



PRESENTATION - SECTORAL DEBATE 2021

By the Honourable Audley Shaw, CD, MP
MINISTER OF INDUSTRY, INVESTMENT AND COMMERCE

HOUSES OF PARLIAMENT

Gordon House: May 11, 2021

THEME: OVERCOMING THE CHALLENGES:

RECOVERING STRONGER AND FASTER

INTRODUCTORY REMARKS

Madam Speaker,

It is an honour and a privilege to stand before this Honourable House this afternoon to report to this country, that I love so much, on the performance of my Ministry over the past year, the Ministry of Industry, Investment and Commerce; and to outline our programmes for the new financial year.

Madam Speaker, I don't take this task for granted nor do I take it lightly. I take it humbly as I continue to serve the people of Jamaica.

The year behind us was not an easy one and the road ahead will have its challenges, but with God on our side, we are confident that we are on the road to recovery. We have been confronting the adversities, whilst managing the crises and we are committed to Overcoming the Challenges, and Recovering Stronger and Faster.

Madam Speaker, as I address this Honourable House this afternoon, I wish to publicly record my gratitude to my family, my Cabinet and Parliamentary colleagues, led by the Most Honourable Prime Minister, my constituency and the leadership and staff of the Ministry of Industry, Investment and Commerce and its Departments, our Boards of Directors — Business to Business and the leadership and staff of our agencies.

The Ministry oversees a portfolio of 18 internal Divisions, two Departments, and 15 portfolio agencies that have worked tirelessly over this past year to ensure that the strategic objectives of the Ministry were accomplished, despite the challenges presented.

I wish to acknowledge the support and work of our Minister of State, the Hon. Dr Norman Dunn, who joined the team in October 2020 and has taken on the task with great fervour and our Permanent Secretary, Mrs. Sancia Bennett Templer, who took up the reins in March of 2021.

Special acknowledgements to my colleague Minister, the Hon. Floyd Green, Minister of Agriculture and Fisheries; and the leadership and staff at the Ministry of Agriculture and Fisheries with whom we shared portfolio responsibilities as the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAF), up until September 2020 and with which we continue to work closely.

I would like to especially thank Permanent Secretary Dermon Spence, who led the super Ministry, MICAF, diligently before the separation and continued in this role for the MIIC up to February 2021.

Madam Speaker, I wish to acknowledge the resilience of our Jamaican people, particularly our investors, and entrepreneurs in the micro, small and medium-sized businesses, as well as our large business enterprises.

The COVID-19 pandemic has brought us adversity and crisis; however, **Madam Speaker**, we have undertaken various initiatives to mitigate the fallout from the pandemic and we are on the way to recovery. But the truth be told **Madam Speaker**, is that we cannot blame all our problems on the pandemic. There are issues that precede the pandemic which need to be addressed and must be addressed. These include our competitiveness and levels of productivity which must be overhauled in a meaningful way.

Madam Speaker, my presentation today will be done in two parts. Firstly, I will focus on the Ministry's response to Overcoming the Challenges of the COVID-19 pandemic after which I will move into the policies, plans and activities that are being undertaken to Recover Stronger and Faster.

OVERCOMING THE CHALLENGES: THE COVID-19 RESPONSE

Madam Speaker, the priority plans and programmes of the Ministry for the 2021/2022 Financial Year reflect our focus on building resilience, competitiveness, sustainability, and viability in key productive and service sectors.

Before the onset of the pandemic, most economic indicators suggested that by continuing our strategic initiatives, improvements in economic growth would be realized and we were experiencing real GDP growth. Notwithstanding the pandemic, which has negatively affected the economy, the Ministry has been able to remain on target for most of our key programmes.

Madam Speaker, our response to the COVID-19 challenge was immediate, nimble and swift. As a practical way forward, we have laid the groundwork for recovery through targeted and strategic mobilization of our manufacturing, export and investment portfolios. The pandemic forced the revision of most business operating models, and 2020 became predominantly a year of pivoting to harness new opportunities across all sectors through containment measures geared towards economic recovery.

TRADE AND INVESTMENT IN THE RECOVERY



Madam Speaker, in the recovery process the Ministry called on JAMPRO, to intensify efforts to drive investment and trade in critical areas.

The Agency refocused its promotional efforts in the Manufacturing, Outsourcing and Agribusiness sectors. These areas were identified as having the best opportunities for resilience and growth within the constraints and demands occasioned by the pandemic. Simultaneously, the Agency ramped up its facilitation services and policy advocacy role to ensure that existing, new and potential investors in all sectors were supported by robust and aggressive actions and policies, to drive business decisions and allow for fast implementation

of investment projects and entry into new markets.

Madam Speaker, despite the challenges of the Fiscal Year ended March 31, 2021, JAMPRO facilitated 29 investment projects; 20 were new projects, while 9 were expansion activities. This is partly due to the Corporation's immediate pivot to leverage the digital space, through employing virtual engagements as a means to expand the promotional reach of investment and trade opportunities, to key target groups locally and across the globe. I would like to thank Chairman Don Wehby, the President, Ms. Dianne Edwards, and the management and staff of JAMPRO for their sterling contribution.

Madam Speaker, as we are all aware, the tourism industry has been severely impacted by the COVID-19 pandemic globally, regionally, and locally. My Ministry, through JAMPRO, continues to work closely with our colleagues at the Ministry of Tourism to attract and facilitate key tourism investments.

Madam Speaker, we have been successful in our recovery efforts so far. Of the 29 projects facilitated by JAMPRO, the largest - was the Ocean Coral Springs Hotel - valued at US\$250 million, while the largest expansion project was the Montego Bay Airport Runway and Terminal Expansion, valued at US\$115 million. These projects will contribute positively to Jamaica's tourism product.

Madam Speaker, we are pleased that some 4,800 rooms are slated for development over the next three years. This demonstrates that despite the pandemic, investor confidence in the tourism sector remains strong and this Ministry, through JAMPRO, will continue to facilitate further investment in the sector.

Madam Speaker, JAMPRO, despite the challenges, has recorded the injection of some US\$200 million in Local Direct Investment (LDI) and Foreign Direct Investment (FDI) into the local economy and the creation of almost 6,500 new jobs, while also facilitating over US\$755 million in traditional and non-traditional exports sales for its clients.

RECOVERING THE MICRO SMALL AND MEDIUM ENTERPRISE SECTOR



Madam Speaker, recognizing that economic recovery for Jamaica is substantially tied to the growth of MSMEs, the Ministry actively responded to drive export and trade for the Agriculture and Manufacturing MSMEs. By utilizing virtual Business to Business (B2B) meeting platforms and facilitating virtual engagement with global buyers, we pivoted well.

Madam Speaker, the flagship Enterprise Development for Export Growth Programme, Export Max, now in its 3rd cohort, continues to provide focused capacity building and market penetration support to exporting and export-ready firms. Export Max III, offers assistance to a group of fifty (50)

Jamaican companies and is jointly executed through the Jamaica Manufacturers & Exporters Association (JMEA) and the Jamaica Business Development Corporation (JBDC), an agency of the Ministry.

Despite the restrictions across the globe which impacted the movement of goods and services, the resilience of MSMEs under the Export Max programme was evident, with 30% of the companies recording significant increases in their 2020 export sales over 2019. These companies have expanded into new markets in Europe, North America, the Caribbean and Latin America. Commendably, a small company has grown to a medium enterprise with projected earnings of more than \$240 million for 2021.

In supporting the MSMEs to recover from the early impact of the pandemic, a suite of intervention strategies were provided by our portfolio agencies, we also facilitated moratoria, loan extensions, loan restructuring, and working capital.

As a responsible Government, **Madam Speaker,** we responded immediately to the financing needs of the MSMEs. Through the EXIM Bank 444 loans valued at approximately J\$4.5 billion were disbursed to some 100 MSMEs. Furthermore, over 60 of EXIM's clients were provided with the opportunity to save their businesses through loan restructurings and payment holidays to the tune of J\$973 million. **Madam Speaker,** this directly impacted the MSMEs operating in the tourism and linkages sectors.

Madam Speaker, whether it is receivables financing, pre-shipment financing, working capital injection, trade credit insurance, payment moratoria or loan restructuring efforts, the Ministry continues to extend CARE to its clients through the provision of relief funds to resuscitate, retool and reposition businesses. **Madam Speaker,** the Ministry also continued to place emphasis on capacity building support to the sector. During the 2020-2021 Financial Year the Ministry and its Agencies facilitated over 30 webinars and workshops to build the competencies

of the MSMEs in financing and operating a virtual/e-commerce business. Notably, over 10,000 MSMEs benefitted from this programme. The Ministry is working.

The Ministry also intensified our efforts to transition more of our MSMEs from informality to formality. It is estimated that approximately 43% of the Jamaican economy operates informally. These informal operators have the propensity to remain small, and this limits their ability to access loans, expand their businesses, and to export their products and services. It is for this reason, **Madam Speaker**, that we welcome the support from the International Labour Organization (ILO) which partnered with us for a formalizing project. This project was conceptualized under the former MICAFA, and so we began with the agricultural and fisheries sector. The grant of US\$70,000 from the ILO will fund the project to benefit 100 participants and will be implemented through the Jamaica Business Development Corporation (JBDC). **Madam Speaker**, we intend to expand this project to other sectors in the short to medium term.

GROWING MANUFACTURING, EXPANDING EXPORTS AND STRENGTHENING INTERNATIONAL TRADE



Madam Speaker, in our quest to recover faster and stronger through harnessing opportunities for advancement in the Trade Sector, several significant initiatives/programmes were mobilized to realign our strategic priorities to achieve growth. These include:

- Widening our export basket to include not just our traditional export products, but also non-traditional products such as our craft and nutraceuticals;
- Placing targeted focus on the Northern Caribbean markets in a bid to diversify markets;

- Continuing coordination of Trade Facilitation measures to improve the business climate for local and international traders; and
- Full integration of the Trade Board Limited, into JSWIFT in July 2020, the first agency to be incorporated on this platform.

Madam Speaker, under MICAFA, the team worked with the CARICOM Secretariat and other CARICOM Member States to develop and implement the COVID-19 Agri-Food Response and Mitigation Plan.

This was a direct response to advanced relief from the period of global food shortage predicted by the United Nations and other inter-governmental policy agencies. Areas of focus include agriculture food production, distribution and logistics, storage, input supply and international trade.

INCREASING MANUFACTURING OUTPUT

Madam Speaker, Manufacturing remains one of the most resilient sectors of our economy. The disruption in the traditional global supply chain presented local businesses with the opportunity to enter new export markets in North America and the Caribbean. Locally, new linkages were established between manufacturers and companies in the service sectors such as Tourism and Outsourcing. Our homegrown manufacturers seized this opportunity to enter new export markets in North America and the Caribbean, supplying buyers that experienced disruptions in their traditional supply chains. Manufacturers increased production and the sale of products such as

rubbing alcohol, hydrogen peroxide, pharmaceuticals, masks, paper towels and household and industrial cleaning chemicals. Cottage industries have developed and are being encouraged to formalize in order to benefit from more targeted interventions or stimulus packages.

Madam Speaker, J. Wray and Nephew Limited was one of the early responders, which quickly adapted their manufacturing processes to produce bulk hand sanitizer. One hundred thousand (100,000) litres of high-strength alcohol was used to produce sanitizing and cleaning agents for hospitals and homes. Of that amount, 50,000 litres were made available to the National Health Fund, for onward delivery to hospitals and clinics. Twenty thousand (20,000) litres went into producing hand sanitizers for the civil service and the remaining 30,000 litres were made available to J. Wray and Nephew staff, and neighbouring communities to the company's operations in the Corporate Area, Clarendon, and St Elizabeth. **Madam Speaker**, this is Corporate Social Responsibility.

PERFORMANCE OF THE MANUFACTURING SECTOR

In my presentation in the Sectoral Debate last year, I noted then that, "Over the last five 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%." The COVID-19 pandemic had a mixed effect on the sector. The Jamaica Manufacturers and Exporters Association reported a 14.5% decrease in demand for goods among 44.5% of its membership. Alternatively, 33.3% of its members reported an increase of 11.3%.

In terms of sales revenues, in the 4th Quarter of 2020 some 62% of manufacturers saw a 3.8% decline when compared to the first quarter results. But again, **Madam Speaker**, 20% of JMEA members reported an increase in sales revenue in the 4th Quarter moving up from 13% in the 3rd quarter, while 17.8 % reported stable sales. That is commendable, **Madam Speaker**.

Madam Speaker, to support the sector, the Ministry continues to play its part in expanding fiscal incentives to qualified manufacturers. In this regard, we have bolstered the Productive Input Relief (PIR) for manufacturers and continued with adjustments to the treatment of site visits for re-verification of manufacturing status. Additionally, **Madam Speaker**, at the onset of the pandemic, an extension of the PIR for six (6) months was granted for expired manufacturing status.

Throughout the 2020/2021 Fiscal Year, a total of 157 applications for Manufacturing Status fiscal incentives were vetted and referred to the Jamaica Customs Agency. Forty-two (42) or 27% of these referrals were new applications, while 115 or 73% were reapplications. From the 157 referrals submitted during the Fiscal Year, 170 representations were made across 18 industry areas within the manufacturing sector. We are recovering Faster and Stronger.

SEIZING EXPORT OPPORTUNITIES

Madam Speaker, the Ministry and its counterparts across the Government and within the manufacturing sector, remain steadfast in our efforts to close all the gaps and seize all the opportunities for growth of the manufacturing sector and expansion of exports.

Today, I am happy to report two significant wins which are expected to produce real benefits for the Jamaican economy and may redefine our relationship with CARICOM going forward.

After a long, hard-fought battle over some two years with CARICOM, clinker and condensed milk have been afforded an additional layer of protection within the CARICOM community. This means, **Madam Speaker**, an increased advantage to those companies supplying these products to the region. Consequently, imports of like

products from outside the region cannot be granted any unilateral reduction in Common External Tariff (CET) without the agreement of all CARICOM Member States.

Madam Speaker, this means that in the case of Seprod, for example, producers of condensed milk, their over US\$77.5 million investment has not been in vain.

Caribbean Cement Company Limited (CCCL) invested approximately J\$12.5 billion between 2016 and 2020 to expand capacity to increase production. As a result, the company has boosted its production capacity to 1.32 million metric tonnes of cement per annum. CCCL is expected to invest a further J\$1.75 billion between 2021 and 2023 to improve its efficiencies and continue to increase its capacity.

Madam Speaker, this expansion supports the growth in the construction sector, which is the only sector that shows consistent growth during this COVID-19 period. This sector presents an opportunity for further investments in areas such as housing, to include the Diaspora and the projected growth in the tourism sector.

Madam Speaker, we are bullish in this sector; we believe that the Diaspora has the potential to contribute to Jamaica and are prepared to make the necessary investment in retirement villages among other areas.

Other smaller manufacturers would have also seen successes, despite the challenges presented by the pandemic. In April 2020, Quality Incorporations VII Ltd., a Jamaican manufacturer, exported tissue to the United States. It was the first shipment of that kind to the US, opening up a new avenue for export product diversification. In pursuit of larger markets, another paper products producer, SanMerna Paper Products Limited, followed in their footsteps in October 2020, and also plan to set up a manufacturing plant in Nigeria. We are recovering faster and stronger. Madam Speaker, the manufacturing sector is projected to get an even more significant boost from the implementation of the National 5-Year Manufacturing Growth Strategy, which was tabled in Parliament in July 2020. The goal of the strategy is to achieve J\$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. A Manufacturing Coordinator will be engaged shortly to drive its implementation.

Madam Speaker, we recognize that growth and expansion constitute the new normal for this sector. Going forward, the plan of action as recommended by industry stakeholders, includes greater emphasis on digitization of the sector, improved systems for productivity, innovation, logistics and supply chains. The crisis of the pandemic has made it abundantly clear that our future success as a nation relies on our ability to create an enabling business environment for our industries; facilitate trade; enhance the ease of doing business; expand and develop the MSME sector as a driver of the economy; increase investment in our economic sectors and protect and promote consumer rights.

MANUFACTURING AND EXPORT GROWTH TEAM

Madam Speaker, as a part of the continuing thrust to expand and diversify the manufacturing sector and to respond to the challenges created by the pandemic and improve efficiency, the Ministry has spearheaded the establishment of a Manufacturing and Export Growth Team, to drive the implementation of strategies geared at increasing and diversifying export products and markets.

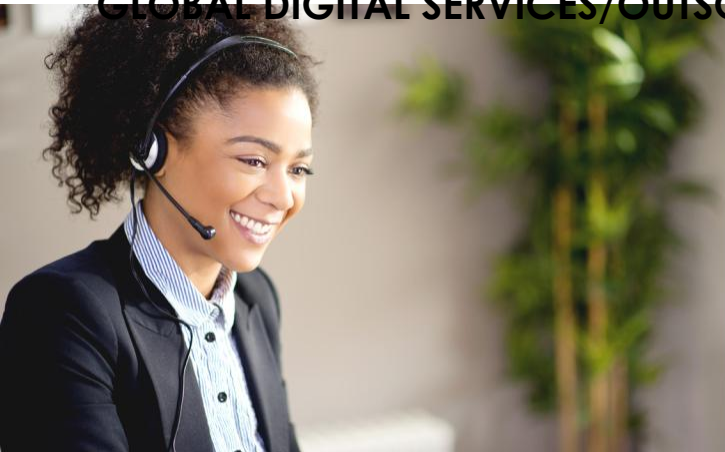
This initiative is a public-private partnership, chaired by Minister of State in my Ministry the Hon. Dr. Norman Dunn and co-chaired by Gary 'Butch' Hendrickson, representing the private sector. Through this team, the lobby for the removal of the Customs Administration Fee (CAF) was accelerated and now derives real benefits for MSMEs. The MSME sector is now able to maximize opportunities for exports and enhance their ability to grow and develop without this onerous tax burden on exports up to a value of US\$500.

Madam Speaker, while the original request of the team was for the complete removal of the CAF, we understand the delicate balance between revenue generation and export promotion. We thank the Minister of Finance and the Public Service for the support, especially at this critical time and we will seek further adjustments as the economy stabilizes and grows.

Madam Speaker, this team also brokered strategic alliances between key stakeholders the JMEA, the Port Authority of Jamaica and the Jamaica Customs Agency and our two major port operators, to enhance port efficiency – particularly for the streamlining of exports. This led to the fast tracking of the Trucker Appointment System for Export. This, **Madam Speaker**, will significantly reduce the crowding at the ports and enhance efficiency by allowing truckers to make scheduling arrangements with terminal operators before arriving at the port for the delivery of full containers for export.

We will continue, **Madam Speaker**, to support our manufacturing and services sector in securing markets within the region as we continue to recover faster and stronger.

GLOBAL DIGITAL SERVICES/OUTSOURCING



Madam Speaker, at the start of the pandemic, the Business Process Outsourcing (BPO) industry experienced challenges of lay-offs and loss of contracts, moving from an industry peak of 43,000 individuals employed in December 2019 to just over 35,000 in June 2020. The greatest challenge faced was the sector's need for flexibility in order to maintain jobs, particularly within the context of adhering to the Government's curfew restrictions and COVID-19 Workplace Protocols. This was quickly facilitated by the GoJ, approving the sector as an essential service and allowing temporary work-from-home (WFH) arrangements. This has proven to be a good policy in stabilizing employment for the sector.

In addition, subsequent approvals under the Customs Act allowed the industry the flexibility for employees to continue to work from home. This significant change represents a major triumph for the industry, enabling the sector to rebound, resulting in rehires and expansions of existing clients and an increase in the progression towards higher value-added outsourcing services through the Global Service Sector Project which is being steered by JAMPRO.

In fact, **Madam Speaker**, during this period the industry has portrayed some significant signs of recovery. The BPO industry is on its way to returning to its pre-COVID peak and even surpass that, with every indication that it will pick up on its previous trajectory of 16-18% growth per year and create numerous jobs for Jamaica in the near future and beyond. Jamaica's advantage as a prime BPO location is secure, and the performance of local talent continues to encourage business expansions from current players and attract new interest.

Despite the challenges, **Madam Speaker**, the following BPO projects were facilitated over the last Financial Year:

- Ibex Global - Ibex Global launched its St. Ann location with 300 employees and expects to grow to 750 employees when fully outfitted.

- Centerfield has further expanded in Kingston, with an additional 14,610 sq. ft. to accommodate 270 employees. Future plans have already been made for a third location.
- Itel - acquired 50,000 sq. ft. of space that can accommodate between 560 to 1,000 employees
- Sutherland Global – acquired additional space to employ a further 1,000 employees.
- Hinduja Global Solutions – acquired 50,000 sq. ft. of space to accommodate 800 employees.

There is the potential to add approximately 3,000 new BPO jobs in the near future.

LEGISLATIVE AND POLICY RECOVERY RESPONSE

We recognized early, **Madam Speaker**, that the new operating norm required expeditious amendments to some legislation and regulations to allow for the continuation of shrewd business governance and operation. As a result, **Madam Speaker**, the Ministry moved swiftly to amend, the requisite regulations to provide for the holding of hybrid and completely electronic meetings, specifically for those entities falling under the classification of Friendly, Industrial and Providence Societies.

Additionally, the Trade (Sale of Goods during Period of Declaration of Disaster Area) Order, 2020 was enacted to prevent “price gouging” and to ensure the protection of consumers during periods of emergency or disasters in Jamaica.

MOVING AHEAD: RECOVERING STRONGER AND FASTER

Policy and legislative programme

Madam Speaker, moving ahead, we recognize that a strong legislative and policy framework is a critical pillar of any sustainable strategy towards moving this country forward. In addition to the legislative and policy objectives that would have been previously mentioned, the Ministry has readjusted its programmes for the 2021/22 Fiscal Year to ensure alignment with our strategic objectives geared towards recovering stronger.

In this vein, **Madam Speaker**, the following policies and legislation are among our priorities for the Fiscal Year:

1. NATIONAL INVESTMENT POLICY

This Honourable House would recall that in July 2020 the National Investment Policy was tabled as a Green Paper. The Draft White Paper is currently being finalized and I intend to table it in this great House by the end of this quarter.

2. GLOBAL DIGITAL SERVICES STRATEGY

Madam Speaker, I would have spoken earlier about the resilience of the BPO sector. To ensure continued growth in this sector, this Ministry is committed to the implementation of the National 5-year Global Digital Services Strategy that will see to the expansion of this industry. The strategy, **Madam Speaker**, which is to be tabled by me in Cabinet shortly, will facilitate promotion of the sector, enable training of students in new digital skills of a higher value skill-set and pave the way for introduction of new businesses in the Jamaican landscape along the outsourcing value chain. The strategy aims to increase the sector’s employment towards achieving 70,000 jobs by 2025 up from the current 40,000.

3. NATIONAL FIVE-YEAR AGRIBUSINESS STRATEGY

Madam Speaker, the MIIC and the MoAF continue to work closely in implementing the National Five-Year Agribusiness Strategy. The Food Security and Agribusiness Council (FSAC), chaired by me and Minister Green along with the PSOJ's Chair of their Agriculture Committee – Matthew Lyn – was established to drive the implementation of the strategy. The strategy comprises programmes and activities designed to address the challenges inhibiting the expansion of the agribusiness industry and infusing the leveraging of advancements in agriculture.

4. NATIONAL SOURCING POLICY

Madam Speaker, the National Sourcing Policy is being advanced to re-balance the shortfalls in the impact of Foreign Direct Investment on economic growth and is intended to increase linkages between Micro, Small and Medium Sized Enterprises and multinational corporations.

MSMEs are particularly important to implementing linkages as they contribute to various value chains, at different levels across multiple sectors.

The policy will facilitate a centralized thrust for the NSP's development, deployment and sustainability. I will be advancing this policy in Cabinet shortly.

5. COMPANIES (AMENDMENT) ACT

A Bill is being drafted to amend the Companies Act to allow a company in Jamaica to hold General Meetings (whether Annual General Meetings (AGMs) or Extraordinary General Meetings (EGM)) as hybrid meetings, that is in-person and virtually, or as completely electronic meetings. This amendment is expected to be tabled in this Honourable House by the end of May 2021.

In a further phase, the Act is to be amended to strengthen the efficient operation of companies. The proposed amendments include:

- a) Improved efficiency in relation to the incorporation of companies and administration of company meetings and proceedings; and
- b) Deterrents against companies being used for money laundering and other illicit activities.

6. THE JAMAICA PROMOTION CORPORATION AMENDMENT ACT

This Bill is being drafted to create a regulatory framework for the Motion Picture Industry to strengthen the creative sector in Jamaica. We believe that Jamaica has potential in leveraging this opportunity, and we are putting in the infrastructure to support this.

7. COPYRIGHT AMENDMENT ACT

This Bill is being drafted to provide greater access to books and other copyright works by the visually impaired or otherwise print-disabled and hearing-disabled persons. We believe in an inclusive economy and will not leave any of our citizens behind.

DEVELOPING INDUSTRIES

Madam Speaker, the Ministry and its partners will also continue to create an enabling environment for emerging industries such as cannabis and bamboo which will lead to increased GDP contribution and employment.

Madam Speaker, recovering faster and stronger is not just a catch phrase, it must include the advancement of these two industries as we continue to diversify the manufacturing sector.

CANNABIS



Madam Speaker, I would like to now turn your attention to the cannabis industry. Over the past five years, the Jamaican Government, through the Cannabis Licensing Authority, has laid the foundation for medical cannabis and related industries. This includes interim policies governing hemp production and the export of cannabis which have been developed in advance of the requisite Bills being enacted.

As at March 31, the CLA had granted 78 licenses for Cultivation, Processing, Transport, Research & Development and Retail, of which 13 were issued in the 2020/21 Financial Year. Additionally, eight (8) no-objection to cultivate hemp have been issued.

Madam Speaker, during the last Financial Year, the CLA implemented the Cannabis Industry Standards previously launched and developed by the Bureau of Standards Jamaica to ensure product quality and consistency. In response to the COVID-19 pandemic, the CLA also made provisions for online sales by retail licensees and it is looking to complement that with a delivery mechanism.

A most important development, **Madam Speaker,** is the progress being made with the SAFE Banking Act, which was approved in the US House of Representatives recently and is yet to be considered in the Senate. We await this development with great optimism as passage of the Act will allow financial institutions to do business with legitimate medicinal cannabis companies. The participation of the financial sector is critical to the success of the medicinal cannabis industry, for both large and small investors. It finally appears, **Madam Speaker,** that we are that much closer to solving the correspondent banking issues which have long plagued this industry and have caused its anaemic growth.

Madam Speaker, December 2, 2020 represented a significant win for cannabis with the removal of cannabis and cannabis-related substances from Schedule IV of the Single Convention on Narcotics Drugs, 1961. This has provided renewed energy to focus on the economic potential for the production of cannabis derivatives such as oils, nutraceuticals, edibles and other ingestibles, as well as exports. The Ministry of Health and Wellness remains a strategic partner in facilitating these value-added components of the industry and my Ministry looks forward to collaborating with them to develop this important growth sector.

These recent developments are a strong signal that Jamaica must position itself to grow the local industry and maximize the economic, social and medicinal opportunities available. **Madam Speaker,** it is in this regard that I recently appointed a new Board of Directors at the end of January 2021 which has been charged with balancing the regulation with the growth and developmental agenda for the industry. I would like to express my appreciation to the former Board of Directors, which guided the continued work of the organization.

Madam Speaker, as a part of the commitment to the development of the sector, the Ministry is advanced in establishing a Ganja Industry Development Taskforce which will draw on the required expertise from public and private sectors and academia to provide guidance for the further development of the sector, including rights

protection, expansion of research on medical cannabis, product development, market access and high-impact investment. As we now move forward, the strategic focus of the Cannabis Licensing Authority will be one that promotes inclusivity, efficiency and productivity.

Madam Speaker, in three short years the global cannabis industry is forecast to double in value with a worth of approximately US\$42 billion. While the industry today is dominated by the sale of ganja buds in dispensaries, the future success of the industry lies in cannabis by-products aimed at improving the quality of life of its users. These by-products include nutraceuticals to treat a variety of common ailments and full spectrum cannabis oil that can be infused in tinctures, edibles and topicals.

By embracing the full opportunities of the industry, we will grow the marketplace, generate increased revenue and enable job creation. Many of our local licensees have invested in technology that allows them to produce cannabis by-products in a safe and compliant manner. The Ministry recognizes that in order for the industry to truly grow, we must urgently establish a framework in conjunction with the Ministry of Health and Wellness that sets out clear guidelines of how this will be accomplished.

Madam Speaker, let us now provide the framework to develop these products to the required standards. We are encouraged by recent discussions between the CLA and the Pharmacy Council of Jamaica with the end goal of getting locally produced cannabis-based medicines in local pharmacies.

A nutraceutical sector can also benefit tremendously from the Export/Import Bill which is at the very final stages before going to Cabinet for approval. Jamaica remains one of the few countries in the world known for its cannabis culture. This has significant brand value, but we must act with urgency. In the interim, the aforementioned export policy has made it possible for several of our local licensees to export to Germany, Australia, the USA, among other countries.

Madam Speaker, Jamaica has some of the most experienced and knowledgeable local cannabis farmers that have been growing high grade ganja for decades. As the industry develops, there will be increased demand for cannabis and our subsistence farmers will help to fill this demand. This is the basis for the Cultivators Special Permit which will reduce the barriers to entry for our subsistence farmers by having lower fees and fewer infrastructural requirements.

The Cultivator's Permit will employ a concept where the farmers will operate their satellite farms and sell their crop at a set price to mother farms run by licensees. This farming concept will be utilized to implement a Mother Farm Pilot Project, to integrate and provide a pathway for small cultivators to matriculate to a Cultivator's Permit. The project will test the framework for the Cultivators Transitional Special Permit and inform the development of guidelines and protocols to operationalize the permit.

Madam Speaker, we recognize the important role information plays in addressing some of the deep-seated misunderstandings of cannabis and in the coming months, we will be increasing our public-education campaign to highlight the industry's role in building the Jamaican economy and fulfilling the opportunities that exist and the new opportunities emerging.

In order to achieve the goal of developing and growing this industry, neither the CLA nor my Ministry can do it on our own. We have the vision, but to realize the benefits for our country and our citizens we need strategic collaboration. Therefore, **Madam Speaker,** we call on the Ministry of Health to become an active partner to ensure that we expeditiously agree to policies and strategies that allow for immediate expansion and speedy implementation for this industry in order to compete on the global platform. **Madam Speaker,** we cannot allow

Jamaica to be left behind in this industry, which has been recognized for its important medicinal properties by the United Nations, which has resulted in its removal from Schedule IV of the Single Convention on Narcotics Drug, 1961. The medical and pharmaceutical fraternity, the tourism industry, the Ministry of Health, academia, the security forces, customs and border control, and the public – all are needed because the cannabis industry touches all these stakeholders and will positively impact them as the industry flourishes.

BAMBOO



Madam Speaker, during the financial year 2020/21 the Ministry held numerous engagements with the bamboo sector as a strategy to refocus on this global growth industry. **Madam Speaker**, Jamaica has vast acreages of bamboo, estimated at 160,000 acres, which is currently growing wild. While industrial development in Asia has resulted in domestic bamboo sectors in countries such as India and China growing in value to US\$4 billion and US\$32 billion, respectively, bamboo in Jamaica remains heavily underutilized. There is an opportunity for Jamaica to tap into this lucrative industry through the growing of bamboo commercially. It also presents an area of opportunity for farmers in rural areas of Jamaica and for the expansion of light manufacturing.

BAMBOO IN CONSTRUCTION

In continuing its thrust to ensure the development of a standards-led and market-driven bamboo industry, the Bureau of Standards Jamaica (BSJ) in collaboration with the National Housing Trust (NHT) and the Bamboo Industry Association of Jamaica (BIAJ), are implementing the “Potential Use of Bamboo in Affordable Housing Project.” This 3-year project, which is being funded by the NHT in the amount of J\$54 million, commenced in November 2020. The project involves conducting research into the use of bamboo in all aspects of the construction of houses (including the production of building materials such as tiles and dry walls); and the construction of model bamboo houses. Since its commencement in November 2020, research is being undertaken to determine the appropriate bamboo techniques to be applied to the Jamaican bamboo, *bambusa vulgaris*, to cut, treat, and dry the bamboo as well as make building materials such as bamboo mat boards, load bearing beams and wall partitions. The research component of the project will be completed by December 2021 to be followed by the construction of model houses. This, we believe, offers tremendous opportunity for import replacement for items such as ply boards and other building materials.

BAMBOO PULP AND PAPER PRODUCTS

Madam Speaker, the country now has the opportunity to build a bamboo pulp and paper mill. This will be the first of its kind in the English-speaking Caribbean. The Ministry has been engaged with the investor in advancing this project to establish the mill-site in Frome, Westmoreland valued at approximately US\$296 million. The company requires a total of 20,000 acres of arable land to establish bamboo orchards to meet the 1 million tonnes of bamboo fiber required per year. **Madam Speaker**, this opens up opportunities for owners with land suitable for bamboo cultivation to supply the mill. Contract cultivation is also under consideration within the surrounding communities and even communities afar. The project estimates a total of 500 direct jobs and approximately 5,000 indirect jobs being added to the local economy over the next 10 years.

Importantly, **Madam Speaker**, the mill will use Jamaica's own bambusa vulgaris variety in the milling process and this offers further opportunities for sustainable harvesting of existing resources under the control of the Forestry Department.

BAMBOO MATBOARD PROJECT

The Bamboo Industry Association of Jamaica (BIAJ) has secured a commitment from Resource Fibre Ltd., a US-based company, to purchase bamboo mat boards from Jamaica if the samples made from the bambusa vulgaris specie meet the company's specifications. In light of this, a "Bamboo Matboard Sample Development Project" was proposed. Funding in the sum of \$2.7 million has been provided through the National Housing Trust as a part of the current "Potential Use of Bamboo in Affordable Housing Project." The sample matboard project started in March 2021 and will run for 3 months. **Madam Speaker**, we want to take advantage of the export opportunity which is presented and the potential to further diversify the bamboo industry to provide channels for greater investment in the industry.

BAMBOO INDUSTRIAL DEMONSTRATION FACILITY

Madam Speaker, in addition to all of this, we have received grant funding in the sum of US\$1.973 million from the Chinese Government for the development of a Bamboo Industrial Demonstration Facility. This facility will focus on capacity building and demonstration workshops for farmers and investors; knowledge and skills transfer to local participants; and community development. The plant will offer space for training and the manufacture of furniture (for schools etc.), bamboo charcoal, toothpicks, barbecue sticks, straws, disposable utensils and other craft items. The Government of Jamaica will contribute US\$500,000 to the project.

Notably, in line with the Government's commitment to the bamboo industry, on April 12, 2021, my colleague Minister of Agriculture and Fisheries confirmed that discussions have commenced to designate bamboo as an agricultural crop.

Madam Speaker, this is welcome news. It will allow for the much-needed extension services of RADA to be applied to the cultivation of bamboo and it also holds promise for structured/orchard cultivation of the crop to ensure sustainability, standardization and to secure a steady supply of raw material for manufacturing. This approach would have a significant impact on the value-added products which Jamaica will be able to produce.



STRENGTHENING THE MSME SECTOR

Madam Speaker, I come to a sector that is near and dear to my heart as you know I am a proud son of Christiana in Manchester, and I have the distinct pleasure to have been a part of this vibrant MSME sector, assisting as I did in the bread shop that my mother had in Christiana; God bless her soul.

Madam Speaker, it is worth reiterating that the MSME sector is indispensable to achieving broad-based and inclusive growth; they represent 90% of the private sector and are involved in all productive areas of the economy.

Regrettably, **Madam Speaker**, this sector with all its potential, has traditionally been affected by access to finance. This was exacerbated by the COVID-19 pandemic. As a result, countless businesses have had to seek assistance.

Madam Speaker, it is to this end that we have earmarked \$600 million to be transferred to the EXIM Bank, to provide affordable financing for MSMEs. Just over \$200 million will be immediately transferred as a result of the closure of MIDA, and a further \$400 million will be made available later this year. We are recovering faster and stronger. Additionally, during the financial year, the EXIM Bank plans to on-lend approximately \$5.5 billion to the productive sector. The mandate given to the EXIM Bank is to ensure that these funds are made available to support greater access to finance and to improve export performance.

Madam Speaker, on behalf of the 424,000 members of the MSME sector, I wish to acknowledge, with thanks, the continued support of the Most Hon. Prime Minister and the Minister of Finance with the \$5-billion allocation to the business sector under the J\$60 billion Social and Economic Recovery and Vaccine (SERVE) Programme. This is in addition to the support already provided under the CARE Programme for the small business sector.

The Jamaica Business Development Corporation (JBDC) also solidified its role as a strong business support organization during the past financial year. The organization reports that among other COVID-19-induced adverse impacts, some 34% of its clients experienced a reduction in sales and 22% had to close temporarily.

Madam Speaker, JBDC has responded with a number of strategic actions to support the small business sector, chief among these being the accelerated use of digital and online options to facilitate both e-commerce and business development services. **Madam Speaker**, I must pause here to say, that in the \$5 billion allocation from the MOFPS, \$1 billion was dedicated to what we call Go Digital and it is recognized that digital transformation is critical to our business landscape and in particular for our MSMEs.

One of these initiatives is the newly minted public-private partnership with Sagicor Bank for the establishment of the Sagicor Business Resource Centre to assist local MSMEs. Through the bank's partnership with the JBDC, MSMEs utilizing the Sagicor Business Resource Centre will benefit from an all-encompassing suite of business support services. The Bank's clients will also have access to all of JBDC's services and partner programmes along with a structured system to manage the clients through the Corporation's existing centralized client management system.

There will also be opportunities to work with the bank to create innovative funding solutions for various industries, especially those that are underfunded, despite having significant potential. This, **Madam Speaker**, is in addition to the 13 business-support centres operated by the JBDC across the island in partnership with various stakeholders, including educational institutions.

So, **Madam Speaker**, JBDC has partnered with educational institutions to bring the services directly to the people.

TWENTY PERCENT SET ASIDE REGIME FOR MSMES

As it relates to the 20% Set Aside Regime for MSMEs under the Public Procurement Act, five procurement opportunities were advertised for "MSMEs only" in December 2020, thus launching the pilot programme. For this Fiscal Year, 74 procurement opportunities valued at \$292 million for contracts under \$15 million have been identified for implementation under the pilot project.

SCREEN DEVELOPMENT INITIATIVE

Madam Speaker, turning to the creative industry, Jamaican creativity on the screen has been gaining greater renown over the years. Films like Sprinter have done well, and it reiterates the point that Jamaica continues to have many stories to tell the world. To support this, my Ministry is determined to put in place a Screen Development Initiative that offers the opportunity to content developers to make their projects become a reality through pre-production, production and marketing support. Over the years, the Jamaica Film Commission in

partnership with the Jamaica Film and Television Association has been providing support to the Propella Initiative, which has seen the production and marketing of several short films, and we believe that we can do more. JAMPRO is in the final stages of developing a concept for the review of the Finance Ministry and the approval of Cabinet, under which we are hoping to roll-out greater support to the creative community within this current year.

STRENGTHENING THE BUSINESS ENVIRONMENT

Madam Speaker, it is fairly easy to start and register a business in Jamaica. During 2020/2021 Jamaica maintained its high ranking associated with the 'Starting a Business' indicator on the World Bank's Ease of Doing Business Survey where Jamaica ranked 6th among 190 economies for 'Starting a Business' in 2020 thus, maintaining its 2019 rank. Jamaica is ranked #1 of all the countries in Latin America and the Caribbean in relation to the number of procedures required to register a company, which was better than the countries of the European Union and the OECD. Jamaica's 2020 Ease of Doing Business frontier Score for Starting a Business was 97.4, with the maximum score being 100. In spite of COVID-19, during the 2020 calendar year, the number of companies registered was 2.96% above the number registered in the previous year while the number of business names registered was 13.07% above the previous year's accomplishment. For the first time in many years company registration eclipsed annual returns penalty as the highest revenue earner for the Companies Office. For the 2021/2022 Financial Year, we intend to continue on this positive trajectory by securing 11,000 new business registrations by March 31, 2022. We are recovering stronger and faster.

Also, **Madam Speaker**, the Ministry has noted continued utility of provisions of the Security Interests in Personal Property Act (SIPPA) to access loans. In the 2020 calendar year, 22,772 loans were accessed using security interests in personal property as collateral. Of the 22,772 loans issued in 2020, 10% or 2,277 were business loans, representing a 2.22% increase when compared to 2019.

The categories accessing this facility include:

1. MSMEs – 1,863
2. Large Businesses – 235
3. Individuals – 20, 674

This Act, **Madam Speaker**, is far-reaching and will ensure that small businesses, particularly our creatives, can leverage their ingenuity and creativity to access capital. A critical element to a fully functioning and modern secure transaction framework is the establishment of a secondary market e-commerce platform.

In this regard, **Madam Speaker**, an assessment of Secondary Markets for Movable Assets in the Jamaica Manufacturing Sector was completed in July 2020. The assessment was facilitated by the World Bank's International Finance Corporation (IFC) and published in October 2020 on behalf of MIIC. The assessment is the first of its kind in the Caribbean to be commissioned by the IFC.

As a direct follow-up action, **Madam Speaker**, a draft project concept has been developed to design and implement a secondary market e-commerce platform. Approval of the project concept is now being awaited from the PIOJ to advance the design phase of the project. Simultaneously, **Madam Speaker**, the Ministry will be advancing to Cabinet shortly to proposed amendments to the SIPP Act to meet international best practices.

STRENGTHENING THE INTELLECTUAL PROPERTY FRAMEWORK

Madam Speaker, along with the SIPPA we need to strengthen our intellectual property framework. The lack of knowledge and underutilization of the IP opportunities presented to Jamaica as a real, tangible asset has been missed on many occasions. It is with this in mind, Madam Speaker, that the Ministry is working with JIPO to strengthen the IP infrastructure.

During the last financial year, The Jamaica Intellectual Property Office (JIPO) continued its ongoing efforts to enable business development in the country and notably, registered 3,151 Intellectual Property Rights during the period. IP is a springboard for income generation, employment, and wealth creation, especially with the creative industries and the small business sector. In the 2021/22 Financial Year, the organization has targeted the registration of 4,000 IP rights.

Madam Speaker, can you imagine that there is a company, Ferrari, many people know them as a car company, but Ferrari actually generates the majority of its income from the sale of its brand. This income is more than the revenue for General Motors and Ford combined. Brand Jamaica has similar weighting and it is imperative that we capitalize on our value.

MADRID PROTOCOL

Madam Speaker, this brings me to a critical piece of legislation that has been tabled in the House, the Madrid Protocol. Successive Administrations have tried to allow Jamaica to accede to the Protocol without success.

Madam Speaker, I agree with the JMEA that this critical piece of legislation is of such importance that it should be brought to the House and, therefore, **Madam Speaker**, the long-awaited and anticipated amendment of the Trademarks Act to support Jamaica's accession to the Madrid Protocol was approved by the Cabinet and was tabled in the House of Representatives on April 13, 2021. I am pleased to be debating the legislation tomorrow, which will allow for interested parties to protect their trademark in multiple jurisdictions by filing a single registration in participating countries. This is a major initiative, particularly for the manufacturing sector and MSMEs that are already faced with limited capacity and finances.



TRADE AND EXPORT EXPANSION

Madam Speaker, the Trade and Investment Facilitation Programme is vast; however, there are some flagship programmes and initiatives that have been identified as key drivers for increasing the country's competitiveness, as we recover stronger and faster. These include:

- a) Jamaica Electronic Single Window for Trade (JSWIFT) - the one-stop facility designed to provide fully automated services to enable a single portal for access to the services of all cross-border regulatory agencies. Some 20 State

entities that facilitate imports and exports are earmarked for digitization under the JSWIFT initiative.

The Trade Board Limited was the first border regulatory agency to pilot the full-scale implementation of JSWIFT, with the integration of export facilitation services on Monday, June 22, 2020 followed by the incorporation of import facilitation services on Monday, July 20, 2020.

The Trade Board's launch on JSWIFT has augured well for efficiency and the agency is now able to turn around approximately 50% of permit applications within a 24-hour timeframe. This is an improvement on the standard service guarantee of 2-3 working days.

Since JSWIFT's implementation over 24,000 permits have been submitted and processed including the import aspect of the Plant Quarantine and Produce Inspection (PQPI) Branch of the Ministry of Agriculture and Fisheries, which was integrated into the JSWIFT on March 1, 2021. The integration of several other agencies is targeted for completion before year end. We have also tasked the Jamaica Customs Agency which housed and manages the JSWIFT, to fast-track the onboarding of other border regulatory agencies that have components that are ready for digitization to be included in the JSWIFT immediately without waiting for full readiness.

b) National Business Portal (NBP) – The NBP, an initiative being handled by JAMPRO is an online platform that will house the Business-to-Government (B2G) online interface for all government entities involved in the investment or business facilitation process.

Phase 2 of the NBP ran concurrently with Phase 1 and covered the re-engineering and identification of the functional and technical requirements for the main components of eight processes across six government entities whose processes are not presently online.

Madam Speaker, by the end of the fiscal year, the following processes will be fully automated on the NBP:

1. Registration of Pharmaceutical Products
2. Accessing the Productive Input Relief for Health Entertainment/Creative Industries, Manufacturing and Agriculture
3. Applying for Cannabis Licenses
4. Applying for the Divestment of Crown Lands

c) Border agency coordination - Madam Speaker, for several years, traders have complained about the multiplicity of inspections involved in the trade of a single consignment.

Today, I can advise this Honourable House that we have put in place procedures to simplify inspection through a coordinated border management policy and strategy. This will mean that for the majority of products, traders will only interact with one border regulatory agency (BRA) at the ports. To ensure that efficiency is gained while there is effective protection of the country's borders. A coordinated inspection policy has been developed along with the relevant protocols to maintain robust regulation and border protection.

d) Institutional Strengthening of the Trade Facilitation Programme Madam Speaker, the governance framework to drive these critical reforms is paramount, and so, legislative and policy framework is being advanced quickly to effect the reforms and reduce bureaucracy.

This includes an integrated fee structure for border regulation services; improvement to the risk management architecture to facilitate legitimate trade, while eliminating trade in illegal items; and significantly, the repeal and replacement of the 1955 Trade Act.

DRIVING INVESTMENT

Madam Speaker, investment fuels expansion and growth and I wish to again salute the work of the members of the private sector, many of whom have been putting their money and other assets where it matters. We continue to encourage Local Direct Investment.

I have already highlighted several new and upcoming investment opportunities for Jamaica. In a bid to continue to foster these investments, JAMPRO will be hosting its flagship event, the Jamaica Investment Forum which in keeping with the COVID-19 constraints and the new shift to digitization will, for the first time, be held virtually. The agency is also adjusting the name of the event to the – DoBusinessJamaica Virtual Conference as they move to promote business in Jamaica.

Expanding beyond the limitations of a physical event, the new format will allow for the showcasing of a range of Jamaica’s investment opportunities to both local investors and the expanse of global investors through a virtual platform. This format will empower JAMPRO to significantly scale up the level of global engagement in the generation of business interests. The virtual investment conference will enable high-level business meetings amongst a target of over 1,500 potential investors and stakeholders locally and across the globe.

As a Government, we continue to encourage the private sector to join us in business through private-public partnerships and as a Government we look forward to their success in expanding supply chains to local, regional, and international markets.

Madam Speaker, MIIC, through JAMPRO, and in collaboration with the Ministry of National Security, is also working on the development of a framework for the introduction of an Economic Residency Programme to grant residency to foster investment. The proposal has been approved by Cabinet for further consultation and determination of the conditions for granting permanent residency – not citizenship – before the programme can be enacted into law.

CONSUMER PROTECTION AND EMPOWERMENT



Madam Speaker, as we have been overcoming the challenges and recovering stronger and faster, we have placed increased focus on promoting consumer rights and consumer protection.

The safety and the protection of consumers in the provision of goods and services is a core objective of the Ministry and the Government. Ultimately, consumer protection and the safeguarding of the health and well-being of citizens, visitors and consumers of our goods and services is a fundamental aspect of the work of this Ministry and our agencies.

As a champion of consumer protection, **Madam Speaker**, the Consumer Affairs Commission (CAC) achieved the following during the last financial year:

- Handled 1,851 complaints and satisfactorily resolved over 80% of these complaints;
- Secured almost \$22 million in refund/compensation for customers;
- Increased and surpassed its market surveillance targets by 82%, publishing over 51 price surveys covering grocery, sanitation and hygiene items, hardware material, petrol, tablets and laptops, COVID-19 tests, among others. This work, **Madam Speaker**, was pivotal in protecting consumers from possible price gouging in the wake of the pandemic;
- The CAC will also expand its consumer protection role after being named in the Microcredit Act 2021 as the entity responsible for accepting and investigating complaints against microcredit institutions.

Madam Speaker, as at February 28, 2021 the Commission has disbursed \$23.888 million representing the payment of 336 claims to consumers affected by 'bad gas'.

The health and safety of the consuming public also remained a significant focus of the National Compliance and Regulatory Authority (NCRA) during the last financial year, with the agency significantly increasing its inspections in the marketplace. As a consequence, 104,000 hand sanitizers were detained for testing with 54,000 being compliant for release into the marketplace. Over 30,000 products were withdrawn from sale for various non-conformance to regulations and there was 100% sampling and testing of petroleum products.

Madam Speaker, we continue to build the capacity of the organization to protect the health, safety and fairness in trade for the Jamaican consumers and to ensure that Jamaican products are highly competitive. In this regard, I am pleased to announce that the completion of the legislative process for the NCRA Act is far-advanced to complete the formal separation of the regulatory and compliance monitoring function of the BSJ and to fully and independently establish the NCRA.

Madam Speaker, The Fair-Trading Commission (FTC) has conducted assessments of the competitiveness of the mobile telecommunications market and concluded that it is as competitive now as it has ever been. The FTC cautioned, however, that this competitive environment going forward, would be fragile in the absence of the prospect for the credible entry of a third mobile telecoms provider. Given that there is scope for a third operator to effectively compete as well as the increased demand for mobile telecoms services brought about in recent times by, for example, the impact of COVID-19, spectrum holdings should be managed to ensure spectrum availability in the quantum and variety required to support competitive entry.

Madam Speaker, as we recover stronger and faster, the Ministry of Industry, Investment and Commerce is intensifying initiatives to protect and safeguard the well-being of Jamaicans.

The Hazardous Substances Regulatory Authority (HSRA) was officially launched in October 2020, making Jamaica the first country in the English-speaking Caribbean to establish a regulatory body to ensure safety and security in the operation of facilities involving ionizing radiation and nuclear technology in the country. The mandate of the HSRA is to protect the Jamaican public by regulating nuclear technology for the protection of people, property, and the environment from the harmful effects of ionizing radiation. The work of the HSRA will enable the country to leverage nuclear technology to strengthen food and energy security, while collaborating with other agencies and stakeholders involved in health and safety, environmental protection, emergency preparedness and response, security, and transport of dangerous goods.

Madam Speaker, as the country repositions itself to rebound from the economic downturn caused by the COVID-19 pandemic, the relevance of accredited testing and inspection services will strengthen our ability to build a sustainable economy and improve our global competitiveness.

Madam Speaker, I am proud to inform that the Jamaica National Agency for Accreditation (JANAAC) maintains its signatory status as a member of the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement (MRA) which means that certification and inspection certificates from a JANAAC-accredited entity are accepted worldwide.

During 2020/2021 over 150 persons were trained in the application of the international standards for accreditation. Additionally, **Madam Speaker,** the JANAAC Pre-Accreditation Approval Programme (PAAP) for COVID-19 testing was also launched on January 21, 2021 which increases the confidence in the quality, integrity, traceability and

reliability of COVID-19 testing services in Jamaica and enhances the effectiveness of the strategies to prevent and contain the spread of COVID-19. To date, 22 entities have been pre-accredited under the programme.

The Ministry has placed significant emphasis on Quality Management System (ISO 9001:2015) Certification of Public Sector Entities. During the 2020/21 financial year, 17 public sector entities entered into contractual arrangements with the National Certification Body of Jamaica (NCBJ) to be certified to the ISO 9001 quality management system standard. To date, eight of the entities have been certified and the remaining nine are in the process of attaining certification as, together, we work to transform Jamaica’s public sector making it stronger and more effective and efficient in the delivery of public services.

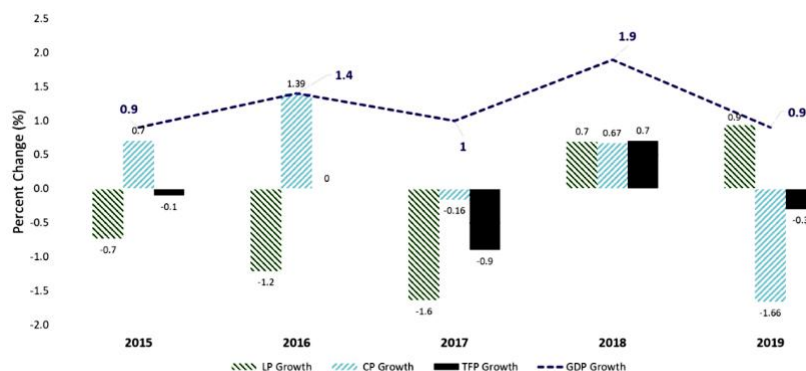
TARGETING PRODUCTIVITY AND COMPETITIVENESS

Madam Speaker, I recently assumed chairmanship of the National Competitiveness Council (NCC) from my very able colleague Minister Daryl Vaz. Since its inception in 2010, the NCC has been charged to drive the implementation of business reforms in Jamaica. My commitment and passion as the investment Minister

is well-known and so, my work with the NCC has been focused on expediting reforms that will have an immediate impact on the business community, and the MSME sector.

Madam Speaker, one of the critical areas requiring urgent national attention is that of productivity which has retarded our economic growth for decades. Through the National Competitiveness Council’s Productivity Subcommittee and in partnership with the Ministry of Labour and Social Security, I have taken up the gauntlet of driving total factor productivity which has the potential to galvanize the growth of the economy. I will be going to Cabinet shortly to establish performance measures, and a mechanism for accountability among the Government entities that have the responsibility to make sure that our people are productive and efficient. I strongly believe that this refocusing on productivity issues will take us back on a wealth creation track that will contribute to the alleviation of poverty.

The data clearly shows that when labour productivity and capital productivity are resulting in a positive level of total factor productivity, the country’s growth rate also trends upwards. I am, therefore, working assiduously, with the team to implement those reforms that have a direct impact on productivity.



In the past two quarters of the fiscal year, working closely with the implementing agencies, the NCC has recorded significant reforms including the completion of the National Spatial Plan and the IT platform that will make it

easier to access the spatial data needed to make development decisions. The website for the portal is now live and developers can access the information right at their fingertips.

Madam Speaker, a lot more can be accomplished, and I plan to continue to work with the Minister of Finance and Public Service to identify the funding support to implement critical reforms. These reforms are expected to positively impact our Doing Business ranking, but we are well aware that full realization of this goal is dependent on joined-up Government and strong public private partnerships.

EMBRACING DIGITIZATION AND AUTOMATION



Madam Speaker, in closing, I would now like to speak about our preparation for the fourth industrial revolution now under way, not just globally but right here in Jamaica. Undoubtedly, the greatest gain of the COVID-19 pandemic has been the accelerated use of e-commerce, online transactions and digitized forms of business and communication. The survival and recovery of our economy, our business and social interactions rely heavily on our ability to make the digital transition.

I am very happy to note the increased use of digital platforms and systems, **Madam Speaker**, throughout our Ministry and

our many agencies as evidenced, just to name a few:

- The digitization of our business and trade facilitation processes
- Online training programmes
- Digital payment systems
- Electronic business registration forms
- Market access via the Things Jamaica website under the theme 'Buy Jamaica. Click Jamaica'. More than 2,000 products are now being offered on the website from the current 423 clients in the Things Jamaican client base. This is business, at your fingertips.

Digitization, **Madam Speaker**, is the new normal; it has opened a global window of opportunities and set us on a highway to the digital economy. There can be no turning back, **Madam Speaker**, and therefore, during 2021-2022, the MIIC will continue to play its part in enhancing e-commerce and digitization with the increased use of remote technologies.

CONCLUSION

Madam Speaker, the COVID-19 pandemic is not over; however, we are in recovery mode. As a Government we know what is required of us – we have a duty of care to serve our people and to lead the way along the road to recovery. In every crisis there is an opportunity to do better and so, as a country, we must seize this opportunity to increase Jamaica's capacity for renewed growth and revitalized industries, as we re-galvanize our efforts to achieve our national vision to increase the well-being and the prosperity of our people. Building competitiveness and increasing our productivity levels are key components of this revival.

Madam Speaker, this is a time to expand, to improve and to increase!

The adversity of COVID-19 has reignited our entrepreneurial spirit and opened new doors for manufacturing and export, while protecting our consumers. The adversity of COVID-19 has launched a digital revolution, digitizing businesses and social interaction and opening the way to the digital economy that presents opportunities to recover stronger and faster.

Let us use this adversity well!

As Jamaicans, we are a part of one family, striving for a better country in a post-COVID era. As we stand together today at the door of opportunity, let us join virtual hands and hearts together, committed to a national resolve to surmount the COVID-19 challenges.

Together, **Madam Speaker**, we will overcome, we will recover stronger, we will recover faster, we will harness the greatness of this country through our MSMEs, through our large businesses, through our service sector, through our agri-business sector and through our tourism sector! We will be that Ministry that works with and touches all other Ministries to ensure that, together, we harness our audacity of hope to achieve a better Jamaica.

Let us put our resilience to work as we overcome the challenges and recover stronger and faster! Thank you, Madam **Speaker**, and May God bless us all.

May God bless Jamaica, land we Love.

DIVISIONS AND AGENCIES OF THE MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE

AGENCIES

1. Anti-dumping and Subsidies Commission (ADSC)
2. Bureau of Standards Jamaica (BSJ)
3. Consumer Affairs Commission (CAC)
4. Companies Office of Jamaica (COJ)
5. Cannabis Licensing Authority (CLA)
6. Department of Cooperatives and Friendly Societies (DCFS)
7. EXIM Bank
8. Fair Trading Commission (FTC)
9. Hazardous Substances Regulatory Authority (HSRA)
10. Jamaica Promotions Corporation (JAMPRO)
11. Jamaica Business Development Corporation (JBDC)
12. Jamaica National Agency for Accreditation (JANAAC)
13. Jamaica Intellectual Property Office (JIPO)
14. Micro Investment Development Agency (MIDA)
15. National Certification Body of Jamaica (NCBJ)
16. National Compliance and Regulatory Agency (NCRA)
17. Office of the Government Trustee
18. Office of the Supervisor of Insolvency (OSI)
19. Trade Board Limited (TBL)

DIVISIONS

1. Food Storage and Prevention of Infestation Division
2. Commerce Division
3. Investment Division
4. MSME Division