**Document of the Inter-American Development Bank**

**Jamaica**

**Assessment and Implementation of Business Climate Reforms in Jamaica**

**(JA–X1002)**

**Plan of Operations**

This document was prepared by Claudia Stevenson Team Leader (ICF/CMF); Jose Jorge Saavedra Alternate Team Leader (CMF/CBA); Jaiwattie Anganu (CMF/CJA); Gregory Dunbar (CCB/CJA); Hyun Jung Lee (LEG/SGO), Magda Theodate (PDP/CTT) and Marina Massini (ICF/CMF).

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Electronic Links

| Link 1 | Terms of Reference – Private Sector Assessment in Jamaica  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35112227> |
| --- | --- |
| Link 2 | Terms of Reference – Strengthening the Regulatory and Institutional Framework for PPPs  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35112250> |
| Link 3 | Terms of Reference – Implementation of Regulatory Reform to enable secured transactions- Local Lawyer  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35112232> |
| Link 4 | Terms of Reference – Implementation of Regulatory Reform to enable secured transactions- International Technical Expert  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35112233> |
| Link 5 | Terms of Reference – Implementation of Regulatory Reform to enable secured transactions- Central Registry of Pledged Assets  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35112234> |
| Link 6 | Terms of Reference – Implementation of Regulatory Reform to enable secured transactions- International Legal Expert  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35112235> |
| Link 7 | Request Letter  <http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=35144728> |

Basic socioeconomic data

For basic socioeconomic data, including public debt information, please refer to the following address:

<http://www.iadb.org/countries/home.cfm?language=Spanish&ID_COUNTRY=EC>

Information available in the files of ICF/CMF

**Preparation:**

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| --- |
| Private Sector Development Assessment. 2005. ERI Economic Research Institute |
| Strategic Guidelines for Private Sector Participation in Jamaica. 2006. IDB Working Paper |
| Implementing Secured Transactions Reforms in Jamaica Issues and Policy Options. 2009. ERI Economic Research Institute. |
| Action Plan for Enabling Institutional and Regulatory Environment for m-banking |
| Access and Microfinance in Kingston, Jamaica, Perspective from “Inna Di Yard”. 2009. Caroline Shenaz Hossein.  Measuring the Competitiveness of Selected CARICOM Countries. IDB Private Sector Development Discussion Paper #1, 2009  Policies for Achieving Structural Transformation in the Caribbean. IDB Private Sector Development Discussion Paper #2, 2009  Institutions and Legal Frameworks for Business Development in the Caribbean. IDB Private Sector Development Discussion Paper #3, 2009  Enhancing Access to Finance in the Caribbean. IDB Private Sector Development Discussion Paper #4, 2009 |
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Abbreviations

|  |  |
| --- | --- |
| bpo | Business Process Outsourcing |
| BCI | Business Climate Initiative |
| CPC | Chief Parliamentary Counsel |
| COFAB | Co-financing Contribution Administered by the Bank |
| DBJ | Development Bank of Jamaica |
| DFID | Department for International Development |
| ETA | Electronic Transactions Act |
| EU | European Union |
| FSC | Financial Services Commission |
| GDP | Gross Domestic Product |
| GoJ | Government of Jamaica |
| IDB | Inter-American Development Bank |
| JTI | Jamaica Trade and Invest |
| JcEP | Jamaica Competitiveness Enhancements Programs |
| MF&PS | Ministry of Finance and the Public Service |
| NPS | National Planning Summit |
| NPSA | National Payment Systems Act |
| PfT | Partnerships for Transformation |
| PIOJ | Planning Institute of Jamaica |
| PSA | Private Sector Assessment |
| PSD | Private Sector Development |
| PSOJ | Private Sector Organization of Jamaica |
| PPPs | Public Private Partnerships |

**JAMAICA**

**Assessment and Implementation of Business Climate Reforms in Jamaica**

**(JA-X1002)**

1. Executive Summary

|  |  |  |
| --- | --- | --- |
| **Beneficiary:** | Government of Jamaica | |
| **Team Leader/ Members:** | Claudia Stevenson (ICF/CMF), Team Leader; Jose Jorge Saavedra (CMF/CBA); Jaiwattie Anganu (CMF/CJA); Gregory Dunbar (CCB/CJA); Hyun Jung Lee (LEG/SGO); and Marina Massini (ICF/CMF). | |
| **Executing agency:** | Inter-American Development Bank (IDB), through ICF/CMF | |
| **Target Beneficiaries:** | The direct beneficiaries are government institutions and private sector organizations, chambers of commerce, labour unions and academia. The ultimate beneficiaries will be investors, business owners and men and women in Jamaica. | |
| **Financing:** | IDB - (COFAB with DFID): | £ 406,250[[1]](#endnote-1) US$ 657,231 |
|  | Local counterpart: | £ 62,500 US$ 100,000 |
|  | Total: | £ 468,750 US$ 757,231 |
| **Objective** | The objective is to support the improvement of the business climate in Jamaica. The specific objectives are: (i) enhanced knowledge on the major constraints to Private Sector Development (PSD); (ii) increased access to finance by the implementation of a secured transactions framework; (iii) increased financing for infrastructure projects by Public Private Partnerships (PPPs); and (iv) increased Public-Private consensus and focus on strategic interventions. | |
| **Execution Period:** | The TC will be executed in 24 months and disbursed in 30 months. | |
| **Special conditions:** | None | |
| **Exceptions:** | None | |
| **Procurement Arrangements:** | The contracting of the project consultants will be carried out by ICF/CMF in accordance with the Bank’s policies and procedures set forth in document GN-2350-7 (*Policies for the Selection and Procurement of Consulting Services Financed by the IDB*). | |
| **Environmental and**  **Social Review:** | The TC profile was reviewed by ESR on December 8th, 2009. No further actions are required (see ¶8.1). | |
| **Coordination with other Institutions:** | The program will be coordinated with other development partners such the World Bank, USAID and the European Union (see¶ 2.11- 2.13). | |

The exchange rate used for the calculations is 1£= US$1.66 March 2010

1. Background and Justification
2. A. Macroeconomic outlook and private sector led growth
   1. The sharp rise in commodity prices between late 2006 and mid-2008, natural disasters and, most recently, the international financial crisis, has put increased pressure on Jamaica’s already difficult macroeconomic situation. The impact of the global financial crisis on Jamaica has intensified during 2008-2009. Economic growth stopped in the third quarter of 2007 and contracted by 0.6% in 2008; the decrease in economic activity was around 4% in the first half of 2009 and is projected to decrease more than 4% in 2009. Economic growth is expected to resume only in 2011. In addition, government revenues are below projected levels and the deficit is expected to surpass the government’s estimates for FY 2009/2010. The debt overhang, at 132% of GDP at December 2009, limits the range of policy actions to respond to the economic turmoil, given that about 60% of total spending goes to debt service. The Government of Jamaica has taken a set of fiscal measures to address the situation and has signed a Stand-by Arrangement (SBA) with the IMF backed by a comprehensive set of further fiscal measures and a voluntary exchange of its domestic debt to reduce interest rates and increase maturities. The total package may result in overall net fiscal savings of 6.5% of GDP per annum. The primary fiscal surplus is targeted to reach 6% in 2010/2011 and is projected to rise, over time, to some 9% of GDP in 2013/2014 as the economy recovers. The debt to GDP ratio is expected to fall from a peak of 140% at the end of the 2009/2010 fiscal year to under 120% by 2014 (BPO).
   2. The Bank-sponsored Private Sector Assessment (PSA) completed in 2006 identified the following aspects that hinder private sector development in Jamaica: (i) over-involvement of the state in the economy; (ii) distortions due to incentives and inequitable tax systems; (iii) underdevelopment of financial markets; (iv) costly and cumbersome processes for land registration; (v) excess of regulation and procedures; (vi) inefficient legal system; and (vii) inadequate infrastructure. Under this framework, the GoJ has undertaken a series of measures to promote private sector-led growth to improve the economic performance of the economy.
   3. The measures undertaken by the GoJ have been supported by the Bank with three policy-based lending operations (PBLs), conceived under the programmatic modality, known collectively as the Jamaica Competitiveness Enhancement Program (JCEP). The first loan for US$30 million dollars was approved in 2008. The second loan for US$60 million was approved and disbursed in 2010 with the objective of supporting the GoJ long-term policy reform initiatives in the areas of: (i) competitiveness framework; (ii) tax expenditure reform; (iii) access to finance; and (iv) land property rights. The third loan is currently in preparation.
3. B. Private Sector Development Strategy, Access to Finance and Public Private Dialogue
   1. **Private Sector Development Strategy**. Recent studies have described the problems that hinder competitiveness and growth in Jamaica.[[2]](#footnote-1) Jamaica ranks 91 out of 133 countries in the Global Competitiveness Index according to the Global Competitiveness Report for 2009-2010. Among the factors that especially limit business’ competitiveness are: (i) access to financing; (ii) tax regulation; (iii) tax rates; (iv) the cost of crime and violence to business; (v) the informal sector; (vi) inadequate supply of infrastructure; and (vii) the burden of economic regulation. Other factors that affect the competitiveness of Jamaican companies are the macroeconomic environment and public institutions. Other factors that affect the competitiveness of the Jamaican companies are the indices related to macroeconomic environment and public institutions. As almost four years have passed since the last Private Sector Assessment and the external crisis has afflicted severely the macroeconomic conditions of the country, an updated assessment of the conditions for fostering private sector led growth is needed.
   2. **Secured Transactions to Increase Access to Finance**. A strong legal and institutional framework for enhancing the security of loans, by pledging and rapidly foreclosing on moveable property assets, can decrease the risk of loss to banks, and thereby broaden the universe of attractive credit applicants. Although the current Jamaican legal system allows for various forms of secured lending, all have restrictions on the type of collateral that debtors can pledge to creditors, as well as different costs and procedures. Each option comes with its own set of rules for creating security, some of which are very complex. In addition, some of the options are subject to the Stamp Duty Act and some are effectively only available to corporations, excluding individuals and smaller companies. Thus, a single and simple set of rules for creating security in movable property of any nature, allowing any corporation or individual to give or take security in the form of movable property, would increase access to credit. Commercial banks currently exclude a substantial number of borrowers because they do not offer financial instruments that are commonplace in other countries. The modernization of Jamaica’s financial system involves reforming the framework for pledging collateral security for loans. Given that the use of moveable property as collateral is poorly understood, there is also a need to build public awareness.
   3. **Public-Private Dialogue**. Currently, Jamaica has several councils that engage in public-private dialogue on competitiveness issues. The “National Planning Summit” (NPS), hosted by the GoJ with participation from the major private sector and labor organizations, created an advisory board of nine senior public, private, and labor officials to address the recommendations emanating from the Summit. This board is a promising forum for continuing, effective public-private dialogue and action on competitiveness policy issues. The “Partnership for Transformation” (PfT) was formed after extensive consultation and discussion between the two major private sector organizations (PSOJ and JCC), the trade unions, and the Opposition as a result of their concerns over the current economic situation and the international financial crisis. The Planning Institute of Jamaica (PIOJ) initiated this consensus building process through the preparation of the first Draft of the Social Partnership document which it called Partnership for Transformation (PfT). As a result, the PfT Committee consists of representatives from the public and private sectors, trade unions, political parties, and civil society. Even though both the PfT and NPS forums are operating independently, they share the same technical secretariat that is chaired at the Jamaica Trade and Invest (JTI), and it is envisioned that both forums will merge over time.
   4. **Public Private Partnerships (PPP)**. A recent study on the status of the institutional and regulatory framework for PPPs in the Caribbean[[3]](#footnote-2) showed that the size of the Jamaican economy, as well as the number and scale of potential infrastructure projects create an opportunity for GOJ to attract private sector investments under the PPP scheme.
   5. Jamaica might be able to attract private investments given that it has shown to be politically stable, and that it has a legal and regulatory system conducive to the introduction of PPP procurement methodologies. However, the GoJ would still need to make some important regulatory reforms as well as strengthen the technical expertise needed to manage complex procurement processes and contingent liabilities. Furthermore it is important that PPP initiatives be viewed within the context of the recently enacted fiscal responsibility legislation and do not result in deferred financing or contingent liabilities.
4. C. The Bank’s and Country’s Strategies
   1. The Bank’s country strategy for the 2006-2009 period, approved in August 2006 (GN-2422-1) and updated in November 2008 (GN-2422-3) recognizes the importance of a stable macroeconomic framework as the cornerstone for future growth. The private sector development component of the strategy identifies a process of public-private dialogue and several sector-level reforms (discussed below) as necessary to improve the business climate. The TC is consistent with the Bank’s sector and country strategies, as well as with the country policy on competitiveness.
5. D. Government’s, Bank’s and other agencies’ initiatives
   1. The Bank is now preparing the third phase of the Competitiveness Program (JA-L1014), through a programmatic approach that supports institutional and regulatory reforms. This TC will support the agreed reforms.
   2. This TC is also directly related to the Compete Caribbean Program (RG-X1044)[[4]](#footnote-3), operation currently under preparation that will establish a US$32.55 million dollar grant program to provide technical assistance and investment funding to support productive development policies, business climate reforms, clustering initiatives and SME development activities within a comprehensive private sector development framework. The Compete Caribbean, a program to support private sector development and competitiveness in the Caribbean, will develop and implement projects in all 15 CARIFORUM countries, and is jointly financed by the Bank, the Canadian International Development Agency (CIDA) and the Department for International Development (DFID).
   3. This TC will also complement three MIF initiatives: (i) Strengthening the Jamaica Fair Trading Commission (JA-M1002); (ii) Strengthening Competition in Telecommunications (JA-M1004); and (iii) Productive Integration Micro-Enterprises (MES).
   4. The project team will coordinate with other development partners to generate synergies among projects with the World Bank, USAID and the European Union. In particular, the team will strive to collaborate with the Private Sector Development Programme (PSDP), financed by the European Union and implemented by JTI, and with USAID’s Legislation, Regulations and Process Improvement Project, being implemented by the Jamaica Chamber of Commerce.
6. Program Description

1. A. Program Goal and Purpose
   1. The objective of this technical cooperation is to support the improvement of the business climate in Jamaica. The specific objectives are: (i) enhance knowledge on the major constraints to private sector development (PSD); (ii) increased access to finance through the implementation of a secured transactions framework; (iii) increase financing for infrastructure projects through Public Private Partnerships (PPPs); and (iv) increased Public-Private consensus and focus on strategic interventions to promote private sector development. These actions have been identified by the GoJ as critical in fostering private sector-led growth and are key actions that the GoJ has prioritized to promote private sector development.

1. B. Components
   1. **Component 1: Private Sector Development Strategy and Action Plan (US$110,000).** In order to complement the Vision 2030 National Development Plan, the objective of this component is to develop a Private Sector Development Strategy and Action Plan. The activities will include: (i) the review and update of the Private Sector Diagnostic commissioned by the Bank in 2006, including assessments of the initiatives implemented by the Bank and other development agencies (EU, USAID World Bank, IFC and others); (ii) the review and analysis of recent data and statistics from a variety of sources, to analyze and present firm-level trends in light of current macro conditions and impact of the global recession; (iii) organization of workshops to reach consensus on an Action Plan to reduce the main constraints to private sector development ; and (iv) the drafting of a new PSD strategy for GoJ.
   2. **Component 2: Implementation of a Secured Transactions Framework to Increase Access to Finance. (US$200,000).** The objective of this component is to implement reforms so that GoJ can adopt a secured transactions framework that will enhance access to finance in Jamaica. The activities in this component will include: (i) the review of existing diagnostics and recommendations on the topic in Jamaica: (a) diagnostic of the current legal and institutional framework, including the initial report and Action Plan prepared by IDB in 2007[[5]](#footnote-4); (b) results from the dialogue and consensus building activities that led to the submission of a Cabinet paper on Secured Transactions[[6]](#footnote-5); and (c) results of a study on gender issues and access to finance[[7]](#footnote-6), among others; (ii) organization of seminars and workshops on the topic, (iii) support for the Chief Parliamentary Counsel (CPC) in the drafting of a bill establishing a new secured transactions framework and; (v) the design and implementation of a central registry of pledged assets.
   3. **Component 3:** **Strengthening the Regulatory and Institutional Framework to Implement Public Private Partnerships (PPP) (US$200,000).** The objective of this component is to strengthen the institutional framework for carrying out PPPs. This component will finance: (i) the assessment of the institutional, legal and regulatory framework to implement PPPs and divestiture of government assets in Jamaica, (ii) evaluation and recommendation of the most pertinent institutional framework for developing PPPs and handling state divestitures; (iii) drafting of a methodology for project identification and selection; and (iv) an assessment of the fiscal costs associated with using the PPP model, including the management by the MoF&PS of contingent and non-contingent liabilities for both PPPs and divested entities. In addition, this component will support innovative PPP proposals such as the support of ongoing initiatives of the National Education Trust (NET).
   4. **Component 4:** **Support to Public Private Dialogue on issues on Private Sector Development (US$156,869).** The objective is to increase the Public-Private consensus and focus on strategic interventions to promote private sector development. This component will support: (i) institutional strengthening of the Technical Secretariat of both the “National Planning Summit” (NPS), and the “Partnership for Transformation” (PfT); and (ii) the development of PSD technical studies. The Secretariat will be responsible for organizing and implementing the validation process of the Private Sector Development Strategy financed under Component 1.
2. Cost and Financing
   1. The total cost of the project is US$750,000.00, out of which £406,250 (approximately US$650,000[[8]](#footnote-7)) will be financed in a non-reimbursable form with resources from a Grant Co-financing Contribution Administered by the Bank (COFAB) to be provided by the Department for International Development (DFID) from the United Kingdom.
   2. The resources of the COFAB are regulated under the “Operational Procedures for Grant Co-financing Contributions Administered by the Bank” (Document CC-5732), for which an Administrative Arrangement between the IDB and the Government of the United Kingdom, represented by DFID, under the “Cooperation Framework Arrangement” (the “UK Framework Arrangement”) dated October 3, 2004. In accordance with the provisions of the UK Framework Arrangement, upon receipt of a contribution from DFID, the Bank will charge an administrative fee of five percent (5%) of the contribution, which is duly identified in the budget of this technical cooperation. The local counterpart will amount to US$100,000, and will consist of in-kind contributions estimated in approximately US$50,000 and cash contributions of US$50,000. The cash contributions correspond to the full time coordinator provided by the PIOJ and the in-kind contributions correspond to the research products that have been carried out by PSOJ.

**Table 1 \***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Activity** | **Cost**  **USD** | **COFAB**  **USD (1£=1.66US$)** | **COFAB**  **£** | **Local Counterpart**  **USD** |
| Component 1 | 110,000 | 110,000 | 68,750 | 0 |
| Component 2 | 200,000 | 200,000 | 125,000 | 0 |
| Component 3 | 200,000 | 200,000 | 125,000 | 0 |
| Component 4 | 156,869 | 106,869 | 62,500 | 50,000 |
| Coordination and Supervision | 50,000 |  |  | 50,000 |
| Contingencies | 7,500 | 7,500 | 4,687.5 |  |
| COFAB Management Fee -DFID (5%) | 32,862 | 32,862 | 20,312.5 | 0 |
| **Total** | **757,231** | **657,231** | **406,250** | **100,000** |

\*See Annex II, Detailed Program Budget

1. Executing Agency and Mechanism

1. A. Executing Agency
   1. The Executing Agency will be the Inter-American Development Bank, through the Capital Markets and Financial Institutions Division of the Institutional Capacity and Finance Sector, ICF/CMF. ICF/CMF will also be responsible for disbursements and basic administration.

1. B. Executing Mechanism
   1. For the effective implementation of the TC, the Bank will coordinate with the Planning Institute of Jamaica (PIOJ) which will, in turn, coordinate with all the relevant government stakeholders, such as Jamaica Trade and Invest and the Ministry of Finance and the Public Service (MoF&PS). The PIOJ will support the monitoring and supervision of the consultant’s activities and coordination with the multiple stakeholders and will provide a full time expert for carrying out these activities. The PIOJ reports to the Office of the Prime Minister and is in charge of coordinating development policy in Jamaica. The PIOJ has experience in coordinating multiple public and private and international development agencies to reach development goals and has experience in managing external cooperation programs and has also assisted in the facilitation of Public Private Dialogue, working closely with JTI and PSOJ. Also, the PIOJ has had prior experience with the Bank in designing, coordinating and executing investment loans and programmatic operations, including the two PBLs for the JCEP. Wherever possible, the consultants will work with counterpart staff in a manner that will ensure a transfer of technology and knowledge.

1. C. Program implementation readiness
   1. This TC supports and gives continuity to activities initiated in 2005 by the GoJ and the Bank with the Private Sector Assessment completed in 2006 and the subsequent PBL operations on Competitiveness (JCEP I and II) and will support the implementation of the third programmatic operation.

1. D. Execution period and disbursement schedule
   1. The expected duration is 24 months for execution and 30 months for disbursement. The starting date will be either the date of approval of the TC or the entry into force of the Administrative Arrangement with DFID for the COFAB, whichever occurs later.
2. E. Procurement

5.5 The contracting of the project consultants will be carried out by ICF/CMF in accordance with the Bank’s policies and procedures set forth in document GN-2350-7 (Policies for the Selection and Procurement of Consulting Services Financed by the IDB). A Procurement Plan is included with the present profile (Annex II) and should be updated every six months during project execution.

1. Monitoring and Evaluation
   1. ICF/CMF will supervise and manage the consultants’ contracts. The PIOJ, as part of the counterpart contribution, will provide a technical coordinator to contribute to the program’s technical supervision and to coordinate the activities between the different government agencies, such as the MoF&PS, JTI, the Bank and the consulting firms.
2. Program Benefits and Risks

1. A. Program benefits and developmental impact
   1. The TC will directly contribute to improvements in the business climate in Jamaica by:
   2. (i) Identifying the main constraints to Private Sector Development and drafting a Private Sector Development Strategy and Action Plan to address them, which is of particular importance given the context of the recent global recession and macroeconomic situation.
   3. (ii) Increasing access to finance through the implementation of a secured transactions framework that allows movable assets to be used as collateral for credit and the establishment of a central registry of pledged assets. Such a system of secured transactions will have a great impact among Small and Medium Sized Enterprises (SMEs), improving the opportunities for businesses to obtain credit, while at the same time reducing the risks faced by private banks when providing loans to these firms. In addition, the gender dimension of access to finance will be addressed promoting a more equitable access to credit for men and women.
   4. (iii) Increasing financing for infrastructure projects through Public Private Partnerships (PPPs) and GoJ’s capacity to carry out sustainable and economically feasible PPP projects.
   5. (iv) Increasing the Public-Private consensus and focus on strategic interventions to promote private sector development by strengthening the institutional and research capacity of the Technical Unit of the “National Planning Summit” (NPS) and the “Partnership for Transformation” (PfT).
   6. The critical aspect of this TC is the need for coordination of the different activities with multiple agencies and stakeholders, as well as the technical complexity of the activities. This risk is mitigated by the experience gained from the active involvement of the PIOJ in the execution of the JCEP I and II.

1. B. Target Beneficiaries
   1. The direct beneficiaries will be government institutions and private sector organizations, including chambers of commerce, labour unions and academia.
   2. The ultimate beneficiaries will be investors, business owners and men and women in Jamaica, in particular small business owners and the poorest segments of the population. These parties will benefit from a business climate more conducive to private sector growth, higher employment, increased access to finance, access to new infrastructure and a voice in the debates of private sector development and competitiveness.

1. C. Risks
   1. The main risks are: (i) that GoJ does not adopt the Private Sector Development Strategy and does not implement the activities identified in the Action Plan due to a lack of consensus on a PSD agenda. This is being mitigated by ensuring that the consultants working on the PSDS collaborate closely with PIOJ, NPS and PfT; (ii) possible delays may be imminent in the adoption of the secured transactions and PPP regulatory reforms. This is being mitigated by establishing a close collaboration with PIOJ and by the appointment of a coordinator to ensure the effective implementation of the activities.
2. Environmental and Social Aspects

1. A. Date of ESR review
   1. The activities to be financed in this program will have no direct negative social or environmental effects. Based on the aforementioned, and according to the ESR Safeguard Classification toolkit, the operation was classified as “C” category on December 8th, 2009.
2. B. Risks and Mitigation

8.2 In view of the nature of the operation and the activities to be financed, the team estimates that the project will have no environmental or social impact.

1. Responsibility within the Bank
   1. The Capital Markets and Financial Institutions Division at the Institutional Capacity and Finance Sector (ICF/CMF) has the responsibility for preparing and managing this TC. The officers with direct responsibility on technical issues and approval of disbursements are Claudia Stevenson (ICF/CMF), e-mail: [claudiast@iadb.org](mailto:claudiast@iadb.org) and Jose Jorge Saavedra (CMF/CBA), email [josejs@iadb.org](mailto:josejs@iadb.org)
2. Recommendation
   1. Claudia Stevenson, designated team leader for this project, recommends the approval of this operation and the use of resources from the Grant Cofinancing Contribution Administered by the Bank (COFAB) signed with the Department for International Development (DFID) from the United Kingdom.
3. Approval

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| ***(Original Signed)***  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Kurt Focke  Division Chief, ICF/CMF |

1. [↑](#endnote-ref-1)
2. Measuring the Competitiveness of Selected CARICOM Countries. IDB Private Sector Development Discussion Paper #1, 2009; The *Global* Competitiveness *Report* 2008-2009 (World Economic Forum); The *Road to Sustained Growth in Jamaica* (World Bank) and *Jamaica: A Private Sector Assessment* Economic Research Institute 2006. [↑](#footnote-ref-1)
3. PPPs in the Caricom. Nicholas Livingston. 2009 [↑](#footnote-ref-2)
4. For more detail please refer to the “Information Available in the Files of ICF/CMF-under Preparation”. [↑](#footnote-ref-3)
5. Action Plan for Secured Lending in Jamaica. Allen Welsh 2007 [↑](#footnote-ref-4)
6. Impleenting Secured Transactions in Jamaica, Issues and Policy Options, Paul Holden 2009 [↑](#footnote-ref-5)
7. Access and Microfinance in Kingston, Jamaica, Perspective from “Inna Di Yard”. 2009. Caroline Shenaz Hossein [↑](#footnote-ref-6)
8. The exchange rate used for the calculation is **1£= us$**1.66, March 2010 [↑](#footnote-ref-7)