



Doing Business in Jamaica:

2013 Country Commercial Guide for U.S. Companies

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- [Chapter 1: Doing Business In Jamaica](#)
- [Chapter 2: Political and Economic Environment](#)
- [Chapter 3: Selling U.S. Products and Services](#)
- [Chapter 4: Leading Sectors for U.S. Export and Investment](#)
- [Chapter 5: Trade Regulations and Standards](#)
- [Chapter 6: Investment Climate](#)
- [Chapter 7: Trade and Project Financing](#)
- [Chapter 8: Business Travel](#)
- [Chapter 9: Contacts, Market Research and Trade Events](#)
- [Chapter 10: Guide to Our Services](#)

[Return to table of contents](#)

Chapter 1: Doing Business in Jamaica

- [Market Overview](#)
- [Market Challenges](#)
- [Market Opportunities](#)
- [Market Entry Strategy](#)

Market Overview

[Return to top](#)

- For the past two decades, Jamaica's economic growth has been under 1% per year.
- Real GDP has been in continuous decline in Jamaica since March 2012, contracting between -1.0% to 0% during the April 2012-March 2013 period.
- The global economic meltdown was particularly felt in Jamaica due to the existence of structural impediments such as declining productivity, high debt, and crime. Between late-2007 and 2010, Jamaica experienced thirteen quarters of continuous economic declines.
- In early 2010, the Government of Jamaica (GOJ) signed a US\$1.27 billion Stand-By Arrangement (SBA) with the International Monetary Fund (IMF), and restructured high interest government debt at lower rates and longer maturities through the Jamaica Debt Exchange (JDX). Only three of the eight formal reviews envisioned for the SBA were completed.
- In 2013, the GOJ entered into a US\$958 million 4-year Extended Fund Facility (EFF) with the IMF, and restructured government debt at lower interest rates and longer maturities through the National Debt Exchange (NDX).
- Jamaican exports began to increase in 2010, largely due to the reopening of an alumina refinery and an upswing in international commodity prices. Proceeds from coffee exports, which rose as Jamaican Blue Mountain coffee gained near-iconic status in Japan, substantially dropped and highlighted the danger of concentrating on single market sales of a low volume premium product. The demand shock forced coffee players to seek and develop new markets in the United States and China. Nontraditional exports did not fare as badly during the crisis, suggesting these products are not as vulnerable to external demand shocks

- As of May 2013, the Bank of Jamaica forecasts that during FY 2013-2014 (i.e., April 2013-March 2014), Jamaica will experience real GDP growth of 0.5%-1% and inflation of 8.5%-10.5%.
- The United States remains Jamaica's main trading partner, generally accounting for about 40% of the nation's total trade. Jamaica's other major trading partners include Canada, China, Trinidad and Tobago, Japan and the United Kingdom. Jamaica purchases significant amounts of petroleum from Venezuela.
- Bilateral relations between Jamaica and the United States are good, although the two countries disagree on a few specific issues, such as relations with Cuba, and at times vote differently on issues before the United Nations.

Market Challenges

[Return to top](#)

- The nation's courts lack resources and have a backlog of cases. Businesses that seek redress from the courts on matters pertaining to business disputes often complain about the high financial costs of litigation and the slow pace of relief. The Embassy is aware of at least one business entity with a Jamaican court order in its favor, which still experienced great difficulties in collecting on an unpaid debt that it was found to be legally due. Under these circumstances, it is particularly important to conduct thorough due diligence on potential business partners in Jamaica.
- Corruption remains a major concern among Jamaicans, many of whom believe it contributes to the nation's high crime rate. Despite numerous allegations of public corruption and at times arrests, there have been essentially no convictions of high ranking government or public officials. This received notable press attention in Jamaica. According to Transparency International's Perception Index for 2012, Jamaica was tied in 83rd place with Burkina Faso, El Salvador, Panama, and Peru.
- Serious crime declined in Jamaica following the 2010 extradition of drug lord Christopher "Dudus" Coke, who pleaded guilty to racketeering and conspiracy to commit assault charges before a U.S. court in August 2011. Crime remains a significant concern and additional security measures add considerably to the cost of doing business in Jamaica.
- Since the early 1990's, Jamaica has embarked on a program of gradual duty reduction (trade liberalization). Permits and import licenses are now mostly limited to meat, produce, drugs, firearms, used tires, and two-way radios. While trade liberalization has made it easier to import into Jamaica, some technical (including phyto-sanitary) barriers still exist.

- Jamaica is a member of the Caribbean Common Market (CARICOM) and as such, goods imported from outside of CARICOM are subject to a common external tariff (CET). Goods certified to be of CARICOM origin tend to enjoy duty-free status, and are therefore not subject to customs duty. However, these and other goods may be subject to a 16.5% General Consumption Tax (GCT) at the time of purchase by consumers in Jamaica. For information on CARICOM, please visit www.caricom.org
- Imports attract a Customs User Fee and a Standards Compliance Fee (SCF). The SCF is 0.3% of the CIF value of the import and is collected on behalf of the Jamaica Bureau of Standards. Many items (such as motor vehicles) are subject to additional special taxes. The General Consumption Tax (GCT) is also usually payable upon entry. The GCT is a sales tax, which is recoverable from the final consumer.
- Electricity costs that have averaged about US\$.40 per kilowatt hour, discourage investment and make the running of existing businesses expensive. The Government of Jamaica has embarked on some efforts to increase energy efficiency and diversify electricity generation beyond thermal diesel generators (which provide about 92% of Jamaica's electricity needs). Jamaica has yet to adopt a strategic, long term energy strategy.

Market Opportunities

[Return to top](#)

- The United States is Jamaica's primary trading partner. Proximity, quality and service have encouraged Jamaican businessmen and consumers to purchase from the United States. Logistically, Jamaica has excellent air, sea, and underwater communications cable links with the United States and the rest of the world.
- While economic growth in Jamaica is sluggish, some sectors provide good prospects for exporters in the United States, including agriculture, pharmaceuticals/chemicals, and machinery/ transportation equipment. Jamaica's tourism sector offers opportunities for investment.

Market Entry Strategy

[Return to top](#)

- Agents and distributors are commonly used as the conduit to enter the Jamaican market, but the U.S. Commercial Service also assists U.S. firms in their search. The Foreign Commercial Service of the U.S. Department of Commerce no longer has a presence in Jamaica, but serves the region out of its office in Santo Domingo, Dominican Republic.

- Much of the trade between Jamaica and the United States is the result of longstanding business relationships. In this context, person-to-person networking is particularly important.
- While business can be conducted through telephone conversations, most Jamaican businessmen are more comfortable with face-to-face meetings when negotiating business arrangements. Relationship marketing is also prevalent, with distributors generally interested in visiting their suppliers to conduct due diligence. Exclusive arrangements, 30-day credit, and franchising arrangements are common business practices.

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please review the U.S. Department of State Background Notes on Jamaica: <http://www.state.gov/r/pa/ei/bgn/2032.htm>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 3: Selling U.S. Products and Services

- [Using an Agent or Distributor](#)
- [Establishing an Office](#)
- [Franchising](#)
- [Direct Marketing](#)
- [Joint Ventures/Licensing](#)
- [Selling to the Government](#)
- [Distribution and Sales Channels](#)
- [Selling Factors/Techniques](#)
- [Electronic Commerce](#)
- [Trade Promotion and Advertising](#)
- [Pricing](#)
- [Sales Service/Customer Support](#)
- [Protecting Your Intellectual Property](#)
- [Due Diligence](#)
- [Local Professional Services](#)
- [Web Resources](#)

Using an Agent or Distributor

[Return to top](#)

There are no specific laws in Jamaica that dictate contract terms for agents/distributors. The parties involved formulate their own terms and conditions of agreement with or without the assistance of an attorney. However, regardless of contract terms, every supplier and agent/distributor must be aware of the Fair Competition Act (FCA), which is designed to foster competition. Under Jamaica's British common law system, once an agreement is reached and signed, it becomes a legally binding document and breaches may be contested in a court of law.

Potential sources for business partner leads include the Jamaica Promotions Corporation (JAMPRO), the American Chamber of Commerce of Jamaica (AmCham), the Private Sector Organization of Jamaica (PSOJ), the Jamaican Manufacturers' Association, and the Jamaica Chamber of Commerce (JCC). JAMPRO is the Government of Jamaica's lead investment and trade promotion agency.

Establishing an Office

[Return to top](#)

The establishment of a local office is best approached with the assistance of JAMPRO. Potential investors can also present project proposals to JAMPRO for assessment and guidance. Registration or incorporation of the business should

be made with the Office of the Registrar of Companies (ORC). JAMPRO will assist with:

- Obtaining applications from the income tax department;
- Obtaining import licenses from the trade board;
- Identification of business location (factory space or land);

A new companies act (Companies Act 2004) came into effect on February 1, 2005. Under the new act, it is possible for a single person to form a company and also be its sole director and shareholder. Public companies are required to have a minimum share capital of J\$500,000.00 (approximately US\$5,100 based on May 2013 exchange rates of J\$98-99 to US\$1.00) and cannot borrow without first receiving certification from the Registrar. Although the head office of the company may be overseas, the company must now have a registered office in Jamaica.

Franchising

[Return to top](#)

To establish a franchise arrangement in Jamaica, the franchisee is expected to register a local company to assume the rights to operate the franchise. There are no specific laws that regulate the operation of franchises and there is a normal business relationship with the locally registered entity and the headquarters of the franchise. The locally registered company is responsible for managing the operation and ensuring conformity to the franchise requirements. Some U.S. food franchises in Jamaica include Kentucky Fried Chicken, Chester's, Burger King, Pizza Hut, Subway, TGI Friday's, and Wendy's. There are other types of franchises in areas such as dry cleaning, automobile care and rental, and training services.

Direct Marketing

[Return to top](#)

While mail order sales and catalogs have not been very popular (perhaps due to postal and other inefficiencies), moves towards deregulation and liberalization in Jamaica have compelled persons in retailing to think of more creative ways of getting their message to customers and achieving sales growth. Some local firms have used direct mailings of promotional materials and telephone marketing. Local credit card companies sometimes target cardholders with direct mailing offering goods and services. Network marketing, for the promotion of products such as Avon and Amway, has been successful in Jamaica.

Joint Ventures/Licensing

[Return to top](#)

In a bid to stimulate economic activity, the Jamaican government has actively encouraged joint ventures and licensing. Major opportunities are publicized by the government agency or ministry involved. Licenses have been granted for a range of activities through the Ministry of Industry, Investment and Commerce. Incentives exist for investment related activities in several sectors such as

tourism, manufacturing, information technology, film, music and entertainment. Nonresident partners, unless exempted under one of the incentive programs, including corporate partners, are subject to Jamaican tax on their share of the partnership profits that accrue in or are derived from Jamaica. Nonresident foreign corporations pay tax on their share of profits at the same rates as resident corporations. Double taxation relief is available under the Convention for the Avoidance of Double Taxation that entered into force in December 1991.

Selling to the Government

[Return to top](#)

Government procurement is generally done through open tenders, direct advertising, or by invitation to registered suppliers. The National Contracts Commission (NCC) is responsible for reviewing and endorsing recommendations for the award of Government contracts above JMD 10 million (US\$ 102,000 based on May 2013 exchange rates of J\$98-99 to US\$1.00) in value. The NCC also registers and classifies contractors who are desirous of tendering on Government contracts. Companies interested in supplying office supplies to the government must also register with the Financial Management Division of the Ministry of Finance. Companies interested in supplying other kinds of equipment or materials should contact: the National Water Commission (water supply and distribution equipment); the Jamaica Commodity Trading Company (for the purchase of certain basic food items and fertilizer under concessionary loan programs); the Pharmaceutical Division of the Ministry of Health and Health Corporation Limited (medicines and medical supplies); and the Ministry of Housing (for housing and construction materials).

Distribution and Sales Channels

[Return to top](#)

Distribution and sales of imported merchandise in Jamaica are done principally through importers, distributors, and agent representatives. A large share of materials and supplies including machinery and equipment is imported directly by some end-user firms. Close contact with end-users, provision of excellent quality, after-sales service, and competitive prices are essential to maintaining position in the market. At the same time, because of relative proximity to the United States, many importers of goods into Jamaica maintain direct contact with U.S. exporters and manufacturers' representatives, particularly in Florida.

Selling Factors/Techniques

[Return to top](#)

When selling to the Jamaican market, it is useful to do research on the proposed agents(s) or distributor(s) to make sure that they are compatible with the product being sold. There are several large, established distribution companies in Jamaica which import and distribute a range of products. These companies typically own vehicles or have salesmen on contract with appropriate vehicles. There are also smaller companies, which may be suitable for some products. Demand and markups for products vary. Some companies specialize in high

volume and fairly low markups while others will only distribute goods that ensure a fairly high markup. Because of proximity to and the strong cultural influence of North America, strategies which prove successful in North America are generally successful in Jamaica.

Electronic Commerce

[Return to top](#)

Electronic Commerce has grown in significance in Jamaica. For some local companies (particularly utilities) there is the option to pay bills on-line or via credit card using a telephone. Many Jamaicans who own credit cards denominated in hard currency (U.S. dollars) frequently make on-line purchases from U.S. and other overseas companies.

In December 2004, an on-line tax payment service was launched and the long awaited E-transaction Act, providing the legal framework for secured electronic commerce, was passed in 2007. In recent years, the Government of Jamaica has also been an active proponent of attracting information and communications technology firms to Jamaica, particularly firms engaged in business process outsourcing (e.g. call centers).

In addition to having relatively good telecommunications infrastructure, Jamaica also has one of the highest mobile phone penetrations in the world. However, there is concern that access to the Internet is still not as widespread as desired.

Trade Promotion and Advertising

[Return to top](#)

Advertising is primarily done through radio, television, the press and billboards, including electronic billboards. A number of advertising agencies have national coverage, and Jamaica has a wide range of companies licensed to offer broadcast media services and Subscriber Television (STV or Cable), including a wireless, multi-point multi-channel, licensee. There are also several Internet service providers.

Radio is the most wide-reaching mass communication. There are two major free-to-air local TV networks (Television Jamaica (TVJ) and CVM), and several smaller networks.

Jamaica has two morning dailies and one afternoon tabloid as well as several periodicals and magazines, among them:

The Gleaner Newspaper (daily)
7 North St.
Kingston
Tel: (876) 922-3400

The Jamaica Observer Newspaper (daily)
2 Fagan Ave.
Kingston 8
Tel: (876) 931-7825/7832

The Star Newspaper (afternoon tabloid)
7 North St.
Kingston
Tel: (876) 922-3400

Investor's Choice Magazine (monthly)
12 Merrick Ave.
Kingston 10
Tel: (876) 929-2993

Pricing

[Return to top](#)

Most prices are determined by the market. Notable exceptions are utility services, such as electricity, water and bus fares. The Office of Utilities Regulation, as part of its mandate, monitors prices and other activities of utility companies. Since 2001, competition in the telecommunications sector has helped to reduce telecom prices. While there are no official or government policies on price regulation or control, the Fair Trading Commission (FTC) and the Consumer Affairs Commission (CAC) monitor pricing of consumer items. The FTC generally responds to consumer complaints. The CAC plays a role in conducting research and informing the public of price variations. The National Consumer League, a local NGO, plays a watchdog role.

Sales Service/Customer Support

[Return to top](#)

After sales service is an important competitive advantage in the Jamaican market and a requirement for an effective sales operator. If a U.S. firm has difficulty setting up its own distribution system, a local agent or distributor may be retained to maintain a trained service staff with a reasonable stock of spare parts. Alternatively, the supplier could offer the customer rapid service from the United States.

Protecting Your Intellectual Property

[Return to top](#)

The Jamaican Constitution recognizes intellectual property rights and there are laws specifically designed to protect intellectual property. The United States and Jamaica signed an Intellectual Property Rights Agreement (1994) and a Bilateral Investment Treaty (which came into force March 1997). In June 1999, Jamaica passed the Trademarks Act, the Layout-Designs (Topographies) Act, as well as a bill to amend the Copyright Act to extend its coverage to include databases and the trading in encrypted transmissions.

All three have been enacted in fulfillment of Jamaica's obligations under the WTO agreement on the trade-related aspects of intellectual property rights (TRIPS), the Paris Convention for the Protection of Industrial Property, as well as under the bilateral agreement on intellectual property between Jamaica and the United States.

In general, Jamaica has reasonably good copyright and trademark protection laws, but the country's patent regime is outdated. Jamaica is included on the Special 301 watch list as a result of the lack of legislative action to bring patent and industrial design laws into conformity with international standards. A draft Patents and Design Act has been under parliamentary consideration, but has yet to be adopted.

Due Diligence

[Return to top](#)

Jamaica's courts lack resources and have a backlog of cases. Businesses that seek redress from the courts on matters pertaining to business disputes often complain about the high financial costs of litigation and the slow pace of relief. The Embassy is aware of at least one business entity with a Jamaican court order in its favor, which still experienced great difficulties in collecting on an unpaid debt that it was found to be legally due. Under these circumstances, it is particularly important to conduct thorough due diligence on potential business partners in Jamaica.

Local Professional Services

[Return to top](#)

It is advisable to retain professional advice at an early stage of a business venture to ensure a smooth start-up and compliance with local laws. The Jamaica Bar Association has a membership of over 550 attorneys. The U.S. Embassy can provide a list of local attorneys:

http://kingston.usembassy.gov/attorney_services3.html

Web Resources

[Return to top](#)

Jamaica Promotions Corp. (JAMPRO) - <http://www.jamaicatradeandinvest.org/>

Private Sector Organization of Jamaica - www.psoj.org

Jamaica Manufacturers' Association - www.jma.com.jm

Jamaica Chamber of Commerce - www.jcc.org.jm

American Chamber of Commerce of Jamaica - www.amchamjamaica.org

National Contracts Commission - www.ncc.gov.jm

U.S. Commercial Service Caribbean - www.buyusa.gov/caribbean

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 4: Leading Sectors for U.S. Export and Investment

- [Agricultural Sector](#)

Commercial Sectors

- [Pharmaceuticals, Chemicals and Related Products](#),
- [Machinery and Transportation Equipment](#)
- [Tourism](#)

Agricultural Sector

[Return to top](#)

Jamaica's agriculture/food and beverage market represents good business opportunities for United States suppliers, particularly as the island's tropical climate and difficult topography incentivize the production of crops that are largely different than those grown in the cooler climates of the United States.

During 2012, the total value of food imports to Jamaica was roughly USD 960 million, with approximately 40% of these imports supplied via sources in the United States. The majority of Jamaica's total food imports are directed to the hotel, restaurant and institutional (HRI) sector. The remaining imports are channeled to consumers via retail outlets such as supermarkets, convenience stores, and small "mom-and-pop" shops.

According to estimates based on GCT data¹, food, beverage and tobacco categories of goods accounted for 15.7% of total wholesale and retail sales in Jamaica during 2012, and 17.7% of such sales in 2011. The following charts provide estimates of the trade in food and agricultural products with Jamaica:

Food/Animals SITC Section "0"	2009 US\$ Millions	2010 US\$ Millions	2011 US\$ Millions	2012 US\$ Millions
Total Local Production	N/A	N/A	N/A	N/A
Total Exports ²	237	203	232	274 ^P
Total Imports ²	802	816	939	959 ^P
Imports from the U.S. ³	296	304	364	396

¹ Source: Planning Institute of Jamaica, Economic and Social Survey Jamaica, Table 19.4

² Source: Planning Institute of Jamaica, Economic and Social Survey Jamaica, Table 6.2

³ Source: <http://censtats.census.gov/cgi-bin/sitc/sitcCty.pl>

^P Preliminary data

Beverage/Tobacco SITC Section "1"	2009 US\$ Millions	2010 US\$ Millions	2011 US\$ Millions	2012 US\$ Millions
Total Local Production	N/A	N/A	N/A	N/A
Total Exports ¹	102	104	113	104 ^P
Total Imports ¹	80	75	77	81 ^P
Imports from the U.S. ²	15	16	20	20

¹ Source: Planning Institute of Jamaica, Economic and Social Survey Jamaica, Table 6.2

² Source: <http://censtats.census.gov/cgi-bin/sitc/sitcCty.pl>

^P Preliminary data

General information on Jamaica's retail and hotel sectors and the demand for U.S. food and beverages is available at:

<http://www.fas.usda.gov/scriptsw/attacherep/default.asp>

Analysis of sub-sectors of Jamaica's agriculture/food and beverage market:

Grains & Soybeans

Wheat flour is a major staple in Jamaica, with the country listed among the highest per capita consumers of flour and flour based products, providing an important market for U.S. suppliers. The sole mill in Jamaica is owned by ADM Milling, giving U.S. wheat a possible advantage. However, wheat flour from Canada competes with U.S. imports in the fine bakery segment of the market.

The exposure to U.S. culture has created a demand for U.S. products, including breakfast cereal. This combined with the trend to a more healthy diet has led to increased consumption of breakfast cereals and non-dairy milk substitutes (such as soy milk). Higher priced U.S. cereals are positioned in the less price sensitive market segments on the basis of quality. Breakfast cereals from Trinidad and Tobago, a major supplier, are positioned in the lower priced category.

Demand for soybean and meal and coarse grains is largely driven by the livestock sub-sector, particularly the poultry industry. Imports of these products are expected to be strong as Jamaican demand for poultry is high, with chicken remaining a core Jamaican food.

Fruits & Vegetables

Importation of fruits and vegetables continues to be popular, as demand within the hotel/restaurant and retail sectors remain high. Some fruits (apples, pears, strawberries, plums, kiwis) and vegetables (broccoli, asparagus, spinach) will continue to grow as very small (or no) areas in Jamaica are suitable for producing these crops. However, products such as tomatoes, carrots, cabbages, melons, lettuce, and other fruits and vegetables that compete directly with local products are less competitive, and Jamaica's Safeguard Act of 2001 further advantages local producers. Imports of these products, however, can increase during periods of shortages. Imported garlic and capsicums will remain competitive since local production is on a limited scale.

Meats

Following the resolution of the BSE issue there has been a recovery in the demand for prime beef cuts. However, per capita consumption remains relatively low among Jamaicans, who are large consumers of chicken. As such, most of the prime beef cuts are utilized by the hotel industry. Goat meat is a principal component of local cuisine. Mutton and goat imports have been growing in importance among Jamaicans, but this market is generally price sensitive.

According to a statement from the Jamaica Pig Farmers Association in 2008, Jamaican pork consumption is roughly one-seventh of the global average per capita pork consumption. At present, the Government of Jamaica bans the importation of most pork from the United States, and cites concerns about pseudorabies as the reason for the ban. Commercial swine herds in the United States have been declared free of pseudorabies since 2004, but the Jamaican ban still remains in place. USTR and USDA view the ban as unjustified and have been encouraging its removal. Import of processed U.S. pork that has been "hermetically sealed" is permitted.

Alcohol

The demand for wines and spirits in Jamaica is driven by the hotel and restaurant sub-sector. The presence of all-inclusive hotels in Jamaica favors low cost producers, such as South American producers of wine. However, in recent times a growing number of Jamaicans have been showing some preference for U.S. products, and their consumption can be expected to increase in the medium to long term. The United States competes with European producers in Jamaica's sparkling wine market, and with producers from Australia, Europe and South America in the market for other wine products. Jamaica annually imports over one million liters of vodka, brandy, gin, and other spirits. The Jamaican consumer generally has shown a preference for local rum over imported spirits.

Prepared Snacks

Trinidad and Tobago and Barbados are major suppliers of snack foods to the Jamaican market. This is largely due to the imposition of a 20 percent CET on all snack products originating outside of CARICOM. However, there is still scope for U.S. products to compete in this segment due to product differentiation based on quality and strong brand identification. Grocery stores across Jamaica carry a wide range of U.S. brand foodstuffs, and hoteliers in Jamaica's tourist centers routinely purchase U.S. food products to satisfy guests' expectations.

Pharmaceuticals, Chemicals and Related Products

[Return to top](#)

Overview

[Return to top](#)

The demand for drugs and pharmaceuticals in Jamaica is driven by a variety of factors, including government programs, trade conditions, international medical breakthroughs, lifestyle changes, and a variety of social and domestic conditions. Domestic production of pharmaceuticals, chemicals and related products is limited, thus necessitating the import of such products.

Due to a lack of detailed statistical data, the following chart provides an estimate of Jamaica's trade in pharmaceuticals, chemicals and related products:

Pharmaceuticals, Chemicals and Related SICT Section "5"	2009 US\$ Millions	2010 US\$ Millions	2011 US\$ Millions	2012 US\$ Millions
Market size ¹ as % of Total Retail/ Commercial Sales	9.3%	7.1%	5.9%	6.2%
Total Local Production	N/A	N/A	N/A	N/A
Total Exports ²	204	84	47	210 ^P
Total Imports ²	739	693	873	924 ^P
Imports from the U.S. ³	149	186	244	238

¹ Source: Planning Institute of Jamaica, Economic and Social Survey Jamaica, Table 19.4

² Source: Planning Institute of Jamaica, Economic and Social Survey Jamaica, Table 6.2

³ Source: <http://censtats.census.gov/cgi-bin/sitc/sitcCty.pl>

^P Preliminary

Best Prospects/Services

[Return to top](#)

Best prospects include medications for hypertension, respiratory diseases, sexually transmitted diseases, and diabetes.

Opportunities

[Return to top](#)

Exporters to Jamaica will find opportunities in both the public (government) and private (commercial) sectors. Health Corporation Limited, the government company responsible for the sourcing and distribution of products primarily to the public health sector, is a major importer of drugs and pharmaceuticals.

Resources

[Return to top](#)

Pharmaceutical Society of Jamaica - www.psj.org.jm

Ministry of Health - www.moh.gov.jm

Machinery and Transportation Equipment

Overview

[Return to top](#)

Machinery built in the United States is visible at construction sites, large farms, and industrial facilities across Jamaica. Although Jamaicans drive on the left hand side of the road, the United States remains an important source of vehicles, and auto parts and accessories. Prior to the mid 1990's, there were severe restrictions on importing motor vehicles. After the restrictions were lifted, there was a surge in the variety and number of motor vehicles imported.

Due to a lack of detailed statistical data, the following chart estimates the trade in machinery and transportation equipment with Jamaica:

Machinery and Transportation Equipment SICT Section "7"	2009 US\$ Millions	2010 US\$ Millions	2011 US\$ Millions	2012 US\$ Millions
Total Local Production	N/A	N/A	N/A	N/A
Total Exports ¹	41	16	50	22 ^P
Total Imports ¹	820	786	932	919 ^P
Imports from the U.S. ²	304	309	331	322

¹ Source: Planning Institute of Jamaica, Economic and Social Survey Jamaica, Table 6.2

² Source: <http://censtats.census.gov/cgi-bin/sitc/sitcCty.pl>

^P Preliminary

Best Prospects/Services

[Return to top](#)

Best prospects include wheel rims, shock absorbers, clutch parts, brake parts, tires, and fancy accessories.

Opportunities

[Return to top](#)

Jamaican authorities monitor the quality of the imports, and devote additional attention towards imports from certain countries and imported used car parts. This scrutiny increases opportunities for new higher quality, but low cost, U.S. aftermarket auto parts.

Resources

[Return to top](#)

Ministry of Industry, Investment and Commerce - www.mct.gov.jm

Tourism

[Return to top](#)

Overview

[Return to top](#)

According to the Planning Institute of Jamaica, the hotel and restaurant sector was the only industry in Jamaica to record consecutive growth during the 2008-2010 global economic meltdown. According to the Jamaica Tourist Board, in 2011, the average stopover visitor to Jamaica spent US\$115 per person/per night.

Due to a lack of detailed statistical data, the following chart provides an estimate of Jamaica's tourism sector:

	2009 US\$ Billion	2010 US\$ Billion	2011 US\$ Billion
Market Size ¹ as Share of GDP	15%	15%	N/A
Total Local Production	N/A	N/A	N/A
Tourism Foreign Exchange Earnings ²	1.9	2.0	2.0
International Tourism Expenditures ³	.26	.24	.21

¹ Source: CEPR – Jamaica, Macroeconomic Policy, Debt and the IMF, page 9

² Source: Jamaica Tourist Board Annual Travel Statistics 2010, Table 29

³ Source: WorldBank <http://data.worldbank.org/country/jamaica>

According to statistics from the Jamaica Tourism Board, in 2011 Jamaica received 1,951,752 stopover visitors and 1,125,481 cruise ship passengers. Approximately 63% of the stopover visitors were citizens of the United States. Between 2010 and 2011, the fastest growing foreign markets for stopover visitors to Jamaica were Canada (16.5% increase; 378,900 visitors in 2011) and Latin America (23.4% increase; 16,600 visitors in 2011).

The base for Jamaica's tourism sector is large-size hotels offering all inclusive travel packages and geared towards "fun and sun" vacationers. Jamaica's tourism sector is dominated by high-volume resorts, although the island has a number of smaller, independently run, hotels.

Best Prospects/Services

[Return to top](#)

Legislation passed by the Parliament of Jamaica has opened an opportunity for establishing a major new resort with world class casino gaming under requirements that call for the building of at least 2,000 guestrooms and/or a minimum US\$ 1.5 billion investment in such a property.

Jamaica's varied topography with vast stretches of coastline, mountains and great natural beauty, offers possible eco-tourism opportunities.

Opportunities

[Return to top](#)

Tourism-related opportunities under discussion in Jamaica, include:

Green Castle Estate – a proposed development spanning two miles of coastline in St. Mary, that includes a beach hotel (200 units), luxury hotel (150 units), beach casitas, residences, cultural center, equestrian center, and agriculture/horticulture leases.

Amaterra Jamaica, Ltd. - is a proposed five-star resort and mixed use development with a golf course and other attractions, located in Trelawny.

Negril Peninsula - a proposed development includes residential units, multiple hotels, a new marina to accept yachts and medium-sized ocean-going vessels, office buildings, retail areas, restaurants, sports and leisure facilities.

Celebration Jamaica Resort & Casino –a proposed development that seeks to incorporate Jamaican culture into a resort environment. The project envisions a 4-5 star development (1,500 units) and a 100,000 square foot casino/gaming center.

Round Hill Estate - located in Hanover on approximately 465 acres.

Rose Hall Developments - holds residential and commercial real estate in Montego Bay, with over 250 acres of oceanfront property.

Resources

[Return to top](#)

Jamaica Tourism Board - <http://www.jtbonline.org>

Jamaica Hotel and Tourist Association - <http://www.jhta.org/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 5: Trade Regulation, Customs and Standards

- [Import Tariffs](#)
- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
- [Temporary Entry](#)
- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
- [Standards](#)
- [Trade Agreements](#)
- [Web Resources](#)

Import Tariffs

[Return to top](#)

Jamaica is a CARICOM member and a Common External Tariff (CET) is applied to goods entering CARICOM member-countries. However, as part of the continuing process to reform the trade regime, the government embarked on a tariff reform program to gradually reduce duties, some of which are as high as 200%. Duty rates (CET) are now typically in the range of 15 to 20%.

Trade Barriers

[Return to top](#)

In order to protect local producers, import duties on certain agricultural products (such as chicken and vegetables) and certain consumer goods are higher. In addition to import duties, certain items such as beverages and tobacco, motor vehicles, and some agricultural products carry an additional stamp duty and special consumption taxes. A Customs User Fee is applied to all imports. Most imported items are subject to a 16.5% General Consumption Tax (GCT).

There is a Standards Compliance Fee (SCF) of 0.3%, which is collected by Jamaica Customs on behalf of the Jamaica Bureau of Standards. The Bureau checks for a number of product requirements, including labeling standards.

There is an Environmental Levy of 0.5% on the cost, insurance, freight (CIF) value on imports to Jamaica.

Strict regulations govern the importation of drugs and pharmaceuticals, with safety, efficacy and quality the primary indicators for approving a drug for use. The Food and Drug Act requires that all drugs distributed or sold in Jamaica are assessed and registered. In addition to reviewing the scientific data supplied on the uses and side effects of the drug, special attention is paid to information on

its stability under conditions of high temperature and humidity typical of the tropics; results of the analysis of a recently produced batch; approval status in the country of manufacture or export; and clinical summaries of tests done on humans where the drug is a new chemical entity. Typically, a drug will not be admitted for use in Jamaica until it has been safely used in the country of origin for a period of more than one year.

Import Requirements and Documentation

[Return to top](#)

The following items require an import license: milk powder, refined sugar, plants and parts of plants for perfume or pharmaceutical purposes, gum-resins, vegetable saps and extracts, certain chemicals, motor vehicles and parts, arms and ammunition, and certain toys, such as water pistols and gaming machines. The Trade Board, which falls under the Ministry of Industry, Investment and Commerce, is responsible for granting licenses.

If an item requires a license, one must be obtained from the Trade Board before the sale. The documents required for the importation of goods are: (1) a supplier invoice; (2) certificate of origin; (3) bill of lading; (4) airway bill; and, (5) other shipping documents to include a declaration of value and an import license, if necessary. Certain products may also require a phytosanitary certification.

Upon arrival of the goods in Jamaica, the documents are submitted to the Customs authorities and relevant duties must be paid before the goods are cleared. The importer may also be required to present a tax compliance certificate, a Business Enterprise Number (BENO), and a Taxpayer Registration Number (TRN).

U.S. Export Controls

[Return to top](#)

U.S. Commerce Department Export Controls - www.bis.doc.gov

Temporary Entry

[Return to top](#)

Importers may obtain authorization for temporary admission of products for a period of three or four months. To claim temporary admission of merchandise, regular import documentation and the C25 Form, with customs authorization, must be presented by the importer upon the arrival of the merchandise. In addition, the importer is required to deposit or place in bond up to one and a half times the applicable duty, which is refunded on exit of the merchandise.

Labeling and Marking Requirements

[Return to top](#)

The Jamaican Bureau of Standards administers the Standards, Processed Food and Weights and Measures Acts, to which products entering Jamaica are subjected. It is the responsibility of importers and distributors to ensure that

goods sold in Jamaica are properly labeled as required by the labeling standards. The Jamaica Bureau of Standards stringently exercises its judicial authority and is known to block the entry and sale of goods that are improperly labeled. Improper labeling may occur in several ways such as incorrect date format, non-English language, and other impediments of clarity. A full description of labeling requirements is to be found in Labeling Standards JS1 Parts 1 to 29.

The smallest individual unit of a pre-packaged good should be labeled in English and should include the proper name of the product, an accurate declaration of the contents, an accurate description of the ingredients, a date mark or date of minimum durability, as well as the name and traceable business address of the processor, manufacturer, packer, importer or distributor and the country of origin. Manufactured, expiration, and other date marks must conform to the traditional European "dd/mm/yy" or ISO's "yy/mm/dd" date formats. The United States' conventional "mm/dd/yy" or the five-digit Julian "day-of-year year", "year day-of-year", or other such modifications of the Julian system, are not accepted for the purpose of trade and commerce in Jamaica. Jamaica has not developed a definitive standard for the labeling of Genetically Modified Organisms (GMO) and Living Modified Organisms, but present directions favor adopting language developed by the Codex Alimentarius Commission.

Prohibited and Restricted Imports

[Return to top](#)

Jamaica prohibits the import of the following items:

- Fresh pork and live pigs from the United States;
- Dogs for racing and dog racing equipment;
- Tablets containing a combination of methaqualone and diphenhydramine hydrochloride;
- Certain brands of crayons from China and Thailand;
- All items banned under the Customs Act and the Plants Protection from Disease Act;
- All goods prohibited entry into the United Kingdom under the Anthrax Prevention Act 1919;
- Animals and carcasses of animals prohibited under the Animals Diseases and Importation Act;
- Arms and ammunition, except with the permission of the Commissioner of Police;
- Brandy of a lower strength than 30 degrees per centum under proof, unless it is proved that it has been matured for a period not less than ten years;
- Base or counterfeit imitation coin of any country;
- Coin, silver, or any money not of the established standard in weight and fineness;
- Opium and dangerous drugs;

- Essence of brandy or whisky or flavoring essences except as approved by the Minister;
- Indecent or obscene prints, paintings, photographs, books, films, etc.;
- Oil of gin or cognac, except as approved by the Minister;
- Rum coloring solutions;
- Spirits and wine, unless specifically imported with casks or other vessels of at least nine gallons content or in glass or stone bottles with each case containing not less than one gallon;
- Fictitious stamps and instruments; and
- Sugar, except under license.

Customs Contact Information

[Return to top](#)

Jamaica Customs
Head Office
Newport East, Kingston 15
(876) 922-5140
www.jacustoms.gov.jm

Standards

[Return to top](#)

- [Overview](#)
- [Standards Organizations](#)
- [Conformity Assessment](#)
- [Product Certification](#)
- [Accreditation](#)
- [Publication of Technical Regulations](#)
- [Labeling and Marking](#)

Overview

[Return to top](#)

The Jamaica Bureau of Standards (“The Bureau”) is a statutory body established by the Standards Act of 1968. The Bureau of Standards is controlled by a Standards Council, which is responsible for policymaking and general administration. Standards are developed by standing committees representing varied interests, such as consumer groups, the manufacturing sector and the public in general. The Bureau’s main functions are formulating, promoting, and implementing standards for goods, services and processes. It develops and enforces technical regulations for those commodities and practices which affect health and safety.

The Bureau also facilitates trade and protects Jamaican consumers with the timely development and promulgation of national standards. The Standards and Certification department seeks industry participation in allowing the development of new standards and new markets both locally and regionally. The Bureau’s mandate includes (i) preparing standards for particular products, practices and

processes and (ii) checking products against claims of conformity to published standards.

Standards Organizations

[Return to top](#)

The Jamaica Bureau of Standards is the main standards development organization in Jamaica. At the Bureau, the preparation of standards is authorized by the Standards Council following representations from national organizations or from committees and staff of the Bureau of Standards. When the final draft of the standard is ready it is sent to the Minister of Industry and Investment for approval after which it is made available to the public for comment. After consideration of the comments, a final document is prepared and the Standards Council recommends the document to the Minister for approval. The declaration of the standard is published and copies are made available for sale. Standards are revised every five years, while the Catalogue of Jamaican Standards is updated every six months. It includes a listing of all standards published to date as well as those approved by the Minister awaiting publication. The National Environment and Planning Agency (NEPA), the National Council on Technical and Vocational Education and Training (NCTVET), private companies and government agencies and ministries also have a limited role in standards development.

Conformity Assessment

[Return to top](#)

The Jamaica Bureau of Standards is responsible for issuing licenses to use the Bureau's Certification Mark (Mark of Conformity). A number of laboratories carry out tests in such areas as food analysis, chemistry, metallurgy, microbiology, building materials, furniture, packaging, electrical engineering, mechanical engineering, weights and measures. Private companies involved in conformity assessment are Technological Solutions Limited and SGS Limited.

Product Certification

[Return to top](#)

The National Certification Mark issued by the Bureau is a mark of quality awarded to products, processes, and practices, which conform to relevant standards. Products, which are proven to be of consistent and reliable quality, are granted the National Certification Mark. The Bureau encourages consumers to purchase products which bear this mark, as it guarantees consistent product quality. All manufacturers have the right to apply for the mark. The Bureau's team of analysts and specialists examines the manufacturers' processes, equipment, records, raw material, quality control systems, and the finished product to ensure good quality.

The Product Certification offered by the Bureau is voluntary (and at a cost to the applicant). Plans are being developed for the establishment of a National Certification body. Also being planned is a Compliance Sticker Program, which

will allow local products of a suitable standard to bear a Compliance Sticker. The program will also extend to compliant imported products.

There is a mutual recognition agreement between the Bureau and the American Society for Testing and Materials (ASTM).

Accreditation

[Return to top](#)

The Bureau offers laboratory accreditation to Chemical and Microbiological Laboratories, which apply for this recognition. Accreditation services may also be obtained from International agencies. Plans are in place for the development of a National Accreditation Body (separate from the Bureau of Standards), which will take over this function.

The Bureau's Technical Information Center is the only national standards library in Jamaica. It is the center of the international standards information network and serves as:

- The National Enquiry Point under the WTO Agreement on Technical Barriers to Trade (TBT)
- Contact Point for Codex Alimentarius Commission in Jamaica
- Local Agent for International Organization for Standardization (ISO), British Standards Institution (BSI), and American National Standards Institution (ANSI).

The Bureau has membership in the following regional and international organizations:

- International Electro-Technical Commission (IEC)
- Caribbean Regional Organization for Standards and Quality (CROSQ)
- Inter-American Metrology System (SIM)
- Pan-American Standards Commission (COPANT) (an ISO Commission)
- Caribbean Metrology Sub-Region (CARIMET)

Additionally, the Bureau cooperates with several other regional and international standards and metrology institutions such as the National Institute of Standards and Technology (NIST), American Society for Testing and Materials (ASTM), National Center for Metrology-Mexico (CENAM), Physikalisch Technische Bundesanstalt (PTB), American Society for Mechanical Engineers (ASME), National Office of Standards-Cuba (NC), Columbian Institute of Certification and Technical Standards (ICONTEC), Barbados national Standards Institute (BNSI), Trinidad and Tobago Bureau of Standards (TTBS), and the Guyana National Bureau of Standards (GNBS).

Publication of Technical Regulations

[Return to top](#)

Proposed Technical Regulations are made available to the public for comment. A 30-day period is allowed before publication. Any entity, including U.S.

companies, may comment on the proposals before they are published. The Bureau has a Technical Information Center, which has information on standards being developed. Final Technical Regulations are published in the Jamaica Gazette Supplement - Proclamations, Rules and Regulations.

Labeling and Marking

[Return to top](#)

Product labeling is one of the more important and topical matters handled by the Jamaica Bureau of Standards. The Catalogue of Jamaican Standards lists requirements for over 30 different commodities. The list is wide and varied and includes items such as footwear, precious metals, household appliances, panty hose, thread, animal feeds, toys, furniture, and various packaged goods.

Labeling requirements are contained in a series of mandatory standards for the Labeling of Commodities (JS 1: Part 1 through to JS 1: Part 30). Adherence to these requirements is closely monitored by the Bureau. Monitoring entails verification of labels against the specifications outlined in the particular labeling standard.

It is critical for the Bureau to develop a system that will allow the organization to exercise its duty with increased efficiency and effectiveness with respect to compliance to compulsory standards (technical regulations). The Label Registration Program was therefore proposed. This program aims to prevent labeling violations both at the Ports of Entry and in the Domestic Marketplace. Labels of each product can therefore be registered with the Bureau under this program. This registration program is voluntary and will assist the speedy processing of goods through Customs (using a database) for importers who have their labels registered with the Bureau.

The steps required for this process are:

1. The completion of the Label Registration Form
2. Submitting the form along with the labels of the products to be registered (preferably on line) to the Bureau of Standards
3. Make payment using either the e-commerce facility or the other means available and showing proof of payment
4. The label is assessed and a report done
5. If the label is in conformance with the standards the registration will be approved and a registration number assigned and add to list of compliant labels
6. Where a labeling non-conformance is identified, the report shall indicate the areas of non-conformance, and make recommendation to effect corrections
7. The applicant will be required to implement the recommendations and re-submit the corrected label and proceed again
8. Label registration number now used by Customs to process imports

9. Routine periodic verification conducted by Bureau Inspectors/Officers to identify continued compliance

10. If non-compliance is identified, registration is withdrawn and distributor advised to re-register the label(s).

Trade Agreements

[Return to top](#)

Preferential Tariff Arrangements: Jamaica has enjoyed preferential tariff arrangements: with the United States under the Caribbean Basin Initiative (CBI) and the Caribbean Basin Economic Recovery Act (CBERA); with the countries of the European Union under the Lome Convention (succeeded by the Cotonou Agreement and recently the Economic Partnership Agreement (EPA); with Canada under CARIBCAN; and with other English-speaking Caribbean states under CARICOM. CARICOM has bilateral trade agreements with Costa Rica, Cuba, Dominican Republic, Colombia, and Venezuela.

The CBI provides duty-free entry to the United States to qualifying products of Jamaican origin (except textiles, footwear, handbags, luggage, work gloves, leather apparel, tuna fish, petroleum and petroleum products, and watches and watch parts from countries that do not enjoy Most Favored Nation status). An amendment was made to CBI provisions in 1990 (CBI II) allowing additional duty reduction on certain leather-related products, including handbags, luggage, flat goods, work gloves, and wearing apparel. To meet CBI eligibility standards, products must contain at least 35 percent value added in Jamaica, of which U.S. materials must comprise 15 percent of the value of the finished product. Articles assembled in Jamaica from 100 percent U.S. components are also given duty-free treatment (with certain exceptions, including textiles/apparel for which the U.S. duty is levied only on the value-added in Jamaica).

In May 2000, the U.S. Senate passed the Caribbean Basin Trade Partnership Act (CBTPA). The aim of this Act is an expansion of the benefits provided under the CBI to Caribbean firms that export to the United States. In effect, it will restore the margin of preferences CBI countries enjoyed prior to the implementation of the North American Free Trade Agreement (NAFTA), as well as improve the range of economic opportunities available to the countries. The Jamaican garment industry has not expanded under CBTPA as predicted due to: (1) the removal of preferential access to key markets following the removal of the quota system; (2) competition from low cost producers; (3) a large untrained labor force; (4) small factories that inhibit the achievement of economies of scale; (5) dependence on a few markets and on imported inputs; and, high overhead costs.

Jamaica has also signed a Tax Information Exchange Agreement (TIEA) with the United States, allowing U.S. taxpayers to deduct legitimate business expenses incurred in attending business meetings and conventions in Jamaica.

Jamaica exports certain items duty-free to Canada under CARIBCAN. Eligible items must meet a national-origin standard of 60 percent of the factory price originating in Jamaica, Commonwealth Caribbean countries, or Canada. Textiles, garments, lubricating oils, clothing, footwear, luggage, handbags, and leather garments are excluded from CARIBCAN. Processed and fresh vegetables comprise most of the trade under CARIBCAN. Alumina, representing approximately 80 percent of all exports to Canada, was already admitted duty-free prior to the establishment of CARIBCAN.

The Cotonou Agreement, signed in 2000, replaced four Lome Accords and introduced a comprehensive framework for African Caribbean and Pacific (ACP) -EU relations focusing on economic development, the reduction and eventual eradication of poverty, and the smooth and gradual integration of ACP states into the global economy. In this regard the Cotonou Agreement allows the ACP and the EU to engage in WTO compliant (CARIFORUM Economic Partnership Agreement (EPA) Negotiations, 2000). The Economic Partnership Agreement or EPA, a trade partnership required by the Cotonou Agreement to replace the trade component of Lome IV, was signed in January 2008. The EPA is expected to help ACP countries, including CARIFORUM, reduce poverty and achieve economic growth through sustainable trade with Europe.

Jamaica has been a leading member of the Caribbean Community and Common Market (CARICOM) since 1973, when four countries signed the Treaty of Chaguaramas. Over the years membership has grown to 15. There are also five (5) associate members, and The Bahamas is a member of the community, but not the common market. In 1989 a decision was taken to further deepen the integration process by establishing the CARICOM Single Market and Economy (CSME). This was expected to pave the way for the creation of a single economic space, where people, goods, services, and capital could move freely. To effect the CSME, a Revised Treaty of Chaguaramas was signed in 2002. In January 2006, CARICOM Heads of Government met in Jamaica to sign the single market aspect of the CSME, although at the time only six member countries, including Jamaica, had completed the process to bring the CSM into being. Six other countries have subsequently joined the CSM and the economic integration aspect of the CSME commenced in 2008.

Web Resources

[Return to top](#)

CARICOM Secretariat - <http://www.caricom.org>
Jamaica Bureau of Standards - www.jbs.org.jm

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 6: Investment Climate

- [Openness to, and Restrictions Upon, Foreign Investment](#)
- [Conversion and Transfer Policies](#)
- [Expropriation and Compensation](#)
- [Dispute Settlement](#)
- [Performance Requirements and Incentives](#)
- [Right to Private Ownership and Establishment](#)
- [Protection of Property Rights](#)
- [Transparency of Regulatory System](#)
- [Efficient Capital Markets and Portfolio Investment](#)
- [Competition from State Owned Enterprises](#)
- [Corporate Social Responsibility](#)
- [Political Violence](#)
- [Corruption](#)
- [Bilateral Investment Agreements](#)
- [OPIC and Other Investment Insurance Programs](#)
- [Labor](#)
- [Foreign-Trade Zones/Free Ports](#)
- [Foreign Direct Investment Statistics](#)

Openness to, and Restrictions Upon, Foreign Investment

[Return to top](#)

The Government of Jamaica (GOJ) has recognized foreign investment as a source of development, and has no policies or regulations that reserve certain sectors exclusively for Jamaicans. Both the governing People’s National Party (PNP) and the opposition Jamaica Labor Party (JLP) have committed themselves to attracting foreign direct investment. Bureaucratic red tape is often recognized as a major hindrance to conducting business in Jamaica. During her inaugural speech on January 12, 2012, Prime Minister Portia Simpson Miller acknowledged that the GOJ must “make it easier to do business in Jamaica.”

Numerous measures which once inhibited foreign investment, such as the Foreign Exchange Control Act and the list of areas reserved for local investment only, have been eliminated for decades. Thus, Jamaica does not have legal impediments to direct foreign investment and applies the principle of national treatment to foreign investors.

With the investment landscape reformed, attention has turned to the reduction of processing and approval times for investment-related applications. Through the Promote, Renew, Invigorate, Develop and Energize (PRIDE) Jamaica project, USAID has been providing assistance to support the GOJ and other key

stakeholders in reducing barriers and supporting a positive economically enabling environment in Jamaica. PRIDE Jamaica works with stakeholders in the private and public sectors to promote free market economic policies, streamlining government regulations, processes and practices to improve Jamaica's competitive position in the international market as a desirable place to do business. Working with public-private partnerships and other donors, PRIDE Jamaica leverages these resources to establish stakeholder support and maximize project impact.

In the World Bank Doing Business Report, Jamaica slid from 85th in 2012 to 90th in 2013. Jamaica ranks lower than regional countries such as Antigua and Barbuda (63) and Trinidad & Tobago (69), but ahead of St. Kitts and Nevis (96), and the Dominican Republic (116). Jamaica ranks well among its regional peers in areas such as starting a business and registering property which includes the full sequence of procedures necessary for a business to purchase a property from another business and transfer the property title to the buyer's name. In comparison with its peers, Jamaica underperformed in the areas of paying taxes (on average it takes medium sized businesses 368 hours to prepare, file and pay taxes), enforcing contracts (cost of enforcement for commercial disputes is on average 45.6% of the claim) and getting electricity (at present a single company has monopoly control of Jamaica's electricity grid).

The Companies Act and the Securities Act govern acquisitions, mergers and takeovers for publicly traded companies. In 1996, the Securities Act was revised to bring it in line with international regulations. The takeover code was redesigned to ensure the integrity of the securities market while protecting minority shareholders. Jamaica's legal system is based on English common law principles and rules covering the enforceability of contracts are based thereupon. The Jamaican judicial system therefore recognizes and upholds the sanctity of contracts, however, the legal process can be lengthy and court cases can take years or even decades to resolve. The Embassy is not aware of any economic or industrial policy that has discriminatory effects on foreign investors.

Foreign investors are generally granted national or Most Favored Nation treatment, subject to the rules of their Bilateral Investment Treaties (BITS). There are no screening mechanisms for foreign investments, but if investors apply for government incentives, they could be required to meet some basic prerequisites and due diligence may be done by the approving agency. This process is not discriminatory and is not intended to impede investment. Jamaica has also undertaken a comprehensive program of trade and financial liberalization, and no sector remains closed to foreign investment. However, projects that affect national security, have a negative impact on the environment, or involve sectors

such as life insurance, media or mining are subject to regulation and certain restrictions.

Jamaica's privatization program is open to participation by foreign investors, except for assets that are on the restricted list due to national security concerns. The National Investment Bank, which administers privatization, is mandated to ensure that the process is fair and transparent. However, in some privatization transactions, the participation of local investors may lead to advantages in the scoring of proposals. When large entities are being privatized, advertisements are placed in international newspapers such as the Financial Times, New York Times and Wall Street Journal to attract foreign investors. An information memorandum accompanies privatization proposals and includes the specific requirements under which bidders are allowed to participate and the criteria by which proposals will be evaluated. Foreign investors have won most of the privatization bids in the last five years. The government is currently reviewing some of the remaining parastatals with an eye to divestiture, moving to liquidate state holdings in such firms as Clarendon Alumina Partners, the Wallenford Coffee Company, Kingston Container Terminal, and possibly Norman Manley International Airport in Kingston.

The country is party to both multilateral and bilateral treaties, which provide for non-discrimination. Local laws do not distinguish between local and foreign investors. The Embassy is not aware of any discrimination against foreign investors at the time of initial investment or after the investment is made. However, under the Jamaican Companies Act, investors are required either to establish a local company or to register a branch office of a foreign-owned enterprise. Branches of companies incorporated abroad must also register with the Registrar of Companies if they intend to operate in Jamaica. The Companies Act, which came into effect in February 2005, allows foreign companies to hold lands without registering in Jamaica. There are no laws or regulations requiring firms to adopt articles of incorporation or association, which limit or prohibit foreign investment, participation or control. The Embassy is not aware of any other ways private firms could restrict foreign investment.

Foreign direct investment (FDI) inward flows to Jamaica were US\$218 million in 2011, down from US\$228 million in 2010 and US\$540 million in 2009, according to the Jamaica Promotions Corporation (JAMPRO). Jamaica experienced thirteen quarters of continuous economic decline between 2008-2010, followed by 1.3% economic growth in 2011. During these years the bauxite market, which is a pillar of the Jamaican economy, experienced a sharp contraction which led to the mothballing of key bauxite facilities in Jamaica. Tourism, another pillar of the Jamaican economy, grew during this period. Between 2008-2010, the number of stopover visitors to Jamaica increased by 10.4%, although the number of hotel

beds grew by 15.1% during the same period. Jamaica appears to lack the absorptive capacity to benefit from investments requiring highly skilled employment, and a significant portion of inputs are outsourced from abroad.

The introduction of competition in the telecommunications sector attracted three mobile providers, and multiple internet service providers. By 2012, only 2 mobile providers were operative, with one, Digicel, controlling over 80% of the market. Highway 2000, Jamaica's first toll road, was constructed by French company Bouygues under a build, operate, and transfer (BOT) model. Two segments of the project, costing over US\$ 500 million, are complete. A third leg between Kingston and the resort area of Ocho Rios should have been completed by the end of 2010, but due to concerns about geologic stability, the middle stretch of the roadway remains incomplete. Cost estimates for the project now greatly exceed the original US\$100 million price tag. In December 2012, China Harbor Engineering Company (CHEC) announced that it will take over the construction of this roadway.

With the onset of the 2008 global economic crisis, there was a significant slowdown in some of Jamaica's critical foreign exchange earners. Growth in the bauxite sector slowed with three of four alumina plants shutting down operations. One of the three plants has reopened, but operates beneath full capacity. The construction boom of 2003 to 2007, which brought in over US\$ 1 billion in FDI to the hotel sector, has waned. A major cruise ship project in the town of Falmouth accepted its first ship in February 2011. Chinese investment and project financing in Jamaica have increased, through acquisitions in Jamaica's sugar industry, as well as participation in large-scale construction projects such as the new Convention Center in Montego Bay which opened in early 2011.

Conversion and Transfer Policies

[Return to top](#)

Jamaica has no restrictions on holding funds or on transferring funds associated with an investment, as the country liberalized its foreign exchange market in 1991. However, foreign exchange transactions must be conducted through authorized foreign exchange dealers, cambios, and bureaux de change at market-determined rates. Foreign exchange is generally available, but companies tend to acquire large amounts of foreign exchange over a three to four day period, so as not to disturb currency markets. There are currently no plans to change the policies affecting investment remittances and there is no delay period currently in effect for repatriating investment returns. There is no legal parallel market (tiered system) for foreign exchange following liberalization and there are no limitations on the inflow or outflow of funds for any transaction. U.S. companies indicate no problems or delays in repatriating investments.

Expropriation and Compensation

[Return to top](#)

Property rights are protected under Section 18 of the Jamaican Constitution. Expropriation of land may take place under the Land Acquisition Act, which provides for compensation on the basis of market value. Expropriation can take place before compensation is paid, but interest for the period between the expropriation and the compensation settlement must be paid. According to the law, the purpose of any expropriation must be transparent, and compensation for expropriated property must be adequate. The U.S. Embassy has assisted investors who had property expropriated primarily in the 1970's, but decades later continue to seek restitution. A payment in one case was issued as recently as 2010. If informal negotiation on compensation fails, the investor has recourse in the courts, but this process can take years or even decades. Jamaica has signed bilateral agreements for the reciprocal promotion and protection of investments with a number of countries, including the United States. The U.S. Embassy in Kingston is not aware of any litigation between the Jamaican government and any private individual or company based on expropriation or on compensation for expropriation, but there were cases involving commercial disputes between government-owned enterprises and private investors. There are currently no laws that force local ownership.

Dispute Settlement

[Return to top](#)

Disputes between enterprises are handled in the local courts, but foreign investors can refer cases to the International Center for Settlement of Investment Disputes (ICSID). There have been cases of trademark infringements in which U.S. firms took action and were granted restitution in the local courts. The Jamaican Constitution provides for an independent judiciary with a three-tier court structure. Claims may be brought before the Magistrates or Supreme Court. Appeals on decisions made in these courts can be taken before the Court of Appeal and then to the Judicial Committee of the Privy Council in the United Kingdom. The PNP government inaugurated in January 2012, has stated its intention to replace the Privy Council with the Caribbean Court of Justice (CCJ) as Jamaica's final appeals body. The CCJ would consider and determine appeals in civil and criminal matters from common law courts within CARICOM member states such as Jamaica. If Jamaica were to replace the Privy Council with the CCJ, it may require a national referendum. Jamaica has formal means for enforcing property and contractual rights through: (1) The Judgment and Awards (Reciprocal Enforcement) Act; (2) The Judgment (Foreign) (Reciprocal Enforcement) Act; (3) The Arbitration (Recognition and Enforcement of Foreign Awards) Act; and, (4) The Maintenance Orders (Facilities for Enforcement) Act.

Under these acts, judgments of foreign courts are accepted where there is a reciprocal enforcement of judgment treaty with the relevant foreign state.

A number of disputes, involving foreign investors and the government, on the one hand, and foreign investors and a local association, on the other, arose during 2005. A major dispute, which is yet to be resolved, involves the implementation of a levy by the government on incoming telephone calls for a Universal Access Fund to finance computers and other information-related activities in Jamaican schools. However, U.S. long-distance telephone companies have been resisting and have requested that the Federal Communications Commission persuade Jamaica to desist from collecting the fees.

There is a Bankruptcy Act dealing with personal insolvency, a Companies Act dealing with corporate insolvency, and other statutes such as the Bills of Exchange and the Sale of Goods Acts dealing with commercial matters. There are also extensive common law principles, which are written and consistently applied. Under the bankruptcy laws, creditors can petition for an order against an individual or a winding up order against the company and will be entitled to share in the assets of the bankrupt on a pro-rata basis, in line after certain specified preferential creditors such as redundant employees. The claimant has the option of settling a claim in the currency in which the debt or obligation was incurred or in local currency.

Jamaica, a signatory to the International Center for Settlement of Disputes (ICSID) since 1965, accepts international arbitration of investment disputes between Jamaicans and foreign investors. Local courts recognize foreign arbitral awards. International arbitration is also accepted as a means for settling investment disputes between private parties. However, acting in its role as an international tribunal, the CCJ will interpret and apply the Revised Treaty of Chaguaramas, including the CARICOM Single Market and Economy. Among the formal entities facilitating arbitration in Jamaica are the Dispute Resolution Foundation and the Caribbean Branch of the Chartered Institute of Arbitrators. If a foreign investor's country has a Bilateral Investment Treaty (BIT) with Jamaica, then the rules of this treaty would apply. Other foreign investors are given national treatment and civil procedures would apply.

Performance Requirements and Incentives

[Return to top](#)

Jamaica is a signatory to the World Trade Organization Agreement and is in compliance with most Uruguay Round obligations, including the TRIMS Obligations. There are no performance requirements imposed as a condition for investing in Jamaica. The government offers a number of incentives to attract investments, particularly those that generate foreign exchange and expand

employment. Some current incentives are non-compliant with the WTO Agreement on Subsidies and Countervailing Measures and should have been phased out by 2003, but have not been. However, Jamaica was granted an extension by the WTO to revise its incentives and is awaiting reports from the World Bank-affiliated Foreign Investment Advisory Service and a local Tax Review Committee to complete the process. Press reports suggest the Jamaican government's tax incentives were actively discussed during its negotiations 2013 negotiations with the International Monetary Fund for an Extended Fund Facility (EFF), and that some incentives may potentially be modified in the future.

Chief among the current incentives are:

(a) The Export Industry Encouragement Act (EIEA) - entitles companies manufacturing products for export to non-CARICOM member countries benefits such as exemption from income and dividend taxes for up to ten years, and exemption from import duties on raw material and machinery during the incentive period. Service industries were included in 1990 and in 1996 and the EIEA was amended to include companies that do not export 100 percent of output.

(b) The Hotel Incentives Act entitles hoteliers to income and dividend tax relief for up to ten years. Hoteliers may also receive an exemption from import duties for constructing or expanding hotels, but must have at least ten rooms and facilities for other activities. Income tax relief is granted for 15 years to hotels that meet certain qualifications including: having 10 to 350 rooms, facilities for holding conferences and operation by a qualified general manager. The Resort Cottages Incentives Act allows for income and dividend tax relief and duty-free importation of articles required to construct and equip resort cottages for up to seven years.

(c) The Motion Picture Industry Encouragement Law - motion picture producers can receive duty relief on imported goods for use in motion picture production as well as income tax exemption from the date of release or exhibition of each motion picture produced in Jamaica for a period of nine years. Producers are also granted a tax deduction of 70 percent of the capital expenditure incurred in acquiring facilities either in the year in which the cost is incurred or in any subsequent year at the option of the producer.

(d) Approved farmer status under the Income Tax Act - certified persons or companies engaged in growing food or seed crops, horticulture, aquaculture, tobacco and animal husbandry are eligible for income tax relief for up to ten years, renewable as well as concessionary duty rates on farm vehicles.

(e) The International Finance Company Act - available to finance companies conducting business solely with foreigners. With regard to Jamaican operations, non-residents must hold at least 95 percent of the loan capital. Profits of an approved corporate body are taxed at a rate of only 2.5 percent.

(f) The Shipping Incentives Act - approved shipping corporations are granted import duty and income tax concessions for a period of ten years.

(g) The Foreign Sales Corporation Act - provides exemption from income tax for five years for qualified income arising from foreign trade. U.S. law through the Tax Information Exchange Agreement (TIEA) reinforces this incentive.

(h) The Modernization of Industry (MOI) Program and Moratorium on Duties - under MOI, companies are exempt from general consumption tax on capital goods acquired for modernization. The Minister of Finance may award a moratorium on import duties on capital items for up to three years to companies, which do not qualify under existing incentive legislation and have the potential to contribute significantly to foreign exchange earnings.

(i) Accelerated Depreciation - certified companies are allowed to deduct 50 percent of the full cost of new machinery in the year of purchase and a further 50 percent in the following year.

(j) Other Incentives - a number of development banks provide concessionary financing for projects. The Jamaican National EXIM Bank provides concessionary interest rate loans for trade financing, while the Development Bank of Jamaica offers reduced lending rates to the productive sectors. Special tax incentives exist for companies that register on the junior stock market.

Foreign investors and their investment are generally granted national treatment status, subject to the rules outlined in the relevant Bilateral Investment Treaty. In essence, Jamaica has no performance requirements, except for companies with Free Zone status, which must export at least 85 percent of their output. Foreign firms are allowed to participate in GOJ-financed or subsidized R&D programs on a national treatment basis. Work permits are granted by the Ministry of Labor for a specified period, but are subject to the individual obtaining a work visa from the Jamaican Consulate located in or near their home state. Since 2005, foreign nationals who conduct business on a short-term basis do not require a business visa if they will be in Jamaica for a period not exceeding thirty days. However, foreign nationals will need a business visa to enter Jamaica if they are

conducting business for periods exceeding thirty days. Foreign nationals who need visas for entry to Jamaica will require a business visa to conduct business.

All importers are subject to the same procedures when trading in goods and services. To qualify for entry certificates, importers must obtain, inter alia, a supplier invoice, a certificate of value and origin, a declaration of value, and a bill of lading and sight. Products imported into Jamaica must also meet specific requirements administered by the Jamaica Bureau of Standards. In December 2001, Jamaica imposed the International Organization for Standardization ISO date representation (yy/mm/dd) as the official format for trade, but date labels are still accepted in the traditional European style (dd/mm/yy). The Jamaican economy is relatively open, but some non-tariff barriers remain. For instance, the Ministry of Agriculture's Veterinary Division requires certification from a U.S. federal agency for all products containing animal and animal by-products irrespective of quantity or form. Highly processed products such as cookies and chips therefore require certification from a government veterinarian. The Coffee and Coconut Industry Boards also have to issue import certificates for coffee beans and cooking oils, respectively, and importers can experience lengthy delays in obtaining these permits. Under intense pressure from farmers cooperatives, the GOJ instituted a 100 percent Common External Tariff (CET) plus an 80 percent Additional Stamp Duty (ASD), compounded to 260 percent, on select foodstuffs.

Right to Private Ownership and Establishment

[Return to top](#)

All private entities are entitled to establish and own business enterprises and engage in all forms of remunerative activity, subject to, inter alia, labor, registration and environmental requirements. Private entities are also free to establish, acquire and dispose of interests in business enterprises. Public and private enterprises have equal access to markets, credit and business operations, such as licenses and supplies. However, if the government has to compete with the private sector, it will do so on a competitive basis so as to not distort the market.

Protection of Property Rights

[Return to top](#)

The Jamaican Constitution guarantees property rights. Jamaica has a system of registered titles set out in the Registration of Titles Act, which recognizes and provides for the enforcement of secured interests in property by way of mortgage. It also facilitates and protects the acquisition and disposition of all property rights, though working through Jamaica's cumbersome bureaucracy can result in significant delays. In particular, it sometimes takes a long time for landowners to secure titles. Squatting, especially on crown (government) lands is

a major challenge. Jamaica is a member of the World Intellectual Property Organization (WIPO) and is a signatory of the Bern Convention. Jamaica and the U.S. have an Intellectual Property Rights Agreement and a BIT, which provide assurances to protect intellectual property. However, Jamaica has remained on the special 301 "Watch List" for ten years, largely because the patent law is not compliant with the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). Work is advanced on a new Patent & Designs Bill, including new rules and fee structures. Draft patent legislation is currently under review by the Chief Parliamentary Council of Jamaica. A Geographical Indications Act (GI) was passed in 2004 to protect products that originate from localities where a particular quality or reputation is attributable to its geographical origin. The Geographical Indications Act and regulations are now fully in force and TRIPS compliant. General law provides protection for trade secrets. Protection against unfair competition is also provided by the general law and the Fair Competition Act.

The Copyright Act of 1993, as amended, complies with the TRIPS Agreement and adheres to the principles of the Bern Convention, and covers works ranging from books and music to computer programs. Amendments in June 1999 make explicit the provision of copyright protection on compilations of works such as databases and make it an offense for a person to manufacture or trade in decoders of encrypted transmissions. It also gives persons having rights in encrypted transmissions or in broadcasting or cable program services a right of action against persons who infringe their rights. The act needs to be amended to give effect to the provisions of the WIPO WCT and WPPT (Internet) Treaties to which Jamaica acceded in 2002. The Trademark Act of 1999 is also compliant with the TRIPS Agreement and provides the owner of registered trademarks exclusive rights for up to ten years, renewable. It provides for the protection of "well-known" marks under the Paris Convention on Industrial Property Rights of which Jamaica is a signatory. A TRIPS compliant Layout Designs Act has also been in effect since June 1999. The act provides protection for layout-designs for integrated circuits and gives the rights owner the exclusive right to reproduce, import, sell or otherwise commercially exploit the layout-design and to authorize other persons to do so. That right is in place for ten years and may be transferred by the rights owner.

Transparency of Regulatory System

[Return to top](#)

A Fair Competition Act (FCA) was implemented in 1993 and is administered by the Fair Trading Commission (FTC). The main objective of the FCA is to prevent business interests and government policies from hindering the efficiencies to be gained from a competitive system. The FCA deals with misleading

advertisements, price-fixing, collusion, unfair trading practices and interlocking directorships.

There are laws and policies covering taxation, labor, health and other issues to avoid distortions or impediments to the efficient mobilization and allocation of investment. However, investors argue that the Redundancy Act, which deals with severance payment, is a disincentive to investment funds. In 2001, the mandate of the Anti-Dumping and Subsidies Commission was expanded through the implementation of a Safeguards Act, which protects producers from import surges. The GOJ also established the Office of Utilities Regulation to act as regulator of the country's utilities.

Although there has been improvement in the approval process for investment projects, it can still take anywhere from three months for Free Zone projects to over a year for green-field projects. The GOJ often speaks about plans to reduce bureaucracy as well as improve transparency and customer service levels within the public sector, but meaningful reform has been minimal.

The U.S. Embassy is not aware of any informal regulatory processes managed by NGOs or private sector associations or of any private sector and/or GOJ effort to restrict foreign participation in industry standards-setting consortia or organizations. However, in December 2004, the FTC implemented a non-legislative code of conduct governing the petroleum industry. The mandates of this code place restrictions on property sales and contracts between marketing companies and retailers, and are enforceable through fines levied by the FTC. Proposed legislation is available for public comment and submissions are generally invited from members of the public for items considered to be controversial. The legal, regulatory and accounting systems are transparent and consistent with international norms, and Jamaica has adopted the new International Financial Reporting System.

Efficient Capital Markets and Portfolio Investment

[Return to top](#)

Since the 1980s, Jamaica has initiated reforms aimed at fostering private sector activity and increasing the role of market forces in resource allocation. These reforms intensified in the 1990s, resulting in trade, financial and capital account liberalization. This has led to the availability of credit on market terms and foreigners are allowed to borrow freely on the local market at market-determined rates of interest. While some major financial products are still lacking, the private sector still has access to a variety of credit instruments.

Jamaica has an effective regulatory system established to encourage and facilitate portfolio investment. The Financial Services Commission and the Bank

of Jamaica jointly regulate portfolio investment. At the end of September 2011, the country's four largest commercial banks had total assets amounting to over US\$ 6 billion or approximately 90 percent of the entire assets of commercial banks. Five of the country's seven commercial banks, including the four largest, are foreign-owned. During the mid-1990s there was a crisis in the financial sector followed by an expensive resolution often referred as "FINSAC." Since 1998 there has been consolidation and increased output performance in the sector. Significant strides have also been made in terms of the regulatory framework, which are now in line with international standards.

Based on the Rule 404 of the Jamaica Stock Exchange (JSE), fully paid shares shall be free from any restriction on the right of transfer and from all liens. Two listed companies have clauses within their memoranda and articles of association that restrict foreign investors, but these predate the JSE. JSE listing arrangements allow for 20 percent of issued share capital to be listed, but there is no requirement that stipulates that this threshold must be maintained after listing. The rules of the JSE and the Security Acts also have specific provisions relating to the process of takeover and mergers, but these are general and, given that there are no specific provisions (except in the cases mentioned above) regarding restrictions to foreign participation, it follows that there are no specific measures designed to protect against hostile foreign takeovers.

In 2009, Jamaica established a Junior Market for small and medium sized enterprises (SMEs) and a sub-set of the Jamaica Stock Exchange. At the close of 2012, the Junior Market listed sixteen public companies. The Junior Market has provided a way to create equity investing opportunities for smaller businesses. Due to tax incentives to support the Junior Market (essentially a 10 year tax holiday), however, there is some concern that some larger entities may "game the system" by breaking up into smaller units and floating the resulting shares on the Junior Exchange.

Competition from State Owned Enterprises

[Return to top](#)

In recent years the GOJ has moved to sell holdings in SOEs, recently exemplified by the sale of sugar factories to the Chinese firm COMPLANT, selling Air Jamaica to Caribbean Airlines (as a result of this transaction, the GOJ now owns 16% of Caribbean Airlines), selling holdings in Pegasus Hotels to Mr. Kevin Hendrickson, and pending plans for the GOJ to divest its holdings in Clarendon Alumina Partners, Kingston Container Terminal, and the Wallenford Coffee Company. The GOJ has substantial holdings in Jamaica's oil refinery and ports, some local tourist attractions and resorts, and a 19.9% stake in Jamaica Public Service Company (JPS) the island's electricity provider.

Private firms are viewed as having the ability to compete with SOEs on fair terms in Jamaica. Jamaican SOEs generally lack the same profitability motives as private enterprises, as the GOJ often finances loss making activities. Jamaica does not have a sovereign wealth fund or an asset management bureau.

Corporate Social Responsibility

[Return to top](#)

In general, there is a good awareness of corporate social responsibility (CSR) among producers and consumers in Jamaica. Private sector firms that pursue CSR are favorably viewed in the country. Across the nation, there are dozens of private organizations which advocate for business interests. Frequently these organizations also facilitate projects that uplift society, including efforts to create job opportunities for youth, reduce crime, fight corruption, and make Jamaica a more transparent place to conduct business. Jamaica's court system is overburdened, which impacts the courts ability to review business disputes in a timely manner, and is a major factor for businesspeople to consider when doing business in the country. Historically Jamaica has lacked credit reporting agencies. While a credit reporting agency did officially open in late-2012, there remains an absence of credible information about potential local partners or borrowers. In such an environment, a solid reputation for CSR is seen as highly valuable among businesses in Jamaica.

Political Violence

[Return to top](#)

Jamaica has had a few incidents involving politically motivated damage to projects and/or installations. Crime poses a greater threat to foreign investments than do politically motivated activities. In April 2009 there were small sporadic disturbances in response to a new gasoline tax. The resort city of Montego Bay experienced a day of social unrest in 2003, in response to alleged police excesses. The street demonstration, which included the blocking of roads, affected the flow of tourists between hotels and the airport. At the 2008 Jamaica Labour Party's annual conference there was a shooting that resulted in a death. Violent crime, rooted in poverty, unemployment, and drug trafficking, is a serious problem in Jamaica, particularly in some urban areas. Sporadic gang violence and shootings are concentrated in certain inner city neighborhoods, but can occur in other areas. Extortion is a serious problem in certain areas of the commercial district and on large construction projects. In 2009 the GOJ also diverged from the past and was less cooperative with the United States Government in its response to requests for the extradition of alleged leaders of high-profile criminal organizations. This culminated in a dispute over the extradition request of drug kingpin Christopher "Dudus" Coke. After a 3-day incursion by Jamaican security forces into the Tivoli Gardens community, believed to be Coke's stronghold, followed by an island-wide search, Coke was

eventually extradited to the United States on June 24, 2010. Coke subsequently pled guilty to racketeering charges, and in June 2012 was sentenced to twenty-three years in prison.

Corruption

[Return to top](#)

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, hinders economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U.S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the

expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention Against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. Jamaica is party to the UN Convention Against Corruption and the Inter-American Convention Against Corruption, but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. Jamaica is not party to the OECD Antibribery Convention.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. Jamaica is a party to this UN Convention.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization

of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>). Jamaica is a party to this OAS Convention.

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Jamaica is not party to this Council of Europe Convention.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. The Embassy cannot provide legal advice on local laws, but the Embassy does offer a [list](#) of local attorneys.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in major U.S. and foreign cities, or through its website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Jamaica has a Corruption Prevention Act (CPA), which established a Corruption Prevention Commission in 2003 to, among other things: (1) receive, examine and document the statutory declarations of public sector workers; (2) receive and investigate any complaint regarding an act of corruption; and (3) conduct investigation into acts of corruption, if satisfied there are reasonable grounds to do so. To date there has been no enforcement, as the commission lacks the capacity to enforce the filing of declarations. Reports suggest that non-compliance is running at over 30 percent. However, the commission will be working with the Director of Public Prosecution to have enforcement measures implemented. The Embassy is not aware of any disproportionate application of corruption measures against foreign investors, but some members of the private sector perceive that the law is not applied impartially. During a 2010 panel discussion on governance, a Government of Jamaica Senator also stated that Jamaica had not done well in eliminating corruption from the public sector.

Jamaica has ratified the Inter-American Convention Against Corruption. In 2008, Jamaica became party to the United Nations Convention Against Corruption. Anti-corruption initiatives have been taken within the Jamaica Constabulary Force as well as some private sector organizations. Prosecutors participate in regional anti-corruption conferences. The Embassy is not aware of any U.S. firm identifying corruption as an obstacle to foreign investment. Transparency International (TI) performed a formal study of corruption in 2003, identifying widespread political, petty, and narcotics-related corruption as being prevalent in Jamaica. According to Transparency International's Perception Index, Jamaica's

score of 3.0 out of 10 in 2009, moved to 3.3 in 2010, and remained at 3.3 during 2011. In 2012, Jamaica's score of 38 out of 100 was similar to the scores for El Salvador and Burkina Faso.

Corruption may well be the single greatest concern among Jamaicans, many of whom believe it one of the root causes of the high crime rate. According to the January 6, 2013 edition of *the Gleaner*, in 2012 there were 54 police officers who were arrested for alleged acts of corruption. In recent times only one politician has been arrested on charges of corruption; his case is currently being tried before the Judicial Review Court and has experienced various delays. There are concerns that the government lacks the political will to root out corruption.

Under the Corruption Prevention Act (CPA), it is an offense to solicit or accept a bribe. Public servants can be imprisoned for up to ten years and fined as much as JD\$ ten million if found guilty of engaging in acts of bribery. Individuals and companies are also criminally liable if they bribe foreign public officials and can be prosecuted and face the same penalties. The legislation covers public officials who meet the JD\$2 million salary threshold and those working in sensitive positions such as police and military officers. However, it is well known that a number of public officials have been delinquent in complying with mandatory filing. The creation of the CPA could be viewed as evidence that GOJ officials are taking anti-corruption efforts seriously. However, financial constraints have crippled the commission's ability to fully execute its mandate of enforcing asset declarations. In 2007, The GOJ passed into law the Proceeds of Crime Act (POCA), a powerful legal tool that allows for both criminal and civil forfeiture and criminalizes money laundering related to narcotics offenses, fraud, firearms trafficking, human trafficking, terrorist financing and corruption, and applies to all property or assets associated with an individual convicted or suspected of involvement with a crime. However, the GOJ has been very slow to use this law. More active enforcement of the POCA by the GOJ would certainly strengthen anti-corruption efforts and send a signal that the country is serious about illicit activity. Within Jamaica's Parliament, legislation is pending for a Special Prosecutor's Bill to target corruption. In 2011, a report written by the Contractor General about corruption in the Jamaican Development Infrastructure Program, led to the resignation of Mike Henry, then-Minister of Transportation & Works.

The CPA also contains provisions for the extradition of Jamaican citizens for crimes of corruption. In April 2002, then Prime Minister Patterson tabled a code of conduct in Parliament for government ministers. The 49-point code covers such issues as conflict of interest and integrity in the conduct of public and private business. The agency responsible for combating corruption is the Commission for the Prevention of Corruption. Other "watchdog" organizations

operating in Jamaica include Transparency International, Jamaicans for Justice, Families Against State Terrorism and the Farquharson Institute of Public Affairs.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a “Lay-Person’s Guide to the FCPA” is available at the U.S. Department of Justice’s Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports: http://www.oecd.org/departement/0,3355,en_2649_34859_1_1_1_1_1,00.html. Also see Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries/territories around the world: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics/tools: <http://www.transparency.org/publications/gcr>.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI), <http://info.worldbank.org/governance/wgi/index.asp>. These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. The World Bank Business Environment and Enterprise Performance Surveys are available electronically: <http://data.worldbank.org/data-catalog/BEEPS>.

- The World Economic Forum's *Global Enabling Trade Report*, presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment: <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.
- Government of Jamaica resources include the website of the Office of the Contractor General (<http://www.ocg.gov.jm/ocg/>), and the website of the Auditor General's Department (<http://www.auditorgeneral.gov.jm/>).

Bilateral Investment Agreements

[Return to top](#)

Jamaica has an investment treaty with the United States (Feb. 1994, which came into force in March 1997). According to the OAS Foreign Trade Information System, Jamaica has also signed bilateral investment treaties with Argentina (1994), China (1994), Egypt (1999), France (1993), Germany (1992), Indonesia (1999), Italy (1993), Netherlands (1991), Nigeria (1992), Spain (2002), Switzerland (1990), United Kingston (1994) and Zimbabwe (1999). Jamaica has double taxation agreements with the U.S., Canada, CARICOM, China, Denmark, France, Germany, Norway, Sweden, Switzerland, and the United Kingdom.

OPIC and Other Investment Insurance Programs

[Return to top](#)

The Overseas Private Investment Corporation has identified infrastructure, telecommunications, construction, tourism and renewable energy as areas where its programs can have an impact in Jamaica. OPIC political risk insurance can insure up to US\$ 40 million per project. OPIC also provides medium to long-term financing to ventures with significant U.S. participation. OPIC can normally guarantee or lend from US\$ 0.1 to 250 million per project. The country became a signatory to the Multilateral Investment Guarantee Agency in 1986 and ratified the agreement in 1987.

Jamaica had an estimated labor force of 1.26 million as of July 2012, of which 12.8% were unemployed. Since 1999 there has been a steady increase in the numbers of people trained in information technology, particularly geared for work in call centers. Jamaican university graduates routinely migrate to North America and the United Kingdom, leading to a shortage of highly educated and experienced labor in Jamaica. According to a World Bank study, it is estimated that 80% of college graduates emigrate from Jamaica.

Jamaica has an active and strong trade union movement with membership equal to an estimated 20 percent of the labor force, although the movement is considerably weaker now than historically has been the case. Labor relations have traditionally been adversarial due to the level of distrust between workers and management. However, both parties have attempted to enhance the relationship between them by enacting a program for the management of labor cooperation (PROMALCO).

Jamaica has a number of labor friendly laws including the Employment (Termination and Redundancy Payments) Act, 1974 (as amended) (ETRPA). Under the Act, subject to some exclusions, employees with not less than two years continuous employment, who are dismissed on the grounds of "redundancy" are entitled to redundancy payment. As a general rule, workers with up to ten years continuous employment are entitled to two weeks payment for every year as well the requisite notice pay, while workers with over ten years continuous employment are entitled to three weeks payment plus notice pay (notice pay is the period in which the employee must give notice to their employer before leaving their position except in certain cases such as firing for cause). There are no unemployment benefits in Jamaica.

Jamaica has ratified the following ILO Conventions: Right of Association (Agriculture) Convention 1921 – ratified July 8, 1963; Freedom of Association and Protection of the Right to Organize Convention, 1948 - ratified December 26, 1962; and, Right to Organize and Collective Bargaining Convention, 1949 – ratified December 26, 1962. The GOJ is adopting the ILO policy on HIV/AIDS in the workplace. The GOJ, working in conjunction with the ILO and local stakeholders, has also developed a national plan of action on flexibility in working time to guide flexible working arrangements in Jamaica. Under the Work Permit Act, a foreign national who wishes to work in Jamaica must first apply for a permit issued by the Ministry of Labor. The law, which seeks to give first preference to Jamaicans, requires organizations planning to employ foreign nationals to prove that attempts were made to employ a Jamaican national.

Foreign-Trade Zones/Free Ports

[Return to top](#)

Jamaica's Free Zones Act allows investors to operate solely with foreign exchange in activities such as warehousing, refining, manufacturing, redistribution, processing, assembling, packaging, and services such as insurance and banking. Incentives offered include a 100-percent tax holiday in perpetuity, no import licensing requirements, and exemption from customs duties on construction and raw materials, capital goods, and office equipment. Manufacturing companies operating in the Free Zones are allowed to sell 15 percent of their production on the local market with the approval of the responsible minister. Duty-free zones are primarily found in airports, hotels, and tourist centers and, as with free zone activities; do not discriminate on the basis of nationality. The Kingston and Montego Bay Free Zones provide factory space for the above listed activities. Amendments have also been made to the Jamaica Export Free Zone Act to allow for the establishment of Single Entity Free Zones, with individual companies now designated as free zones. The Kingston Free Zone has an Informatics Park.

For foreign trade zone information investors can contact:

Ms. Beverly Williamson, Senior Vice-President, Business Management and Special Projects, Kingston and Montego Bay Free Zones, 27 Shannon Drive, Kingston 15, Tel: (876) 922-0290-8; 923-5274-5/6021; Fax: (876) 923-6023. 1 Mangrove Way, Montego Bay Free Port, P.O. Box 1377, Montego Bay, Tel: (876) 979-8696; Fax (876) 979-8088; Email: bwillaimson@portjam.com

Mr. Horace Sutherland, General Manager, Factories Corporation, 1 King St. Kingston, Tel: (876) 924-9600 -1; Fax: (876) 924-9630; Email: factories@cwjamaica.com.

Foreign Direct Investment Statistics

[Return to top](#)

Table 1: FDI Stock in Jamaica (US\$ Million)

	2005	2006	2007	2008	2009	2010	2011
Inward	6,335	7,264	8,667	10,104	11,166	10,829	11,097
Outward	1,174	1,257	1,357	1,452	128	288	238

Source: World Investment Report

Table 2: FDI Stock as a Percent of GDP

	2005	2006	2007	2008	2009	2010	2011
Inward	65	69	67	72	90	81	77.5
Outward	12	12	0.5	0.3	1	2	1.7

Source: World Investment Report

Table 3: Inward FDI by Sectors (US\$ Million)

	2005	2006	2007	2008	2009	2010	2011p
Ag/Manufacturing/Distribution	118.9	40.8	46.7	75.2	23.5	10.5	22.3
Information Tech/Communication	55.0	58.2	164.5	257.0	136.6	83.1	85.7
Minerals & Chemicals	12.8	11.6	5.2	2.3	0.0	0.6	6.0
Insurance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tourism	106.7	185.7	196.9	196.0	155.4	71.8	7.5
Mining	111.6	335.8	216.6	74.2	30.8	20.0	29.2
Other	75.9	118.1	59.3	714.3*	32.8	-18.4	21.7
Sub-total	480.9	750.1	689.2	1,319.0	379.1	167.6	172.3
Retained Earnings	201.6	132.1	177.3	117.5	161.8	60.1	45.9
Divestment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	682.5	882.2	866.5	1,436.6	540.9	227.7	218.2

*Includes inflows from the acquisition of majority shareholdings in a local conglomerate

Source: Bank of Jamaica

Table 4: Inward FDI as a Percentage of GDP (%)

	2005	2006	2007	2008	2009	2010	2011p
Agriculture/Manufacturing/Distribution	0.39	1.00	0.36	0.05	0.20	0.07	0.16
Information Tech/Communication	0.16	0.46	1.27	1.84	1.10	0.56	0.60
Minerals & Chemicals	0.09	0.11	0.04	0.02	0.00	0.0	0.04
Insurance	0.09	0.00	0.00	0.00	0.00	0.00	0.00
Tourism	1.03	1.56	1.52	1.40	1.20	0.49	0.05
Mining	1.52	2.81	1.68	0.53	0.20	0.14	0.20
Other	0.68	0.99	0.46	5.12	0.30	0.12	0.15
Sub-total	3.81	6.29	5.33	9.45	3.00	1.13	1.20
Retained Earnings	1.60	1.11	1.37	0.84	1.30	0.40	0.32
Divestment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	5.41	5.72	6.70	10.29	4.30	1.54	1.52

Source: Computed from BOJ and Statistical Institute of Jamaica data

Table 5: FDI Projects Facilitated by JAMPRO by Sector (US\$ Million)

	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Agriculture	3.0	0.0	0.0	0.0	0.1	0.0
Creative Industries	15.0	0.0	10.1	18.1	7.1	0.63
Information Technology	64.3	55.7	50.9	160.1	38.7	5.1
Manufacturing	11.1	38.9	53.2	65.9	17.9	13.2
Mining/Chemicals	16.0	1.3	5.6	5.0	0.6	13.3
Tourism	123.9	169.8	208.5	160.1	153.4	0.88
TOTAL	233.2	265.7	328.3	431.1	217.8	33.1

Source: Jamaica Promotions Agency (JAMPRO) (does not capture all new investments)

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
- [Project Financing](#)
- [Web Resources](#)

How Do I Get Paid (Methods of Payment)

[Return to top](#)

Letters of credit are a common method of payment in Jamaica. Depending on the circumstance, cash in advance may be requested but many Jamaican companies would be cautious about using that method. After a good business relationship has been formed, companies in good standing may move towards trading on an open account. There is currently no local credit rating agency in Jamaica, but a regional entity, Caribbean Information and Credit Ratings Services Limited (CariCRIS), was formed in 2004. Occasionally, U.S. firms register trade complaints for non-payment by local buyers.

In 2010 the Parliament of Jamaica approved the Credit Reporting Act, and the Bank of Jamaica and the Jamaican Ministry of Finance are empowered to review applications to open credit reporting agencies. As of May 2013, the Embassy was aware of two credit reporting agencies operating in Jamaica.

How Does the Banking System Operate

[Return to top](#)

Financial Institutions in Jamaica provide a full range of services and solutions for individual and business/corporate banking. These include current accounts, savings accounts, loans, credit cards and internet banking. Frequently credit cards issued by local banks are for use in Jamaica only, but international credit cards have grown in importance.

The Bank of Jamaica regulates deposit-taking institutions, money services businesses (e.g., cambios and remittance companies), and credit reporting agencies. According to the Bank of Jamaica, credit unions are designated by the Ministry of Finance as “specified financial institutions” under the Bank of Jamaica Act, enabling the Bank of Jamaica to obtain information on their operations, but regulations to establish a formal supervisory framework for these entities are pending. The Financial Services Commission regulates insurance companies, securities firms/dealers, unit trusts, private pension funds and mutual funds.

As of January 2012, there were seven commercial banks, two merchant banks and four building societies in Jamaica. As of December 2010, Jamaica had 46 credit unions with 975,818 members.

Following the meltdown of the financial sector in the 1990s, the GOJ increased the prudential and supervisory powers of the BOJ by passing the Financial Institutions Act and the Banking Act. Amendments were also made to the regulations governing Building Societies. The Jamaica Deposit Insurance Corporation (JDIC) and a FSC were introduced to protect depositors and regulate institutions and brokers outside the scope of the Central Bank's oversight. These adjustments have brought the regulatory standards governing the financial sector up to international standards and should therefore aid, rather than impede, businesses.

Foreign-Exchange Controls

[Return to top](#)

Since liberalization of the financial and capital accounts in the 1990s, foreign exchange controls have been removed, but the BOJ still regulates activities in the foreign exchange market. Foreign currency can be accessed through a network of authorized foreign exchange dealers, cambios, and bureaux de change at market-determined rates.

U.S. Banks and Local Correspondent Banks

[Return to top](#)

Canadian firms are dominant players in Jamaica's banking sector. Citigroup currently operates in Jamaica, but it does not offer retail-banking services. The Jamaica National Building Society and Victoria Mutual Building Society are Jamaican financial institutions with offices in the U.S. All Jamaican commercial banks have correspondent U.S. banking arrangements.

Project Financing

[Return to top](#)

Major projects are financed by one or a combination of the following methods: own funds; bank loans; retained earnings; equities; development bank financing; international private capital; bonds; and bilateral and multilateral loans and grants.

The U.S. Embassy has received reports from U.S. businesspeople commenting on the difficulties that they encounter when attempting to secure local financing in Jamaica. Local banks will often request several years of financial statements that have been audited by Jamaican auditors, which newcomers to Jamaica are generally not able to provide. Local banks cite that their cautious approach to lending is due to a lack of credit reporting and difficulty in collecting on underperforming loans in Jamaica.

Agencies of the United States Government:

Export-Import Bank (ExIm Bank) of the United States - <http://www.exim.gov>

Overseas Private Investment Corporation (OPIC) - <http://www.opic.gov>

SBA's Office of International Trade - <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation - <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development - <http://www.usaid.gov>

U.S. Trade and Development Agency - <http://www.ustda.gov/>

Development Bank of Jamaica - <http://www.dbankjm.com/>

Inter-American Development Bank - www.iadb.org

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 8: Business Travel

- [Business Customs](#)
- [Travel Advisory](#)
- [Visa/Entrance Requirements](#)
- [Telecommunications](#)
- [Transportation](#)
- [Language](#)
- [Health](#)
- [Local Time, Business Hours and Holidays](#)
- [Temporary Entry of Materials and Personal Belongings](#)
- [Web Resources](#)

Business Customs

[Return to top](#)

Jamaica is a former British colony, which gained independence in 1962. U.S. visitors will notice some similarities between what happens in both countries in terms of practices, traditions, and customs. In Kingston, depending on the type of business, a business suit or blazer is normal – especially for a first meeting. Dress tends to be less formal in resort areas such as Montego Bay and Ocho Rios, but even in these areas overly casual attire might not create a good impression.

Travel Advisory

[Return to top](#)

Please use the link below for Embassy notices to U.S. citizens in Jamaica:

http://kingston.usembassy.gov/travel_alerts.html

Visa/Entrance Requirements

[Return to top](#)

All U.S. citizens traveling by air outside of the United States are required to present a passport or other valid travel document to exit or enter the United States. U.S. citizens traveling by sea must present a Western Hemisphere Travel Initiative (WHTI) compliant document such as a passport or a passport card for entry to the United States. Passport cards are an acceptable travel document for entry into Jamaica for sea travelers only.

Visitors to Jamaica must have a return ticket and be able to show sufficient funds for their visit. U.S. citizens traveling to Jamaica for work or extended stays are required to have a current U.S. passport and a visa issued by the Jamaican Embassy or a Jamaican Consulate. There is a departure tax for travelers, which is regularly included in airfare.

Effective 2005, foreign nationals who are conducting business on short-term basis will not require a business visa once they will be in Jamaica for a period not exceeding thirty days. However, foreign nationals will need a business visa to enter Jamaica if they are conducting business for periods exceeding thirty days. Foreign nationals who need visas for entry to Jamaica will require a business visa to conduct business. Affidavits will not be accepted by the immigration office.

Telecommunications

[Return to top](#)

Jamaica has a modern and fully liberalized telecommunications system, which has seen phenomenal expansion since 2001. The former monopoly full-service provider, Cable and Wireless Jamaica Ltd (CWJ), changed its name to LIME in late 2008. Digicel has become the largest provider of cellular telecommunications in Jamaica.

There are several Internet service providers – the main ones including FLOW and LIME. Jamaica has submarine communications cables with the United States, Cayman Islands, Colombia, Cuba and the Dominican Republic.

Transportation

[Return to top](#)

Jamaica has two major international airports. Norman Manley International Airport in Kingston, is served by major airlines including Air Canada, American Airlines, British Airways, Caribbean Airlines, Cayman Airways, Copa, JetBlue, Spirit, and WestJet. Sangster International Airport in Montego Bay, is served by major airlines including: Air Canada, Air Tran, American Airlines, Caribbean Airlines, Cayman Airways, Copa, Delta, JetBlue, United Airlines, U.S. Airways, Virgin Atlantic and WestJet.

Major cruise ship terminals in Jamaica are located in Falmouth, Montego Bay and Ocho Rios.

Ground transportation options include taxis, car rental, and public transportation. Allowance should be made for possible delay arising from traffic congestion, particularly in the capital city, Kingston. Public transportation is not recommended, as public buses are often overcrowded and are frequently a venue of crime. Travelers who use taxicabs should take only licensed taxicabs having red-and-white PP license plates or taxis recommended by their hotels.

The A1, A2 and A3 highways are the primary links between the most important cities and tourist destinations on the island. These roads are not comparable to American highways, and road conditions are hazardous due to poor repair, inadequate signage and poor traffic control markings. The B highways and rural roads are often very narrow and frequented by large trucks, buses, pedestrians, bicyclists and open range livestock. Highways are traveled at high speeds, but

are not limited-access. Nighttime driving is especially dangerous and should be avoided whenever possible. U.S. Embassy personnel are prohibited from driving at night outside of the cities of Kingston, Ocho Rios, Montego Bay, and Negril.

Language

[Return to top](#)

The language spoken is English. (There is also a Jamaican dialect known as patois.)

Health

[Return to top](#)

Jamaica has a number of public and private hospitals. Most public hospitals have deteriorated over time due to lack of capital expenditure. At least one major hospital operates a private wing, which provides more personalized service. While there is significant room for improvement in sanitation standards, the existing state of the health sector compares favorably with other developing countries. The Embassy is not aware of any potential health risks of which businesspersons should be notified.

Local Time, Business Hours, and Holidays

[Return to top](#)

The normal working day for government offices and factories is 8:30 a.m. to 5:00 p.m. Monday through Thursday, and 8:30 a.m. to 4:00 p.m. on Fridays. Government offices are generally closed on Saturday and Sunday. Almost all commercial businesses are open on Saturday, but only few open on Sunday. Jamaica is on Eastern Standard Time (EST) year round and does not observe daylight savings time.

Holidays observed in Jamaica are the following:

New Year's Day	January 1
Ash Wednesday.....	Variable
Good Friday	Variable
Easter Monday.....	Variable
National Labor Day	May 23
Emancipation Day.....	August 1
Independence Day.....	August 6
National Heroes Day.....	October (Variable)
Christmas Day	December 25
Boxing Day	December 26

Temporary Entry of Materials and Personal Belongings

[Return to top](#)

Those who wish to bring in items temporarily such as software, exhibit material, etc., are required to identify the items at Customs, pay the required duty and General Consumption Tax (as security), and collect a refundable revenue deposit receipt. On exit from the country, the Customs authority refunds the entire

amount paid as security. In the case of importing machinery for just three to six months, the above procedure applies in addition to completed Customs Form C25. Laptop computers can be brought in duty free.

Web Resources

[Return to top](#)

Jamaican Diplomatic Posts in the United States:

Jamaican Embassy, Washington, D.C. - <http://www.embassyofjamaica.org/>

Jamaican Consulate, Miami - <http://www.jamaicacgmiami.org/>

Jamaican Consulate, New York - <http://www.congenjamaica-ny.org/redirect.php>

Jamaica Passport, Immigration, and Citizenship Agency - <http://www.pica.gov.jm/>

Embassy of the United States, Kingston - <http://kingston.usembassy.gov/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 9: Contacts, Market Research, and Trade Events

- [Contacts](#)
- [Market Research](#)
- [Trade Events](#)

Contacts

[Return to top](#)

Jamaica Promotions Corp. (JAMPRO) - www.investjamaica.com

Local Business Organizations in Jamaica:

American Chamber of Commerce of Jamaica - www.amchamjamaica.org

Jamaica Manufacturers' Association - www.jma.com.jm

Jamaica Chamber of Commerce - www.jcc.org.jm

Private Sector Organization of Jamaica - www.psoj.org

Ministries of the Government of Jamaica:

Ministry of Agriculture & Fisheries - www.moa.gov.jm

Ministry of Education - www.moec.gov.jm

Ministry of Finance and Planning - www.mof.gov.jm

Ministry of Foreign Affairs and Foreign Trade - www.mfajt.gov.jm

Ministry of Health - www.moh.gov.jm

Ministry of Industry, Investment and Commerce - <http://www.miic.gov.jm/>

Ministry of Justice - www.moj.gov.jm

Ministry of Labor and Social Security - <http://www.mlss.gov.jm/pub/index.php>

Ministry of Local Government - <http://www.localgovjamaica.gov.jm/>

Ministry of National Security - www.mns.gov.jm

Ministry of Transport and Works - www.mtw.gov.jm

U.S. and Foreign Commercial Service - www.buyusa.gov/caribbean

Market Research

[Return to top](#)

To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Trade Events

[Return to top](#)

June 16, 2013 – June 19, 2013
August 4, 2013 – August 6, 2013

Jamaica Diaspora Conference
Denbigh Agriculture Show 2013

Please use the link below for information on upcoming trade events promoted by the U.S. Foreign Commercial Service:

<http://www.export.gov/tradeevents/>

[Return to table of contents](#)

[Return to table of contents](#)

Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below:

www.buyusa.gov/caribbean

[Return to table of contents](#)

U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: <http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.