| **Policy Triggers for 1st Tranche** | **Means of Verification** | **Policy Triggers for 2nd Tranche** | **Means of Verification** |
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| **Component 1. Macroeconomic Stability** | | | |
| The Borrower shall maintain an appropriate macroeconomic policy framework congruent with the programme’s objectives and in accordance with the provisions of the Policy Letter. | Independent Assessment of Macroeconomic Conditions (IAMC) valid at the time of authorizing the disbursement.  ***Institution Responsible: IDB‑RES*** | The Borrower shall maintain an appropriate macroeconomic policy framework congruent with the programme’s objectives and in accordance with the provisions of the Policy Letter. | Independent Assessment of Macroeconomic Conditions (IAMC) valid at the time of authorizing the disbursement.  ***Institution Responsible: IDB-RES*** |
| **Component 2. Enhancing Quality of Public Services** | | | |
| 1. Tabling in Parliament of the *National Identification and Registration Act, 2017*, which establishes:   1. The National Identification and Registration Authority for the promotion, establishment and regulation of a National Identification System (NIDS) for the enrolment and registration of all citizens and individuals who are ordinarily resident in Jamaica and the verification, and the authentication of their identity; 2. The National Civil and Identification Database; 3. A National Identification Number(NIN); 4. The issuance of National Identification Cards; and 5. The mandatory submission of the NIN for any transaction with the Government of Jamaica for all citizens and individuals who are ordinarily residents in Jamaica. | Letter from the Clerk to the Houses of Parliament confirming the tabling of the National Identification and Registration Act, and attaching a copy thereof.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 1. (i) Publication of the effective day notice of the National Identification and Registration Act in the Jamaica Gazette; and (ii) circular issued by the Cabinet Secretary providing instructions on the adoption of the NIDS in the databases of all public sector entities. | Letter from the Cabinet Secretary attaching the Jamaica Gazette publication and the circular.  ***Institution Responsible:*** Office of the Cabinet/MOFPS |
| 2. Approval by Cabinet of the Blueprint Report: Road Map and Action Plan for Information and Communications Technologies (ICT) Transformation in the government, including the establishment of the ICT Authority and the launching of the gov.jm portal as the virtual one-stop-shop for public services to citizens and firms. | Letter from the Cabinet Secretary confirming Cabinet’s Approval and attaching a copy of the approved report.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 2. Tabling in Parliament of: (i) legislation creating the new ICT Authority; and (ii) the Data Protection Act. | Letter from the Clerk to the Houses of Parliament confirming the tabling of legislation creating a new ICT authority and the Data Protection Act, and attaching copies thereof.  ***Institution Responsible:*** MOFPS |
| 3. Submission to Cabinet for approval of a design proposal for the government-wide communications network infrastructure. | Letter from the Cabinet Secretary confirming the submission to Cabinet for approval of the design proposal of the government wide communications network infrastructure, and attaching a copy thereof.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 3. Submission to Cabinet for approval of an Implementation Plan for the government-wide communications network infrastructure. | Letter from the Cabinet Secretary confirming the submission to Cabinet for approval of an implementation plan for the government wide communications network infrastructure and attaching a copy of such plan.  ***Institution Responsible:*** Office of the Cabinet/MOFPS |
| 4. Mandate by Cabinet for the development of a Customer Service Policy for the public sector that addresses inter alia:   1. Management of feedback on service delivery and mechanisms for sustaining citizen engagement in service design and performance monitoring; 2. Accountability for the quality of services delivered; 3. Reinforcement of the roles and responsibilities of each Ministry in managing the quality of service; 4. Creation of capacities for embedding service excellence; and 5. Establishment of a centralized customer service function to support Ministries, Departments and Agencies (MDA) to maintain service excellence | Letter from the Cabinet Secretary confirming the mandate by Cabinet for the development of the Customer Service Policy for the Government of Jamaica.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 4. Submission to Cabinet for approval of the Customer Service Policy for the public sector, informed by consultation processes with the MDA, civil society and private sector. | Letter from the Cabinet Secretary confirming the submission to Cabinet for approval of the Customer Service Policy for the public sector, informed by consultation processes with MDA, civil society and private sector; and attaching a copy thereof.  ***Institution Responsible:*** Office of the Cabinet/MOFPS |
| 5. Mandate by Cabinet Secretary to Ministries instructing the preparation of Service Implementation Plans (SIP) for service delivery improvements, and approval by the Cabinet Secretary of two (2) plans in pilot Ministries. | Letter from the Cabinet Secretary attaching (i) the circular from the Cabinet Secretary to Ministries instructing the preparation of service implementation plans for service delivery improvements; and (ii) a copy of each plan in pilot Ministries signed by the Cabinet Secretary and the respective Permanent Secretary.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 5. Publication of the results of implementation of approved SIP for Ministries, including customer satisfaction levels for each of them. | Letter from the Cabinet Secretary including the URL of the publication of the results of implementation of approved SIP for Ministries, including customer satisfaction levels for each of them.  ***Institution Responsible:*** Office of the Cabinet/MOFPS |
| 6. Creation by the Task Force for Trade Facilitation mandated by Cabinet, of the Steering Committee for the simplification, streamlining and integration of the certification, licensing and permitting functions of border regulatory agencies. | Letter from: (i) the Cabinet Secretary confirming the decision by Cabinet to create the Task Force for Trade Facilitation; and (ii) the Permanent Secretary of MICAF confirming the creation of the Steering Committee for the simplification, streamlining and integration of the certification, licensing and permitting functions of border regulatory agencies.  ***Institution Responsible:*** MICAF/Office of the Cabinet/MOFPS | 6. Initiation of the implementation of the strategy for administrative simplification and regulatory reform to reduce red tape in Trade Facilitation. | Letter from MICAF confirming the implementation of sections of the strategy has been initiated, and attaching a copy of the strategy and a progress report as evidence of its implementation.  ***Institution Responsible:*** MICAF/MOFPS |
| 7a. Publication of a Policy Statement on Public Sector Transformation (PST), creating the Public Sector Transformation Implementation Unit (PSTIU) to lead the implementation of the Public Sector Transformation Plan, and the Public Sector Transformation Oversight Committee (PSTOC), to include members from outside government, to oversee the timely implementation of the plan. | Letter from the MOFPS including the URL on the Jamaica Information Service (JIS) Website of the published Policy Statement on Public Sector Transformation creating the PSTIU and the PSTOC.  ***Institution Responsible:*** MOFPS | 7. Publication of quarterly reports by the PSTOC on the implementation of the Public Sector Transformation Plan in 2018. | Letter from the OPM attaching the PSTOC quarterly reports on the implementation of the Public Sector Transformation Plan in 2018.  ***Institution Responsible:*** OPM/MOFPS |
| 7b. Ensuring the appointment of all members of the PSTOC by the Office of the Prime Minister (OPM), the development of a Transformation Action Plan, and the completion and publication of PSTOC quarterly progress reports for January, May and July 2017. | Letter from: (i) the OPM confirming its appointment of all members of the PSTOC and completion and publication of PSTOC quarterly progress reports for January, May and July 2017 and attaching copies thereof; and (ii) the Cabinet Secretary summarizing the objectives, components and timeline of the Transformation Action Plan.  ***Institution Responsible:*** MOFPS |  |  |
| **Component 3. Enhancing Efficiency in Public Spending** | | | |
| 1. Issuance of:   1. a directive to all human resources departments across all public sector to start implementing the requirements for the process of retirement of persons under the Government of Jamaica pension plan who are over the normal age of retirement; and 2. an instruction from the Chief Personnel Officer of the Office of the Services Commission to all Permanent Secretaries and Heads of Departments instructing that the hiring of retirees must be approved by the Public Services Commission. 3. An instruction from the Financial Secretary to the MDA directing the containment of the reemployment of persons through contract for services that would have retired under the SERP. | Letter from the MOFPS attaching: (i) the directive to all human resources departments across all public sector; (ii) the instruction from the Chief Personnel Officer of Office of the Services Commission to all Permanent Secretaries and Heads of Departments; and (iii) Circular from the Financial Secretary directing the containment of the reemployment of persons through contract for services that would have retired under the SERP.  ***Institution Responsible:*** MOFPS | Enforcement of the normal age of retirement and of the restriction for the hiring of retirees; . and the creation of a monitoring mechanism for contracts for services awarded to SERP beneficiaries. | Letter from the MOFPS attaching a compliance report as of April 30th, 2019, which will include aggregated information about (a) public officers retired following the directive of the policy measure 1.(i) of the first tranche; (b) retirees hired after approval by the Public Service Commission per instruction of the policy measure 1.(ii) of the first tranche; and (c) SERP beneficiaries who were employed under a contract for services (taking a sample from the MDAs with the most SERP beneficiaries). Aggregated data will include job classification levels, annual salary, and contract value and terms, gender and age.  ***Institution Responsible:*** MOFPS |
| 2a. Approval by Cabinet of a proposal of a Special Early Retirement Programme (SERP), which will contribute to net wage bill savings,including:   1. Criteria for selection and prioritization of candidates, which will exclude defined occupational categories (such as health professionals, security forces and teachers); 2. Limiting the cost of replacing persons taking the SERP to no more than 15% of the total value of the wage bill savings; 3. The payment of an incentive, unused leave and gratuity to approved participants; and 4. Restriction of the rehiring of public officers taking SERP for at least five years. | Letter from: (i) the MOFPS outlining the criteria for selection and prioritization of candidates for the SERP; and (ii) letter from the Cabinet Secretary confirming Cabinet’s Decision and attaching the copy of the Early Retirement Implementation Project submitted to Cabinet.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 2a. Initiation of the implementation of a strategic Human Resources (HR) workforce management plan in the MDA that would result in the sustainability of the wage bill savings derived from the SERP proposal approved by Cabinet. | 2a. Letter from MOFPS confirming the implementation of a strategic workforce management plan has been initiated, and attaching a copy of the plan and a report detailing the status of implementation including numbers of public officers reassigned to other positions and hired.  ***Institution Responsible:*** MOFPS |
| 2b. Approval by the Financial Secretary of the Project Plan for the implementation of the SERP, which will include: (i) Criteria to prioritize candidates in case demand exceeds available resources; (ii) Defined incentive, including caps on number of weeks, accumulated leave to be paid, and the structure, sequencing and estimated timeline for the payments; (iii) The processes and procedures for the development and maintenance of a consolidated list of retirees who are approved for the SERP, which should be used to enforce the restriction of rehiring; (iv) Rules to manage vacant posts in each institution after resignations become effective; and (v) a description of the retraining plan for those approved candidates who are interested in enrolling. | Letter from MOFPS confirming the approval by the Financial Secretary of the Project Plan for the implementation of the SERP, and attaching a copy thereof.  ***Institution Responsible:*** MOFPS | 2b. Approval by the Auditor General of the calculations and payments of SERP packages to employees approved under the SERP and confirmation that the criteria for selection and prioritization of candidates to exclude defined occupational categories, as outlined in the Early Retirement Project approved by Cabinet, was complied with. | Letter from: (i) the Auditor General confirming approval of the independent audit of the calculations and payments of SERP packages to employees approved under the SERP ; and (ii) letter from the Financial Secretary confirming that the criteria for selection and prioritization of candidates to exclude defined occupational categories, as outlined in the Early Retirement Project approved by Cabinet, was complied with.  ***Institution Responsible:*** MOFPS |
| 2c. Approval by Parliament of amendments to the Employment (Termination and Redundancy Payments) Act to remove the exemption of public officers from eligibility for redundancy payments. | Publication in the Gazette of the Pensions (Public Service) Act, 2017 including amendments to the Employment (Termination and Redundancy Payments) Act to remove the exemption of public sector workers from eligibility for redundancy payments.  ***Institution Responsible:*** MOFPS | 2c. Achievement of a reduction in the wage bill to 9.5% of GDP for Fiscal Year (FY) 2017/18. | Letter of the MOFPS attaching the Fiscal Policy Paper of September 2018 showing the achievement of the wage bill target.  ***Institution Responsible:*** MOFPS |
| 3. Policy issued by the Financial Secretary mandating the linking of payroll with approved positions. | Letter from the Financial Secretary attaching the policy mandating the linking of the payroll with approved positions.  ***Institution Responsible:*** MOFPS | 3. Initiation of the implementation of the action plan on the approved policy options in respect of employment outside of the establishment and measures to prevent reoccurrence. | 3. Letter from MOFPS confirming the implementation of the action plan has been initiated, and attaching a copy of the plan and a progress report with specific measures taken.  ***Institution Responsible:*** MOFPS |
| 4. Approval by Parliament of the Pensions (Public Service) Act, 2017which makes the provision for, inter alia: (i) a mandatory contribution by public officers; and (ii) an increase in the normal age of retirement for members of the pension scheme; and which contributes to fiscal sustainability in the medium and long term. | Publication in the Gazette of the Pension (Public Service) Act, 2017.  ***Institution Responsible:*** MOFPS | 4. Circular by the Ministry of Finance and the Public Service instructing MDA to make the pension deduction from public officers’ salary, in accordance with the Pension (Public Service) Act, 2017. | Letter from the MOFPS attaching the Circular instructing MDA to make the pension deduction from public officers’ salary, in accordance with the Pension (Public Service) Act, 2017.  ***Institution Responsible:*** MOFPS |
| 5. Approval by Cabinet of: (i) a Policy on the Categorization and Rationalization of Public Bodies (PB) (allowing for options to integrate, merge, close, contract out and divest); and (ii) an Action Plan for public sector transformation that includes the rationalization of 79 PB. | Letter from the Cabinet Secretary : (i) confirming Cabinet’s Approval of the policy and attaching a copy thereof; and (ii) confirming the approval of the action plan and providing a summary of its main components.  ***Institution Responsible:*** Office of the Cabinet/MOFPS | 5. Implementation of: (i) the Policy on the Categorization and Rationalization of PB, and (ii) the Action Plan for the rationalization of two (2) PB that were originally considered under the Action Plan approved by Cabinet for the first tranche. | Letter from the MOFPS attaching the document confirming the implementation of the policy on the Categorization and Rationalization of Public Bodies and the Action Plan for the rationalization of two (2) Public Bodies.  ***Institution Responsible:*** MOFPS |
| 6. Approval by the Financial Secretary of an Action Plan to increase the compliance of Self-Financing Public Sector Bodies (SFPB) with the submission of annual reports (including audited financial statements) within the four-month time period. | Letter from MOFPS attaching the action plan and confirming its approval by the Financial Secretary.  ***Institution Responsible:*** MOFPS | 6. Submission of at least 55% of annual reports of SFPB (including audited financial statements) within the four-month time period after the end of the financial year 2017/18. | Letter from the MOFPS attaching the document confirming the submission of the annual reports of SFPB (including audited financial statements).  ***Institution Responsible:*** MOFPS |