

World Bank Congratulates Jamaica on Economic Reform

WORLD BANK Country Director, Sophie Sirtaine has congratulated Jamaica for the progress made in economic reform and reaffirmed the Bank's commitment to support the country.

She was speaking at a high-level seminar with international experts and policymakers to discuss best practices for economic growth and debt management held at Jamaica House on July 12.

In a Joint Statement issued by the Office of the Prime Minister and the World Bank, Ms. Sirtaine said recent reforms to address persistent fiscal and debt issues, combined with measures to improve the investment climate, restored confidence in the Jamaican economy.

At the request of Prime Minister the Most Hon. Andrew Holness, the World Bank brought leading



Prime Minister the Most Hon. Andrew Holness (left) speaks with World Bank Country Director, Sophie Sirtaine, at Jamaica House on July 12.

experts to share experiences and best practices from other countries that have faced similar challenges and had successful economic turnaround.

For his part, Prime Minister the Most Hon.

Andrew Holness said, Jamaica is looking at new opportunities and strategies to promote sustainable and inclusive growth.

He added that Jamaica is advancing on key strategic investments in the energy,

logistics, agribusiness, information communication technologies, creative industries, and tourism sectors.

"These investments are critical to unlock economic competitiveness," Mr. Holness said.

Positive Trend in Revenue

JAMAICA CONTINUES to see a positive trend in revenue and grants, totalling \$70.1 billion in May, significantly ahead of budget.

This was revealed by Economic Programme Oversight Committee (EPOC) Co-Chair, Richard Byles, at a monthly briefing at Sagicor Life's offices in New Kingston on July 13.

Mr. Byles hailed Tax Administration Jamaica (TAJ) for improvements in its tax collection mechanisms, which led to strong tax revenue of \$67.6 billion, compared to a budget of \$63.8 billion. He said this is also an increase of \$12 billion over the similar period last year.

Taxes in all categories – Income and Profits, Production and Consumption, and International Trade – performed well and are ahead of budget.

Meanwhile, Mr. Byles said expenditures continue to be below budget, due to the late approval of the 2016/17 Budget. Some \$3.3 billion less was spent on Programmes and \$3.2 billion less on Capital Expenditure in May.

This, coupled with the positive variance on



Co-Chair of the Economic Programme Oversight Committee (EPOC), Richard Byles

Revenues and Grants, accounted for a strong Primary Surplus Balance of \$17.5 billion, compared to the budgeted of \$8 billion.

Mr. Byles said Net International Reserves (NIR) stood at US\$2.3 billion at the end of June, which is comfortably in excess of the International Monetary Fund (IMF) target of US\$1.81 billion.

On June 17, the IMF completed the combined 11th and 12th reviews under the Extended Fund Facility (EFF) for Jamaica. This enabled the disbursement of approximately US\$80 million. This brings total disbursement to about US\$748.2 million.

Measures Implemented Under EFF Will be Maintained

FINANCE MINISTER, Hon. Audley Shaw, says the Government is committed to maintaining measures implemented under the International Monetary Fund (IMF) Extended Fund Facility (EFF), after the agreement ends in December.

"I want to make it absolutely clear that this Government is not hesitant whatsoever to continue some form of engagement and monitoring with the IMF," the Minister emphasised.

The Minister was addressing the annual eco-

nomical forum of the Private Sector Organisation of Jamaica (PSOJ) and the Jamaica Money Market Brokers (JMMB) Group, at The Jamaica Pegasus hotel in New Kingston, on July 12.

Mr. Shaw said the intention is to continue reforms under the programme with a focus on maintaining fiscal discipline, while achieving equitable growth and the strengthening of the social safety net.

He noted that discussions have also commenced bet-

ween the Government and the IMF teams on developing a staff-monitored programme.

"This will be somewhat different from the current EFF. This successor programme will be instrumental in building on the achievements already made and tackling the challenge of achieving sustainable economic growth with fiscal consolidation and debt reduction," he said.

Mr. Shaw pointed out that beyond the "IMF surveillance", the Government will be "aggressive" in

ensuring that there is a balance between maintaining fiscal discipline and economic growth.

In 2013, Jamaica signed a US\$932.3-million four-year EFF agreement with the IMF to support a comprehensive economic reform agenda for the country.

Jamaica Welcomes Trinidad and Tobago PM

PRIME MINISTER of the Republic of Trinidad and Tobago, Dr. the Honourable Keith Rowley, arrived in the island on July 17, at the Norman Manley International Airport for an official visit to Jamaica.

He is here on the invitation of Prime Minister the Most Hon. Andrew Holness, for further dialogue on matters of mutual interest to both countries.

Prime Minister Holness extended the invitation to Prime Minister Rowley during their bilateral discussions, held at the Seventh Summit of Heads of States and Government of States, Countries and Territories of the Association of Caribbean States (ACS), in Havana, Cuba on June 4, 2016.

The visit follows ongoing discussions between



Prime Minister of the Republic of Trinidad and Tobago, Dr. the Honourable Keith Rowley

both Governments, towards the resolution of long standing bilateral and regional issues, including the implementation of the CARICOM Single Market Economy, and the related

free movement of community nationals, as well as immigration matters, trade and energy cooperation and air transportation.

Both leaders will discuss the signing of a framework agreement and the establishment of a Joint Commission, which is currently under negotiation, to provide a structured medium for bilateral discussions and cooperation.

Prime Minister Rowley, who will be accompanied by his wife, Mrs. Sharon Rowley, will spend four days in the Island. He is expected to meet with the Chairman of the CARICOM/CARIFORUM Review Commission, as well as the Leader of the Opposition and pay a Courtesy Call on the Governor-General.



Minister of Finance and the Public Service, Hon. Audley Shaw (right), has the attention of Group Marketing Manager, Jamaica Money Market Brokers, Kerry-Ann Simpson (2nd right). Looking on (from left) are Chief Executive Officer of the PSOJ, Dennis Chung; and President, PSOJ, William Mahfood. They were speaking before the start of the annual economic forum of the Private Sector Organisation of Jamaica (PSOJ) and the JMMB Group, at The Jamaica Pegasus hotel in New Kingston on July 12.

\$800 Million to Rehabilitate Cane Roads

SOME \$800 million will be spent to rehabilitate 80 kilometres of cane roads in sugar-producing parishes, under the Sugar Transformation Programme.

This was disclosed by Minister of Industry, Commerce, Agriculture and Fisheries, Hon. Karl Samuda, as he closed the 2016/17 Sectoral Debate in the House of Representatives on July 12.

The works will be undertaken in St. Thomas,

Hanover, St. Elizabeth, Clarendon, Westmoreland and Trelawny.

"In Westmoreland, we will be spending \$82 million; \$103 million in Hanover; \$170 million in Trelawny; in St. Thomas, \$68 million; and in Clarendon, \$134 million," Mr. Samuda said.

He added that some \$30 million will be spent to rehabilitate cane roads in St. Elizabeth and \$170

million in sections of Race Course Lane, Round Hood Lane, Woodlands Road, Hillrun (Phase II) and Wilkens Lane in St. Catherine.

The Sugar Transformation Programme aims to strengthen the economic diversification, social resilience and environmental sustainability of sugar-dependent areas, and maintain progress towards macro-economic goals.

Major Investment at Hounslow Agro Park

Minister of Industry, Commerce, Agriculture and Fisheries, Hon. Karl Samuda (left), and Donnie Nembhard, a farmer at the New Forest/ Duff House Agro Park, in Manchester, display a pumpkin during a tour of the facility on July 7. A major conglomerate will be investing in more than 200 acres of land for the production of hot peppers at the Hounslow Agro Park in St. Elizabeth.



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