

# Jamaica: An outsized influence

A nation's dedication to economic reforms brings dividends for all stakeholders

“Jamaica has been famous for its music, culture and sports for decades but, today, it is also renowned for transforming its economy. The turnaround we have achieved in the six years prior to the global pandemic has few international precedents,” asserts Nigel Clarke, Minister of Finance and the Public Service.

In November 2019, the Caribbean island nation triumphantly emerged from a series of International Monetary Fund bailout programs that started in 2013. “At that time, we had insufficient reserves, high inflation and unemployment, and little or no economic growth,” explains Clarke. Between then and the emergence of COVID-19, all those indicators were dramatically reversed. In addition, the country received multiple credit rating upgrades, made a budget surplus of 7.5 percent every year, interest rates stayed low, debt to gross domestic product (GDP) went down by over 50 percentage points and business confidence boomed.

“We accomplished this by conducting economic reforms with determination. For instance, we have moved toward indirect taxation, engaged in investment incentive reforms, pursued privatizations and modernized procurement,” he says. The government's pro-business approach has made the country the sixth-best place in the world to set up a company, according to the World Bank. “The landscape has changed, we are removing the stumbling blocks to growth. As a result, we have seen record investment in both traditional and non-traditional areas of our economy,” notes Robert Montague, Minister of Transport and Mining. Tourism is one sector bringing in investors, while the fact that the country has the third-largest English speaking population in the Western hemisphere has made it a center for business process outsourcing and digital services.

Another major advantage Jamaica offers is a location at the heart of the Americas, directly north of the Panama Canal and near to many of the world's main shipping routes. This positioning, alongside substantial infrastructure that includes one of the Caribbean's largest seaports and three international airports, has made it a regional hub for logistics and transportation. “We are known for providing a world-class one-stop shop in shipping and have always punched above our weight in transshipments,” says Montague. Jamaica's skills in air transportation have a similarly high reputation, says Howard Armstrong, general manager of AEROTEL, which provides technical services to the industry: “The International Civil Aviation Organization acknowledges that we are one of the top 12 countries in the world in terms of compliance with its safety standards and recommended practices.” With the support of the private sector, the government now wants to develop its infrastructure further, so that Jamaica can join Rotterdam, Dubai and Singapore as the fourth node in the global logistics chain.

## Committed to responsible and sustainable development

Opportunities can also be found in Jamaica's wealth of natural resources, including its world-leading agricultural produce such as coffee and cocoa, and its mineral reserves, which represented 2.7 percent of GDP in 2018. Traditionally, mining in Jamaica meant bauxite, “However, we are beginning to see interest in non-traditional areas like limestone, marble, gold, copper, zinc, semi-precious stones and moving up the bauxite value chain,” states Montague.

Although welcoming investment in the sector, the country is committed to sustainable development, as exemplified by the leading company Jamalco—a joint venture between the global trader Noble Group and the publicly owned Clarendon Alumina Production—which started extracting bauxite in the south of Jamaica in 1959. “We do our best to support communities we work in because we believe our social license to operate is derived from them,” says Austin Mooney, Jamalco's managing director. As part of its extensive corporate responsibility activities, the company invests in capacity building. For example, in the last five years it has put nearly \$0.5 million into education initiatives, including grants, sponsorships and vocational training. It has also developed infrastructure such as schools and hospitals, while it rehabilitates mined-out lands and constructs high-tech greenhouses on them for local farmers.

“In addition, we have a role to play in the government's goals for clean energy. The steam we use in our refinery will now come from gas and we are looking at other opportunities to move away from heavy fuel oils,” Mooney states. This modernization is part of Jamalco's ongoing investment in a refinery that can convert its high-quality bauxite into 1.425 million metric tons of alumina every year. “We have to continue to lower our costs, produce more and meet environmental challenges in order to remain competitive. One of the main advantages for us in Jamaica is a business-friendly, stable government and an improving investment infrastructure,” he says.



## Unearthing value and supporting sustainability: a partner for national development

Jamalco currently mines bauxite in Jamaica and refines it into alumina, which is exported from its own port. Through having high-quality bauxite reserves, the company creates exceptional value for our customers, partners, workforce and community. Jamalco is jointly owned by Noble and Clarendon Alumina Production Ltd, a wholly owned Government company.



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# Experience the rhythm of life in the Caribbean's jewel

More and more visitors are recognizing that the home of reggae is a unique and diverse destination

Jamaica is rightly famed for its vibrant and diverse culture, welcoming people, and breathtakingly beautiful beaches and tropical landscapes that provide visitors to the country with unique and unforgettable experiences.

As a result, tourism makes up a substantial part of the Jamaican economy. "30 percent or so of our gross domestic product (GDP) is from tourism, 10 percent directly," states Minister of Tourism Edmund Bartlett. The sector is also the top contributor to the country's GDP growth—roughly 2.7 million stopover tourists visited its shores in 2019, 8.4 percent more than in 2018. These visitors generated around \$3.5 billion, a 10.1 percent increase over 2018. When day-tripping cruise passengers are included, Jamaica will be very close to achieving its "5x5x5 goals" for tourism: 5 million visitors and \$5 billion in revenue within five years, says Bartlett. "The global pandemic has interrupted our growth but we are trending ahead and the projections will be realized by 2022." There are five big draws for the tourists that are flocking to Jamaica in comparison with other sun, sea and sand destinations, according to Donovan White, director of tourism at the Jamaica Tourist Board: "Gastronomy, shopping, sports and entertainment, health and wellness, and knowledge. They provide a strong differentiation from anything you can get anywhere else."

The quality of Jamaican cuisine is extraordinary. "Lots of people know our delicious spiced and grilled jerk dishes. But so much more is available with our food, which is organically produced through our agricultural industries. We have restaurateurs investing in farm-to-table experiences, where they are growing the produce that you consume—it's freshly caught, cut, prepared and consumed within minutes of leaving the field," says White. The government is encouraging this development and has further whetted tourists' appetites by establishing a historic landmark, Devon House, as a center for gastronomic experiences, adds Bartlett; "In addition, we have built an app for 'the taste of Jamaica' that connects visitors with our culinary trail before they arrive." Once on the island, various tours enable the exploration of that trail to discover celebrated local products, including Tia Maria liqueur, coffee and rums.

"We also offer a unique experience in shopping because of a very strong arts and crafts component, and are investing heavily in the development of five diversely creative artisan villages," notes Bartlett, who adds that the first is due to open in mid-2021 in Falmouth: "It will accommodate over 300 artisans and vendors who we call 'craft entrepreneurs' as well as food experiences and entertainment. We are also expanding our duty-free laws, which will give our duty-free operators a much vaster universe of products to carry."

There is more to Jamaica's dynamic culture than exquisite crafts, White stresses: "We host unique cultural events throughout the year, and our cultural sites include the UNESCO World Heritage listed Blue Mountains and reggae, plus Bob Marley's museum, home and studio. Music is one of Jamaica's critical pillars—we have delivered seven genres to the world in the last 50 years."



The Jamaican people are the country's iconic attraction. There is an emotional connection between our people and visitors—they become friends, offering the kind of hospitality that is not found in a textbook but only in the heart and that is why 42 percent of tourists return. We are investing in creating new and exciting experiences for our guests because today's tourists are driven by travel, to fulfill their passions, to experience those things that will make them bigger than themselves, which will make them expand their own realm and their appreciation of life and of cultures. Jamaica is at the center of all that.

**Edmund Bartlett, Minister of Tourism**

Sport is another vital pillar, he says: "Like music, Jamaica has produced some of the world's foremost performers, such as Usain Bolt and Shelly-Ann Fraser-Pryce—I could go on and on. There are opportunities for visitors to engage with some of them and to attend events that will unearth the next Usain Bolt."

The country's rich biodiversity is an advantage when it comes to health and wellness tourism. "It allows us to develop numerous nutraceutical and other beneficial products. We are excited about how cannabis, for example, can be utilized in this area," states Bartlett. Making use of these natural products are high-quality spas, including two of the best in the world—Milk River and the Bath Fountain—and some focusing on the benefits of cannabis. Due to its wide-ranging facilities for meetings, conferences and conventions, alongside perfect locations in its atmospheric mountains for retreats, "Jamaica is also uniquely positioned in the ecosystem of traveling to learn and to experience 'bleisure,' where people come for business but stay for leisure," enthuses White.

To help people appreciate the elements that differentiate the island as a destination, the Jamaica Tourist Board has created digital resources that enable potential visitors to touch, feel and experience the country's abundant attractions, White says, adding: "In addition, our new marketing campaign, which is driven by the international love of reggae, is focused on how Jamaica delivers outsized experiences and attractions with an outsized love for people and service. Jamaica is an all-encompassing destination, where everything is outsized and aligned to the visitor's needs."

# A global leader in sustainable tourism

Jamaica is advancing tourism sustainably to benefit tourists, the country and the worldwide industry

Jamaica is building its capacity to attract more visitors and provide them with high-level services and experiences.

According to its director of tourism, Donovan White, the Jamaica Tourist Board's plan to expand its global connections was interrupted by the global pandemic. "Notwithstanding, we are maintaining the conversations with multiple airlines about increasing capacity when the time is right," says White.

To service these additional visitors, Jamaica requires more hotels, he states: "Our accommodation sector has a 32,000-room stock. We have a strategic focus to grow that by 15,000 in five years. That also means we need to create close to 30,000

more jobs and to train, certify and develop our workforce to be able to attract repeat visitors by delivering quality service."

Training is already ingrained. Everyone in the industry from taxi drivers to airport staff takes the "Team Jamaica" course containing all the basic knowledge that visitors want.

In addition, a vocational program trains young people for a variety of sectors, while a high-school program creates associate-degree-level graduates in hospitality management and customer service, and graduate programs will soon be introduced.

"We have also established the Jamaica Center for Tourism Innovation, a unique professional training



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institution. Its role is to identify competent workers with experience but no certification and to certify them. We have set up a Craft Development Institute for artisans as well," says Minister of Tourism Edmund Bartlett.











In a further sign of the importance the government puts on supporting its tourism workforce, it has legislated for the world's first comprehensive pension plan for the industry's 350,000 employees. This makes it mandatory for employers to contribute the same amount as each worker toward their pension fund.

Jamaica is also a worldwide

leader in promoting tourism sustainability. In 2018, it launched the Global Tourism Resilience and Crisis Management Center, the first in the world. It aims to develop strategies for tracking and managing climactic, pandemic and seismic disruptions, and enabling quick and thriving recoveries from them.

"This is the kind of thought leadership that Jamaica is offering for resilience building, destination assurance, marketing and the development of products that respond to desires of visitors—which is the surest way to keep them coming to Jamaica's shores," Bartlett says.

**Jamaica: The all-encompassing Caribbean destination**

				
<b>1st Caribbean</b> country to do business in (2019 Forbes Best Countries for Business Report)	<b>Most competitive</b> country in the Caribbean (WEF Global Competitiveness Report 2019)	<b>Number 6</b> in the world for ease of opening a business (World Bank's 2019 Doing Business Report)	<b>3rd largest</b> English-speaking country in the Western Hemisphere	<b>Number 1</b> travel destination in the Caribbean (ranked by TripAdvisor 2019)
				
<b>80 percent</b> of Blue Mountain coffee is consumed in Japan	<b>Number 1</b> producer of allspice in the world	<b>Most prolific</b> producer of recorded music per capita	<b>Number 2</b> country in the Caribbean for transshipment (ECLAC)	<b>6th largest</b> producer of Bauxite in the world

# Focus and relentless work to present a result ‘beyond expectations’

**Edmund Bartlett, Minister of Tourism,** explains the plan to move Jamaica’s core sector forward, strengthening its international profile



Tourism accounts for 10 percent of Jamaica’s gross domestic product and 10 percent of jobs; it is the fastest growing industry in the country. Can you please begin by giving an overview of the tourism sector today?

Tourism has now embraced close to one third of the economic activity overall in Jamaica. Food is one of the main motivators for people to travel when choosing a destination and represents 42 percent of their expenditures. To build out gastronomy as the experience of choice for the visitor is the way to go to enable the larger portion of what visitors spend to remain in the destination. We encourage investment in agricultural development and the development of more winter vegetables in particular.

Besides that, we want to encourage the creative development of our own culture and products. We established the Craft Development Institute that is connected to our established school of art here. We will have a team of trainers that will go across the island to train the artisans to give them a better sense of what their creative horizon could be to open their minds and think deeper and wider. We established a fund at the EXIM Bank and we put one billion Jamaican dollars toward lending to the small- and medium-sized enterprises of these artisans and others at the rate of 4.5 percent.

The health and wellness sector is a one-trillion-dollar industry in tourism worldwide. Jamaica wants to make a pitch in this area, and we have a rich biodiversity, which enables us to develop from our rich flora numerous nutraceutical and pharmaceutical products. We are excited about how cannabis, for example, can be utilized in this area to provide all sorts of paramedical applications and products for spas, as well as for general rejuvenation and alternative health pre-

**“Tourism workers across the world are generally seen as seasonal workers without tenure. Our efforts aim to give them tenure, enabling a professional cadre for them to move through.”**

Edmund Bartlett, Minister of Tourism

scriptions. Furthermore, we have entertainment, music, and arts. We have some of the finest sportsman the world has ever seen. Music, of course reggae is well accepted all over the world. Bob Marley is an icon and there are a number of Jamaican artists who have played their part and have made their name on the international scene.

The final area that we embrace is knowledge: meetings, conventions, exhibitions and edu-tourism. Jamaica is well positioned to create smart applications to utilize these tools of the digital transformation to make a difference in terms of

the types of experiences that visitors have.


Tourism in Jamaica and the world has been seen more as a seasonal industry. The COVID-19 pandemic and its devastating impact on Caribbean tourism has brought this issue starkly to the fore. Tourism workers across the world are generally seen as seasonal workers without tenure. Our efforts aim to give them tenure, enabling a professional cadre for them to move through. We have developed a comprehensive pension plan for all the workers in the tourism industry. This is a huge piece of social legislation that I think is landmark legislation for the workers of the industry. By this single act, we are not only providing social security for the worker but also an investment tool that can drive growth in the economy overall.

**What lessons can other countries in the region and around the world draw from the Jamaican experience?**

We recognize that we have to build resilience. We have to build our capacity in the region to withstand disruptions, to recover from them. It is to that end that we wanted to look at what kind of institutional framework we can set up that will enable us to do the research and create a compendium of best practices. The center that we established, the Global Tourism Resilience and Crisis Management Centre, is the first of its kind in the world. Its purpose is bringing together qualified and technically competent minds to develop strategies and ways to assist countries in thriving. It is housed at the University of the West Indies, Mona.

**How can Jamaica continue to move up the ranks in tourism and continue to promote its brand to the world?**

Jamaica offers a lot in terms of resilience building, destination assurance, marketing, as well as product development. Jamaica is investing in creating new and exciting experiences for visitors. Today’s visitors are not driven by brands, they are driven by experiences. They are driven by travel, to fulfill their passions and experience those things that will make them bigger than themselves, which will make them expand their own realm and their own appreciation of life.

-  **Jamaica projects to have 5 million visitors and \$5 billion in revenue within 2 years**
-  **The unique pension plan in Jamaica can sustain 350,000 workers of the sector**
-  **Tourism indirectly contributes 30% of Jamaica’s GDP**

# Bringing Jamaica’s tourism sector to the next level

**Donovan White, Director of Tourism, Jamaica Tourist Board,** delves into the five core pillars of Jamaica’s strategic plan regarding the sector



**How would you describe the strategic vision behind this new marketing campaign?**

We believe that today, marketing is a very sensory experience. We have hardened our relationships with visitors, because they are critical to our growth path. Our marketing efforts have been focused this year on being bi-directional. We have had to spend a lot of time and a lot of resources, on the consumer side of our marketing, which is our travel agents, retail marketing and the new media.

We are more present in the digital space than we ever were before—probably more so than other competing destinations across the region. We have been able to use the outsized demand of Jamaica’s music, that being reggae. Jamaica has delivered seven genres of music to the world in 50 years. We will use reggae as one of our assets to drive this campaign. We use it from the perspective of playing on the love of reggae, and the love of the people of the destination—the Jamaican people—which is another one of our pillars of growth. When you think of Jamaica today, we want to ensure that you are thinking of an all-encompassing destination where everything is outsized and based on research.

Digital will play a significant role in how this campaign is carried, simply because in today’s world, the use of technology enables us to be in more places than we ever could afford to have been before. We intend to use digital in a way that we have never used it before from a campaign utilization perspective, but to ensure that we use it in a way that makes it interactive for us. We are always interested in what people think about Jamaica.

**“When you think of Jamaica today, we want to ensure that you are thinking of an all-encompassing destination where everything is outsized and based on research.”**

Donovan White, Director of Tourism, Jamaica Tourist Board

**What unique experiences can Jamaica offer in terms of this experiential tourism?**

For years, Jamaica, and largely the Caribbean, has been known for its sun, sea and sand assets. We believe that there is a need for us to be able to differentiate Jamaica from all other warm-weather destinations. We are basing our strategy on five core pillars. One is gastronomy—food. Food remains the number one reason why people travel. We believe that food has to be a critical part of how we attract more people who have never thought of or visited

Jamaica before.

The next one is that we are building out our shopping experiences. We believe we have a unique experience in our own shopping, because of the strong people component that Jamaica offers to the arts and the unique pieces of gift items that people can only get in Jamaica. We are investing heavily in the development of five artisan villages across Jamaica, which will give our artisans the opportunity to have a more controlled and diverse environment.

Knowledge, the third pillar of our strategy, is increasingly an area of travel focus, where people around the world are traveling to learn more. We feel Jamaica is uniquely positioned with the meeting facilities, the convention centers, that facilitate people who want to bring their conferences to Jamaica, but also experience business with leisure.

The fourth pillar is sports and entertainment. Jamaica has produced some of the foremost persons in the world, including the likes of Usain Bolt and Shelly-Ann Fraser-Pryce. There are experiences or opportunities for visitors to Jamaica to be able to not only engage sometimes with some of these people, but to come to events that will unearth the new stars of tomorrow. We want to include that as part of the experience that people can have when they come to Jamaica.

Last but not least, we have the whole business of health and wellness. We believe that some of the organic assets of Jamaica: the plants, the trees, the land, the earth—some of those things that come out of the earth have become valuable contributors to the development of nutraceuticals. For example, there are a number of cannabis-driven spas and cafes that are now legally operating.

**With international cooperation being fundamental to the industry, what would be your strategic vision moving forward?**

On the one hand, we are looking inwards, to ensure that we build a sustainable industry that is going to be focused on the development of our people and our infrastructure. On the other hand, we are looking outward, to see where the new markets of travelers are coming from. We want to create more repeat visitor opportunity as well as engage in new markets to build new capacity.

-  **In 2019, Jamaica’s hotel industry had a 32,000 room stock capacity**
-  **During 2019, about 4.2 million tourists visited Jamaica**
-  **During the same year, Jamaica marked a total visitor expenditure of \$3.6 billion**

# Sun, Sea and Everything In Between

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## Jamaica adds value in mining and transportation

**Robert Montague, Minister of Transport and Mining,** provides an insight into two important economic sectors



The mining of bauxite and its conversion into alumina have long played an important role in the Jamaican economy. In 2018, the mining sector made the biggest contribution to the country's gross domestic product growth of 1.8 percent. Have international partnerships supported the growth in mining and what new projects are on the horizon?

We have always had partnerships with international companies in our bauxite sector. Today, these include the U.S.'s New Day, Russia's UC Rusal, China's JISCO and Hong Kong's Noble Group. The plan is to move up from alumina production into the production of aluminum and its end products, such as foils and engines. We are also seeing significant growth and interest in non-traditional mining. For example, the mining of medical-grade limestone is expanding, there is renewed interest from housing developers in our marble and a local firm has been doing a lot of prospecting for gold, silver, copper, zinc and other minerals. Further up the value chain and in partnership with the United Nations Development Programme, we have run a program and workshop for ornamental crafts and jewelry making from semi-precious stones.

Jamaica is a regional transshipment leader. What are the key reasons for its competitive edge in this sector?

We are uniquely placed along the main sea lanes between North and South America, and directly north of the Panama Canal—we have exploited that. We have been able to show that we will utilize that position not only for our benefit, but for others, which has enhanced our reputation. In addition, we

**"Whatever the level of your investment, you can and will be accommodated here in Jamaica. We love innovators, because we are a nation of innovators."**

Robert Montague, Minister of Transport and Mining

have been open for business in the bunkering of fuel for vessels. In light of today's concerns about terrorism and keeping costs low, we have to guarantee the quality of oil going into a ship and keep our standards very high, so that ships have confidence when they order fuel from a Jamaican entity. Overall, what our country offers is the full value chain: a full-service one-stop shop for the shipping industry. We even put food and water on ships and remove waste to treat it. People are confident that, once we start offering a service, it is of an international standard. We also offer backroom operations and security is another area that we are strong in.

In recent years, air transportation to and from places such as the U.S., U.K., France, Russia and South Africa has been growing. What are your hopes for the aviation sector?

We don't have a national airline and, therefore, are one of the few countries that are willing to offer seventh-freedom rights, which permit flights between countries that don't touch an airline's home territory. This gives an opportunity to enhance our logistics operations, helps with tourism and, by having linkages across so many countries, it develops our aviation industry.

We already have a reputation for our high-quality pilots and air traffic controllers, and we want to expand that to cover mechanics, instrument officers and all other services linked to aviation. One of my pet objectives is to increase general aviation: Jamaica's focus over the years was to transport vehicles, now we are changing that to transport people.

- Jamaica's airports normally receive over **400 international flights** every week
- Minerals represent about **2.7%** of Jamaica's GDP
- Jamaica aims to become the **4th node** in the world's logistics chain

Can you describe the current investment climate in Jamaica?

Our prime minister has been very clear in telling the world that Jamaica is open for business and is a country of laws. We speak English, which is the language of business. We are on the doorstep of the largest and wealthiest commercial and consumer market in the world: the U.S., as well as having very strong relations with the U.K. and Europe, and we are non-aligned in international politics. Our judiciary is independent, respected and has a long history of making good judgments, especially for commercial business. Our banking system is tied into all other banking systems and is manned by people that have been trained to international standards.

Within our financial system, there have been no threats, and no issues with money laundering or funding terrorism. Our universities are accredited and produce graduates that are respected across the world. We are also very strong on cybersecurity. We respect people's privacy and, whatever the level of your investment, you can and will be accommodated here in Jamaica. We love innovators, because we are a nation of innovators.

# Ongoing investment is vital for success in bauxite and alumina

**Austin Mooney, Managing Director, Jamalco,** discloses why the company is investing in its facilities and local communities



Jointly owned by the Hong Kong's Noble Group and Clarendon Alumina Production, a publicly owned Jamaican company, Jamalco mines high-quality bauxite and refines it into alumina, which it exports from its own port. Can you explain why Jamaica is one of the world leaders in alumina production?

The key point for Jamaica is its access to bauxite—that is its main advantage. If you are importing bauxite, by the time shipping costs are added to all the other expenses, you have an extremely high cost. We can get bauxite to our refinery at a cost that is lower than the freight to move bauxite from Guinea or Brazil to the U.S. or Europe. In addition, the Jamaican government heavily supports the bauxite industry and makes doing business in the country very, very easy.

Jamalco recently celebrated its 60th anniversary. How has the Jamaican mining industry developed over the years and how can Jamalco continue to contribute to Jamaica's economy while remaining sustainable, providing jobs, and protecting workers and the environment?

Bauxite and alumina are global commodities, so we are always under cost pressure. Over the years, the bauxite industry moved first from the Americas, then to Australia and now it is starting to grow in the Middle East. The key to Jamalco's success and to our sustainability is that we have to keep investing in our refinery—we have to continue to lower our costs and produce more.

**“We have an investment program planned that covers the next six years, which is going to introduce large changes to our cost base and production capacity.”**  
Austin Mooney, Managing Director, Jamalco

Each year, we make substantial investments in our refinery. It's an ongoing process to adapt the facility to the different production and environmental challenges that arise every year. We have an investment program planned that covers the next six years, which is going to introduce large changes to our cost base and production capacity.

In addition, New Fortress Energy (NFE) has constructed a gas-fired co-generation power plant in Jamaica and Jamalco's refinery will use steam from that facility. That will help to make our operation very efficient and we will get the benefit of a reliable steam source as well. Whatever we can do

to reduce our carbon footprint is always good. NFE's new gas infrastructure will come right up to Jamalco's boundary fence, so we are now looking at the opportunities for converting our other energy-consuming processes from heavy-fuel oils to gas, which is cleaner.

We will also carry on investing heavily in and working very closely with the communities in which we operate. Thankfully, our partnerships with these communities have helped to prevent some of the issues that mining operators have experienced in other parts of the world. We are always mindful of the fact that we are only able to operate to the extent that our host communities allow us to.

Jamalco is a significant player in corporate social responsibility (CSR) and has won multiple awards for its CSR programs from organizations such as the United Way of Jamaica and the Council of Voluntary Social Services. How does CSR fit into Jamalco's overall vision?

Jamalco's CSR activities revolve around six pillars: capacity building, alternative economic opportunities, social renewal, volunteerism, civic partnerships and charity. We believe we have an obligation to contribute to the sustainable development of our local communities. We do our best to support them, and we recognize that many face educational and infrastructural challenges. Jamalco tries to assist with these by building the capacity of residents, contributing to infrastructural development and upgrading schools and other facilities.

Many residents are unable to afford medical care, for example, and so we host health fairs in some communities every year. In 2019, we held four fairs, with over 1,000 people benefiting from the services offered. Similar fairs were hosted for our retirees and employees. As part of Jamalco's 60th-anniversary celebrations that year, we undertook a number of special community projects, such as constructing a new community health center and awarding 60 scholarships to students attending local tertiary institutions.

-  Jamalco can produce **1.425 million metric tons of alumina** every year
-  Jamalco invests in **rehabilitating mined-out lands** for farming
-  In the last 5 years, Jamalco has invested nearly **\$0.5 million in community education**



## Unearthing value and supporting sustainability: a partner for national development

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# Open skies and safe, fluid transit remain aviation's priorities

**Howard Armstrong, General Manager, AEROTEL and KOOL 97FM, explains how Jamaica's aviation system is ready for the future**

How have Jamaica's aviation, telecommunications and media industries developed over the decades and what are some current challenges? Well, AEROTEL spans two sectors. On the aviation side, we provide the technical support and the technology services for the aviation industry. The aviation activities of the Jamaica Civil Aviation Authority (JCAA), the Airports Authority of Jamaica (AAJ), the Meteorological Service and the army (Jamaica Defense Force) are all supported technically by AEROTEL. The technology has changed unbelievably. When an aircraft leaves here, it must have the same services, the same communications and the same technology access as when it lands in London Heathrow or JFK New York. So we have to ensure that our facilities are commensurate with theirs. Accordingly, we have been acknowledged by the International Civil Aviation Organization (ICAO) as one of the top 12 countries in the world in terms of compliance with their safety standards and recommended practises (SARPS).

We are also the proud owners of the best music/lifestyle radio station in the country. According to a U.K. Daily Telegraph article from a few years ago, we are one of the best radio stations in the world. We plan to leverage the popularity and international listenership of KOOL 97FM to help entertain and inform the world from a Jamaican perspective. We are first and foremost, by national mandate, an aviation service provider. KOOL 97FM has not always been a high priority. That has changed in the last few years, particularly under the current minister. He sees a tremendous asset in this radio station and he has tasked us to ensure that we derive full value from it.

**“Measures such as the Open Skies policy have been key, along with the deregulation of our air space and the consequent influx of interest from far-afield countries in Eastern Europe and Africa.”**

Howard Armstrong, General Manager, AEROTEL and KOOL 97FM

To what reforms, policies or practices do you attribute Jamaica positioning itself as a leader in the aviation sector?

The commitment and ability to execute and to undertake the required expenditure and complete upgrades. The ICAO has this mantra: no country left behind. Jamaica has the political will to stand as a beacon to others in the region and further afield.

People are seeing that Jamaica has managed to make the investment required; the technologies have been deployed and they are working well.



Measures such as the Open Skies policy have also been key, along with the deregulation of our air space and the consequent influx of interest from far-afield countries in Africa and Eastern Europe. A number of new countries have started to fly here directly because of our expanded capacity accompanied by the broader general interest in Jamaica.

How is AEROTEL, along with partners the JCAA and the AAJ, preparing to accommodate expanding flight operations in the coming year?

Jamaica in general, and AEROTEL in particular, have suffered a significant setback from the COVID-19 pandemic. Air traffic levels and visitor arrivals are down more than 50 percent compared to the start of 2020, which directly impacts our business revenues and Jamaica's economy overall. But we are a resilient company and people and will certainly recover.

Having made the technology investments, a lot of the focus will soon shift to the associated infrastructure. The airports have recently completed a public-private partnership transition for Kingston Airport and previously did similar in Montego Bay. There are also plans to carry out upgrades on some of the smaller national aerodromes. The skies and the technologies already have substantial capacity. We now need to mirror that with our capabilities on the ground in the airports. It's not only a question of infrastructure development, but also of enhancing processes and procedures so that when visitors come, they are not delayed in airports for three hours trying to get through, for instance.

How does AEROTEL envision aligning with the Jamaican government's Vision 2030 plans and how do the sectors under AEROTEL's portfolio play a role in the country's national development?

AEROTEL has a crucial role in terms of enabling the technology and securing the safety of the expected growth. Leveraging the open skies for safe transit of all our air traffic very much fits with the Vision 2030 goals.

-  Jamaica is a **top 12 country** in the world for SARPs aviation safety practices
-  Jamaican SARPs have an **83% effective implementation** rating
-  The country invested **\$100 million** in the last four years in modernizing aviation

# Ownership and consensus drive the nation's progress

**Nigel Clarke, Minister of Finance and the Public Service, reveals how Jamaica has transformed its economy**



Jamaica experienced an exceptionally positive turnaround of its economy in the six years leading up to its successful exit from back-to-back International Monetary Fund (IMF) financial support programs in November 2019. Could you give our readers an overview of some of the substantial economic reforms and other measures introduced by the government that helped enable this impressive performance?

Our economic reforms were built on a foundation of maintaining very high—7.5 percent—primary surpluses. Examples of our reforms cover tax administration, tax policy, pensions, increasing social protection, investment incentives and procurements. As a society, we took ownership of our problems and that ownership is a key part of the success we have had. It enabled us to build consensus as to what needed to happen and that social partnership allowed for an unprecedented level of stakeholder involvement and participation in the reforms.

We have also engaged in mergers and divestments of state-owned enterprises. Our strategy for privatization is focused on a number of elements: the first is to broaden the ownership base of the Jamaican economy—divesting assets via the stock exchange allows for democratic participation. The second objective is to give Jamaicans the opportunity to invest in sectors that they couldn't previously. Another aim is to ensure that, as the government deleverages, there are assets available for the private sector to invest in. In the past, deleveraging funds would just be invested in government debt.

**“Jamaica's economic turnaround is an example of what is possible with sound macroeconomic policies pursued by governments that take ownership of their realities with responsibility.”**

Nigel Clarke, Minister of Finance and the Public Service

What are some of the ways in which the Jamaican government is encouraging the growth of micro-, small- and medium-sized enterprises (MSMEs) in the country?

We are improving access to finance for MSMEs and have programs that channel loans—using the Development Bank of Jamaica as a conduit—to the MSME sector. We are also strengthening our venture capital ecosystem, working with the Inter-American Development Bank (IDB) and using a variety of interventionist tools. In future, all ministries, departments, agencies, and public bodies must ensure that a minimum of 20

percent of their procurement budget is filled by MSMEs on a competitive basis.




In 2019, the World Bank granted your country \$14.85 million from its Global Risk Financing Facility (GRiF) to help Jamaica protect against natural disaster risks. Why was this award made to Jamaica and what will it be used for?

This is the largest GRiF grant ever given to a middle-income country. People like to back countries that help themselves and have a record of success. The World Bank's president and the IMF's managing director have both said that Jamaica's economic turnaround is an example of what is possible with sound macroeconomic policies pursued by governments that take ownership of their realities with responsibility.

In addition, Jamaica is also pursuing a very strategic approach to financing natural disaster risk. This is a layered approach, consisting of an annual budgetary allocation and savings toward a natural disaster fund. The grant will help Jamaica pay the premiums associated with risk-transferring instruments, like a catastrophe bond. This will provide insulation and protection for Jamaica in the event of a major natural disaster in future.

Jamaica currently ranks 71st in the World Bank's ease of doing business index. What is your strategy for facilitating more foreign investment?

Jamaica ranks sixth in the world for starting a company. However, we have work to do in other areas and we're focusing on making the availability of public services easier by migrating several services to electronic and internet-based channels. We have also removed distortionary transaction taxes that impeded the formalization of businesses and we are putting in place policies to address crime. We have achieved a lot, but the best is yet to come.

-  Between 2016 and 2019, **75,000 new jobs** were created in Jamaica
-  Jamaica's tax revenues rose by **8.7%** in 2018
-  Jamaica's stock exchange was 1 of the **world's top 5** performers in 2019



# IN THE AIR



# IN YOUR EAR



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