and suitable funding found. This expansion will seek to satisfy the demand in that sector as well as to create additional jobs through the attraction of additional foreign investment in Jamaica.

Additionally, the company plans to implement various strategies, with emphasis on cost reduction and improved productivity, to reduce the impact of the global economic recession on the operations/profitability of the KFZ and ultimately on the Jamaican economy.

Specific objectives outlined for the 2010/2011 Financial Year are as follows:

- Net Profit of \$30.10 Million
- Occupancy Rate of one hundred percent (100%)
- Improvement of the preventative maintenance programme
- Additional cost containment measures in light of the global economic recession
- Maintenance (and increase wherever possible) of employment levels for the economy through the Free Zone companies
- Pursuit of the proposal made to the Port Authority of Jamaica for the further development of the Portmore Informatics Park.
- Engagement of an Architect & a Quantity Surveyor to prepare architectural drawings and schematic costs for new buildings, in preparation for expansion
- In conjunction with JAMPRO, marketing of ICT space in order to secure interests for additional space planned for Portmore Informatics Park.

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

KINGSTON FREE ZONE



Motorbikes being assembled for export from the KFZ



Landscaped roadway on the KFZ

PORTMORE INFORMATICS PARK



Portmore Informatics Park call centre



Portmore Informatics Park 50,000 sq. ft. building

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
MICRO INVESTMENT DEVELOPMENT AGENCY (MIDA)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The mission of MIDA is to promote sustainable growth in the micro enterprise sector through the provision of financing and financial services while networking with partners in the sector to promote and facilitate the delivery of non-financial services for start-up or expansion of micro businesses.

2.0 Vision

MIDA presides over a sustainable revolving pool of credit for on-lending to the micro enterprise sector through an island-wide network of sustainable microfinance retailers thereby facilitating progressive, competitive micro entrepreneurs contributing to sustainable employment and national development.

3.0 Background

MIDA was established in 1991 as a Government agency for wholesaling funds to micro credit institutions which in turn on-lend to micro enterprises.

4.0 Corporate Objective

The primary objective of MIDA is to facilitate sustainable employment among micro enterprises by wholesaling funds to micro credit institutions which in turn retail funds to micro enterprises.

5.0 Functions

The major functions of MIDA are to:

- a) Act as a wholesaler of funds to Community Development Funds (CDF's)
- b) Provide technical assistance to the CDF's to enable them to lend to their target groups, collect debts and keep arrears at a manageable/sustainable level, thereby allowing them to develop and grow their portfolios.
- c) Monitor CDF performance and take corrective action as necessary to protect funds lent.

6.0 Main Achievements – Financial Year 2009/2010

(a) Credit Operations

Since its inception in 1991, MIDA has disbursed approximately \$2.36 Billion through seven CDFs, which financed approximately twenty seven thousand and forty six (27,046) micro enterprises, with an average loan size of eighty seven thousand two hundred and fifty nine dollars (87,259). It has also sustained and created 49,231 jobs for individuals, (both full and part-time jobs), at an average cost of \$47,937 per job.

For the Financial Year ended March 31, 2010, the Agency disbursed \$135.49 Million to finance eight hundred and eighty five (885) micro businesses, while generating direct employment for one thousand one hundred and eighty four (1,184) persons within the period.

The classification of loans based on actual disbursements during Financial Year is as follows:

a) Service-type loans	85.0%
b) Agriculture	7.0%
c) Manufacturing	8.0%
d) Institutional loan CDF	-
	<u>100.00%</u>

8.0 Gender & Age Group

In continuation of a trend established over the past several years, women outnumbered men in accessing loans from the MIDA/CDF credit network, receiving four hundred and seventy six or 56% of the total number of loans granted. In respect of classification by age group, individuals in the age group over thirty five (35) years received over two thirds, that is 70% of the total number of loans granted.

9.0 Loans Disbursement by Parish

For Financial Year 2009/2010 loans disbursed by parish were as follows:

Table 1: Disbursement of Loans by Parish in FY 2009/2010 (\$M)

Clarendon	11.8M	Portland	13.09
Kingston & St. Andrew	25.04	St. Ann's Bay	14.46
St. Catherine	16.80	St. Thomas	0.00
St. James	29.38	Westmoreland	10.22
Trelawny	6.05	St. Elizabeth	6.05
Hanover	0.50	St. Mary	2.10

10.0 Projection for FY 2010/2011

Table 2: Summary from Three Year Corporate Plan 2010/2011 to 2012/2013

Performance Measures	Major Tasks, Targets, Resources and Cost		
	Year 1 2010/2011	Year 2 2011/2012	Year 3 2012/2013
Outcome indicators			
(a) Loans (\$)	Loan disbursement \$222 million	Loan Disburse \$180 million	Loan Disbursed \$180 million
(b) Number of businesses Funded	Financed 1,200 micro enterprises	Finance 1,012 micro enterprise	Finance 941 micro enterprise
(c) Loan Recovery	96%	96%	96%
(d) Employment	Generate and sustain 695 jobs	Generate and sustain 623 jobs	Generate and sustain 608 jobs
(e) Borrowed Funds	\$40.0M	\$20.0 million	\$20.0 million
Training	Train & support CDFs' personnel	Train & support CDFs' personnel	Train & support CDFs' personnel
Collections	\$240 M	\$210 M	\$200 M
Low arrears	4 – 10%	2 – 10%	2 – 10%

11.0 The Way Forward

The Ministry, as a component of the rationalizations of its operations and by extension its agencies, has commenced the process of integrating all functions related to the MSME sector. In this regard, the process of integrating MIDA within the JBDC portfolio responsibility has commenced. Both agencies now have a common Board of Directors which is expected to facilitate efficient integration. MIDA is now physically located at JBDC on Camp Road.

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

MICRO INVESTMENT DEVELOPMENT AGENCY



Ewart Gentles – Furniture Manufacturer



Gary Grant - Barbering

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
MONTEGO BAY FREE ZONE
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Role

The main role of the MBFZ is to facilitate investment by local and overseas investors engaged in manufacturing and information, communication and technology (ICT) services. The primary objectives of the MBFZ are to:

- Create employment opportunities
- Generate foreign currency for the national economy
- Create backward linkages with the domestic economy and
- Facilitate the transfer of technology, particularly through the enhancement of the productive skills of the workforce employed within the Zone
- Generate a profit from operations

2.0 Overview of Operations

For the period under review, the MBFZ's main focus was the improvement of assets and the general appearance of the Zone. To this end, three (3) buildings, representing 23% of the total space on the Zone were painted and improved during the period.

The MBFZ in collaboration with JAMPRO hosted a number of prospective ICT investors during the period, with two (2) of these investors entering into joint venture agreements with existing companies. The MBFZ also hosted the owner of Specialty Foods, USA and facilitated a number of meetings with the investor and several local parties. Although the Zone did not sign a contract with this prospect, the association resulted in the establishment of a production facility in Hanover to commence later on in the year.

One (1) non-Free Zone manufacturing company closed during the middle of the year and three (3) warehousing companies, with expired leases, did not renew their contracts. However, the spaces vacated by the warehousing companies were rented to three (3) new warehousing/distribution companies. There was no change in ICT occupancy during the period and despite activities in warehousing, employment was mostly static during the period.

For the Financial Year under review, the Montego Bay Free Zone (MBFZ) exceeded most of its financial targets. Despite the negative impact of the global recession on businesses and trade worldwide, the Zone's financial performance exceeded

projected targets for the review period. This was accomplished through very stringent management of expenses and prudent decision making in respect of the operations.

3.0 Performance Highlights

3.1 Employment

As at March 31, 2010, employment on the MBFZ decreased by 3.71% in comparison to employment levels at the end of the fiscal year 2009. The overall decrease is due mainly to decline in ICT and manufacturing sectors. The decline in manufacturing is related to the closure of Pastryanna and the subsequent redundancy of the staff, while the decline in ICT is part of the normal attrition for short term contracts. A comparative breakdown of employment by sector is provided in Table 1 below:

Table 1: Employment

TYPE OF OPERATION	NO. OF WORKERS		% INCREASE (+)/ DECREASE(-)
	2009/2010	2008/2009	
ICT	4,144	4322	-4.12%
Manufacturing	111	73	52.1%
Warehousing	102	130	-21.54%
Total	4,357	4,525	-3.7%

3.2 Financial Results

As at the end of the review period, the MBFZ made a profit before depreciation of \$62.3 million (unaudited) thereby reflecting a positive variance of 86% when compared to the budgeted profits of \$33 million. The improved performance over budget for this period was due mainly to a reduction in actual expenditure against budgeted figures for the period. Income during this period was marginally below projections due to time lapses between expired leases and new rentals. Table 2 below provides the highlights of the financial performance to date.

	Year-To-Date			
	Actual J\$M	Budget J\$M	Variance J\$ M	Variance %

Income	266,805	271,309	(4,504)	(1.7)
Expenditure	205,088	238,294	(33,206)	(13.9)
Profit (Loss)	61,717	33,015	28,702	86.9

Table 2 – Financial Highlights for the Period April 2009-March 2010

3.3 Foreign Exchange Earnings

Foreign exchange earnings from rental income and management fees during this period amounted to US\$2,988,903. The MBFZ also fulfilled its mandate to generate foreign currency earnings for the national economy through the sale of US\$2,675,110 to local banks as well as through local payments for goods and services and for payments to its parent company during the 2009/2010 Financial Year.

3.4 Occupancy

In addition to the closure of a non-Free Zone manufacturing company, three (3) of the warehousing/distribution companies on the Zone did not renew their leases during the review period. This resulted in 35,236 sq ft of space becoming vacant. However, all of the vacant spaces, along with 14,000 sq ft which was vacant from the previous year, were subsequently rented during the period. The cumulative effect on factory occupancy at the end of the review period was a 5.45% increase in comparison to the fiscal year 2008/2009.

Table 3 below shows the utilization of office and factory spaces as at the end of the month.

Table 3: Occupancy on the MBFZ

Description	Office Space		Factory/Warehousing	
	March 2009	March 2010	March 2009	March 2010
No. of Companies	13	14	14	14
Total Available(Sq. ft.)	326,266	326,266	268,000	268,000
Occupied (Sq. ft.)	293,866	293,866	223,000	237,000
Vacant (Sq.Ft.)	32,400	32,400	45,000	31,000

Percentage Occupied	90.0%	90.0%	83%	88.45%
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4.0 Client Service Activities

Decline in the manufacturing industry continued during 2009/2010 with one (1) of the five (5) remaining manufacturing companies closing its operations during the period. This company was a non-Free Zone pastry making facility that had begun operation in the Zone in October 2006.

In May 2009 e-Services was sold to ACS and four (4) months later in September, 2009 ACS announced that the company was sold to Xerox. ACS has 74,000 employees in more than 100 countries, including Jamaica where it employs over 5,400 persons, making it the largest call centre employer in Jamaica. The integration was completed in February 2010 and rebranded ACS A Xerox company and will continue to be led by ACS former president and CEO Lynn Blodgett. Negotiations for the rental of additional space for expansion of ACS's activities in the Zone had begun during the year, but were not finalized due to delays in finalizing general lease terms for all of the company's Jamaican sites.

5.0 Focus for Financial Year 2010/2011

It is projected that the global economic crisis may continue to pose some challenges for the Financial Year 2010/2011. As a result, the operational objectives for the 2010/2011 year will be subjected to close monitoring and assessment to ensure that the strategic targets for the fiscal year 2010/2011 are achieved.

In view of the demand for ICT space and the availability of underutilised assets at the MBFZ, the Projects Committee of the Board of Directors has conceptualised a development plan, which will provide 200,000 sq ft of additional spaces for ICT rental over a four (4) year period. The first phase of this Development Plan is projected to commence during the 2010/2011 year.

Specific objectives outlined for the 2010/2011 Financial Year are as follows:

- Net Profit of \$17.45 Million
- Occupancy Rate of 100% for office space and 90% for factory space
- Establishment of start-up centre in 5,000 sq ft of space
- Refurbishing and conversion of 30,000 sq. ft. of space for ICT rental
- Arrangement for training of call centre agents
- Observation of a week of activities in celebration of the MBFZ's 25th anniversary
- Improvement of the preventative maintenance programme

- Implementation of additional cost containment measures in light of the global economic recession
- Maintenance (and increase wherever possible) of employment levels on the Free Zone
- Reduction of security costs through rationalisation of security access points and competitive tender for this service
- Submission of a timetable for the further development of the MBFZ and completion of preliminary designs and surveys
- Production of new promotional materials and improvement and electronic marketing medium (website)

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

MONTEGO BAY FREE ZONE

THE MONTEGO BAY FREE ZONE RENOVATED BUILDINGS



Factory No. 8 – Allianceone



Employees at work in a newly converted ICT space



(5) Newly refurbished DEB 2 Building



(6) Newly refurbished DEB 4 Building

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
SCIENTIFIC RESEARCH COUNCIL (SRC)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The Mission of the SRC is to serve the productive sector, policy makers and the general public to enable sustainable development in Jamaica by:

- (a) providing quality scientific and technological solutions (product/process research and development, policy advice and facilitating technology transfer);
- (b) popularising science and technology through strategic alliances; and
- (c) being customer-focused, with innovative, competent and responsive teams.

2.0 Role and Functions

The SRC was established by an Act of Parliament in 1960, with subsequent modifications to operating procedures.

Overall, the Agency seeks to contribute to economic growth by broadening the country's industrial base in a manner that focuses on the use of local resources. The SRC also provides technical support to existing industries to enhance their performance in increasingly competitive domestic and international markets. To that end, the Council is involved in:

- (a) Development of new and improved marketable Jamaican value-added products, as well as the commercialisation and subsequent sale of products and technologies based on local raw materials, with the objective of reducing risks to entrepreneurs.
- (b) Provision of Science and Technology (S&T) information in general and increasing public awareness of the relevance of S&T to national development.
- (c) Introduction of advanced agricultural technologies to enhance productivity in selected sectors and the provision of technical support, training, and transfer of technology to the agro-industrial sector.
- (d) Provision of technical support, training and advice for the management and optimisation of waste in several sectors, including tourism.

- (e) Planning, implementation and management through national projects and committees of Government agencies and economic management of important local resources in a sustainable manner, through partnership with local communities.
- (f) Facilitation and encouragement of development of a national innovation system.

3.0 Priority Policy Issues

Based on the National Industrial Policy (Cluster 3) and the National Science and Technology Policy, the SRC is mandated to support the agro-industrial sector in ensuring food security, strengthening export potential and improving quality of life.

4.0 Highlights of Performance for Financial Year 2009/2010

The following outlines the achievements of the SRC in meeting its priorities for the Financial Year 2009/2010.

5.1 Customer Productivity increased through provision of S&T Solutions

- (a) Two (2) food-based enterprises were assisted in the implementation of GMP (Good Manufacturing Practice) and HACCP (Hazard Analysis and Critical Control Point). Assistance included the completion of a gap audit at one company and training of the staff at both companies in GMP and HACCP. Technical assistance was provided to both in documentation of their GMP/HACCP Manuals and in closing the gaps regarding their HACCP plans. The consultancy will continue with one of these companies in the next financial year.
- (b) **Services in biotechnology:**
 - (i) Over 1500 Tissue Cultured plantlets were supplied by the SRC to local farmers. 50 tubes of 3 varieties of Sweet Potato were supplied to a farmer in Bermuda. 320 ginger clusters (3 or more plantlets per cluster) were delivered to a customer in NW Clarendon. Through the Jamaica Greenhouse Association, 5 greenhouse farmers received ginger plants from SRC for testing yields and productivity in varying media. SRC monitored the plantlets which survived in 3 of the 5 greenhouses.
 - (ii) Assistance was provided to the Rio Cobre Juvenile Correctional Centre in hardening of tissue cultured plantlets as an income generating venture for the Centre. Market research studies were also completed on their behalf.

(c) Technical Services in food processing to clients:

- (i) The SRC facilitated a client in the processing and improvement in the quality of a product through the rental of the Meat Processing Laboratory. The Council also facilitated a new company with the use of the Experimental Kitchen for production of baked products. The quality of the products improved and commercial production of baked goods was accommodated.
- (ii) Over eighty six (86) clients were assisted in food processing at an average of eight (eight) per month. Areas of request included: canning; dehydration and juice making; seasonings, sauces and pickles; fruit concentrates, jams and dressings; processing of chips; drying of fruits and other crops; shelf life studies; packaging and chutney and fruit preserves.
- (iii) Two (2) companies were assisted in meeting the new US FDA requirements for the processing of acidified foods.
- (iv) An average of seven (7) external clients utilized the food pilot plant facilities on a monthly basis for the year to date to complete activities in drying, milling or grinding and production of sauces, seasoning and drinks

(d) Other contracted services to clients:

- (i) Vent schedule activities were completed within agreed timeframe for five (5) companies. Thermal processing activities were completed for two products which aided the export of these products.
- (ii) Scheduled Process activities were completed for four (4) new products.
- (iii) Assessed the retorts of Twenty one (21) food processing companies for the Bureau of Standards, Jamaica.
- (iv) Analytical services (chemical and microbiological) were provided in water, wastewater and food to the agro-processing and manufacturing sectors as well as to private individuals. The NWC Contract was serviced, with the monthly testing of waste water. Overall, some four thousand (4000) samples were analysed by the ASD.
- (v) Environmental pollution load was addressed through the design of over forty (40) and the implementation of nine (9) wastewater treatment systems.
- (vi) One (1) new wastewater treatment system was designed and constructed for a major local fast food chain.

(e) The following accredited training programmes were delivered:

- (i) General Food processing for a client from the Bahamas

- (ii) Meat processing – 15 external persons including representatives from 8 Companies attended
- (iii) Tissue culture Technology
- (iv) Biogas Technology – 20 external and 1 internal persons attended
- (v) Juice processing – 14 external persons (12 members of the BSJ and 2 independent persons) as well as 4 SRC staff members attended.

5.2 Satisfaction of Customer Needs through Development of New Products

- (a) Wellness Sector Goal: Consolidated R&D activities relating to wellness industry and completed assigned tasks on selected plant species and provided services to customers in the wellness industry.
 - (i) Research data was generated on the glycemic index of five (5) Jamaican commodities.
 - (ii) The implementation of the National Health Fund (NHF) project on hypertension and diabetes was completed and the report presented. A new phase was initiated with the objective of completing commercial trials of the products developed through partnership with an international body.
 - (iii) Two (2) local teas with functional properties were developed to be marketed after completion of validation studies on their safety and efficacy.
 - (iv) Technical documents on feasibility regarding the establishment of a lemon grass industry in the areas of essential oils, food and non-foods items were developed.
 - (v) A Natural products pilot plant for small scale production of essential oils is being established. Components of the equipment have been retrieved from the old steam distillation pilot plant.
- (b) Food Sector - support of the Food Industry through completion of in-house, market-driven and customer-based research and development (R&D) on selected foods:
 - (i) Protocols were established for and transferred to members of the 'Roots' beverage industry.
 - (ii) Four (4) contracts for the research and development of food products were completed; five (5) are more than 80% completed and twelve (12) are in the process of completion.

- (iii) Guided by previous screening of local plants as well as the Ministry of Agriculture (MOA) priority list of crops, the following R&D activities were completed:
- Investigation into the insecticidal properties of select natural products on the sweet potato weevil (*Cylas formicarius*);
 - Establishing the 48 hour LD₅₀ dose for cantharidin on *Cylas formicarius*.
 - The *in vitro* anti-oxidant activity of the water extract of a plant leaf was determined at 50 µg/mL and a value of 87.10 % found. This finding is promising and could be of tremendous health benefit.
- (iv) Practicals in food processing were completed as requested for the following students: 29 from UWI; 30 from University of Technology and Shortwood Teachers College.
- (c) Developing Biotechnology techniques to meet needs of the productive sector for planting materials and to conserve locally important species:
- (i) IAEA project was implemented and the following were achieved:
- Completed 2 training attachments and 1 scientific visit in Austria
 - Completing mutation breeding of sweet yam and ginger
 - Established greenhouse for hardening prior to field trials. This will continue in the new financial year
- (ii) Competence in the molecular characterization of scotch bonnet pepper was developed through completion of DNA extraction, quantification and assessment of purity. Competence in completing the AFLP procedure will follow.
- (iii) With regard to the organic agricultural sector in Jamaica, the following were achieved:
- Assessment of farms for sample collection;
 - Collection of ginger and scotch bonnet pepper starting material from approved farms; and
 - Treatment and preparation of starting material for initiation
- (iv) Initiation protocols were being developed for scotch bonnet pepper.
- (v) Three (3) formal customer requests for protocols of various planting materials were received and are being addressed.

- (vi) The following plants from the existing gene bank were sub-cultured: Ginger, Sweet potato, Cassava, Sweet yam, Turmeric, Fever grass, Jackfruit, *Musa*, Roseapple, Sugarcane, Coffee, Orchids, Roses, African violets and Anthuriums.
 - (vii) The root tuber gene bank was increased with sweet potato and cassava cultivars. Regional cultivars are being sourced through CARDI.
- (d) Completed assessment, documentation and display of appropriate packaging for identified food products.

5.3 Collaborate with R&D Institutions in the development of New Products

The following were discussed towards development of approved projects:

- The school feeding programme was discussed with the Ministry of Agriculture with respect to production of a low-cost drink from sweet potato and a fruit drink
- MOU with CARDI to address conservation of important regional sweet potato varieties

5.4 Information Products (Goods and Services)

- a. Fifty two (52) client requests from the region for the packaging or repackaging of various types of energy-related information were received. All requests were satisfied
- b. S&T information requests (over 360) of the Documentation Centre Unit were processed in a timely manner.

5.5 Increased Utilization of Technology in the Productive Sector

- a. **Marketing and Promotion of available SRC Technologies:** Marketing campaign/tools were developed and implemented to stimulate public awareness and demand for available technologies, including cleaner production, food processing, personal care, wastewater and tissue culture technologies. This generated expressions of interest from the target markets. Over 1190 clients were seen during the financial year
- b. **Formalise Contract Agreements for Implementation/Transfer of Technologies:** Eight (8) wastewater treatment systems were completed and 6 were commissioned; one (1) entity was trained in the use of tissue culture technology and was facilitated to establish a commercial/semi-commercial production of plantlets.

- c. **Licensing of Contractors/Engineers to Construct BST:** Two sub-contractors were licensed to construct the patented BST™ wastewater treatment system.
- d. **Sale of Food Formulations and Transfer of Technology:** Twenty six (26) food formulations have been sold to micro, small and medium enterprises (MSMEs) in the productive sector. Technology transfer services were provided for commercialisation of these products as under contractual agreements.
- e. **Implement Approved Project for Commercialisation of Lemongrass Products:** A special roll-out event to promote food and non-food products as well as the agricultural and extraction opportunities associated with this new industry was held in November 2009. Over 100 investors and other stakeholders were in attendance. Numerous business interests are being facilitated towards establishment of a local lemongrass industry which will contribute towards the billion-dollar wellness market (local and overseas). Since the launch close to 200 inquiries have been processed and stored in a database. Interests ranged from purchasing formulations to extraction, farming and developing food and non-food products.
- f. **An impact assessment study of formulations sold and product development activities was completed:** The report is being prepared.

5.6 Ongoing Sensitisation on the National/Regional Importance of S&T

- (a) Collaboration and alliances with the local organizations including: OAS; ASTJ; JBDC; Ministry of Education; Ministry of Agriculture; RADA; BSJ; SDC; JSST; Research Consortium; JPS; NDFJ to implement S&T sensitisation programmes. Some of the activities were as follows:
 - (i) The Western Region S&T Expositions held in April 2009 in Montego Bay with the participation of 16 exhibits from 12 schools.
 - (ii) In collaboration with the JPS, coordinated the National Science & Technology Exposition held in April 2009. 28 schools participated. Jose Marti School won first place in the lemon-grass category of the competition. Linstead Primary won the Most Indigenous Display category; CASE won for the Most Innovative Display and Kingston Technical High won the Best Use of Energy category. The theme selected for the 2010 competition is “**Green Technology for Survival**”.
 - (iii) Assisted Jamaican Young Inventors who won the Young Inventors Competition held in Trinidad in April 2009. A luncheon was held on December 4, 2009 in their honour.
 - (iv) Facilitated the Jamaican team who copped the Debating Competition trophy at the Eighth (8th) Annual Caribbean Youth Science Forum (CYSF 2009) in Trinidad in August 2009

- (v) 5th Annual Schools Science & Technology Societies (SSTS) Oratorical Competition on October 29, 2009 at the Mico University College with the participation of 39 speakers from 25 high schools from the eastern, western and central regions of Jamaica. Munro College emerged as winners.
- (vi) Alpha Academy and St. Aloysius were inducted into the SSTS. Some existing SSTS were visited.
- (vii) Conclusion of the Essay & Poster Competition in April 2009 which had 385 entries, an increase from the previous 303 in 2008. 186 entries were received from high schools (41% increase) and 171 entries were received from primary schools (16% increase). Stella Maris Prep emerged for the fourth consecutive time as the overall winner for the primary/prep competition and Cornwall College emerged as the overall winner of the high school competition.
The transfer of energy information to Teachers of Energy in CSEC/CAPE was done in Dominica, Grenada and Trinidad and Tobago. Over 100 Science Teachers from over 60 High schools in these countries were trained. .
- (viii) Implementation of an Energy Workshop for the Petroleum Corporation of Jamaica as part of their schools' programme on Energy Conservation. Workshop was held November 3, 2009 at which 27 selected schools within the corporate area participated.
- (ix) Assistance was provided to the Inventors/Innovators Association in the development of a prototype for a fish feeder.
- (x) S&T Summer Camps were held in three (3) locations, Kingston, Westmoreland and Manchester for primary aged children. A total of 128 students participated under the theme "**Science, Technology & Standardization – Exploring our World**".
- (xi) Implementation of an Energy Workshop for the Petroleum Corporation of Jamaica as part of their schools' programme on Energy Conservation. Workshop was held November 3, 2009 at which 27 selected schools within the corporate area participated.
- (xii) A STIN workshop was held in November 2009 under the theme Electronic Digitization. Over 30 participants from various libraries and information units in Jamaica attended.
- (xiii) A summer attachment programme including 5 teachers who were assigned to the Sugar Industry Research Institute, Bodles Research Station and the Jamaica Biscuit Company and the Caribbean Food & Nutrition Institute (CFNI) respectively. The teachers gained in-valuable experience and skill development in laboratory practices analysis of soil, water and leaf samples and pathological testing of plants in addition to Good Manufacturing

Practices and the use of specialized scientific equipment such as the electron spectrometer.

- (xiv) Coordinated participation of three (3) students from Jose Marti Technical High in a one-week summer internship at the SRC in an effort to facilitate development of their Fever Grass products and to expose them to the various areas of lab research which are necessary for the development of a product from fever grass

(b) Science and Technology Month

- (i) An S&T expo under the theme “Your health is your wealth” was held in November 2010 in collaboration with the Ministry of Agriculture and the Ministry of Health. Over 1000 persons including students attended. Open Days by various agencies were also held during S&T month.

(c) Community-focused S&T Popularisation Activities

- (i) Four (4) public fora were held in communities in Bluefields, Browns Town, Mandeville and Alston for target groups under relevant themes. Areas addressing potential income generating activities were also looked at.
- (ii) A workshop was conducted at the Professional Development Seminar with teachers of the new Belmont Academy in Bluefields.
- (iii) A Roving exhibition was held in Mocho, Clarendon
- (iv) Exhibitions were staged at Jamaica House (Heritage), and Harbour View as well as internally

(d) Publications completed

- (i) Techpack on the extraction of essential oils
- (ii) Occasional Paper: *Jamaica’s Ability to Cope with a Globalized Knowledge Economy*
- (iii) Six (6) issues of the Energy Ministers Bulletin
- (iv) Volume 19 of JJST (being prepared)
- (v) Four issues of CEIS Update
- (vi) PETSTATS 2006 – 2008; 2007 & 2008 and 1985 – 2008
- (vii) Four issues of the S&T Accession list
- (viii) S&T on-line Bulletins for schools.

(e) **Databases Development, Updating and Maintenance**

- (i) A new database consisting of over 300 records was developed for the region. Records reflect the various energy projects being undertaken over the past 10 years. It is being hosted on the Information Platform.
- (ii) Information was inputted in the following databases:
 - a. Skills bank
 - b. Science Teachers
 - c. Patents
 - d. Information on endemic plants and nutraceutical products to the general SRC catalogue database.
- (iii) Over 20 S&T journals/books were acquired or received for the year.

(e) **Caribbean Energy Information System (CEIS):** Collaboration with regional and international agencies for implementation of regional energy-based projects; and 18 regional countries to inform and sensitise various target groups, including Government Energy Ministers on energy-related information and knowledge.

- i. The development of a Regional Renewable Energy Information Platform – www.cipore.org (13 participating countries) was completed under the Caribbean Renewable Energy Development Programme (CREDP) being co-ordinated by CARICOM. This Information Platform provides a central access point for the region for the exchange of renewable information (policies, legislations, projects, news, technologies, events, skills, discussion forums, online meetings, etc.). Since its launch in April, 2009 the platform has received over 250,000 hits per month. Two major training workshops were held to train representatives in the region on how to use it.
- ii. The Development of a special web page for UNDP Barbados was done to showcase results from Bioenergy in the Caribbean Project. This page is also hosted on www.cipore.org.
- iii. A survey to generate information on the impact of the various energy interventions in nine (9) Caribbean countries (including Jamaica) was done for UNDP Barbados. The survey report showing the results is available on the Information Platform.
- iv. Monthly calendar of Regional Energy Events was developed and posted on the CEIS website.

5.7 Internal Systems and Functions

- (a) Assessment of the Analytical laboratories was completed in September 2009 and a follow-up assessment completed in January 2010 towards accreditation of the labs to ISO/IEC 17025 standard. Results are being awaited.
- (b) MIS, FMIS and project accounting systems were maintained.
- (c) ISO 9001:2000 certification was maintained. A surveillance and scope expansion (to include the Information Services Division) audit was completed in August 2009. Subsequently, the SRC is now ISO 9001:2008 certified and its scope includes the provision of S&T information services.
- (d) Website was maintained.
- (e) Infrastructure Improvement:
 - (i) Completed refurbishing of facilities resulting in relocation of the subsidiary Marketech Ltd; painting of some areas of the administration building (internal) and improvement of the safety system.
 - (ii) Maintenance programmes for the plant and equipment were implemented, as planned.
 - (iii) Upgraded facilities in the Wellness Room.

5.0 Priority Projects/Programmes for Financial Year 2010/2011

In light of the current economic constraints the SRC will prioritise income generating, cost reduction and increased efficiency activities.

5.1 Customer Productivity increased through provision of S&T Solutions

- (a) GMP (Good Manufacturing Practice)/ HACCP (Hazard Analysis and Critical Control Point) consultancy to targeted companies including local distributorship. GMP and/or HACCP programme is implemented in one food-processing company by March 2011. A gap audit is completed in one company and implementation of HACCP system initiated.
- (b) Adopting cleaner production technologies to assist production based facilities and achieve greater efficiencies and productivity while conserving energy. CPT is implemented in at least one company, with efficiency increasing by 30% in water usage and raw material utilization expected by March 2011.

- (c) Services in biotechnology:
 - (iii) At least ten (10) new farmers utilizing Tissue Culture plantlets supplied or facilitated by the SRC resulting in a 10% growth in the production of banana, sweet potato and other crops.
 Technical Services in food processing to clients:
 - (i) Two (2) new businesses facilitated, resulting in the employment of at least ten (10) additional persons. The quality of the products improved.
- (d) Other contracted services to clients:
 - (i) Vent schedule activities are completed within agreed timeframe for five (5) companies and export /thermal processing activities approved.
 - (ii) Scheduled Process activities are completed for five (5) new products.
 - (iii) Retort inspection is completed as requested by the BSJ
 - (iv) Analytical services (chemical and microbiological) provided to the agro-processing and manufacturing sectors as well as private individuals.
 - (v) Pollution load decreased by 10% through the design and implementation of at least twenty (20) wastewater treatment systems.
 - (vi) Two (2) new wastewater systems are designed locally/regionally, through research data and consultancy services.
- (e) Provision of accredited training programmes in areas such as food, tissue culture, nutraceuticals and waste water management
 - (i) New business developed and enhancement in productivity through the provision of training programmes.
 - (ii) Two (2) new subcontractors acquired for Wastewater Management Services by 2011.

5.2 Satisfaction of Customer Needs through Development of New Products

(a) Natural Products

- (i) Nutraceutical Product Development (for management of cholesterol levels): To complete commercial trials of products developed under the NHF project, through partnership with international body. Establishment of Glycemic Indices of Jamaican Foods and the

Development of Low-GI Products for Diabetic and Health Conscious People.

- (ii) Acute oral toxicity studies on two (2) new and two (2) other functional teas.
 - (iii) Services provided in extraction of essential oils and certificates of analysis.
 - (iv) Natural products pilot plant for small scale production of essential oils is established. Demo model is established for production of three (3) essential oils.
 - (v) Personal care products (shampoos, body washes and lotions) are developed for customers within agreed timeframes.
 - (vi) Technical documents on feasibility of at least one (1) area each in the food and wellness industries are developed by March 2011.
- (b) Food Sector** - support of the Food Industry through completion of in-house, market-driven and customer-based research and development (R&D) on selected foods and related areas:
- (i) Contract research and development of food products for the productive sector within agreed time frames.
 - (ii) Production of nutritious, tasty snacks and food products (extruded products) from local tubers and other starches for school feeding programme as an import substitution option, in collaboration with the Ministry of Agriculture and other stakeholders.
 - (iii) Optimising Solar drying technology to present users of the technology with more cost effective and efficient options improving productivity. At least one commercial model of the solar dryer will be developed by March 2011.
- (c) Developing Biotechnology** techniques to meet planting material needs of the productive sector and to conserve locally important species
- (i) IAEA Plant Breeding project implemented as scheduled. Protocols for induced mutations, selection of and advancing mutant lines/clones with farmer specific traits for sweet yam and ginger will be established. Plant diagnostics and breeding competences will be enhanced.
 - (ii) Competence established in molecular characterization of scotch bonnet pepper and sweet potato by March 2011.
 - (iii) Initiation protocols are developed for at least one (1) new plant from the Ministry of Agriculture by March 2011.
 - (iv) Customer requests for protocols of planting materials are satisfied within agreed time frames.

- (v) On time delivery of tissue cultured plantlets to local and overseas customers.
- (vi) Development of media formulation for conservation protocols of at least two (2) new plants by March 2011 to further develop gene bank meeting international standards.
- (vii) Root tuber gene bank contains at least 90% of sweet potato cultivars of economic importance and at least two (2) cassava cultivars by March 2011. The gene bank will be expanded to include regional cultivars.
- (viii) Jamaica Organic Agriculture Movement (JOAM) project: Use of tissue culture techniques to develop methods for the production of organic planting materials of Turmeric, Scotch bonnet pepper and Ginger, as well as a scientific assessment of the organic soil mixtures used for growing these plants by March 2011.
- (ix) Pre-fabricated 10 m³ BST systems developed to reduce implementation costs of BST systems in single households by March 2011.
- (x) Bio fuels Project to determine alternative fuel sources including vegetable oils completed by March 2011.

5.3 Collaborate with R&D Institutions in the development of New Products

At least two (2) cooperation agreements are developed and approved projects implemented by March 2011.

5.4 Information Products (Goods and Services)

- a. Contract with Caribbean Development Bank (CDB) for impact assessment to be completed by December 2010.
- b. Comparative analysis of regional data on petroleum activities for 18 regional countries including Jamaica for 2008/2009 will continue to be analysed, verified and validated and information presented on CDs.
- c. Several issues of the regional newsletter CEIS Update to be converted for ease of access to electronic format in the form of CD-ROMs.
- d. At least twenty (20) client requests for S&T information are satisfied by the packaging or repackaging of information.
- e. S&T information requests of the Documentation Centre are completed in a timely manner.
- f. Increased sales of CEIS products and services by 5% of current sales by March 2011.
- g. Transfer of energy information to Teachers of CSEC/CAPE in Antigua, Belize, Bahamas (first time) and Jamaica (repeat).

5.5 Increased Utilization of Technology in the Productive Sector

- a. **Marketing and Promotion of available SRC Technologies:** Marketing campaign/tools are developed by May 2010 to stimulate public awareness and demand for available technologies, including cleaner production, food processing, personal care, wastewater and tissue culture technologies, packaging options, generating expressions of interest from at least 40% of target markets.
- b. **Formalise Contract Agreements for Implementation/Transfer of Technologies:** By March 2011, at least two (2) contractual agreements are finalised for utilisation of cleaner production technology; at least 60 requests are processed for wastewater treatment technology; at least 15 wastewater treatment systems are commissioned; at least 2 entities are trained in the use of tissue culture technology and facilitated to establish a commercial/semi-commercial production of plantlets.
- c. **Licensing of Contractors/Engineers to Construct BST:** By March 2011, at least two contractors/engineers are licensed to construct biodigesters septic tanks (BST™).
- d. **Sale of Food Formulations and Transfer of Technology:** At least twelve (12) food formulations will be sold by March 2011 to micro, small and medium enterprises (MSMEs) in the productive sector and technology transfer services are provided for commercialisation of these products as under contractual agreements.
- e. **Establishment of a multi-use Agro-processing Incubator** facility for MSME by March 2011
- f. **Commercialisation of Lemongrass-based technologies and products:** at least 10 new businesses are established in agricultural production of lemongrass and or utilising lemongrass for food and non-food products; penetrating the overseas markets by Dec 2010.
- g. **Provision of technology based** options for income generation by the Youth Employment Programme (YEP). Planned Outputs include:
 - (i) Preparation guide for Composting
 - (ii) Production Protocol for producing *Artemia* (for Tropical Fish feed)
 - (iii) Solar box for drying of herbs and spices

- (iv) Preparation of Technology Packages with financial & technical information
- h. **Training programmes** are held throughout the year in food processing, tissue culture, wastewater treatment and management targeting existing and potential MSMEs.
- i. **Impact assessment** is completed on at least two (2) technologies transferred in 2007-2008 financial year.

5.6 Ongoing Sensitisation on the National/Regional Importance of S&T.

5.7 Internal Systems and Functions

- (a) Laboratories in the Analytical Services Department maintain accreditation to ISO/IEC 17025. Optimisation to increase throughput and efficiency of operations of the chemistry and microbiology laboratories is achieved by March 2011
- (b) Expansion in the range of tests offered by Analytical Services Department
- (c) Use of Temporary Immersion System (TIS) at the SRC to improve efficiency and throughput for commercial production of tissue-cultured plantlets
- (d) Optimisation of Food Pilot Plant to increase capacity and efficiency and to position the Pilot Plant as an income generating entity while assisting SMEs
- (e) Adequate MIS, FMIS and project accounting systems maintained.
- (f) ISO 9001:2008 certification is maintained.
- (g) Website maintained.
- (h) Infrastructure Improvement /Maintenance programmes implemented as planned.

6.0 Budgetary Allocation

The approved estimates for 2009/10 financial year were \$307.5M while the revised estimates were \$293.1M. The approved budget for Financial Year 2010/2011 is \$337.68M.

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

SCIENTIFIC RESEARCH COUNCIL



Participants at Meat Processing Workshop held October 2009 in the Food Pilot Plant SRC, preparing jerk sausage as part of practicum.



Participants at Natural Juice Processing Workshop held February 2010 in the Food Pilot Plant SRC, preparing pineapple juice as part of practicum

**MINISTERIAL REPORT TO PARLIAMENT
ON THE PERFORMANCE OF THE
SELF START FUND (SSF)
FOR FINANCIAL YEAR 2009/2010
AND FOCUS FOR FINANCIAL YEAR 2010/2011**

1.0 Mission

The mission of the SSF is to provide loans to micro & small enterprises.

2.0 Role and Function

The SSF was established to address the needs of persons who were either graduates from the secondary school system or approval Government training programmes, and interested in starting small businesses or expanding the operations of existing small or micro enterprises (SME's). The SSF assists its target group through the provision of credit.

In fulfilling its role, the organization has introduced a number of credit products tailored to the profiles of its clients to facilitate acquisition of working capital and equipment to grow and sustain their businesses.

Poverty alleviation through the creation of sustainable employment is a major focus of the SSF. This area is addressed through business loan products and business training that the SSF offers to its small and micro business clientele.

3.0 Highlights of Performance/Achievements for Financial Year 2009/2010

- (i) Disbursement of \$26,726,059 to the SME sector
- (ii) Facilitation of Business loans to one hundred and thirteen (113) entrepreneurs within the SME sector (Average loan size - \$200,000.00)
- (iii) Creation/preservation of approximately four hundred and forty one (441) jobs
- (iv) Commencement of re-branding exercise with a committee redefining and repackaging the products and services of the SSF
- (v) Engagement of the Jamaica Business Development Corporation (JBDC) to provide ongoing training for staff, particularly loan officers
- (vi) Commencement of work to identify specific communities for which the SSF will be providing loan financing to micro entrepreneurs

One of the main challenges which the SSF has faced over the years is perception on the part of its target clientele. The view is widely held that the mandate of the SSF is to provide "soft credit" to its target group. During the year, consideration was given to a re-branding of the institution to correct the misconception about its mandate and to re-position the institution.

4.0 Priority Targets and Objectives for Financial Year 2010/2011

- (i) Disbursement of \$45M to the SME sector
- (ii) Provision of working capital and fixed assets loans to approximately three hundred (300) entrepreneurs
- (iii) Creation/preservation of approximately Six Hundred (600) jobs within the SME sector
- (iv) Development of a cadre of business development officers island-wide
- (v) Provision of greater levels of business advice/monitoring to clients
- (vi) To attain island wide coverage for the organization within the period
- (vii) Improvement in SSF staff training
- (viii) Reduction of arrears on active portfolio to Seven percent (7%) or less
- (ix) Continuation of the re-branding of the Self Start Fund

5.0 Summary of Main Targets for Financial Year 2010/2011

▪ Loan disbursement	\$45 Million
▪ Projected number of borrowers	200
▪ Average loan size	\$225,000

6.0 Budgetary Allocation

There was no budgetary support for the 2009/2010 Financial Year.

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

SELF START FUND



Client receiving loan disbursement cheque from General Manager



Credit Officers directing client in signing an application

MINISTERIAL REPORT ON THE PERFORMANCE OF THE TRADE BOARD LIMITED FOR FINANCIAL YEAR 2009/2010 AND FOCUS FOR FINANCIAL YEAR 2010/2011

1.0 Mission Statement

The mission of the Trade Board Limited is to facilitate trade locally and internationally by the issuance of licences and certificates of origin consistent with Government's policies and international agreements as well as to develop and promote a secure framework for e-transactions.

2.0 Role and Function

The Trade Board Limited has responsibility for:

- Issuing import and export licences for specific items that may impact negatively on the environmental, social and economic conditions of the country, in a manner consistent with international obligations under the World Trade Organization (WTO) Agreement for import licensing.
- Issuing certificates of origin for Jamaican products exported under the various preferential trade agreements
- Monitoring imports and exports of specified commodities, as required by the Ministry of Industry, Investment and Commerce
- Establishing and operating a certifying authority for issuing digital certificates and regulating certification service providers; i.e. the Public Key Infrastructure (PKI) Programme
- Being the catalyst to facilitate commerce through interfaces with a wide range of organizations including embassies, ministries and agencies of Government, and private sector organizations
- Informing the business community and prospective entrepreneurs of the facilities available under the various trade agreements.

3.0 Highlights of Performance/Achievements – April 2009 to March 2010

3.1 Governance/Institutional Strengthening

In a move to enhance the overall structure, performance and image of the organization, a new Board of Directors (supported by four Board sub-committees) was appointed to spearhead the process. Its focus has been on accountability, transparency, organization design and best practices, all with a view to the establishment of a more efficient and customer-focused institution that will be self-financing in the medium term. In working towards these objectives, there was emphasis on strategic planning via Board and sub-committee meetings and two retreats of the full Board of Directors. Strides were made in the following areas:

- Defining with greater clarity and precision, the mission, vision and strategic priorities of the agency
- Strengthening accountability by improving internal procedures and processes including communication and interface with clients
- Furthering the readiness for a full PKI rollout by fostering increased stakeholder involvement/buy-in and carrying out preparatory work toward an expanded pilot across a number of key public sector agencies
- Enhancing the electronic orientation of the agency via upgrade of the Trade Board Information System (TBIS) to raise services levels to the public in respect of, inter alia, processing turnaround time; greater interface with other Government entities that are instrumental in the overall process of licencing and certification; and commencing work toward a fully paperless system for import and export permit applications
- Exploring possibilities for becoming a repository of information for the public in respect of motor vehicles and the various commodities for which the agency has some regulatory responsibility or deems to be worthy of monitoring over given periods
- Carrying out, in the context of broad industry stakeholder consultation, a comprehensive review and revision of the Motor Vehicle Import Policy to, inter alia, address inconsistencies, introduce greater rigour/accuracy of essential terms and definitions and enhance due diligence in the area of certification/re-certification of motor vehicle dealers so as to achieve greater accountability.

3.2 Information and Communication Technology

The Trade Board continued to place emphasis on the delivery of services to its clientele. In keeping with the operational plan for the review year 2009/2010, emphasis was placed on the full computerization of the operations of the Agency, through upgrade of the Trade Board Information System (TBIS), development of in-house applications and work toward establishing the Government of Jamaica Public Key Infrastructure (PKI) described in the following section.

3.3 Public Key Infrastructure (PKI)

Under the E-Transactions Act, the Trade Board is designated as the certification authority and as such will have responsibility for the secure exchange of electronic information and the verification of users. This framework is referred to as a Public Key Infrastructure (PKI). The Trade Board has also been mandated to implement a system that will authenticate Government electronic transactions. During the 2009/2010 Financial Year, the Trade Board along with other relevant Government entities oversaw activities as outlined below in pursuit of its mandate as the certification authority for PKI.

An internal pilot project which began in the last quarter of Financial Year 2008/2009 has continued with the initial pilot group expanded to include additional staff and

members of the Board of Directors. A full pilot is yet to be rolled out as issues of funding and server hosting remain unresolved.

In anticipation of the full pilot and complete system implementation the Trade Board has been engaging key stakeholders in order to obtain buy-in for the Project. Discussions have been held involving representatives from Fiscal Services Ltd., Cabinet Office, Ministry of Finance and the Public Service, Central Information Technology Office (CITO), Ministry of Health, Consumer Affairs Commission and others to brief them on the work of TBL in respect of PKI and create a framework for collaborating to advance this system.

3.4 Trade Board Information System (TBIS)

During the period under review, there was continued upgrade of the TBIS in order to address discrepancies in the existing system and to add minor new features. Work on version 2, a major system upgrade, has been delayed as a consequence of financial constraints.

Online submission of applications for import permits via TBIS remains in excess of eighty percent (80%) with e-payment for applications averaging over twenty percent (20%).

The full potential of the export module is yet to be realized because of its dependence on the Customs iCASE System which remains in pilot.

3.5 Other Systems

- Work began on a document management system which will result in a significant reduction in the use of paper and improve efficiency in the processing of applications
- An application for managing TBIS payments to the National Commercial Bank (NCB) was developed and deployed. The application allows TBL accounts managers to track payment usage for license applications and compare to NCB statements. The application eliminates a loophole that could have been exploited by unscrupulous individuals who attempt to use a single payment more than once
- The new motor vehicle dealer certification application form has been completed. The application is web-based and facilitates the printing of dealer certificates and notifications to the dealers by e-mail when their certificates expire. The application is linked to the TBL website and allows the public to search for certified motor vehicle dealers based on location
- A new website which conforms to the web standards of the Government of Jamaica has been completed.

3.6 Licencing and Certification

3.6.1 Collaboration with Stakeholders

During the review year 2009/2010, the Agency participated in a number of meetings and initiatives. A summary of key meetings follows:

- Meeting with Insurance Association of Jamaica Fraud Committee
- Local consultation meeting on the proposed CARICOM-Canada Trade Agreement hosted by the Ministry of Foreign Affairs and Foreign Trade
- JTAT Meeting at the Ministry of Foreign Affairs and Foreign Trade to discuss issues relating to - the Canada/CARICOM Trade Development Negotiations and the CARICOM (COTED Agenda)
- Scrap Metal Oversight Committee Meetings;
- Meeting with representatives of MIIC, JMA, and JEA to discuss proposals for Rules of Origin in the negotiations for the Canada/CARICOM Trade Agreement;
- Consultation meetings with stakeholders regarding issuing of import licences for refined sugar;
- Stakeholders Consultation Meeting regarding proposed changes to the Motor Vehicle Import Policy.

3.6 Exporter Certification

During the 2009/2010 Financial Year, the Trade Board facilitated the export of products valued at US\$209.12 M under various trade agreements. This figure represents a decrease of eighteen percent (18%) when compared with the previous Financial Year (2008/2009) during which exports valued at \$254.14 M were facilitated. Details are provided in Table 1 below.

An increase in exports under the Generalized System of Preferences (GSP) is attributed to inflation, which resulted in higher prices for goods, rather than volume increases. However, exports to CARICOM grew by seventy three percent (73%) reflecting increased exports of cement to the Region.

Table 1: Exports Certified under Various Trade Agreements

Trade Agreement Schemes	2009/2010 US\$	2008/2009 US\$	% Change Export Value
GSP	6,821,783	5,886,759	16
CBI	70,313,038	151,640,114	-54
CARIBCAN	16,232,936	18,507,366	-12
CARICOM	114,343,951	66,169,506	73
CARICOM/DOM-REP	290,814	161,648	-80
CARICOM/VEN.	-	-	-
CARICOM/COLOMBIA	-	-	-
TEXTILES	1,136,978	11,778,138	-90
TOTAL	209,139,500	254,143,531	-18

**Table 2: Trade Board Certification Unit Activities
Financial Years 2008/2009 & 2009/2010**

Particulars	2009/2010 (Actual)	2009/2010 Target	2008/2009	% change
Certificates of Origin issued	4,101	4,800	4,136	-1
Working process verified/analyzed	20	50	22	-9
Company visits conducted	8	196	47	-83
Letters of origin issued	23	N/A	58	-60
User fees earned (\$)	3,345,840	4,700,000	4,721,776	-29

3.7 Commodity Regimes

3.7.1 Refined Sugar and Milk Powder

Table 3: Registration and Licensing of Refined Sugar

Particulars	2009/2010	2008/2009	% Change
# of companies registered	84	96	-13
# of licenses issued	404	400	1
Tonnage (MT)	76,710	72,861	5

Table 4: Registration and Licensing of Milk Powder

Particulars	2009/2010	2008/2009	% Change
# of companies registered	35	33	6
# of licenses issued	92	136	-32
Tonnage (MT)	4,450	2,298	94

As indicated in Table 3 above, there was a five percent (5%) increase in applications for importation of refined sugar, which is indicative of a modest growth in the activities of the juice industry and other industries that utilize sugar as input. However, as indicated in Table 4 immediately above, applications for the importation of milk powder grew by ninety four percent (94%) and this is attributed to development of new products, forward buying as a result of the high demand for the product on the world market and price instability.

3.7.2 Scrap Metal Regime

The Scrap Metal regime was implemented in November 2007. Dealers and carriers are required to re-register each year in order to continue dealing in scrap metal. To this end, twenty-five (25) scrap metal dealers/carriers renewed their registration during the period under review.

Over the course of Financial Year 2009/2010, the Trade Board issued one thousand five hundred and thirty-four (1,534) shipment certificates valued at US\$17,987,733,

accounting for seventy four percent (74%) of the total number of export permits issued.

There have been several reports of theft of copper cables and other equipment from a number of locations in both the public and private sectors. Two (2) stakeholders meetings were convened to address the issue and it is noteworthy that the Trade Act was amended over the period to increase the maximum fines and other penalties.

“Notices of Suspension of Licences” to two (2) scrap metal dealers were issued following the recovery of illegal scrap metal from their premises and after intensive police investigations that revealed that both businesses were in breach of their permits to operate.

3.8 Import Licensing

The Trade Board issues import licences for items that require close monitoring. Motor vehicle imports account for the bulk of import licence applications. Details are provided in Table 5 which outlines total applications receipted for 2009/2010 compared to the previous year 2008/2009.

Table 5: Applications Receipted 2009/2010 and 2008/2009

Particulars	2009/2010	2008/2009	% change
All Applications receipted	9,464	14,855	-36
M/V applications receipted	8,637	14,015	-38
Number of Units approved	11,337	18,677	-39

Table 6: Permits Issued 2009/2010 and 2008/2009

Particulars	2009/2010	2008/2009	% change
M/V permits issued	8,425	14,536	-42

3.9 Export Licensing

Table 7 below indicates that two thousand and fifty nine (2,059) export licences were issued for the review period 2009/2010. This reflects an increase of thirteen percent (13%) when compared with the previous Financial Year 2008/2009. The increase is

attributable to increased exports of scrap metal and scrap jewellery which account for nearly three quarters (74%) of the total number of export licences issued.

Table 7: Export Permits Issued 2009/2010 & 2008/2009

Particulars	2009/2010	2007/2008	% Change
Applications Issued	2,059	1,824	13

3.10 Review of Motor Vehicle Import Policy

During the review period the following matters relating to the Motor Vehicle Import Policy were addressed:

- A Six-Week Window for licencing of overage and damaged vehicles on the wharf and for vehicles shipped prior to December 23, 2009 and which when landed were overage, was approved for the period December, 23 2009 to February 5, 2010. During the period, the Trade Board issued ninety seven (97) permits under the facility, with ninety one (91) being for overage vehicles and six (6) in respect of damaged units
- A complete review of the Revised Motor Vehicle Import Policy (Ministry Paper 73 June 2004) is currently underway; the proposed amendments, arising in part from industry stakeholder consultations, have been discussed at meetings of the Trade Board’s Motor Vehicle Imports Committee and Board of Directors with a view to shortly finalizing the proposals for submission to the Ministry of Industry, Investment and Commerce.

3.11 Motor Vehicle Dealer Certification

3.11.1 Assumption of Functions

The functions of the Motor Vehicle Import Policy Unit, formerly housed under the Ministry of Industry, Investment and Commerce were transferred to the Trade Board Limited effective October 1, 2008. Aligned with the transfer was a change of name to “Dealer Certification Unit” but the functions remain the same, i.e.:

- Inspection of new applicants to the motor vehicle industry and recommendations for certification
- Annual inspection of existing entities in the industry and recommendations for re-certification

- Review of applications for the importation of buses of capacity six (6) seats and over.

3.11.2 Certification/Re-Certification

Over the period October 1, 2008 to March 31, 2009 the Trade Board certified sixty four (64) motor vehicle dealers. This comprised of four (4) new entrants and sixty (60) entities that applied for re-certification, averaging some eleven (11) dealerships a month. Revenue resulting from the above process was approximately J\$3.84 M or J\$0.64 M a month.

During the Financial Year 2009/2010 one hundred and fifty nine (159) persons applied to the Trade Board to be certified as motor vehicle dealers. Of this number, fourteen (14) were new entrants while the remaining one hundred and forty five (145) were applying to have their certifications renewed. The monthly average for the 2009/2010 Financial Year was thirteen (13) dealerships. Revenue resulting from the above was approximately \$9.54 M or \$0.80 M monthly.

3.11.3 Importation of Buses Six (6) Seats and Over

For the period October 1, 2008 to March 31, 2009 the trade Board approved permits for the importation of nine hundred and seventy nine (979) buses, seventy three percent (73%) of which fell within the 15 - 29 seating capacity range. The average monthly number of permits issued for the importation of buses was one hundred and sixty three (163). Of the total number of permits issued, seventy five (75) or eight percent (8%) were for buses to be used in the Tourism Ground Transportation Sector while one hundred and fifteen (115) or twelve percent (12%) of the total went into the Public Transportation Sector.

For Fiscal Year 2009/2010, permits were approved for the importation of one thousand and thirty four (1,034) buses, sixty six percent (66%) falling within the 15 - 29 seating capacity range. The average number of buses imported monthly was eighty six (86). Of the total number of permits issued, one hundred and twenty seven (127) or twelve percent (12%) of the total were approved for use in the Tourism Sector while the same number (127) was approved for use in the Public transportation Sector.

The data understandably point to a bias in the importation of buses of medium size, on which concessional duty rates are paid when such units are used in the Public Transportation or Tourism Sectors.

3.11.4 Importation of Trucks and Other Motorized Equipment

Over the period September 2008 to March 2009 a total of eight hundred and eight (808) permits were approved for the importation of trucks and oversized units. Five hundred and twenty seven (527) or sixty five percent (65%) of these units were within

the ten years and under limit while two hundred and eighty one (281) or thirty five percent (35%) were for vehicles that exceeded the ten-year age guideline.

For the Financial year 2009/2010, permits were approved for the importation of one thousand three hundred and one (1,301) trucks and other motorized equipment, with nine hundred and eight (908) or seventy percent (70%) of the permits approved for trucks and other motorized equipment ten years of age and under, and three hundred and ninety three (393) permits or thirty percent (30%) of the total being approved for such vehicles over ten years of age.

4.0 Strategic Focus for Financial Year 2010/2011

4.1 Import/Export Licensing & Export Certification

4.1.1 Import Licensing (Motor Vehicles)

- Obtain Ministerial approval for amendments to the Revised Motor Vehicle Import Policy
- Establish and implement clear procedures and parameters for the acceptance and delivery of import permits
- Implement Trade Board Information System (TBIS) Release 2 which will provide additional functionality, such as Carfax history (specifics of individual motor vehicle units)
- Seek a more dominant role in the monitoring of commodity regimes. Review and revamp the Agency's role in the importation of all commodities.
- Issue 7,200 import licences of which 6,550 are motor vehicle licenses representing 8,500 vehicles.

4.2 Export Licensing

- Identify additional resources to facilitate effective regulation of scrap metal exports
- Enforce regulations for scrap metal dealers and truckers in terms of re-registration, working in collaboration with the Police and Jamaica Customs. Listing of dealers/truckers to be provided to both entities (hard and soft copy) for effective monitoring
- Establish mechanism to facilitate Trade Board acting in an advisory capacity with respect to items being removed from or added to import/export licensing listing by, inter alia, building information database to determine items that merit inclusion/removal over time
- Provide updates on activities within the commodities market; this to be organized to facilitate regular flow of information to the Commodities Sub Committee of the Board of Directors.
- Issue 1,800 export licenses

4.3 Export Certification

- Participate in the process relating to the Economic Partnership Agreement (EPA) and other trade agreements, maintaining a role/presence in this area along with other public sector stakeholders/partners
- Expand staff training in the area of export certification to include Directors of the Board.

4.4 Motor Vehicle Dealer Certification

- Establish and implement clear-cut procedures and parameters governing the certification of motor vehicle dealers
- Utilize technology (TBIS-based) to facilitate the certification of dealerships and related fee payments.

4.5 PKI Certification Authority

It is anticipated that additional discussions will be held with other Government entities and coming out of these discussions:

- The existing project document is to be revised to make it less technical in nature and therefore accessible to a wider community

There will be formation of sub-committees comprising TBL and stakeholder representatives:

- Marketing Sub-Committee: This sub-committee will identify projects that can benefit from PKI and develop guidelines as to the process involved in packaging and promoting the service
- Sub Committee to review/revise the Project document.

The objectives of the pilot which is now scheduled for full rollout in May 2010 are to:

- Develop and strengthen computer security policies at the Trade Board
- Evaluate the usability (perceived ease of use and usefulness) of e-tokens (smart cards with a form factor similar to a USB flash drive)
- Evaluate the usability (perceived ease of use and usefulness) of encryption protocols in Microsoft Outlook and other e-mail clients
- Test Registration Authority Procedures
- Learn from the experience, the factors that influence certificate use for encryption and signature creation
- Evaluate certificate revocation and renewal processes
- Evaluate training material

- Evaluate Certification Authority root certificate distribution techniques:
 - Usability
 - Security/perceived security
- Evaluate recovery procedures from different disaster scenarios.

4.6 New Revenue Sources & Self-Financing

4.6.1 PKI Certification

- Commercialization and rollout of Public Key Infrastructure (PKI).

4.6.2 Data Warehousing

- Establish database for motor vehicle imports and dealers, working in collaboration with the Island Traffic Authority (ITA), Jamaica Customs and Inland Revenue Dept. This will look at historical data/trends forming the basis for requests. Data for year 2000 onwards to be incorporated in historical series.
- Identify, test and implement data warehouse solutions
- Commence development of the Jamaican equivalent of Carfax (motor vehicle database) providing information for various types of motor vehicles. Other web-related services to be actively pursued.

4.6.3 Training, Education & Business Development Workshops

- Conduct workshops for importers and exporters
- Develop training manual
- Propose training modules and offer these as training courses in respect of export certification
- Schedule seminars for every two (2) months (with focus on re-training)
- Develop training budget
- Explore external training opportunities/funding.

4.6.4 Other

- Examine introduction of increased fees for manual (walk-in) submission/payment of applications.

5.0 Medium Term Vision

Five (5) years from now, the Trade Board Limited will be the recognized as the National Authority on Local and International Trade and Commerce by becoming a self-financed Executive Agency that serves as the National and Regional Centre of Excellence in Trade and Commerce – expanding the use of technology through the implementation of a paperless system for all processes and the provision of a high standard of customer service – as well as being the Regional Authority on secure e-transactions and electronic communication.

6.0 Revenue and Budget Statistics

Table 8 : Details of Revenue Collections/Projections

Particulars	Projections	Actual Revenue	
	2010/2011 (\$M)	2009/2010 (\$M)	2008/2009 (\$M)
Licensing	44.4	45.9	69.9
Certification	3	3.3	4.8
Dealer Registration	8.5	9.3	8.9
Scrap Metal	7.3	5.9	5.4
Administrative Fees	1.5	1.1	1.4
Collateral Letters	1.9	1.8	1.9
Letters of Transfer	6.6	6.1	5.9
Total	73.2	73.4	98.2

Revenue collection for 2009/2010 fell by twenty-five percent (25%) when compared to 2008/2009., with a total of \$73.39 M being collected in 2009/2010 as against collections of \$98.2 M for Financial Year 2008/2009.

Table 9: Details of Budget/Expenditure

Particulars	2010/2011	2009/2010	2008/2009
	(\$M)	(\$M)	(\$M)
Approved Budget	72	70.2	74.6
Total Expenditure	N/A	73.4	79.5

Karl Samuda
Minister of Industry Investment and Commerce
March 31, 2010

TRADE BOARD LIMITED



Trade Board Directors and Senior Management during the Board's Strategic Retreat