



Ministry of
**Industry, Investment
and Commerce**

SECTORAL PRESENTATION

RESET FOR **RECOVERY**

**READY FOR
BUSINESS**

GORDON HOUSE

Tuesday, May 17, 2022

Dr. the Hon. **Norman Dunn**, MP

Minister of State





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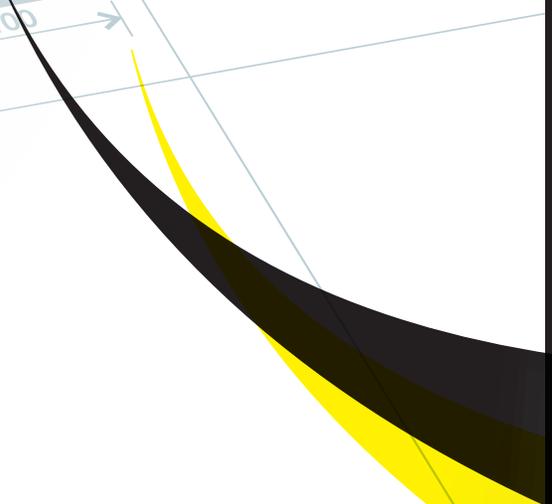
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ACKNOWLEDGEMENTS

Madam Speaker,

As I rise today to speak, I give thanks to God for being here. I am particularly privileged to stand before this Honourable House to make my first presentation in the Sectoral Debate to report on the achievements of the Ministry of Industry, Investment and Commerce, Jamaica's business ministry, for the 2021/2022 Financial Year, and to outline some of our programmes for the new Financial Year.

I am humbled and honoured to have this opportunity and must express my sincere appreciation to the Prime Minister, the Most Honourable Andrew Holness, for the confidence he has placed in me, to appoint me to the esteemed office of Minister of State in this Ministry.

I also acknowledge the Minister of Industry, Investment and Commerce, Senator the Honourable Aubyn Hill, who, since assuming office in January 2022, has been making inroads in fulfilling this Ministry's mandate, which is so critical to the development of our nation. At the same time, **Madam Speaker**, allow me to acknowledge the Honourable Audley Shaw, who formerly held the Ministerial portfolio, and under whose leadership and mentorship I was initially introduced to ministerial governance, and whose humility I continue to admire and emulate.

I thank my parliamentary colleagues on both sides of this Honourable House, as well as the dedicated Parliamentary staff, for your unswerving support since I became Member of Parliament.

My sincere appreciation also goes to the hardworking teams at the Ministry and its 21 portfolio entities, headed by Mrs Sancia Bennett Templer, Permanent Secretary, and Ms Michelle Parkins, our Chief Technical Director, who together,

steer the work of the Ministry with steady hands. As a team, we have managed to achieve much during the year, and have executed a range of policies, impactful programmes and activities as we strengthened our responsiveness and resilience.

To our investors, entrepreneurs, local and international partners, the private sector, as well as to the ministries, departments and agencies of Government who partnered with us in the past year, I say thank you on behalf of the three million Jamaicans who are the beneficiaries of our collaboration.

My presence in this Honourable House would not have been possible without the loyal support of my constituents in South East Saint Mary whom I have committed to serve to the best of my ability. They have loaned me to be present in this Honourable House and I thank them for their understanding and patience. To them, and my Councillors, Richard Creary, Richmond Division; Lenford Danvers, Castleton Division; Hugh Bryan, Annotto Bay Division; and Councillor/Caretaker Joseph Robinson, Bellefield Division, I express my sincere appreciation for their tireless support.

My sincere thanks also go to Mr Garwin Dixon, my Close Protection Officer, and Mr Mario Thomas, my Special Assistant, who have both endured tireless assignments way beyond their call of duty.

Finally, **Madam Speaker**, I express my deep appreciation to my beloved mother, Ms Eulalee Walters, who celebrated her 93rd birthday just three days ago, and to other family members, all of whom have favoured me with unconditional love, care and support for my journey.



Dr. the Hon.
Norman Dunn, MP

In the words of Professor Klaus Schwab, Executive Chairman, World Economic Forum, “the pandemic represents a rare but narrow window of opportunity to reflect, reimagine and reset our world. A new world could emerge, the contours of which it is incumbent on us to re-imagine and re-draw”.

As the world began to recover and reset, **Madam Speaker** the Ministry also reset its approaches as we supported MSMEs, protected consumers, strengthened advocacy, improved standards, increased trade and investment promotion, stimulated industries and enacted legislation.

Madam Speaker, we have continued, with renewed energy and focus to create and enhance the business environment for resilience and sustainability, and we can say that as the world emerges from the effects of the pandemic we are ready for business.

Madam Speaker, my presentation this afternoon in this Honourable House will not address the full suite of achievements of the Ministry or all of our future programmes, as the Honourable Minister Aubyn Hill will address in greater detail, various portfolio matters including a clear focus on exports to produce economic growth, accreditation, medical cannabis, local and foreign investment promotion, ease of doing business, in Jamaica, the value of intellectual property, the special economic zone ecosystem, and international financial and business services, when he speaks in the State of the Nation Debate in the Senate.

INTRODUCTORY REMARKS

Madam Speaker, The Ministry of Industry, Investment and Commerce supports several of the critical growth-inducing sectors of the economy and remains one of the drivers of industrial development in the manufacturing and services sectors. We also continuously take action to create an enabling business environment to ensure that local industries are able to embrace the opportunities to grow, flourish, expand exports and strengthen both the value and supply chains within Jamaica. Consequently, Madam Speaker, during the 2021/22 Financial Year, our strategic priorities, policies, programmes and key initiatives were deliberately geared to grow manufacturing, investment, services, commerce and trade as we recovered and reset.

Madam Speaker, there is no escaping the effects of the pandemic of the last two years. The world lost lives, livelihoods and the predictability of how we interact in our business, academic and social spaces. There have been disruptions to global markets, rising inflation, decreased foreign exchange earnings, as well as food and job insecurity.



SUPPORTING THE MICRO SMALL AND MEDIUM ENTERPRISE SECTOR

Madam Speaker, I must again highlight the importance of a sector that continues to make a significant contribution to national development, that is, the Micro, Small and Medium-Sized Enterprises (MSMEs).

MSMEs are important drivers of economic growth, equity in income distribution and sustained economic and social development in Jamaica. Collectively, they play a significant role in the creation and retention of wealth while generating significant opportunities for employment, and providing the support needed for private sector growth and expansion.



Financing the Sector

Madam Speaker, the Ministry and its agencies, primarily the EXIM Bank, the JBDC and JAMPRO, have designed and implemented key initiatives to boost the performance and enhance the competitiveness of our MSMEs.

A continuing problem for the sector, exacerbated by the COVID-19 pandemic, is the issue of access to financing. To address financing needs of the sector, the Government provided \$5 billion in the 2021/22 Financial Year and we are pleased with the further J\$13 billion provided for the 2022/23 Financial Year in affordable loans and credit guarantees. This Ministry is also playing its part and in June 2021, the Ministry, through the EXIM Bank, launched a special soft loan fund to the value of \$650 million at an interest rate of 4.75 per cent - yes, Madam Speaker, 4.75 per cent - the second lowest rate in the market. To date \$266.7 million has been approved for disbursement to SMEs to assist them to rebuild, retool and expand their businesses.

Madam Speaker, also through the EXIM Bank, even more financing, valued at approximately J\$4.2 billion, and constituting 433 short and medium-term loans, was disbursed to MSMEs in various sectors, including Agro Processing, Manufacturing, Bauxite/Alumina, Services, Distribution, Food and Beverage, Apparel and Tourism. At the same time, the EXIM Bank continued to provide loan restructuring support and loan rescheduling amounting to approximately J\$714 million during the fiscal year.

Madam Speaker, we are making affordable financing available to reset MSMEs for growth.

In moving to strengthen the sector, the Ministry

partnered with the World Bank, through its subsidiary, the International Finance Corporation (IFC), to undertake a comprehensive review of the secured transactions regime in Jamaica and make recommendations for an enhanced arrangement to address the financing needs of MSMEs.

Madam Speaker, I am happy to report that the IFC has presented several operational models to establish a digital secondary market platform which would pave the way for capital providers such as banks to actively use moveable assets as collateral for MSME financing. The concept would see a virtual platform for the trading of repossessed assets along with valuation and related services. We will select the most suitable model during this new financial year and commence the actions for implementation.

With respect to Security Interests in Personal Property, Madam Speaker, I am pleased to announce that a total of 21,534 non-traditional moveable assets to facilitate loans using these properties for the fiscal year under review.

Formalization of businesses carries significant benefits such as easier access to capital and the ability to participate in government capacity-building programmes. We thank the International Labour Organization (ILO) for the support provided through the Jamaica Business Development Corporation (JBDC) in the amount of J\$10.9 million for the 'Formalizing Operators in the Jamaican Agricultural and Fisheries Sectors' Project, which successfully formalized 100 small farmers and fisher folk and enhanced their business management skills. With the successful completion of this pilot, the JBDC stands ready to expand the programme in Jamaica and to work with the ILO to support implementation of a similar programme across the region.

Madam Speaker, through capacity-building support provided by the JBDC, 155 MSMEs were able to access funding in the amount of \$95.8 million through grants, lines of credit, and Development Bank of Jamaica (DBJ) technical voucher of assistance and go-digital programmes.

Capacity Building for MSMEs

Madam speaker, the JBDC is well advanced with implementing an Essential Oils Incubator, which will provide manufacturing capacity and position Jamaica to tap into a growing, lucrative industry. During the 2021/22 Financial Year, the JBDC built out the facility and procured equipment to fully establish the 2,800-square-foot incubator. Market research has been completed to identify the essentials oils which will be produced. Additionally, we have engaged with supporting partners and stakeholders to finalize the project components and ensure the success of the incubator. The incubator will be operationalized in the second quarter of this fiscal year.

Madam Speaker, we recognize that a significant proportion of our MSMEs are headed or managed by females, and we are moving to address the longstanding and unique challenges faced by women-owned businesses in Jamaica. In this regard, in collaboration with the Ministry of Culture, Gender, Entertainment and Sport, and with support from United Nations Women, we continue to implement the Women Entrepreneurship Support (WES) Project. Under this project, Madam Speaker, in 2021/22, we provided capacity-building and financial assistance to 10 women-owned businesses.

Madam Speaker, I would like to recognize two MSMEs that have benefitted from collaboration with the JBDC, Joni Bale Morgan of Morgan's Creek and Carl Sharpe of Chocollor, both graduates of the JBDC Accelerator Programme, a six-month intensive development programme jointly funded by the JBDC and the Development Bank of Jamaica (DBJ). Both are relatively new business owners, a young female entrepreneur and a retired engineer whose businesses have grown beyond their own expectations with the assistance of the JBDC despite the challenging economic conditions of the last two years and who exhibit the talent, innovation and resilience of our Jamaican people. As we continue our focus on building the resilience of the MSME sector, we have considered that during the pandemic many were unable to move their businesses to the digital space as they were constrained by lack of capacity and access to capital for investment in digital technology products and services.

With this in mind, **Madam Speaker**, the Ministry has engaged the European Union Delegation to Jamaica, and the Planning Institute of Jamaica (PIOJ) to design a digital transformation support programme for MSMEs. This is an important component of a broader European Union programme for Jamaica which will include the Education and ICT sectors.

The Digital Transformation support programme, which is under development for MSMEs has three core components:

- Digitization, to transition MSMEs from paper-based to electronic information.
- Digitalization, to transform MSME business processes from manual to electronic.
- Digital Transformation, to allow MSMEs to leverage technologies to build new business systems.



Madam Speaker, my technical team is working closely with the European Union Delegation and the PIOJ, to have the programme implemented in the 2023/2024 Financial Year. We express our gratitude to the European Union Delegation to Jamaica for this special support, as well as for their continued assistance to the MSME sector.

INCREASING THE EASE OF DOING BUSINESS

Digitalizing To Support Trade

Madam Speaker, the Ministry continues to capitalize on digitalization as a key tool to facilitate trade. As such, we continue in our efforts to provide fully automated services that will enable a single portal for access to the services of our cross border regulatory agencies. I am pleased to report, **Madam Speaker**, that with respect to the Jamaica Single Window for Trade (JSWIFT), to date:

- four agencies have been fully onboarded to the platform namely: the Jamaica Customs Agency (JCA), Trade Board Limited (TBL), Plant Quarantine and Produce Inspection (PQPI) Branch, and Jamaica Agricultural Commodities Regulatory Authority (JACRA).
- an additional two agencies are partially onboarded, namely, the Firearm Licensing Authority (FLA) and the Pesticides Control Authority (PCA).
- a further six agencies are to be immediately onboarded during the Financial Year 2022/23. These are the Veterinary Services Division (VSD), Hazardous Substances and Regulatory Authority (HSRA), Pharmaceutical Regulatory Affairs Division (PRAD) of the Ministry of Health and Wellness, the Sugar Industry Authority (SIA), the Jamaica Dairy Development Board (JDDB) and the National Compliance and Regulatory Authority (NCRA).

Since transactions commenced on the JSWIFT platform, Madam Speaker, over 62,000 applications have been processed. Of this amount, 36,316 or 58 per cent were processed during the fiscal year 2021/22.

The Jamaica Trade Information Portal (JTIP) has become one of the primary tools through which we disseminate transparent and predictable trade information. Since its launch in 2019, Madam Speaker, visitors to the site have grown to over 13,000 per year. As of April 2022, 34,500 users from 179 countries have visited the site.

Madam Speaker, to date, 4,082 Certificates of Origin have been issued by the Trade Board Limited. As a part of Jamaica's push for ease of doing business, the application and issuance of Certificates of Origin are being transferred to the digital space. This will allow traders and exporters to benefit from the application and use of these electronic certificates. With the approval of the CARICOM Customs Committee, on January 1, 2022, the Trade Board launched a three-month pilot to use these electronic certificates and is now in the extension phase of the pilot.

We are improving the ease of doing business to enhance efficiency and productivity.



Cooperation for Border Inspection

Madam Speaker, in our ongoing effort to facilitate the ease of trade, we are pleased to announce that, with the support of the World Bank Group, we have finalized inspection matrices and protocols to improve efficiency in the physical inspection of commodities at the borders by four of our Border Regulatory Agencies (BRAs). These entities - Veterinary Services Division (VSD), Food Storage and Prevention of Infestation Division (FSPID), Plant Quarantine Produce Inspection (PQPI) Division and the Department of Public Health in the Ministry of Health and Wellness – have signed Memoranda of Understanding to permit these Border Regulatory Agencies to share inspection responsibilities. **Madam Speaker**, this will result in a reduction in time and cost for border and documentary compliance for trade, and ultimately, will facilitate greater efficiency at the borders for both regulators and traders.

The New Trade Act

The changes brought about by the liberalization of the international trading system, allied to the rapid pace of globalization, require that Jamaica's laws substantially adjust to a modern approach to trade and international best practices. In its current form, the Trade Act, 1955 does not do so, presenting the need for an overarching repeal and replacement.

As we build resilience for trade and exports, the Ministry will undertake a review of the existing legislation and its repeal and replacement. It is envisaged that the New Trade Act will contain provisions that support a trading environment that is aligned with Trade Facilitation measures, which, in turn, will facilitate ease, predictability and transparency when trading.

Unlike the current Trade Act, which focuses solely on trade in goods, the new Trade Act will include a regulatory environment for trading in services and contain provisions that support initiatives related to trade, agriculture and agriculture-based exports.

Trade Facilitation Reform Measures

Madam Speaker, as we execute our trade facilitation reform programme to increase our trade and export, we have engaged the Planning Institute of Jamaica's Foundations for Competitiveness and Growth Project for support to undertake a number of key initiatives in the 2022/23 Financial Year, including:

- developing an Enterprise Risk Management Framework for Border Regulatory Agencies
- designing a coordinated laboratory framework and implementation plan for the agri-food sector
- enhancing and upgrading the Trade Portal
- organizational design of a coordinated border management framework for trade regulatory services for border regulatory agencies
- review of the legislations and regulations governing the Border Regulatory Agencies

These enhancements will provide accessible trade regulatory information; modernize trade legislation; reduce risk for regulators and traders; and further expand coordination of border regulatory services which ultimately will create efficiencies in cross border trade.

ENABLING COMMERCE AND STRENGTHENING BUSINESS GROWTH

Madam Speaker, ensuring a stable, competitive and transparent environment to increase commercial activities and sustain businesses continues to be a critical objective of this

ministry. To this end, the ministry undertook several programmes and initiatives to manage the domestic business and commercial environment to ensure that it operates efficiently and balances the interests of all stakeholders.

Implementation of the National Quality Policy

One such initiative, **Madam Speaker**, was the establishment of the National Quality Policy Council, which I chair, to advance implementation of the National Quality Policy that will position Jamaica as a standards-led, market-driven economy supported by a culture of quality to achieve global competitiveness and consumer protection.

Standards and Quality

In this regard, **Madam Speaker**, the National Quality Infrastructure agencies under this Ministry's portfolio continue to play critical roles to ensure the safety of all Jamaicans and our visitors. In the last fiscal year, through the Bureau of Standards Jamaica (BSJ), 68 new standards were completed and /or promulgated. Forty-three service standards were developed, along with 25 product standards, covering a wide range of areas including building construction, health informatics, organizational resilience and environmental management.

Madam Speaker, critical among the standards launched were:

- the revised Jamaican standards for hollow concrete blocks (JS35:2021) and ready-mixed concrete (JS 133:2021) which were launched in March 2022,
- two standards for transportable gas containers (JS25:2018) and for the inspection, retesting and use of transportable containers (JS41:2021), which were also launched in March 2022,

- the Jamaican Standard Specification for Biodegradation of plastics in a terrestrial environment (JS 355: 2022), which was launched in January 2022.

With a focus on agri-business development, in the 2022/23 Financial Year, the Bureau of Standards Jamaica will provide critical support to the cannabis, castor bean, bamboo, hot pepper and cassava subsectors, through product testing, standards development, calibration, training, research and profile development, capacity building, and value chain development.

Public Sector Certification to ISO 9001:2015 Quality Management System (QMS) Standard

Madam Speaker, and Members of this Honourable House, I am pleased to report that the Ministry of Industry, Investment & Commerce, that I have the privilege of representing today, is the first Ministry to complete its ISO 9001:2015 (QMS) Stage 1 Certification Audit.

We are now working steadfastly to complete Stage 2 Audit by July 2022 and when that is accomplished, we will become the first ministry in Jamaica to be so certified. We are going, Madam Speaker, where no other ministry in Jamaica has gone before.

As the ministry mandated to lead the charge of certification among public sector bodies, to date, the Ministry has supported the certification of 19 public sector agencies. An additional seven entities have completed Stages 1 & 2 Certification audits.



A further eight entities have completed Stage 1 Certification Audit and are preparing for Stage 2 audit.

Nine other entities are at various stages of implementation of the Standard and are preparing for Stage 1 audit. These 15 agencies should attain ISO 9001:2015 certification in the 2022/23 Financial Year.

Madam Speaker, the Government is leading the way.

I therefore encourage our private sector, which is the engine of growth, to implement Quality Management Systems in their operations and in so doing, improve their global competitiveness, increase trade, and satisfy our citizens with a quality business environment.

Accreditation

An extremely critical element in Jamaica's Quality Infrastructure is accreditation. In January 2021, JANAAC launched the Pre-Accreditation Approval Programme (PAAP) for unaccredited medical and testing laboratories, and point-of-care testing (POCT) providers to obtain approval for COVID-19 testing services.

This, **Madam Speaker**, is a signature accomplishment led by this Ministry, as it is the first locally-adapted programme designed by JANAAC, enabling entities to be added to the Government's published list of COVID-19 testing providers, whilst they transition towards full accreditation.

Under this programme, JANAAC verifies and validates the technical competence of the COVID-19 testing facilities to provide accurate test results to consumers. Since the launch of the PAAP, JANAAC has awarded 56 pre-accreditation approval certificates for COVID-19 testing.

Madam Speaker, we must recognize and applaud the role that JANAAC plays in the fight against COVID-19, as the Agency steadfastly remains a key partner with the Ministry of Health and Wellness in managing the pandemic.

Companies and Business Names Registration

Madam Speaker, our Jamaicans are a resilient people. In a year when this country, like the rest of the world, still grappled with the COVID-19 pandemic, the Companies Office of Jamaica (COJ) reported an increase in the number of companies registering business names and in the number registering companies. During the year under review, the COJ registered 16,888 business names and 4,983 companies. Those numbers represent increases of 17.59% and 16.56% respectively, compared with the previous year.

There was also a 54% increase in the use of the Electronic Business Registration Form (eBRF) to register business names, and a 40% increase in company registrations compared with the previous year.

We applaud our Jamaicans for their indomitable entrepreneurial spirit.

CONSUMER EMPOWERMENT & PUBLIC PROTECTION

During the Financial Year, **Madam Speaker**, the Ministry and several agencies under our portfolio maintained focus on consumer protection and empowerment.

The Food Storage and Prevention of Infestation Division (FSPID) continued to ensure the safety and wholesomeness of food/feed entering commerce. To this end, the Division conducted

12,539 inspections and 647 disinfestation operations, and executed 3,647 laboratory analyses.

In its continued thrust to ensure the health and safety of Jamaicans, the National Compliance and Regulatory Authority (NCRA) conducted 6,276 inspections on ports of entry and in markets and importer warehouses. A total of 9,199 weighing and measuring devices used in trade were verified for accuracy.

During the Financial Year, the value of goods withdrawn from sale by the NCRA for consumer protection amounted to approximately \$10 million. We recalled fans that were a safety hazard, and detained and withdrew from sale 68,700 substandard concrete blocks and 13,058 litres of substandard petroleum products, valuing \$2.2M.

In collaboration with the NCRA, the BSJ established the Energy Efficiency and Labelling Programme to test appliances and generate efficiency labels to assist the consuming public to realize the benefits of energy efficiency. This is largely possible due to the BSJ's newly minted Energy Efficiency Laboratory, which, I am extremely proud to report, has been designated as a Centre of Excellence in the CARICOM region.

The Consumer Affairs Commission (CAC) continued its consumer awareness activities and during the Financial Year conducted 51 price surveys examining grocery, agricultural and petroleum products, hardware items, school textbooks, banking fees, sanitation and hygiene products as well as approved sites for COVID-19 related tests. The CAC fulfilled its responsibility to increase consumer awareness, and during the year directly sensitized 38,047 consumers.

In continuing its strong advocacy for consumer protection, **Madam Speaker**, the Consumer Affairs Commission handled 1,695 complaints and resolved 1,361 resulting in a resolution rate of 80.77%. The Commission was able to secure nearly \$16M in compensation/refunds on behalf of aggrieved consumers. I am pleased to report too, Madam Speaker, that beyond this performance, the CAC's Consumer Protection Tribunal (CPT) adjudicated a case and awarded \$7.6 million to the consumer, the largest-ever compensation granted by the Tribunal.

On March 15, 2022, Jamaica observed World Consumer Rights Day under the theme, 'Fair Digital Finance.' The CAC used the occasion to sensitize consumers on the use of online financial platforms, an important initiative as businesses in Jamaica continue the transition to ecommerce activities. In keeping with its consumer protection responsibility role after being named in the Micro Credit Act, 2021, the CAC has finalized a draft Microcredit (Consumer Related Matters) Code of Conduct, 2021 and has submitted the Code to the Bank of Jamaica for comments. The Commission will conduct stakeholder consultations following feedback from the Bank of Jamaica (BOJ).

Significant progress was made, **Madam Speaker**, towards completing the National Consumer Policy. Work on the policy began in January 2022, and the Green Paper is slated for submission to Cabinet in September 2022.

Significant effort was made to maintain and encourage competition in the provision of goods and services, during the year under review. In this regard, the Fair Trading Commission resolved 80% of anti-competitive cases and accrued J\$6.330 billion in benefits from market investigations.

Madam Speaker, we are protecting and empowering our consumers!

Merger of the Consumer Affairs Commission and the Fair Trading Commission

As it embraced and accelerated digitization and automation, with critical support from the PIOJ's Foundations for Competitive Growth Project (FCGP), the FTC and the CAC completed the creation of a customized Electronic Case Management system which will be rolled out in the 2022/2023 Financial Year. This system will assist both entities to automate case workflows and processes; store and access a great deal of client information, and drive case resolution rates, while boosting customer satisfaction. **Madam Speaker**, this is a critical function as the Ministry moves to complete the merger of the Consumer Affairs Commission and the Fair Trading Commission to create a single public body that will execute the functions of consumer protection and fair competition. It is expected that this merger will be administratively completed in the second quarter of this financial year to improve service delivery, reduce operational costs and increase efficiencies. Hazardous Substances Regulatory Authority The Hazardous Substances Regulatory Authority (HSRA) continues to protect people, property and the environment from the harmful effects of hazardous substances. The agency conducted 140 inspections and added 155 radiation sources to the National Registry which it manages.

Madam Speaker, we are ensuring the safety of consumers.

INVESTMENT PROMOTION

Madam Speaker, Jamaica remains ready for business and in keeping with our investment promotion objectives, we continue to embark on targeted initiatives to increase investment. For the fiscal year ending March 31, 2022, JAMPRO, our investment promotion arm facilitated the start of 42 new investment projects across various sectors, 23 of which were new projects by local and international investors, and 19 were expansion projects from existing investors.

Madam Speaker, Minister Hill will present more details on JAMPRO's investment and trade promotion activities, and plans when he speaks in the Senate.

World Free Zones Organization 8th Annual International Conference and Exhibition

Madam Speaker, as part of our investment promotion strategy, Jamaica will host the World Free Zones Organization's 8th Annual International Conference and Exhibition (AICE) from June 13 – 17, 2022 at the Montego Bay Convention Centre.



This is a significant event as it will be the first time that this conference will be hosted in the Caribbean. It will also be the largest event to be held in Jamaica since the start of the pandemic and we expect approximately 700 visitors to be in Jamaica for four days of conference and exhibition.

The conference is a pivotal opportunity for Jamaica to showcase the country as an ideal location for Special Economic Zone investment and we also anticipate a significant injection to our tourism destination recovery plan.

Madam Speaker, in partnership with the world, we are building a strong, resilient and prosperous economy.

DEVELOPING AND SUSTAINING INDUSTRIES

Madam Speaker during the Financial Year, the Ministry focused on developing and sustaining globally competitive industry structures.

The cannabis industry continues to be a key one for development given its cultural significance and its potential to contribute considerably to the Jamaican economy. In moving to reset the Cannabis Industry, in June 2021, the Ministry established a Cannabis Industry Development Taskforce, which I chair. This taskforce will shortly present recommended national policies and strategies for a viable and sustainable medical cannabis industry. Key areas of focus include greater economic inclusion; meeting emerging consumer demand and promoting ongoing investor interest; effectively competing in the global cannabis space; and diminishing the supply of ganja to the illicit market.

In November 2021, the Taskforce completed a comprehensive Action Plan with key initiatives to

support the industry and importantly, to ensure economic inclusion for small-scale and traditional cannabis farmers. The industry is demanding that we aggressively implement the action plan in the 2022/23 Financial Year and Madam Speaker, we are responding decisively to take our cannabis industry to higher heights.

Additionally, **Madam Speaker**, we will shortly present recommendations to the Cabinet to execute two projects to include small scale and traditional farmers in the regulated industry. These projects are in an advanced design phase and Minister Hill will elaborate on these, as well as the plans to further develop the industry, in his contribution to the State of the Nation debate.

Madam Speaker, the sky is the limit for the Jamaican Cannabis Industry.

Another key sector is our Craft Industry. The global Arts and Crafts market was valued at US\$41.59 billion in 2020 and is expected to reach US\$54.53 billion by the end of 2026. We are aware, **Madam Speaker**, that a significant amount of our craft is imported from other countries. This trend must shift towards locally produced craft.

With this in mind, the Ministry established a National Craft Council in September 2021 to support the development of the craft industry by implementing the National Craft Policy. Under my chairmanship, in the 2022/23 Financial Year, we will work with our partner ministries - the Ministry of Tourism and the Ministry of Culture, Gender, Entertainment and Sport - to execute the policy initiatives to drive economic development for this sector.



Madam Speaker, last year we announced that we were placing particular emphasis on bamboo as a versatile, environmentally friendly commodity with considerable global growth potential.

To this end, the Ministry continues to work towards establishing a Bamboo Industrial Demonstration Facility, with funding for the project provided through bilateral partnership between the People's Republic of China and the Government of Jamaica (GoJ). We expect to have full project approval by August 2022. The facility will be the first of its kind in the Caribbean.

Madam Speaker, as we work to increase support to the bamboo industry, we have engaged the Ministry of Agriculture and Fisheries to recognize bamboo as an industrial crop under the Agricultural Produce Act. This will allow for the provision of technical support and extension services for this critical industrial crop.

SUPPORTING MANUFACTURING GROWTH

The manufacturing sector is the largest of the goods-producing sectors with significant growth potential for Jamaica. Domestic export earnings increased by 10 per cent in 2021 to US\$1.281 billion. The increase was due to a rise in exports from the manufacturing and agriculture industries, with manufacturing export increasing by 30.8 per cent. We are encouraged by this performance and the Ministry continues to implement their **National Manufacturing Five Year Growth Strategy** to further enhance the business environment for manufacturing to increase employment, foreign direct investment, export sales, and foreign exchange earnings.

Madam Speaker, an important component in manufacturing expansion and trade is our ability

to defend our local manufacturing sector. The Anti-Dumping and Subsidies Commission (ADSC) continues to engage with industries affected by imports, and two industries are currently at various stages of the complaints filing process towards seeking Trade Remedies.

The Ministry also supported manufacturing by processing 61 requests for suspension of the CET to allow for the temporary derogation from the applicable rates of duty on inputs for the manufacturing sector for goods valued at over **US\$490 million**.

Madam Speaker, we also facilitated intra-regional trade with CARICOM by processing 31 Safeguard requests for the manufacturing sector to use extra-regional material in the manufacturing process, and for the export of the finished product to CARICOM territories without being subject to import duties and other restrictions.

Through the CARICOM Community Secretariat, **Madam Speaker**, the region is undertaking a Comprehensive Review of the CET and CARICOM Rules of Origin, to ensure these trade instruments are modernised to meet the realities of current regional and international trade. My Ministry continues to work with the private and public sectors to ensure that our trading interests are represented in the review.

Madam Speaker, the team at the Ministry is fully committed and stands ready to work with our private sector, to utilize trade instruments to support market access and increase trade across the region.



Another key activity undertaken in support of the manufacturing sector in the Financial Year 2021/22 was the continued administration of the Productive Input Relief (PIR) for the manufacturing sector to allow duty-free importation of goods intended for direct use in the manufacturing process. During the Financial Year, we processed 114 applications. Of this amount, 38 represented new applications and 74 were renewals. To date, 568 manufacturers are benefitting from the regime.

Madam Speaker, we recognize the dynamic nature of manufacturing, that it requires continuous revision of our supporting framework. As such, we will review this incentive arrangement to advance recommendations to expand the regime to take into account technological developments and diversification in manufacturing, because **Madam Speaker, industry 4.0 is now.**

STRENGTHENING THE INTELLECTUAL PROPERTY FRAMEWORK

Madam Speaker, as we continued to foster resilience in our industries in the last Financial Year, we placed particular emphasis on creating a robust ecosystem for intellectual property in Jamaica to enable Jamaicans to benefit from their creative works.

Under the guidance of the Jamaica Intellectual Property Office (JIPO), Jamaica became party to three international treaties in the last Financial Year - The Patent Cooperation Treaty (related specifically to Patents), the Hague Agreement Concerning the International Deposit of Industrial Designs (related to designs) and the Madrid Protocol (related to trademarks). These treaties will allow for filing for protection in the designated countries and enable greater ease of international registration. This **Madam Speaker**, is

a tremendous achievement for Jamaica, - it is a big deal - considering it was in the making for 17 years. We have now finally accomplished this. At the local level, JIPO recorded annual revenue of over \$115 million for the year, and, in spite of the COVID 19 pandemic, an increase in the number of registration of intellectual property rights.

Madam Speaker, JIPO has completed a significant project to strengthen the intellectual property ecosystem to improve the business climate in Jamaica, to allow enterprises to use intellectual property assets, which include their patents, trademarks, industrial designs and copyright as collateral. We thank our development partners for the support provided to execute this project.

Madam Speaker and Members of this Honourable House, we are changing the game.

OUR AGENCIES LEADING IN THE INTERNATIONAL ARENA

Madam Speaker, let me take a moment to recognize the contribution of our agencies and their leaders in the international arena. We are pleased to announce that JIPO has been selected to chair the **Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore**. JIPO's Executive Director, Ms Lilyclaire Bellamy, will start her two-year term later this month as the **first female to hold this key position.**

Another of our agencies, the Anti-Dumping and Subsidies Commission, has come to international attention and has been singled out by officials at the World Trade Organization as a model among similar authorities in small economies. The Executive Director, Ms Andrea Marie Dawes, has been invited to serve as an expert on several dispute settlement panels between WTO

Members, where she has been leading multi-disciplinary teams of WTO experts and Members of the Arbitrator from across the world.

We congratulate both these leaders on their appointments, which help to underscore Jamaica's international reputation for astute and skilled leadership in different sectors.

SUPPORT TO THE SERVICES SECTOR

Madam Speaker, as the Ministry enhances its focus on services, we will undertake the development of Jamaica's National Services Policy and Implementation Plan (NSPIP) to provide a cohesive and comprehensive services framework to enable Jamaican services providers to participate fully in the CARICOM Single Market and Economy (CSME). Madam Speaker, the Green Paper will be tabled in this Honourable House before the end of the 2022/23 Financial Year.

Jamaica continued its robust representation of the Services Sector in the region. In March 2022, led by Senator the Honourable Aubyn Hill, Jamaica participated in the 98th Special Meeting of the COTED for the Regional Services sector, which approved three of seven Draft Regional Sub-Sector Strategies and Implementation Plans, namely, Professional Services and Single Registration of Professionals; Tourism Services; and Postal and Courier Services, for the period 2022 to 2026; as well as a draft COVID-19 Services Sector Strategy for the period 2022 to 2024.

STRENGTHENING THE LEGISLATIVE FRAMEWORK

Madam Speaker, I am pleased to announce that in the 2021/22 Financial Year, the Ministry had a robust legislative agenda and completed several legislative amendments during the financial period.

As a result of the limit on public gatherings occasioned by the Disaster Risk Management provisions, **The Cooperative Societies (Amendment) Regulations, 2021** and **The Friendly Societies (Amendment) Regulations, 2021** were promulgated. Similarly, **The Companies (Amendment), 2021**, was enacted in November 2021, with amendments made to allow companies to hold electronic and hybrid annual general meetings. These amendments were welcome and timely as they allowed flexibility and business continuity during the COVID-19 periods of restriction and for future such restrictions.

The Agricultural Loan Societies & Approved Organizations Regulations, 2021 was also passed by Affirmative Resolution on December 10, 2021 to strengthen the legislative framework of the 2017 Act, particularly in relation to the registration and regulation of the agricultural loan societies as well as certification of approved organizations by or under the Registrar of Cooperative Societies.

Trade Mark (Amendment)

On June 1, 2021, I was privileged to be in this House of Representatives as the **Trade Mark (Amendment) Act, 2021** was passed, leading to its passage in the Upper House. That leads me to address Jamaica's accession to the Madrid Protocol. **Madam Speaker, today I announce to this Honourable House that we acceded to the Madrid Protocol on March 27, 2022.** This Protocol is an international system for obtaining trade mark protection in a number of countries and/or regions using a single application. The Bill was passed in the House of Representatives on June 1, 2021 and in the Senate on June 11, 2021. The Bill was enacted on June 30, 2021.

In the 2022/23 Financial Year, **Madam Speaker**, the Ministry will continue to pursue a vigorous legislative programme which includes over 20 pieces of legislative amendments. Priority will be given to:

- **Amendments to the Companies Act:** Beneficial Ownership- to strengthen the disclosure of information relating to the beneficial owners of companies in accordance with the Financial Action Task Force Recommendations to counter money laundering and terrorism financing to encourage investment and growth in the economy.
- **Finalizing the National Compliance and Regulatory Authority Bill (Draft Bill)**- to independently establish the National Compliance and Regulatory Authority as a statutory body to carry out the regulatory functions previously discharged by the Bureau of Standards. This will allow Jamaica to conform to International standards and its obligations under the World Trade Organization Technical Barriers to Trade Agreement.
- **The Insolvency (Amendment) Bill (Draft Bill)**- to improve the business environment by creating greater efficiency in the operation of the Act to allow for the rehabilitation of businesses where possible, and prevent insolvency.
- **The FTC/CAC Merger Legislation**- to support the merger of the Fair Trading Commission and the Consumer Affairs Commission in keeping with the GOJ's rationalization programme for public bodies.
- **Dangerous Drugs (Cannabis Import, Export, Transit & Trans-shipment) Regulations** - to facilitate the growth of the Cannabis



Industry for medical, therapeutic and scientific purposes by creating a legal framework for import, export, transit & trans-shipment in the industry.

- **Dangerous Drugs (Cannabis Licensing) (Interim) (Amendment) Regulations** - to improve the legal framework in relation to the regulated licensing regime for the use of ganja for medical, therapeutic and scientific purposes.

CONCLUSION

Jamaica's quest to become the place of choice to live, work, raise families and do business is central to the operations of this Ministry. We have been good stewards as we worked towards our Sustainable Development Goals and nurtured our environment into one that is resilient, sustainable and prosperous. We showed the world that the pandemic could not stop us.

As Jamaica resets and recovers, the Ministry of Industry, Investment and Commerce, Jamaica's business ministry, of which I am proud to be a part, will continue to foster an enabling business and trade environment; open new doors for manufacturing and exports; re-ignite and support entrepreneurial spirit; increase demand for Jamaican goods and services in both current and new markets; promote local and foreign direct investment; and increase digitalizing services to improve on efficiency and access; thus enabling the prosperity of all Jamaicans.

Madam Speaker, we are ready for business.

We are ready for business with legislative amendments;

we are ready for business with retooling and digitalizing our MSMEs;

we are ready for business with attracting quality investments and improving export markets;

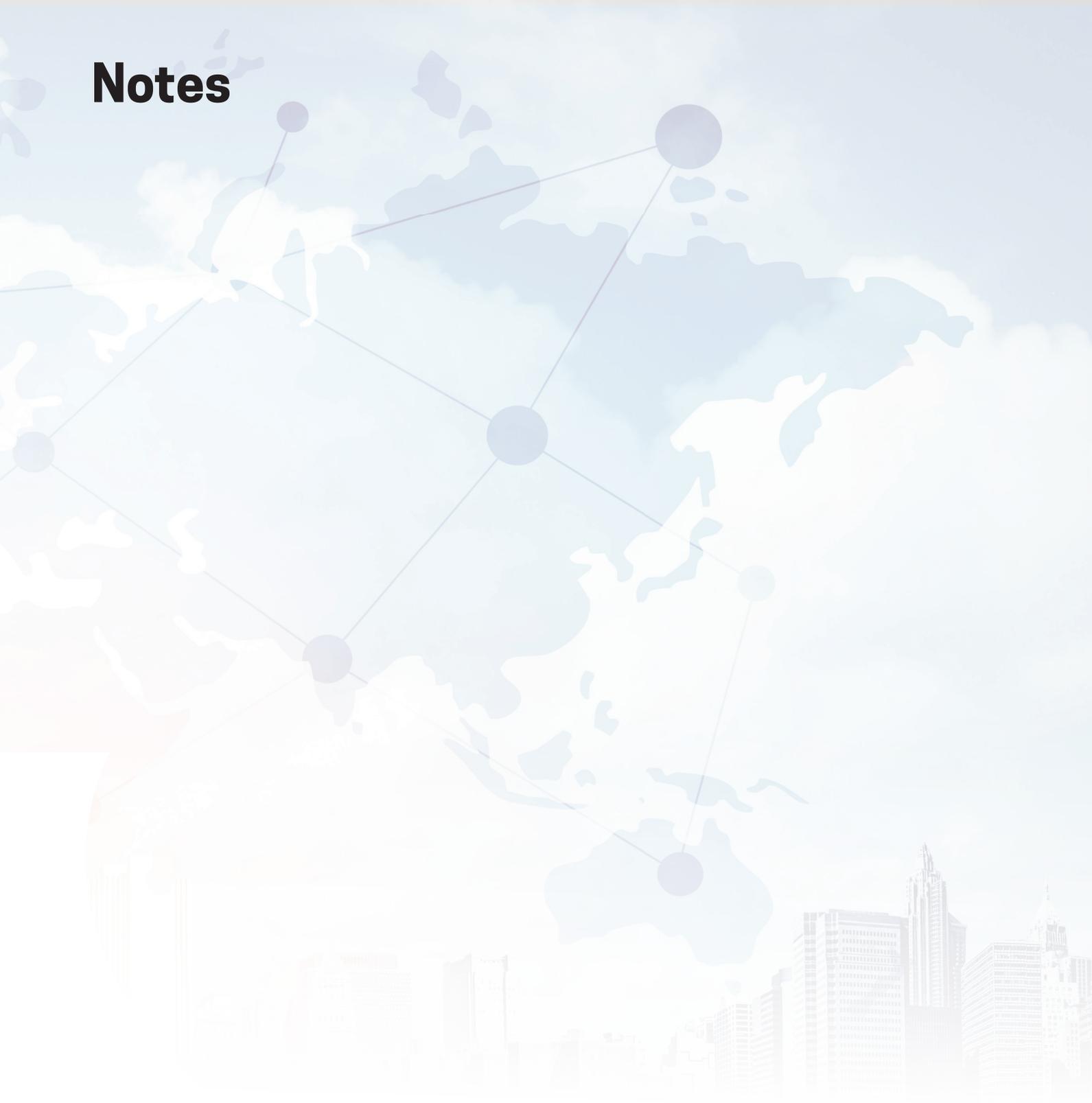
developing craft industries and infrastructure; and we are ready for business with protecting and monetizing intellectual property for Jamaicans.

And **Madam Speaker**, we are moving ahead to lead the world in utilizing moveable assets as collateral; developing standards with appropriate certification to world class levels; developing sustainable industries; and protecting and empowering our consumers.

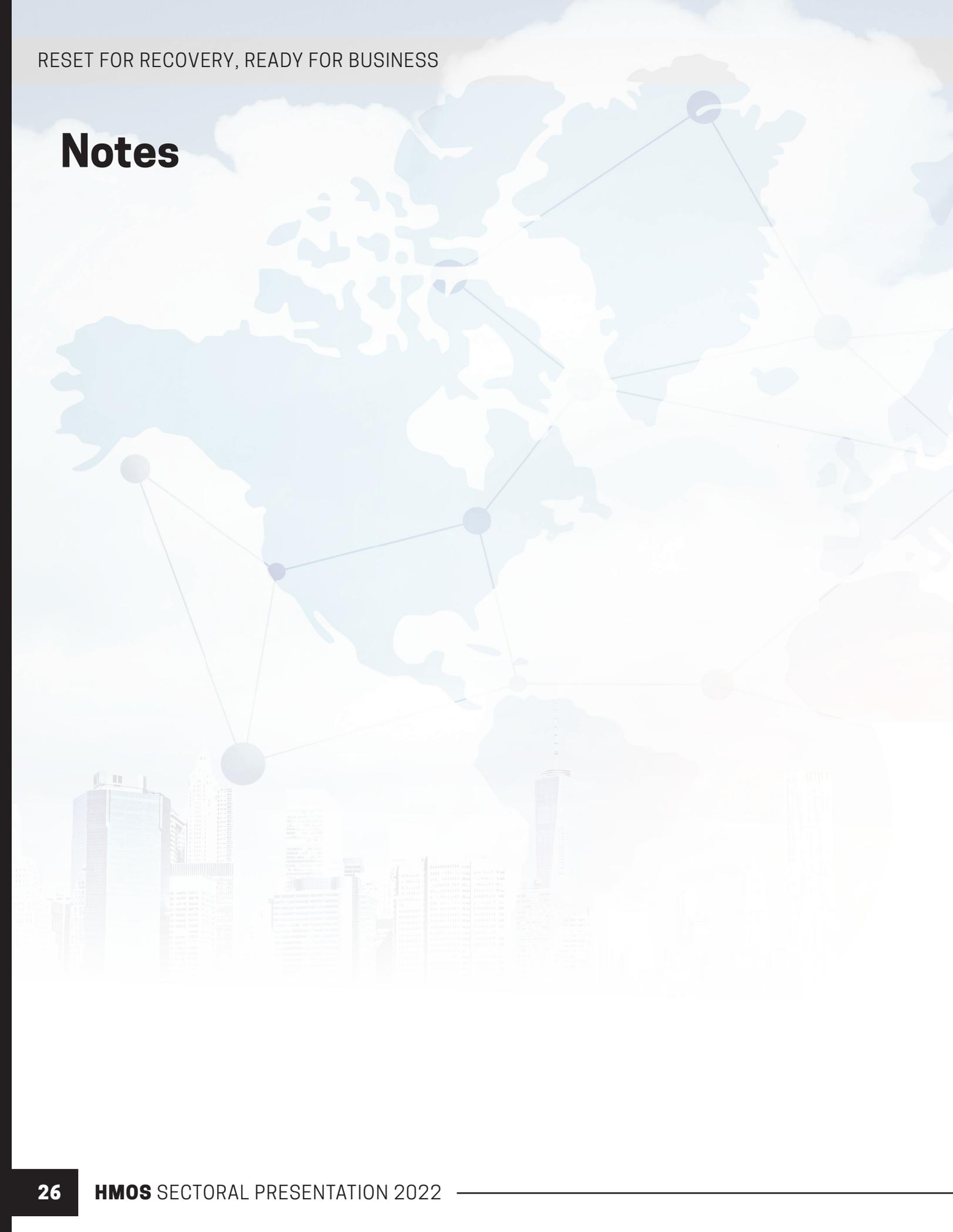
Madam Speaker, we have reset for recovery and indeed, we are ready for business.

Thank you.

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