



Ministry of Industry, Commerce, Agriculture and Fisheries

PRESENTATION - SECTORAL DEBATE 2020
By the Honourable Audley Shaw, CD, MP
MINISTER OF INDUSTRY, AGRICULTURE AND FISHERIES
HOUSES OF PARLIAMENT
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Theme: Securing opportunities...stimulating sustainable growth for bigger, better, stronger industries

INTRODUCTORY REMARKS

Mr. Speaker, I am sure that we will all agree that the year 2020 will be etched in our individual and collective memory as a historic experience of monumental and unprecedented proportions.

Indeed, the impact of the COVID-19 pandemic has placed us front and centre in confronting our strengths, our weaknesses, threats and opportunities not just as individuals but as organisations and, as a matter of fact, as a global community.

I also believe, **Mr. Speaker**, that this little island of ours has managed to stand tall and tallawah during this season of the coronavirus.

Mr. Speaker, as I address this Honourable House this afternoon, it is my duty and my obligation to thank the Almighty for his favour; I also wish to publicly record my gratitude to my family, Cabinet colleagues, led by the Most Honourable Prime Minister, my constituency and my colleague Ministers and staff in the portfolio departments and agencies at the Ministry of Industry, Commerce, Agriculture and Fisheries.

Mr. Speaker, I wish to take this opportunity to salute the over 230,000 small farmers of Jamaica; the over 20,000 fisher folk; our large investors in the agricultural sector and the thousands of entrepreneurs in the micro, small and medium-sized businesses as well as our large business enterprises; our manufacturers, exporters, traders and investors who, through thick and through thin, have helped us to sustain our economy and our way of life.

Mr Speaker, the Ministry of Industry, Commerce, Agriculture and Fisheries is not a small Ministry and so, in the time allotted to me today, I will only be able to present some of the highlights. I, therefore, refer you, Sir, and the members of the Honourable House to the accompanying Annual Report, which provides greater details of the work of the 32 agencies and 31 divisions that constitute the MICAF.

Mr. Speaker, the COVID-19 pandemic has made it very clear that:

- **Food Security and Import Substitution**
- **The Resilience of our industries, including the MSMEs**
- **Digitalization of our business systems and**
- **The ability to innovate and to be agile**

are of paramount importance to the future and sustainability of our local economy.

The fact is, **Mr. Speaker**, that certain gaps in the architecture of how we do business have been highlighted by COVID-19. The challenge and the opportunity are to address these gaps. As we work towards Vision 2030, **Mr. Speaker**, our vision in 2020 is, therefore, to ***secure opportunities for stronger, bigger and better Jamaican industries as we stimulate renewed growth.***

So in my presentation today, even as we reflect on business before and during COVID-19, I want the greatest focus to be placed on our plans and efforts to ***stimulate growth as we look to the future and work towards stronger, better and more resilient Jamaican industries in agriculture, fisheries, manufacturing and the services sector.***

Let us begin with Agriculture, Mr Speaker.

AGRICULTURE

Highlights of Agricultural Performance prior to COVID-19

Domestic Crop Production

Mr. Speaker, despite significant challenges with unfavourable weather throughout the first nine months of 2019, the agricultural sector ended the year with a 0.5 % increase in real value added.

This was bolstered by a strong recovery trend started in the last quarter of 2019, which saw the sector growing by 3%. This growth in the sector was largely influenced by the growth in the Domestic Crops category that grew by 4.2%, driven by better weather conditions in the last three months of 2019.

Mr. Speaker, in a context where the overall economy declined by 1.7% and despite disruptions to the economy in March as a result of the emergence of the COVID-19 pandemic, which created panic, agriculture grew by a whopping 7.8% for the January to March period of 2020.

This 7.8% growth in agriculture was impacted by the strong performance of the Domestic Crops sub-sector, which grew by 10.7%. The output of over 194,000 tonnes of produce represents one of the best-performing quarters ever for this sub-sector, **Mr. Speaker!**

Livestock

Mr. Speaker, as it relates to the livestock sector, it is noteworthy that:

- Total poultry meat production in 2019 increased by 1.5% over 2018. The poultry meat industry has seen consistent growth over the last six years, moving from 101 million kg produced in 2013 to 134 million kg in 2018.
- Egg production, on the other hand, reflected some 13.3% decline over 2018. This was due to a cutback by farmers based on the glut that was experienced in 2018.
- Preliminary estimates of production for beef and small ruminants indicate a 4.5% and 1.6% increase for 2019, respectively, while there was a 4.9% decrease in production of pork for 2019 compared with 2018.

Table 1: Contribution of the Livestock Sector 2019/2018

	Units	2019	2018	% Change
Chicken meat	Million kg	134.3	132.3	1.5
Eggs	Million	166.7	192.2	-13.3
Pork	Tonnes	8,355	8,786	-4.9
Dairy	Million litres	12.7	14.2	-10.6
Beef	Tonnes	7,118	6,813	4.5
Fish - Marine		12,372	11,212.2	10.3
- Aquaculture	Tonnes	1,1146.45	1,212.63	-5.5
Sheep and Goats	Tonnes	772.4	760.2	1.6

Mr. Speaker, we continue to place emphasis on the revitalization efforts through the programmes managed by the Jamaica Dairy Development Board, assistance to the small ruminants sub-sector, as well as those managed by the National Fisheries Authority.

We also note and welcome the collaboration of Seprod and Nestle Jamaica Ltd under their co-packing agreement for the expansion of production and sale of milk in Jamaica and the region.

Sugar Industry

The sugar industry currently constitutes three factories - Worthy Park Estate, Appleton Estate and Frome Estate - having some combined 16,000 hectares of cane, which for the 2019-2020 crop year is expected to produce 521,000 tonnes of cane, 44,000 tonnes of sugar and 23,000 tonnes of molasses. This compares with production of 740,000 tonnes of cane, 59,000 tonnes of sugar and 27,000 tonnes of molasses in the previous crop year.

Mr Speaker, the long-standing challenges of the sugar industry are well known, and as we work assiduously with stakeholders to right-size and improve efficiency, the seeking of new and innovative investments are being pursued. Accordingly, a team analysing the expressions of interest in the industry (Clarendon and St. Thomas) will present their report by the end of June 2020. The Government, therefore, continues to support the sugar industry and encourages farmers to continue the planting of cane and management of the fields.

Alternative Use of Sugar Lands

Mr. Speaker, as we continued to diversify the use of vast tracts of lands formerly used for the cultivation of sugar cane, the SCJ Holdings during the 2019 Financial Year approved 92 new leases covering over 25,000 acres.

In the Greater Bernard Lodge Development Project

- Over 100 displaced farmers and investors have been compensated with a sum of over \$350 million.
- SCJ Holdings has identified and allocated lands to relocate the displaced farmers and investors and has started the programme of infrastructure development to assist with and facilitate re-establishment.

In the Monymusk area

- \$200 million was allocated for the transportation of sugar cane to the processing factories at Worthy Park in St Catherine and Appleton in St Elizabeth.
- 259 former workers benefitted from a total grant of approximately **\$40.4 million** with each beneficiary receiving **\$156,000**.

- 164 acres of land has been made available for agricultural development for displaced workers in Hermitage, Clarendon.

In the Golden Grove Sugar Factory Area, St Thomas

To assist with transitioning:

- 495 former workers and farmers and cane cutters have been issued a total grant of **\$72.1 million**.
- 400 acres of land for development in Plantain Garden River (PGR) Agro-Park is also being provided by the SCJ Holdings.

Mr. Speaker, these, in a nutshell, are only a few highlights of the main achievements in the agricultural sector in the Financial Year 2019-2020.

Impact of COVID-19

We were on an upward growth trajectory, **Mr. Speaker**. And then came COVID.

Mr. Speaker, COVID-19 came as a shock to the agricultural sector and its markets.

The virtual closure of the tourism sector in March confronted the sector with an unprecedented situation in which significant quantities of fresh and perishable local agricultural produce originally destined for the tourism industry, suddenly had no market. Additionally, the community market situation was further exacerbated by quarantine lockdowns and restrictions of movement which pushed farmers with excess produce into despair.

Immediate Response

This required swift and prudent action, **Mr. Speaker**. The Ministry responded immediately by initiating a produce “buy-back” programme to assist in the movement of the excess production in the fields from farmers to consumers.

Mr. Speaker, Government, through the Ministry of Finance, immediately provided an allocation of \$200 million to which the MICAF added another \$40 million, thus making a total of \$240 million available for the Buy Back Programme.

On behalf of the farmers of Jamaica, I wish to express profound gratitude for this allocation towards stimulating continued agricultural production and securing the livelihoods of over 30, 000 farmers by purchasing and distributing the excess produce across the island.

Our immediate response, **Mr. Speaker**, has so far included:

- Purchasing, transportation and distribution of excess produce valued at \$120 million
- Egg subsidy of \$6.6m
- Provision of storage for pork and administrative support - \$4 million
- Support for increased agro-processing - \$2.5 million
- Production incentive, including the distribution of fertilizer, seeds, chemicals - \$52 million
- Provision of personal protective equipment and sanitizing agents – approximately \$9 million

- The Ministry also coordinated redistribution of approximately \$12.6 million of produce donated by our farmers to quarantined communities in Bull Bay, Clarendon and St. Mary through the Ministry of Labour and Social Security.
- As part of drought mitigation measures – trucking of water by the National Irrigation Commission valued at some \$24 million, with another \$194 million in mitigation support to come.

Mr. Speaker, our country owes an immeasurable debt of gratitude to our farmers. During the period, they did not flinch; they have remained steadfast and sure.

We note the role of RADA working in collaboration with produce purveyors in ramping up marketing and distribution of excess supplies of produce, even as we have taken keen note of the entrepreneurial activities in the establishment of mobile food markets, farmers' markets, online sales, and delivery of care packages and produce in the food industry.

As it concerns production levels, our input suppliers joined forces with us and assured the consistent availability of seeds, fertilisers and pesticides to enable continued cultivation and production.

Mr. Speaker, I invite this Honourable House to join me in applauding our farmers, our marketers and our distributors, our input suppliers and agro-processors. They have been very strong fences in our time of need.

Current Situation - Food Prices and Availability

Mr. Speaker, our records show that adequate supplies of fresh fruit and vegetables and ground provision as well as poultry, fish and other livestock products remained available throughout the period from the onset of the pandemic here in Jamaica.

Mr. Speaker, the activities went so well that despite the onset of drought over the last few months, our assessment indicates a temporary shortage of produce such as lettuce, cabbage, carrots, zucchini, squash and cantaloupes, resulting in a slight uptick in their prices in the marketplace.

But, **Mr Speaker**, let me assure the nation that the production of agricultural supplies is now under way, the trade in goods is adequate and we have every confidence that barring any major weather occurrence, we should have adequate supplies of food and other goods to supply our domestic market as well as to provide for the expected demand from the tourism and hospitality sector as they reopen.

Projections for Agriculture 2020-2021

Mr. Speaker, as we work to emerge from this COVID experience, our main focus is now placed on stimulating growth in the agricultural sector.

Stimulus Package in Response to COVID-19

Mr. Speaker, as indicated earlier, the initial response to the COVID-19 impact was the allocation of \$240 million.

The plan has now been revised and upgraded, **Mr Speaker**. The Government, through the Ministry of Finance, has now allocated \$1 billion to MICAFA to support our COVID-19 response for our farmers, and fisher folk in order, **Mr Speaker**, to stimulate recovery and growth for the agricultural sector during this 2020-2021 Financial Year.

This \$1-Billion allocation, **Mr Speaker**, will support the provision, *inter alia*, of:

- Equipment and machinery such as tractors, bulldozers, backhoes and drones;
- Infrastructure such as greenhouses, post-harvest packing houses, shade houses and nurseries
- Assistance to the Livestock sub-sector, including poultry, pigs, and small ruminants
- Assistance to the Fisheries industry to include fingerlings, feed, fishing equipment and gear as well as refrigerated containers for storage;
- Support for climate-smart production practices and technologies including water and irrigation equipment, catchment areas and ponds, drainage and a seed bank programme
- Incentives for production to include purchase of excess produce from farmers, land preparation, seeds and other planting material, pest and disease management and soil analyses.

Priority Initiatives in the Agricultural Sector

Mr. Speaker, the agriculture expansion programme as articulated in the Five-Year National Strategy and Action Plan for the Agribusiness Industry is aimed at implementing **key priority programmes over the medium and long term**. This will require significant investment in the sector.

We are, therefore, **Mr. Speaker**, targeting Phase Two of the US\$42-million Rural Economic Development Initiative (REDI II) Project funded by the World Bank and being managed by JSIF for possible financing in **key priority areas in support of the Ministry's programmes**.

New and Emerging Industries

Mr. Speaker, we continue to support new and emerging industries such as bamboo, cannabis, castor bean and cotton to encourage the production and utilisation of these products as we continue to diversify the manufacturing sector.

Cannabis

In this context, the cannabis industry remains a critical sub-sector.

As at May 31, 2020, the Cannabis Licensing Authority received 705 applications for licences.

To date, 63 licences have been issued, 23 are at the granted stage, and 270 applicants are also conditionally approved and are now building out their facilities to meet the requirements for the granting stage of the process.

Under the two pilot projects for the cultivation of ganja for medical use, in Accompong, St Elizabeth, and Orange Hill in Westmoreland, the Cannabis Licensing Authority continues to provide regulatory oversight to ensure compliance with the legislations.

Mr. Speaker, recent media reports have indicated that several companies have been pulling out of Jamaica as a result of the failure of the CLA to implement the required import/export regulations. Let me state categorically, **Mr. Speaker**, that this is not so. The facts are that licence holders in the medical cannabis industry are not hindered in their ability to export products from Jamaica.

Since November 2018, licence holders have had the opportunity to export cannabis inflorescence/buds and extracts from Jamaica to jurisdictions across the world.

This has been facilitated by the CLA through the establishment of Interim Measures for the Export and Import of Cannabis, which are published on the Authority's official website. To date, the CLA has granted 15 Export Authorizations resulting in exports to several countries such as Canada, Australia and the Cayman Islands. These exports have been for various purposes including research, medical purposes, cultivation and manufacturing of medical products.

Therefore, Mr. Speaker, with further support the Medical Cannabis Industry will continue moving forward.

The Production and Productivity Programme

Mr. Speaker, the Ministry, through the revitalised thrust for agricultural production, will continue to provide incentives for small farmers and other investors in the production of strategically selected crops and livestock for import substitution and export potential.

These include Irish potato, onion, sweet potatoes, peppers, sweet corn, dasheen, cassava, yams, sorrel, spices, strawberry, pineapples, condiments and livestock such as small ruminants and pigs.

During 2019, a total of \$565 million, **Mr. Speaker**, was spent to provide the necessary incentives to grow those special crops.

This year, **Mr. Speaker**, we will continue to ramp up production under the Production and Productivity Programme in order to support the import-substitution agenda, reduce the food import bill and respond to demands in the hospitality, regional and diaspora markets and the school feeding programme.

Mr. Speaker, with the supplementary support to the 2020/2021 budget, our ability to respond to the needs of the sector now stands at \$1.6 billion, which will be used to support the resurgence of the agricultural sector through direct injection.

Climate Resilience

Mr. Speaker, long before the occurrence of the COVID-19 pandemic, my Ministry recognized the vulnerability of Jamaican industries and livelihoods to the impact of climate change. Those challenges will not go away and so we will continue to pursue the climate-smart agenda during 2020-2021.

Irrigation

Mr. Speaker, under our Irrigation Development Projects, the Ministry has commenced infrastructure works and systems with the capacity to supply water to the farm gate in the southern region of the island through its capital projects.

At the end of these projects it is expected that approximately **7,000 hectares** of arable land will be serviced with irrigation and will be in sustainable production.

Mr. Speaker, the Ministry has initiated the development of arable lands in St. Catherine and Clarendon under the proposed Southern Plains Agricultural Development (SPAD) Project. Three (3) parcels totalling 795 hectares have been selected for this project and the project is to be funded through a grant of approximately £17.5 million from the United Kingdom Caribbean Infrastructure Fund (UK-CIF), administered by the Caribbean Development Bank (CDB). And this, **Mr. Speaker**, is the same source of funding for the £35.5-million Essex Valley Agriculture Development Project now under way in South St Elizabeth. The ground-breaking ceremony for Southern Plains project was scheduled for March 30, **Mr. Speaker**, but had to be rescheduled due to COVID-19.

I am very pleased today, to announce that we are projecting to break ground mid-July 2020.

Mr. Speaker, the use of solar and other alternative sources of power, not just in agriculture, but across other industries is also of paramount importance.

We note the programme under the National Irrigation Commission to expand the use of solar-powered systems to pump irrigation water to our farmers, improving efficiency and reducing costs.

Drought Mitigation Programme

Under the \$194-million Drought Adaptation and Mitigation Programme for 2020/2021, being implemented by RADA, MICAFA will be supporting interventions to farmers and farmers' groups who are experiencing threats or damage to crops as a result of drought conditions through:

- The trucking of approximately 11.7 million gallons of irrigation water over a three-month period.
- Purchase and distribution of 2,000 ¼-acre drip irrigation kits to farmers.
- The purchase and distribution of water tanks for 500 farmers.

Mr. Speaker, as we look to the future, we will not allow the impact of COVID-19 to frighten us and have us resile from our strategy to increase production within the framework of a diversified agricultural sector, including new industrial and non-traditional crops, even as we continue to pay attention to our traditional crops such as banana, cocoa, coconut, citrus, coffee and spices.

Plant Health Management Programme

Let me highlight, **Mr. Speaker**, that the health of our plants and produce are of great importance. As we observe the International Year of Plant Health in 2020, \$36 million has been allocated to the prevention and management of the Tropical Race 4 Disease as we seek to protect and expand our banana industry.

\$105 million has been allocated to continue management activities for the Frosty Pod Rot disease affecting cocoa as we seek to divest the sector.

With some 1,800 acres of cocoa already treated for the Frosty Pod Rot disease, we are now witnessing increased cocoa production nationally with a projection of some 4,730 boxes in 2019-2020, up from 4,360 in 2018-2019.

Land Utilization

Mr. Speaker, we will continue to expand the use of idle lands across the island.

The total amount of lands managed by the SCJ Holdings is over 55,467 hectares. Some 36,649 hectares have been directed into crops and other productive economic activities via lease arrangements with private investors and farmers' groups islandwide.

The fact is, **Mr. Speaker**, the kind of agricultural expansion we envisage will require even more land and it is for that reason that the Agro-Investment Corporation (AIC) is now vigorously pursuing its programme of land acquisition by way of leasing idle lands for productive agricultural use.

Permit me, **Mr. Speaker**, to use the privilege of this Honourable House, to send the appeal far and wide across the country for increased investment in the sector, and to holders of idle lands to contact the AIC now and provide those idle lands for use by idle hands!

Agro-Processing

Mr. Speaker, the Ministry has not lost sight of the vision of the Most Honourable Prime Minister that brought the merger of the Agriculture and Fisheries sectors with the Industry and Commerce sectors; a hybrid creating the MICAF.

One of the strategic targets was the strengthening of the value chain development processes, presenting one of the biggest opportunities for the economy and enhanced growth trajectory.

A very critical step in this process is the strengthening of the agro-processing sub-sector so as to fully maximise the vast potential for the creation of jobs, earning of foreign exchange, import substitution for processed and semi-processed products, product diversification, market penetration and branding.

The nexus created between the productive and regulatory portfolios also presents the ideal opportunity for synergies to ensure greater ease in doing business and facilitating trade.

Mr. Speaker, these arrangements have been bearing fruit and have brought out the best in some of our local companies during this time and accordingly mention must be made of some of the efforts by these companies despite the challenges to support our local agricultural sector, including:

- Expansion of the processing of scallion and hot peppers into pepper mash
- Investment in new facilities for agro-processing, export and value-added product diversification
- Utilising excess fruits and vegetables to manufacture juice
- Expansion of infrastructure to support agro-processing, storage and distribution

We continue to call on the private sector to make the investments to be able to capitalise on the opportunities in local, regional and international markets.

Mr. Speaker, to continue to support and strengthen agro-processing a **Five-Year National Strategy and Action Plan** has been developed for the Agribusiness Industry.

The key strategic objectives are to:

- Ensure national food and nutritional security through the appropriate deployment of the country's resources and facilitation of a joint national Public-Private Partnership (PPP) approach.
- Reform the support for agribusiness and food production to make it a holistic ecosystem for profitable, commercial farming enterprises.
- Sustain the rural economy by facilitating the implementation of re-engineered agribusiness models, supply chains and value-addition operations.

- Stimulate and catalyse innovation, investment and commercialisation across the entire sector to prepare adequate responses to climate change and value chain development.

To support the implementation of the five year strategy, a Food Security and Agribusiness Council has been established to oversee and monitor the implementation, which is chaired by State Minister, Hon Floyd Green.

MANUFACTURING

Mr. Speaker, let me now turn to the manufacturing sector.

Performance of the Manufacturing Sector Before COVID-19

Mr. Speaker, over the last four years the manufacturing sector has been experiencing the most robust growth of any period during the last 25 years, recording an average quarterly growth rate of 2.2%.

Having recorded a 4.3% growth rate in the third quarter of 2019 when compared with the third quarter of 2018, the sector has now achieved a 2.7% growth rate in the January-March quarter of 2020.

This is not only good news, **Mr. Speaker**, but it demonstrates what is possible when we consistently pursue the goal of increasing the value-added conversion of raw materials into manufactured goods.

Mr. Speaker, as reported by the PIOJ for the Jan-March 2020 quarter the manufacturing and distribution sector was the second-best performing sector, following the agriculture, forestry and fisheries sector.

Response of the Manufacturing Sector to COVID-19

With the outbreak of the COVID-19 pandemic, **Mr. Speaker**, the MICAF in association with the Office of the Prime Minister moved swiftly to ensure that the necessary facilitation was in place for manufacturers to operate.

We established a task force, not only to guide and monitor the situation, but to make recommendations for recovery and business continuity.

Mr. Speaker, the sector responded well:

- Basic food items have been in adequate supply at stable prices
- The sector enhanced the production of personal and protective equipment and sanitation supplies, consequently achieving a reduction in imports and an increase in exports.

Projections for the Manufacturing Sector in 2020-2021

Mr. Speaker, some people have already been hailing the consistent growth in manufacturing as a renaissance in the sector and the indications, going forward, are that the sector will withstand the COVID-19 pandemic, even as we work together to facilitate the expansion of Jamaica's manufacturing and export sectors.

Growth and expansion, **Mr. Speaker**, constitute the new normal for this sector going forward and the plan of action, as recommended by industry stakeholders, includes greater digitisation of the sector, improved systems for productivity and innovation, logistics and supply chains.

The Ministry has, therefore, completed a Manufacturing Growth Strategy.

National Five-Year Manufacturing Growth Strategy for Jamaica

The goal of the strategy, **Mr Speaker**, is to achieve \$81 billion per annum in manufacturing output by 2025, which translates to an approximate annual average growth rate of 3% over the five-year period.

The key objectives being proposed are:

- I. Enhanced Workforce Productivity via a core training curriculum for manufacturing
- II. Improved cost competitiveness, including access to finance
- III. Expanded infrastructure including provision of suitable factory space and addressing transportation logistics challenges;
- IV. Facilitation of market expansion
- V. Incorporation of innovation strategies.

The expected results of the implementation of the Five-Year Manufacturing Growth Strategy include, *inter alia*:

- i. Increased jobs in the manufacturing industry
- ii. Increased foreign and local direct investment in the manufacturing industry
- iii. Increased attractiveness of Jamaica as a location for manufacturing
- iv. Increased ability for local manufacturers to supply products into the domestic market thereby reducing the level of the country's imports and
- v. Increased export sales of manufactured goods

TRADE AND EXPORT

Prior to COVID-19 Performance in the Trade and Export Sector

Mr. Speaker, as we are all aware, Jamaica has traditionally recorded a negative balance of trade. In the January-December period of 2019, as reported by STATIN, we recorded imports valued at some US\$6.3 billion and total exports of US\$1.6 Billion.

Expansion of exports and the narrowing of the trade gap continue to be among our most sought after economic development goals. Against that background, **Mr. Speaker**, the performance of the export sector since the outbreak of COVID-19 in Jamaica is simply outstanding.

During COVID - Increased Exports

The welcome fact, **Mr. Speaker**, is that many members of the Jamaica Manufacturers and Exporters Association (JMEA) are reporting success stories for the March-May period since the outbreak of COVID-19.

Based on a report from the JMEA listing some 20 Jamaican companies, the country has not only been able to replace some imported products such as hand sanitisers with locally made brands but several companies have recorded increased exports to both traditional and new markets in the UK, Canada, the US and several Caribbean countries.

Mr. Speaker, their necessity has mothered our invention and exports of goods ranging from sanitizers, cleaning agents, toilet paper, spices and seasoning, bananas, cakes, flour, ackee, dasheen, unsweetened biscuits and flavoured milk recording notable increases.

Mr. Speaker, the value of exports to the US increased by J\$616 million to J\$5.1 billion during the January -May 2020 period, up from J\$4.5 billion in the same period in 2019.

The total value of manufacturing exports by JMEA members for the period January - May 2020 was J\$12.6 billion which represents a J\$74 million increase over the same period in 2019.

These kinds of export, **Mr. Speaker**, cannot stop!

And for that reason, **Mr Speaker**, in spite of COVID-19, this mango season, we have started our mango exports to the US, shipping some 3,500 kilogrammes to Florida and New York last week.

Under the US\$4.4-million GOJ Agricultural Competitiveness Programme Bridging Project, we have started the first phase of establishment of a 1,200-acre mango orchard on the plains of Clarendon for export. This is a part of the process for the encouragement of major investments in the development of orchards such as avocado, ackee, coconuts, as well as June plum, soursop, pomegranate and pineapples as raw material for processing into purees and concentrates to replace imports.

Mr. Speaker, now is the season for change. Now is the time to secure opportunities for stronger, bigger and better Jamaican industries as we stimulate renewed growth.

INVESTMENT

So, on that note, **Mr. Speaker**, let us talk about investment. And I wish to begin by saluting the work of the private sector in this, many of whom have been putting their money where it matters.

The Private Sector

Mr. Speaker, our partners and stakeholders in the private sector are to be commended. Whether it is expanding the export of fresh produce or manufactured goods, industry players continue to grow their businesses by investing in Jamaica.

As a Government, we continue to encourage them to join us in business through private-public partnerships and as a Government we look forward to their success in agricultural projects such as those coming on stream at Bernard Lodge and Innswood; those assisting with the expansion of the agro-industry and the school-feeding programme and those expanding supplies to local, regional and international markets.

JAMPRO

JAMPRO'S Projections for 2020-2021

Mr. Speaker, under our JAMPRO **projections for 2020/2021 indicates** a portfolio of 65 projects with a generation capacity of US\$3.78b in Capital Expenditure and 22,266 jobs creation in the medium term (2-3 years). However, as the global economy is negatively impacted by the COVID-19 pandemic a 30%-40% projected decline in FDI is expected. Expectations are that as the world recovers, and investor confidence returns, the projected performance in FY 2020/21 should become clearer by September 2020.

As it relates to Export Sales, the Corporation is targeting that its export clients will generate US\$671m in export sales for FY2020/21.

National Investment Policy

An important policy being targeted for approval in 2020/21, **Mr. Speaker** is the National Investment Policy.

This aims to provide the framework to align the efforts of all the entities involved in the attraction and facilitation of investments from both local and international sources and our target will be to gain Cabinet's approval of the National Investment Policy as a Green Paper by the end of June 2020.

TRADE FACILITATION, EASE OF DOING BUSINESS

Performance Highlights 2019-2020

Mr. Speaker, during the period since the outbreak of the coronavirus, the Ministry, through several of our border regulatory agencies such as the Plant Quarantine and Produce Inspection Branch, the Veterinary Services Division, Food Storage and Prevention of Infestation Division and the Trade Board have remained steadfast in their frontline role and the provision of services to our stakeholders involved in trade.

Mr. Speaker, I cite this to highlight the overall progress being made in our trade facilitation initiatives, which yielded positive results in 2019. We take note of the following:

Doing Business Report

In the World Bank's Doing Business Report (DBR) 2020, published in October 2019, Jamaica's ranking rose slightly to 71st from 75th, while the country's DBR Score also saw a slight improvement to 69.7 up from 67.47.

Mr. Speaker, Jamaica remained the best ranked country in Latin America and the Caribbean, for Starting a Business (6th in the world). In addition, Jamaica has shown improvement in three other sub-categories namely, Getting Electricity, Resolving Insolvency (35th in World and 1st in Region) and Trading across Borders.

Initiatives such as the Trade Board Limited's (TBL) de-licensing regime, where the Trade Board was removed from the licensing process for items where it was deemed that the Trade Board's intervention was a mere administrative process would also have contributed to the improved ranking.

Electronic Business Registration Form

Mr. Speaker, as the business Ministry, MICAF has been working steadily to implement these measures, as exemplified by the full implementation by the Companies Office of Jamaica of the Electronic Business Registration Form in August 2019.

Trade Information Portal (JTIP)

Additionally, the Government continues to make strides in making trade more transparent and predictable for existing and potential traders and investors. As such, the Ministry, through the Trade Board Limited, continues to ensure the sustainability and relevance of the **Jamaica Trade Information Portal (JTIP)**, which was launched in May 2019, and which makes trade-related information readily accessible on one single platform. Since its launch, the Portal has had **12,640 unique visitors** from a total of **149 countries**.

During COVID – Increased use of Digitisation

Mr. Speaker, I am very pleased, today, to report to this Honourable House and to the nation that there is clear evidence that the digitization of our trade facilitation processes has facilitated doing business during this time of COVID.

Mr. Speaker, in keeping with the overall government guidelines on COVID-19 and in order to observe social distancing requirements, the Ministry from as early as the effective date of Wednesday, March 18, 2020 implemented the following:

- All import permits are applied for online by logging on to the Ministry's trade website (MOATS) at www.moatrade.gov.jm
- Import Permits that are approved and paid for are automatically transferred to Jamaica Customs Agency, ASYCUDA as a part of our new paperless system.
- All plant trade (both export and import) between the USA and Jamaica requiring a phytosanitary certificate became fully electronic. The phytosanitary certificate is sent directly to the Produce Inspection Branch from the USA and *vice versa*. No paper phytosanitary certificate is issued.

In other words, **Mr. Speaker**, this paperless regime has been advanced, which has effected the electronic transfer of import permits and licences from the Veterinary Services Division and the Plant Quarantine/ Produce Inspection Branch to the Automated Customs System (ASYCUDA World).

Projections for Trade Facilitation 2020-2021

We are on our way to a digital economy, **Mr. Speaker**. There can be no turning back and therefore during 2020-2021, the MICA F will continue to play its part in enhancing e-commerce and digitization.

And, I wish to mention The **Jamaica Single Window for Trade (JSWIFT)** as another critical initiative aimed at automating trade. Training is now under way and our expectations are that the border regulatory agencies will be fully automated through the JSWIFT in very short order.

In anticipation of a positive outcome, I also wish to share with this Honourable House today that the Ministry has advanced discussions with the two internet service providers to secure zero-rated access to both JTIP and the JSWIFT websites, along with other trade-related government sites. This will mean that users will not require data to access these sites.

MSMEs

Mr. Speaker, as we have long recognized, the MSME sector is indispensable to achieving broad-based and inclusive growth, as these businesses are in all the productive areas of the economy.

Performance of MSME Development Programme 2019-2020

The Ministry, through the relevant division and the JBDC continued the MSME development programme through which inter alia:

- Twelve (12) Small Business Development Centres were established islandwide benefitting 702 clients

- Eighty-three (83) beneficiaries accessed the fashion, food, gift and craft incubator space.

In addition, **Mr. Speaker**, in the 2019-2020 Fiscal Year, the EXIM Bank disbursed some \$6 Billion to the productive sector, all of which went towards providing financing to the MSME sector.

Public Procurement Act (PPA)

Mr. Speaker, I can also report with regard to the Public Procurement Act, that MICAFA and The Trade Board Limited have continued to work in collaboration with the Ministry of Finance towards finalising the operational guidelines to ensure contracts are set aside for MSME participation while giving domestically manufactured content a margin of preference within the procurement tendering process.

Impact of COVID-19 on MSMEs

As an immediate response to the impact of the COVID-19 outbreak, we have been undertaking a re-run of training in business continuity to our MSMEs.

On behalf of the small business sector, I also wish to thank you, PM and Minister of Finance for the \$50-million package to sustain livelihoods and stimulate production in that sector.

Projections for MSMEs in 2020-2021

This Fiscal Year, the EXIM Bank, with the support of the Ministry of Finance, hopes to significantly increase its support to this very important sector by disbursing at least \$8.1 billion in loans.

This is particularly in the context of the challenges being faced by MSMEs because of the COVID-19 pandemic.

The Bank's programmes will seek to incorporate new and innovative approaches including the increased use of Trade Credit Insurance, Receivables Financing, Digitisation and E-Commerce and Trade Credit Guarantees.

The Bank will also continue to work closely with its public and private sector counterparts to support the provision of business advisory services geared at allowing MSMEs to pivot to increased exports as well to navigate through the crisis to recovery.

Mr. Speaker, I also wish to mention the **National Craft Policy** - approved by Cabinet as a White Paper and tabled in Parliament in November 2019, which is also intended to be an effective tool to foster growth and development in the small business sector.

FISHERIES

Performance of the Fisheries Industry 2019-2020

Mr. Speaker, there was a decline in the Fisheries industry during 2019, largely due to the restrictions on the provision of licences for the conch sector.

Conch

Mr. Speaker, this Honourable House may be aware that the closure of our conch fishery will continue until the end of February 2021. This was necessary in order to allow time for rehabilitation of this most valuable export-oriented commodity. The NFA will continue to monitor and assess to ensure that we can fish for conch again in the very near future.

Lobster

On the other hand, **Mr. Speaker**, this country has experienced one of its most successful lobster fishing seasons with its harvest of 928 tonnes being among the best ever recorded over the years. The upcoming lobster season to begin July 1, 2020 is well positioned to take advantage of our international markets once overseas borders continue to reopen for business.

The Fisheries Act

Mr. Speaker, the new Fisheries Act, which was promulgated in December 2018, came into effect on June 1, 2019. Progress is now being made in updating regulations to support the new act. However, all existing regulations made before the appointed day are still in effect and as such implementation of the provisions are effective.

National Fisheries Authority

The former Fisheries Division is now being transitioned to the modernized National Fisheries Authority. The governance mechanisms for the Authority are now in place with the establishment of a Board of Management, a National Advisory Council, and the formalization of an Appeals Tribunal.

Impact of the COVID Outbreak on the Fisheries Industry

Mr. Speaker, as an immediate response to the possible impact of the COVID-19 pandemic on the fishing industry the Ministry engaged the co-operatives towards strengthening support for small fishers. It has been agreed that they will benefit from the COVID-19 Response Stimulus Package as outlined earlier.

As it relates to the bigger industry players, their participation in farmers' markets and online sales facilitated the packaging and sale of their products.

Projections for the Fisheries Industry 2020-2021

National Online Licensing and Registration System

Mr. Speaker, as an accompanying measure to the full establishment of the National Fisheries Authority, and also as a component of the transformation and modernization of the Public Sector, the National Fisheries Authority is also implementing a **national online licensing and registration system** aimed at making interactions with all fishers, fish farmers and other stakeholders more efficient.

That means, **Mr. Speaker**, that when you are ready to go sport fishing; you can stay at home, or on your mobile device, and at the touch of the screen, apply for and receive approval for a fishing licence. It is expected that the new Fisheries Licensing and Registration System, which is being financed by a US\$1.5-million IDB loan to the Ministry of Finance's Transformation Implementation Unit, will be completed by the end of 2022.

The Promoting Community-Based Climate Resilience in the Fisheries Sector Project

In accordance with climate resilient actions, **Mr. Speaker**, the National Fisheries Authority is now implementing The Promoting Community-Based Climate Resilience in the Fisheries Sector Project (PCBCR).

Valued at some US\$4.875m, this is a five-year project and is expected to end March 31, 2023.

Mr. Speaker, the Board of the NFA has been established and positions are being filled as we speak.

We will also continue the lobby for marine fuel tax reduction to enable our fisher folk to increase productivity by embracing deep sea fishing to include the valuable tuna sector.

CONSUMER PROTECTION

Mr. Speaker, the promotion of consumer rights, and the safety and the protection of consumers of goods and services are ultimately part of the measurement of customer service excellence. In that regard, consumer protection is aligned to the monitoring and promulgation of quality standards and fair trading practices.

Performance Highlights 2019-2020

Against that background, **Mr. Speaker**, I wish to note:

The National Quality Policy – Cabinet approved the adoption of National Quality Policy and Implementation Plan as a White Paper in April 2019 and it was tabled in Parliament on May 21, 2019 as a White Paper. The policy is aimed at enhancing the provision of quality goods and services to consumers.

Let me also mention, **Mr. Speaker**, that **the Nuclear Safety and Radiation Protection Regulations** were enacted and implementation is being managed by the Hazardous Substances Regulatory Authority (HSRA). This necessary piece of legislation will establish the standards by which radiation and hazardous substances are handled.

The Consumer Affairs Commission

As it relates to the CAC, **Mr. Speaker**, during 2019-2020, the agency secured some \$27.8 million for aggrieved consumers, resolving some 83.7 per cent of the complaints it received.

Of note, too, the CAC was also integrally involved in the resolution of the bad gas issue. Working in collaboration with our sister Ministry of Science, Energy and Technology, the CAC, to date, has disbursed \$21.8 million of the \$24.5 million approved for compensation to motorists. This represents disbursement to 298 of the 381 motorists whose claims have been approved for compensation.

Panic Buying, Price Gouging

Mr. Speaker, March 10, 2020 became D-Day for COVID-19 in Jamaica and, despite the assurances of sufficiency of supplies, from Government and the distributive trade, there was a surge of panic buying, hoarding and price gouging, a phenomena not specific to Jamaica but apparent globally.

Mr. Speaker, our monitoring agencies, the National Compliance and Regulatory Authority, Food Safety and Protection Inspection Division and the Consumer Affairs Commission were active in the field.

We moved swiftly, **Mr. Speaker**, and by March 25, the Ministry through our energetic Minister of State, the Hon Floyd Green, took our resolution to Parliament to make price gouging a criminal offence. That order is now in effect and is being enforced by the Consumer Affairs Commission. Be warned!

In recognition of the need to improve the standards for personal and protective equipment (PPEs) in response to COVID-19, the BSJ promulgated a new standard for hand sanitisers to increase the safety and efficacy of the products as well as prepared standards for other PPEs.

Consumer Affairs - Projections for 2020-2021

High on the consumer protection agenda for this Fiscal Year, **Mr. Speaker**, is the development and promulgation of the National Consumer Affairs Policy.

The primary objectives of this policy are to:

- i. maximize consumer welfare through empowerment and protection delivered by a coordinated national consumer affairs strategy; and
- ii. Strengthen consumer affairs at the member state level, in readiness for alignment to the Regional Consumer Strategy and to enable Jamaica's compliance with international consumer protection policies.

CONCLUSION

Mr. Speaker, for this fiscal year 2020-2021, as we seek to recover from the impact of the COVID-19 pandemic, the Ministry of Industry, Commerce, Agriculture and Fisheries will anchor our growth initiatives in our commitment to ***secure opportunities for Jamaican industries as we stimulate renewed growth and work towards stronger, better and more resilient Jamaican industries in agriculture, fisheries, manufacturing and the service sector.***

The Ministry will continue to pursue its comprehensive legislative and modernization agendas.

These will provide the necessary legal and administrative basis that will facilitate the growth and expansion of the productive sector in the context of a modern and competitive global environment.

It is expected that new legislation enacted such as the Patents and Designs Bill which was passed as an Act of Parliament and gazetted on January 23, 2020, and is aimed at modernising Jamaica's intellectual property regime, will make a fundamental difference to the ownership of copyrights and brands and aid in expanding the country's economic development.

Mr. Speaker, members of this Honourable House, many of the ideas and the strategies that will take us forward and that will help us to stimulate and sustain growth in our economy are not new ideas.

What is new, **Mr. Speaker**, are the energy and the vitality we must now invest in these plans and strategic objectives.

We will have to place new and renewed energy in:

- The Eat Jamaican, Buy Jamaican, Build Jamaica and Say Yes to Fresh campaigns
- The greater involvement of youth in agriculture and small business
- Our Homegrown School-Feeding Programme

- The establishment of model farms that pursue new, climate-smart agriculture, involving mother and satellite farm relationships.

Now, more than ever, we will have to employ our innovative and entrepreneurial skills to defeat the negative impact of COVID-19.

As we stand together today at the door of opportunity, let us join hands and heart together, committed to a national resolve to surmount the COVID-19 challenge.

This challenge has:

- opened the way for new possibilities
- reignited the entrepreneurial spirit
- opened new doors for manufacturing and export
- increased the demand for Jamaican goods and products in both traditional and new markets and
- roused the sleeping giant of digitising business and the digital economy.

Mr. Speaker, we must not dither in our determination to make Jamaica a better place; rather, **we** must strengthen our resolve to vigorously pursue and attain sustainable goals for growth and prosperity.

Mr. Speaker, hardships there may be, but the land is green and the sun shineth!

Let us in the words of our national anthem pray: Eternal Father, bless our land!

God bless you all.