

POST-MOU MONITORING REPORT

BACKGROUND

This report is prepared by the Ministry of Industry, Commerce and Technology in accordance with the “timeframes” document **GOJ/PSOJ Consultations on Obstacles to Doing Business**, Appendix to the **Memorandum of Understanding between the Government of Jamaica and the Private Sector Organization of Jamaica** on the removal of obstacles affecting businesses in Jamaica. This is the working document on the basis of which the implementation of the commitments made in the MOU is monitored.

This report represents an update on the items identified in the “timeframes” document for action by the end of March 2000.

UPDATE ON ISSUES

Trade Policy – Cheap Imports: The Anti-Dumping and Subsidies Commission reports that the draft amendments have been completed and were submitted to the Commissioners for review. It is expected that once the review is completed that the proposed amendments will be brought to the attention of the Minister of Industry, Commerce and Technology in due course for consideration. This issue will be reviewed at the end of May 2000.

Road Repairs (Newport West Area): The Ministry of Transport and Works has provided the following update on developments taking place in respect of road repairs in the Newport West area:

- **Newport Boulevard:** Patching of this road was completed in March 2000.
- **First Street:** Rehabilitation work commenced in March 2000 and is expected to be completed in April 2000. It should be noted that work on the section of road between Eighth Avenue and Ninth Avenue on First Street was completed by March 31, 2000.

- **Third Street:** Rehabilitation work is expected to commence in April 2000.
- **Fourth Street:** A large Section of Fourth Avenue (in the vicinity of the Shipping Association of Jamaica) is being rehabilitated at present. It is expected that work will be completed in April 2000.
- **Comprehensive Project for the Newport West Area:** The project is still at the pre-design stage. The survey is, however, almost completed now. The Ministry of Transport and Works anticipates that the design should be undertaken during the latter part of the 2000/2001 financial year.

Developments regarding road conditions in the Newport West area will be reviewed at the end of May 2000.

Security Issues:

- **Installation of Surveillance cameras at Ports:** The Port Authority has advised that there are major projects being carried out on the Port at this time. The Security Consultants have been requested to accommodate the urgent works which continued to the end of March. The contract for the South Terminal should be signed once the work on the North Terminal is complete. This issue will be reviewed at the end of April 2000.
- **Procurement of X-ray Equipment:** Following the presentation to the Prime Minister, the Deputy Prime Minister and the Minister of National Security and Justice on 2000 February 10, technical assistance was sought in this regard from the Ministry of Finance and Planning. The Revenue Protection Department reports that negotiations have commenced. Prior to procurement, however, it has been agreed that two (2) site visits will be undertaken in May to locations where the equipment can be observed in operation and to ensure that it meets the objectives and requirements of the Jamaican situation. This issue will be reviewed in June 2000.
- **Security of Goods and Personnel:** The Ministry of National Security and Justice is expected to respond to these issues. This issue will be reviewed at the end of April 2000.
- **Security Issues Affecting the Tourism Industry:** The requisite report from the Directorate of Port and Tourism Security of the Ministry of National Security and Justice is still awaited. This issue will be reviewed at the end of April 2000.

The Shipping Industry: The Maritime Services Industry Advisory Council (IAC) made contact with the PSOJ regarding the participation of a representative from that Organization in the work of the Council. Mrs. Karen Adair, as well as a representative from the following organizations were invited to participate: Freight Forwarders Association, the Bustamante Industrial Trade Union, the Trade Union Congress and the Customs Brokers Association of Jamaica. Progress will be reviewed at the end of June 2000.

Implementation of the Customs Modernization Project: The Customs Department reports that implementation of the project is currently underway. It is expected that a report will be provided by the end of April 2000.

Urban Renewal Legislation: The Urban Development Corporation (UDC) has advised that the time period for the processing of applications is six (6) weeks. In some instances this target has not been achieved, but the UDC is working with the relevant Agencies with a view to maintaining this timeframe. This issue will be revisited in June 2000.

Procurement Policies: It is expected that the Ministry of Finance and Planning will report on this issue by the end of April 2000.

Double Taxation: It is expected that the Ministry of Finance and Planning will report on this issue by the end of April 2000.

GCT Provisions: The General Consumption Tax Department reports that a high level Committee has been established to review Regulation 10 and other matters of the GCT Regulations, with a view to incorporating into the review process the concerns expressed by the PSOJ. The Committee formulated comprises the following persons:

Mr. Clive Nicholas	-	Director General
Mrs. Vinette Keene	-	Commissioner of GCT (Acting)
Mr. Dalton James	-	Senior Appeals Officer
Mr. Winston Lawson	-	Tax Administration Technical Specialist

Mr. Matt Bourgeois, a consultant, will be assisting with this process. The General Consumption Tax Department has advised that an update on the Committee's deliberations will be provided in due course. This issue will be reviewed at the end of April 2000.

Basic Industries: It is expected that the Ministry of Finance and Planning will report on this issue by the end of April 2000.

New Product Registration: The Standards and Regulation Branch of the Ministry of Health has advised that the lead times for the registration of pharmaceuticals are as follows:

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| 120 days | – | New products where there are no serious efficacy, safety or quality concerns. |
| 90 days | – | Generic drugs and herbal products. |
| 60 days | – | Fast track for drugs used for life-threatening conditions, eg. cancer, HIV/AIDS etc. |

The registration lead time of 120 days was reduced from 180 days in September 1998 and is in keeping with international standards which range from 90 days in the European Union to approximately 1.5 years in the USA.

Productivity Incentive Schemes: At a meeting held at the Ministry of Industry, Commerce and Technology on 2000 March 21, JAMPRO advised that the Agency has taken on additional staff in an effort to strengthen the organization's evaluation team. JAMPRO is still awaiting a response from the Chairman of the Task Force and the Agency is hopeful that a response will be received shortly regarding the expansion of productivity incentive schemes. This issue will be reviewed in April 2000.

Planning Approval:

- **Information Tracking System:** The Ministry of Land and Environment has indicated that the report on the operation of the system scheduled for publication at the end of March is still being finalized. This issue will be reviewed at the end of April 2000.
- **Business Roadmap Study:** The Ministry of Industry, Commerce and Technology reports that USAID is in the process of giving approval for the award of the contract for the study. This issue will be reviewed at the end of April 2000.

Acceleration of the Land Administration and Management Programme and other Land Registration Activities: The Ministry of Land and Environment provided a report entitled **Titling of Government Land Settlements and Housing Schemes**. The report was forwarded to the PSOJ for consideration. Based on the activities reported that are currently underway, it is expected that the programme will be fully on stream by April 2000. This issue will be updated in September 2000.

Scientific Research Council: The Scientific Research Council has confirmed their interest in fostering closer collaboration with the manufacturing sector in response to the issue raised in the GOJ/PSOJ Consultations. Accordingly, the Ministry of Industry, Commerce and Technology recalling the Memorandum of Understanding signed by the former Ministry of Industry and Investment with the Jamaica Manufacturers' Association and JAMPRO in 1999 April proposed to expand participation in the monthly meetings between the JMA and JAMPRO's Productivity Centre to include the Scientific Research Council. Under this new arrangement, both the SRC and the Productivity Centre will be in one forum to address the needs identified by the JMA. Progress will be reviewed at the end of July 2000.

Growth in Tourism: The Ministry of Tourism and Sport reports that government funded initiatives are in place for the European and US markets. A comprehensive report will be provided by the end of April 2000.

Building Approvals (Building Code): The Ministry of Local Government, Youth and Community Development has confirmed that the Building Code is among legislation identified for review under the Local Government Review Programme. The records show that the former Ministry of Local Government and Works requested the Bureau of Standards to develop aspects of the Building Code, as the Bureau was considered to be the competent body for carrying out such a task. At that time, it was expected that the updated Building Code would in turn be incorporated into an Amalgamated Kingston and St. Andrew Parish Councils Building Act. The Ministry of Local Government, Youth and Community Development proposes to take steps to ascertain from the Bureau of Standards what progress has been made with regard to the Code. There is as yet no specific timetable for implementation. Progress will be reviewed at the end of July 2000.

Motor Vehicle Licensing and Examination: The Ministry of Transport and Works reports that negotiations for the privatization of the Motor Vehicle Inspection Services are still taking place. This issue will be updated at the end of April 2000.