Final Report

For

SERVICES SECTOR STUDY

Prepared for

The Industry Advisory Council/JAMPRO

By

A-Z Information Jamaica Limited
September 2006

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LIST OF ACRONYMS

ACCA - The Association of Chartered Certified Accountants (UK)
AAJ - Advertising Association of Jamaica
ACHEA – Association of Caribbean Higher Education Administrators
ACP – African, Caribbean and Pacific regions
ADR - Alternative Disputes Resolution
AIS – Advanced Integrated Systems
AMS - Automated Manifest System
BIT - Bilateral Investment Treaties
BVI - British Virgin Islands
CAIC - Caribbean Association of Industry and Commerce
CARICOM – Caribbean Community
CARIFORUM – Caribbean Forum (CARICOM countries and the Dominican Republic)
CBC - Caribbean Business Council
CGR – Carter, Gambrill and Robinson
CLADC - Caribbean and Latin American Courier Companies
COHSOD - Council for Human and Social Development
CPC – Chief Parliamentary Counsel
CPEC - Caribbean Regional Human Resource Development Program for Economic Competitiveness
CPTC - Creative Production and Training Centre
CRNM – Caribbean Regional Negotiating Machinery
CROSQ - CARICOM Regional Organization for Standards and Quality
CSME – Caribbean Single Market and Economy
DRF – Dispute Resolution Foundation
DR-FTA – Dominican Republic Free Trade Area
DTA - Double Taxation Agreements
EIEA - Export Incentive Encouragement Act
EPA - Economic Partnership Agreement
EU – European Union
FATF - Financial Action Task Force
FDI - Foreign Direct Investment
FedEx – Federal Express
FIATA - International Federation of Freight Forwarders Associations
FSC - Financial Services Commission
FSC – Financial Services Company
FTAA – Free Trade Area of the Americas
GATS – General Agreement on Trade in Services
GPS - Global Positioning System
H1B – H1 Base - Visa for highly skilled workers and graduates to work in the USA
HRMAJ - Human Resource Management Association of Jamaica
HRPAO - Human Resources Professionals Association of Ontario
HSMP – Highly Skilled Migrant Programme

IAC - Industry Advisory Council
IAJ -Insurance Association of Jamaica
IATA - International Air Transport Association
IBC - International Business Centre
ICAJ – Institute of Chartered Accountants of Jamaica
ICAO - International Civil Aviation Organisation
ICPD - International Conference on Population and Development
ICU – Intensive Care Unit
ICWI - Insurance Company of the West Indies
IDB – International Development Bank
IFSC - International Financial Services Centre
IMCJ – Institute of Management Consultants Jamaica
ISO - International Organization for Standardization
JAMPRO – Jamaica Promotions
JEA - Jamaica Exporters Association
JIA - Jamaica Institute of Architects
JIM - Jamaica Institute of Management
JIS – Jamaica Information Service
JMMB – Jamaica Money Market Brokers
JTA - Jamaica Teachers' Association
JUTA – Jamaica Union of Travellers Association
LRIDA - Labour Relations and Industrial Disputes Act
MAJ – Medical Association of Jamaica
MCS – Management Control Systems
MIDEM - Marché International De l'édition Musicale – the world's largest music Industry Trade Fair
NCB- National Commercial Bank
NDTC – National Dance Theatre Company
OECD - Organisation for Economic Cooperation and Development
OECS – Organization of Eastern Caribbean States
OPM – Office of the Prime Minister
PAJ- Press Association of Jamaica
PIOJ – Planning Institute of Jamaica
PWC – Price Waterhouse Cooper
SHRM - Society for Human Resource Management (UK)
STATIN – Statistical Institute (Jamaica)
UCJ - The University Council of Jamaica
UNCPC – United Nations Central Product Classification
UTECH - University of Technology
UWI - University of the West Indies
WTO – World Trade Organization

1 Executive summary, Main Findings and Recommendations

1.1 Executive Summary

The purpose of this study is to conduct primary and secondary research and draw conclusions that will assist the Industry Advisory Council (IAC) in developing a Draft National Strategy for the Jamaican services sector. The study was officially started on July 3, 2006 when the leader of the consulting team made a presentation to the IAC outlining the methodology to be used to address the Terms of Reference. The consultants have achieved the following:

- Determined the sample frame and selected the sample of interviewees
- Developed four data collection instruments to interview service providers; public officials; presidents of umbrella organizations; and members of the Jamaican Diaspora.
- Selected a sample of sixty-six (66) persons representing all main services sub-sectors to participate in six focus groups.
- Met with the IAC on the 21st of July and 18th of August 2006. On July 21st 2006, the consultants discussed the sample selection, circulated copies of the data collection instrument and incorporated the numerous suggestions received. On August 18th 2006, the Final Draft Report, which was submitted on August 15th 2006, was presented to the IAC and once again suggestions were recorded for inclusion in this report.
- Received feedback and input from JAMPRO on all data collection instruments.
- Convened six (6) focus group sessions attended by a total of thirty-eight (38) persons from different sub-sectors and received a vast array of perspectives on their sub-sectors as well as on the services industry as a whole.
- Tested the data collection instruments
- Concluded the data collection process and have completed forty nine (49) [1]interviews including the public sector (10), umbrella organizations (12) and individual services providers (27).
- Carried out extensive secondary research on issues including: trends in local and international services sector development and growth, developments in international trade agreements, the Jamaican legislative framework as it relates to services, barriers to entry into the North American market, current markets for services, and the services infrastructure in Jamaica
- Identified potential markets/markets opportunities which Jamaican service providers can exploit.
- Designed an A-Z Infrastructural Competitiveness Index to develop a rating of Jamaica's services infrastructure compared to international standards.
- Prepared the output of the focus groups in six mini case reports.
- Analyzed the data collected in the individual interviews and incorporated the main findings in this report.

[1] 3 interviews were completed after the report was finished. The data collected are in the Appendix. For analysis, only certain answers were used such as those in the sections on policy and legislation.

1.1.1 Main Challenges

- The consultants found it extremely challenging to locate and secure the time of many persons selected to be interviewed because of their busy schedules or their absence from office or the country due to the summer vacation period.
- The length of time required to administer the relatively long data collection instruments in order to meet the requirements of the Terms of Reference was also rather challenging for both the interviewers and the interviewees.

1.2 Main Findings

The main findings include the following:

- The Jamaican services sector accounts for over 70% of GDP. This is dominated by tourism services with several other industries making significant contributions.
- Jamaican services providers export to a broad spectrum of markets but the USA, the UK, and Canada dominate because of factors including the large Diaspora populations, traditional trading and colonial relationships, and the geographical location.
- There are numerous barriers to trade in services; of special note are barriers to the important USA and Canadian markets. These barriers vary from sub-sector to sub-sector. Several Jamaican services providers complained that the local market is extremely open to foreigners who have a competitive edge because they do not have to pay GCT and other local taxes on services sold. These overseas competitors are already perceived to be at an advantage because they often have a strong capital base or are backed by large international organisations.
- The rating for Jamaica in terms of infrastructural support systems available to services providers, based on the A-Z Infrastructural Competitiveness Index developed by the consultants, emerged as 65.5% (or 34.5% below maximum), which suggests that overall there is fairly robust infrastructural foundation in place.
- The Consultants developed an index (the A-Z Export Market Potential Index and Grade) to examine the Market Potential for Jamaican services based on five variables: Number of Jamaican Services Providers; Quality of Jamaican Service Providers; Size of Global Markets in US$; Global Market Competitiveness and Relative Price/Labour Cost Competitiveness
- Based on the focus group discussions and the individual interviews conducted, services providers in general have a fairly low awareness of international trade agreements and most have no idea about the implications for their sub-sectors. Most persons had a superficial understanding based on what they heard in the media. Based on the service providers consulted, they are most aware of the CSME,[2] followed by the WTO/GATS then the FTAA and the EU-ACP.
- Many Jamaican services providers are still insular in their thinking and are seemingly more interested in defensive strategies to protect the local market rather than focusing on offensive strategies to penetrate the large and growing export market.

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[2] It is worth noting that at the recent CARICOM Heads of Government meeting last July, a decision was taken that teachers and nurses are now added to the list of categories of workers who are free to move to look for employment in the CARICOM region.

- Many services providers recognize the need to collaborate and form joint ventures with local and/or foreign services providers in order to develop the critical mass required to tackle larger projects in the export market but their seems to be inertia, mistrust, inability or lack of awareness of how to proceed.
- Many services providers have been exporting services but were unaware of it because of a lack of understanding of the various modes by which services can be exported. It is important that services providers recognise that they can export services without actually leaving Jamaica.
- There appears to be opportunities in several markets to export culture, entertainment and sport (where Jamaica has already established a brand and an international fascination)
- Some services providers are already engaged in exporting whilst other services providers are focussed on developing and servicing the local market. Services exports tend to follow the traditional trade patterns of traditional exports such as sugar, banana, other agricultural produce and bauxite/alumina.
- The health sub-sector especially relating to telemedicine and medical tourism are large and rapidly growing areas for which Jamaica is highly suited given inter alia its proximity to the USA, its high quality telecommunications infrastructure, its well-developed local health sector with well-trained professionals.
- There are export possibilities in the growing offshore sector, especially offshore financial services, given that Jamaica already has a strong regulatory financial environment in place.
- There is a substantial body of Jamaican laws that guide and regulate services providers. Over 90% of the 140 clearly defined services sub-sectors have specific legislation relating to them. Most services providers consulted were aware of the legislation relevant to their sub-sectors and were generally satisfied with it despite recognizing the need for updating in some cases. Very few identified legislation as a major hindrance to trade and sub-sector development, except for the Offshore Financial Services sector. Legislation was viewed more in light of protecting services providers and/or the public.
- Services providers identified some key inputs from the Government that could enhance trade and development in their sub-sectors, including fiscal incentives, public education, and conclusion of bilateral and multilateral tax and trade in services agreements that will enhance market access
- There appears to be great export opportunities in cultural, entertainment and sporting-related services, however there appears to be insufficient focus in developing these sub-sectors, despite the country's clear competitive and brand-related advantages.
- Services providers complained about the unavailability of affordable financing options for their businesses, except for the high cost commercial banks; some argued that the EXIM Bank's funding facilities should be extended to services providers.
- Services providers complained that Government Agencies were not harmonised with respect to facilitating services providers, for example one Agency may facilitate the granting of an incentive or an opportunity for a service provider and then another Agency that is not aware (e.g. Customs or the Ministry of Finance) unwittingly delays an important process, restricts a

particular activity or levies an unexpected cost, which negates the original incentive/opportunity granted to the service provider.

- The Brand Jamaica concept would be welcomed by Service Providers as a mechanism for assessing quality standards in services and should be used as a method to qualify more service sub-sectors as having attained international standards. This Brand Jamaica rating should incorporate ISO (international) standards as well as any Jamaican specific standards which are necessary to give a Jamaican flavour.
- There is a level of cynicism or skepticism amongst several services providers in terms of whether any significant changes will emanate from this study because they claim that they have been consulted on previous occasions and have seen no positive results.
- Services Providers can examine the ratings and grade presented in the A-Z Export Market Potential Index and Grade to determine the export potential of their respective sub-sectors.

1.3 Recommendations

1. The authorities should launch a sustained public awareness campaign which incorporates issues such as:
   - the opportunities and challenges presented by the various international agreements
   - the various (four) modes of exporting services
   - the potential markets for services, especially how service providers can more intensively tap existing markets (i.e. USA, Canada, EU)
   - how to detect, navigate and address barriers to entry in the various export markets
   - clearly defining what is implied by international standards and the need to retool and prepare for international competition – this could then be used to support and broaden the "Brand Jamaica" concept
   - how services exporters can access and take advantage of the benefits available under the Export Incentive Encouragement Act (EIEA) and the Free Zone Act – such as tax holidays and stand alone Free Zone privileges
   - how to collaborate, coordinate and form consortia to bid on larger international projects and become a force in the international market rather than a set of uncoordinated individuals in competition for a relatively small domestic market
   - The role that services providers have to play in getting themselves informed and then actively participating in the export market – in other words, the Government cannot be relied on to do everything and create every opportunity.

2. The authorities should intensify focus on niche markets such as culture, entertainment and sport (where Jamaica has already established a brand and an international fascination) and support services sub-sectors in order to develop the critical mass, the management capacity, the local facilities, the training, and the promotion required to be major players in the export market. [3]

[3] See profile on cultural services in Appendix 5

3. The authorities should also examine the possibilities in the growing offshore sector, especially offshore financial services, given that Jamaica has a strong regulatory financial environment in place. Some of the legislation would require updating but model legislation exists in other countries that could be adapted.[4]

4. The authorities should consider the health sub-sector especially as it relates to telemedicine and health tourism. These are large and rapidly growing areas for which Jamaica is highly suited given inter alia its proximity to the USA, its high quality telecommunications infrastructure, its fairly well-developed local health sector with well-trained professionals and its climate.[5]

5. The authorities should capitalize on the Brand Jamaica concept and put an Agency (such as the Bureau of Standards) in charge of the development and protection of the brand. The Agency should work with umbrella organizations and encourage them to develop "Brand Jamaica" standards for each sub-sector. These standards would have to incorporate the already established ISO standards in the sectors where such standards already exist. Services which qualify for Brand Jamaica would obviously be guaranteed International recognition. Once these "Brand Jamaica" standards are achieved then sub-sectors and service providers would qualify for promotion under the brand; they would then be in the illustrious company of Jamaican musicians, artistes, sports persons, Blue Mountain Coffee, Sandals, Super Clubs, etc. Whenever a service provider receives "brand Jamaica approval" this would signify world-class standard with a Jamaican nuance or genre. The authorities would not need to pick winners in terms of sub-sectors to promote but would instead promote the brand and encourage as many service sub-sectors and service providers as possible to attain "brand Jamaica approval".

6. The authorities should seek to address the factors which currently put Jamaican service providers at a disadvantage relative to foreign providers. Some of the inhibitors which will have to be addressed by the authorities include:
   - tax reforms that will remove the advantage that foreign service providers have when competing on local projects due to not having to pay GCT and other taxes. Oftentimes, foreign service providers enter Jamaica on Tourist visas and are not subject to income tax and other statutory deductions, such as NHT, NIS and ED Tax; thereby avoiding these costs which the Jamaican service provider is subject to. These advantages available to foreigners (combined with other advantages such as lower cost of financing, economies of scale, linkages with international donor agencies, etc) reduce the incentive for local services providers to invest and take risks to develop their sub-sectors. If services providers do not develop strength and momentum in the Jamaican market, it is often difficult to be a force to reckon with in the export market (apart from certain services developed specifically for the export market such as tourism and call centres). There needs to be fiscal and monetary incentives to encourage service providers to export. Examples of these are tax exemptions on services exports and on imports of materials that are related to the service sub-sector (such as filming equipment for those in the

[4] See profile on the Offshore Business Sector in Appendix 5
[5] See profile on telemedicine and health tourism in Appendix 5

entertainment industry or vehicles for land surveyors). A percentage of profits gained from export may also be granted tax-exempt status.

7. The authorities should use the "pooling of services" concept to enhance the export of services. In the Mode 4 application of the pooling concept, sub-sectors such as accountancy, nursing and teaching that suffer a constant loss of trained personnel to higher wage markets such as the USA and Canada should be encouraged to establish a pool of locally based service providers whose services can be temporarily exported (may be on a rotational basis so the benefits can be spread to more persons), rather than being lost permanently through migration. The cost advantage could then be used as a variable to increase the export of services rather than the export or loss of vital services providers. This would require facilitation and coordination by the Ministry of Labour and Immigration, as in the case of the Farm Workers Programme.

   In the Mode 2 application of the pooling concept, the authorities should encourage the establishment of an organized pool of services (that meet international standards) which can be accessed by foreign consumers who visit Jamaica– this could work for inter alia financial services, health services, culture and music (such as a Reggae Park in which a pool of reggae artistes including up and coming artistes perform daily).

8. In terms of intellectual property rights, the authorities should lobby the overseas markets to ensure that collection societies collect royalties on behalf of local artistes. They should also make Jamaican artistes, publishers, producers and designers more aware of how to protect their intellectual property.

9. The authorities should promote the lending facilities of the EXIM Bank to services providers as well as create a mechanism (including tax benefits) for financial institutions to provide venture capital for service providers.

10. The Government should encourage services providers to dialogue more with public officials in order to keep them current about what is happening in the service sector because in reality it is likely that services providers will know more about their sub-sector than government officials. The Government should therefore set up 6-10 annual focus group sessions where they can listen to developments and requirements of all services sub-sectors and make the appropriate policy or strategy responses.

11. The Government should consider embarking on an awareness campaign and promote more cross-functional workshops amongst public officials from different Ministries/Agencies in order to render the public sector generally more aware, coordinated and facilitating towards services providers.

12. A Unit or small Executive Agency should be established to focus on the specific needs and challenges of services providers and is mandated to seek information, conduct export market analysis, find export market opportunities, and take a leading role in ensuring that services providers exploit any such opportunities. For example, the Agency could charge direct fees for services provided, such as a certain percentage of the value of a contract if a proposal is written and a bid won;

the Agency staff could then be given incentives based on fees earned by the Agency.

13. The authorities should consider segmenting the service sector into various clusters and putting in place a set of short, medium and long term policies and strategies for each cluster. The clusters and policies should include the following:
    - Cost driven sub-sectors – such as accounting, nursing, teaching, construction workers which could be supported by policies to encourage pooling and branding for exports;
    - Technology driven sub-sectors – such as telemedicine, financial services, media services which could be supported by policies to encourage the continuous implementation of competitively priced, cutting-edge technology;
    - Highly specialized sub-sectors – such as actuarial science, tax law, trade law, neuro-surgery which could be developed by medium to long term educational policies and strategies that encourage children to select these as career options at an early age. The policies should be supported by public education campaigns that extol the virtues and pecuniary benefits associated with these careers;
    - Life and survival related sub-sectors – such as medical services (through telemedicine, health tourism, etc) and environmental related services which could be supported by appropriate training and promotional strategies. These services are worthy of consideration because of their high importance and critical nature for which consumers are being prepared to pay high prices;
    - Niche sub-sectors, such as culture, music and sport, which could be supported by strategies to train as well as provide infrastructural support.

2 Introduction and Objectives

2.1 Brief overview on local and international services sector

In recent years, authorities all over the world have taken greater interest in the level and growth of their services sector, not only in terms of the increased contribution to GDP but also in terms of the value and direction of trade in services. Given the nature of services, it has often proved difficult to accurately measure or track its contribution to GDP or to trade. However, due to the level of service trade that is taking place as well as emerging opportunities facilitated by advances in technology and increased movement of persons, most progressive countries have been paying more attention to trade in services in recent years. Global, hemispheric and regional trade negotiations have also intensified the focus on trade in services, given the various modes by which services are traded and the possible impact of such trade. The Jamaican authorities have long since recognised the importance of trade in services, especially as it relates to tourism, which has received support over the years. In more recent years, Jamaica has also sought to increase benefits from the development and trade in various segments of the information communication technology sub-sector. Given the rapid developments in the global and domestic services sector, it is very important for Jamaicans to be well informed with respect to the strengths, weaknesses, opportunities and threats in more traditional services sub-sectors as well as in untapped/sunrise services sub-sectors.

There are four Modes of trading services as follows:

- **Mode 1**: Cross border supply – exporting using email, courier, fax, mail, video, telephone
- **Mode 2**: Consumption abroad - consumer comes to Jamaica or foreign company/person operating in Jamaica consumes service
- **Mode 3**: Commercial presence – set up a branch or subsidiary overseas
- **Mode 4:** Movement of natural persons – temporary entry into another country to provide services

The Jamaican Government's recognition of the importance of trade in services was reflected by the convening of an Industry Advisory Council (IAC) for International Business Services with the specific task of making recommendations to the Ministers of Development, and Industry and Tourism as it pertains to the development of an exportable services sector. The IAC, in order to accomplish its mandate, has resolved that in order to make prudent recommendations, it must first have a clear knowledge and understanding of the Jamaican services industry and its position in a global context. To this end, a study of the services sector was commissioned by the IAC with support from JAMPRO.

2.2 Main objectives of the study

The main objectives of the study were laid out in the Terms of Reference and the proposal submitted by the consultants. These objectives with their several sub-components are outlined below.

2.2.1 Objective 1

1. The list of professional groups, organizations, associations, companies, etc., currently exporting services and the markets to which they are exporting internationally (globally).
2. Outline capacity building requirements of services exporters.
3. Assessment of potential international markets, including niche markets, for services.
4. Level of competition being faced internationally and from what countries.
5. Reason for not entering other markets where interest lies (including barriers to trade).

2.2.2 Objective 2:

1. Enumeration of the laws that govern each sub-sector (including laws to be passed, amended or repealed) and how they affect the firm.
2. Legislative needs of each sub-sector as defined by gaps between existing legislation and international standards/benchmarks.
3. Government's timeline, if available, to achieve changes in legislation to support the services sector.

2.2.3 Objective 3:

1. Level of awareness about the following as it relates to the services sector:
    a. General Agreement of Trade in Services (GATS)
    b. Free Trade Area of the Americas (FTAA)
    c. CARICOM Single Market and Economy (CSME)
    d. Cotonou-ACP Agreement
    e. Tax and other trade treaties (multilateral and bilateral)
2. The effect each is expected to have on their industry and company.

2.2.4 Objective 4:

1. The major obstacles presently preventing export of services. *These will be weighted based on certain predetermined factors provided to the consultants.*
2. Projects/activities that have been identified to promote the sector internationally.
3. Measures they believe are necessary to develop their sector fully.
4. Input required from the government to develop the export capacity of the services industry. *These will be weighted based on certain predetermined factors provided for the consultants.*

2.2.5 Objective 5:

1. Sources of statistical data from local or international agencies.
2. Statistics for the period 1999-2003:
    a. Level of exports in US$
    b. Percentage of annual revenue that can be attributed to exports
3. Projections for the growth of trade for the sub-sector over the next 3 -5 years

2.2.6 Other Outputs of the Study

In addition, it is expected that the study will uncover the following general information:

- Competence level of staff to give maximum value within each sub-sector (level of education, level of specialized skill/accreditation, etc.).
- Memberships in international associations, professional organizations, and accreditations
- The number of workers and consultants employed in the overall sector
- National and international professional certifications and accreditations by sub sector.

2.3 Meetings of the IAC and the Consultancy Team

The members of the Consultancy Team had four meetings with representatives of the IAC. The outcomes of these meetings are summarized below.

2.3.1 Meeting of July 3, 2006

The first meeting with the IAC took place on Monday July 3, 2006 in the JAMPRO Board Room. At the meeting, the leader of the Consultancy Team, Dr. Noel Watson made a presentation to a subset of IAC members. The IAC members asked several questions, made suggestions, discussed timeframes and approved the methodology presented by Dr. Watson.

2.3.2 Meeting of July 21, 2006

The second meeting with the IAC took place on Friday July 21, 2006 in the JAMPRO Board Room and was attended by the entire consultancy Team of Dr. Noel Watson, Mr. Winston Gooden, Mr. Charles Pennycooke, Ms. Denise Leander-Watson, and Ms. Miranda Allbrook. The meeting was attended by a larger subset of the IAC, including several members not present at the first meeting.

At this meeting, the Consultancy Team made a more detailed presentation to the IAC, and outlined the objectives, the methodology, the focus group structure and intended participants and the timeframe. The presentation stimulated lively participation from the IAC members who proffered numerous suggestions with respect to the appropriate persons to select for participation in the focus groups, the umbrella organization interviews, the public officials interviews and the interviews with leaders in the various services sub-sectors. These suggestions were noted by the consultants and the IAC members pledged their support in assisting to locate and contact these persons given the tight timeframe for the project and the fact that the study was being executed in the middle of the summer vacation period.
Copies of the data collection instruments used in the study were circulated amongst the IAC members who agreed to send their comments to the consultants.

The IAC approved the approach and progress of the Consultancy Team and the next meeting was set for Friday August 18, 2006 after the delivery of the Final Draft Report on Tuesday August 15, 2006.

2.3.3 Meeting of August 18, 2006

At this meeting, the consultants presented a summary and the main findings from the Final Draft Report. The IAC made comments and suggestions for refinement but approved the report subject to these changes.

2.3.4 Meeting of September 8, 2006

At this meeting the Consultants presented the Final Report, which met the requirements of the IAC. A few refinements were requested by the IAC members in attendance; in addition they requested one further week to allow all of its members to submit any final comments. Final comments were received and incorporated in the Final Report by the Consultants.

3 Methodology

3.1 Data collection instrument design and testing

The Consultancy Team designed four different data collection instruments that were sent to the JAMPRO internal team for circulation and comments. The four data collection instruments were designed for the following groups:

- Services Providers
- Public Sector Officials
- Leaders of Umbrella Groups/Associations
- Members of the Diaspora (USA.UK and Canada)

Useful comments were received from JAMPRO on all data collection instruments and the comments were in all cases incorporated. Though the data collection instruments turned out to be quite long, this was inevitable given the level of detail required to satisfy all the objectives outlined earlier.

The data collection instruments were tested by distributing them to invitees to the various focus groups for self-administration, persons commented on the comprehensive nature of the instruments. However, only a few were completed in this manner because most persons felt they required some guidance in completing the detailed instrument. The consultants recognised that it would be necessary to administer the data collection instruments to interviewees rather than circulate them to be self-administered. The six focus group discussions conducted also assured the consultants that the range of questions on the data collection instruments were appropriate and comprehensive.
The consultants tested the data collection instruments amongst themselves and conducted a practice session on how to appropriately and consistently administer the various data collection instruments.

The consultants subsequently tested the data collection instruments on twelve service providers and five leaders of umbrella organizations. In testing the data collection instruments some participants complained about the length of time required to complete the interview, which ranged from fifty to ninety minutes. However, most persons were challenged by the questions and felt the process forced them to think about their business or sub-sector from a different perspective. There were no recommendations for revision of the data collection instruments as a result of this testing process.

3.2 Sample selection and input

It should be noted that the UNCPC classifications provided the basis for defining sub-sectors and selecting the sample for this study.[6] The sample frame for the study included:

- All relevant public sector officials
- All players in services sub-sectors
- All leaders of services sub-sector umbrella organizations

[6] This is the standard framework used in international trade discussions such as the GATS and the CSME.

The Consultancy Team recommended that the sampling frame be expanded to include the Jamaican Diaspora.

Focus groups

The sample of focus group participants was selected by attempting to get a representative from each of the main services sub-sectors to participate in one session. The six focus groups were arranged to include persons from similar professions. The two tables below show the various sub-sectors that were invited to each of the six focus groups.

Focus Group 1	**Focus Group 2**	**Focus Group 3**
1. Legal	1. Engineering	1. Medical
2. Accounting	2. Construction	2. Dental
3. Taxation	3. Urban Planning	3. Midwives, Nursing
4. Banking	4. Integrated Engineering	4. Physiotherapy
5. Insurance	5. Real Estate	5. Veterinary
6. Payment & Money transmission	6. Architectural Services	6. Hospital Services
7. Services related to Management Consulting	7. Environmental Services	7. Other Human Health Services
8. Technical and Scientific Consulting	8. Sewage Services	8. Social Services
9. Technical Testing	9. Refuse disposal Services	9. Educational Services
10. Computer Related	10. Building/Cleaning Services	10. Primary & Secondary
11. Advertising	11. Quantity Surveying	11. Adult Education
12. Market Research	12. Land Surveying	12. Personnel
13. Securities Trading		13. Security
14. Insurance Brokerage		

Focus Group 4	**Focus Group 5**	**Focus Group 6**
1. Telecommunication Services	1. Media	1. Services incidental to Fishing
2. Internet Services	2. Cultural Services	2. Services incidental to Mining
3. Postal Services	3. Convention Services	3. Services incidental to energy distribution
4. Courier Services	4. Sporting Services	4. Distribution Services
5. Road Transport	5. Audio Visual	5. R & D – Natural Sciences
6. Maritime Services	6. News Agency Services	6. R & D – Social Sciences & Humanities
7. Air Transport	7. Other Recreational	7. Customer Broking
8. Freight Forwarding	8. Entertainment	
9. Services auxiliary to all modes of transport	9. Printing & Publishing	
10. Rentals without	10. Photographic	

Focus Group 4	Focus Group 5	Focus Group 6
Operators		
	11. News Agency	
	12. Media	

It is generally agreed that the ideal size of a focus group is between five to ten persons and the consultants were aware that only 50-80% of the invitees would attend. The views of the others were captured in individual service sub-sector interviews. A total of sixty-six (66) persons were invited to the six focus group sessions, however only 38 or 58% attended.[7] The distribution of attendance by focus group is shown in the following table.

Focus Group	1	2	3	4	5	6
# Participants	8	7	7	4	5	7

Those persons who did not attend were interviewed in individual interviews or a suitable replacement from their sub-sector was found.

Public sector officials

In selecting the sample of public sector officials, the consultants decided to select Permanent Secretaries or Director General level persons from the various ministries or agencies with which service providers mainly interface. Upon close examination of ministries and agencies, it was recognized that services providers interface with most of them; however, some were selected and prioritized as shown in the following table.

Ministries	Agencies
1. Industry, Commerce, Science & Technology	1. JAMPRO
2. Tourism, Entertainment and Culture	2. PIOJ
3. Foreign Affairs & Foreign Trade	3. STATIN
4. Finance & Planning	4. Companies Office
5. Housing, Transport, Water & Works	5. Bureau of Standards
6. Education and Youth	
7. Sports	
8. Information and Development	
9. Health	
10. Labour & Social Security	

In order to meet the Terms of Reference, the consultants aimed to conduct interviews with at least <u>six</u> public officials from the above Ministries or Agencies.

[7] See the focus group mini-reports in the appendix for more details.

Umbrella organizations
The umbrella organizations selected were based on 1) perceived prominence and 2) an attempt to get a representative grouping. Those selected are listed below:

- Jamaica Bar Association
- Institute of Chartered Accountants of Jamaica
- Media Association of Jamaica
- Jamaica Institution of Engineers
- Shipping Association of Jamaica
- Nurses Association of Jamaica
- Medical Association of Jamaica
- Bankers Association
- Insurance Association of Jamaica
- Jamaica Exporters Association
- PSOJ
- St. Ann's Chamber of Commerce
- Montego Bay Chamber of Commerce

Jamaican Diaspora

The consultants recommended the inclusion of members of the Jamaican Diaspora in the sample because it was felt that they would have ideas on the opportunities and barriers that are likely to be encountered when trading certain services in those markets. JAMPRO, in conjunction with the Ministry of Foreign Affairs and Foreign Trade, provided some initial contacts for Diaspora organizations in the USA, Canada and the UK. The consultants contacted the Ministry of Foreign Affairs and Foreign Trade for more contacts and followed-up on those contacts without any success. The objective was to obtain the input of at least two persons from each of the above mentioned countries.

Services sub-sectors

The interviewees included in this group are mainly from those selected for the focus groups. Several participants selected for the focus groups had the detailed data collection instrument administered to them. The consultants conducted twenty- seven (27) interviews in this category, which covered a representative range of the sub-sectors.

3.3 Data collection

The following section outlines the data collection process for all of the selected samples.

Focus groups

During the six two-hour focus group sessions that took place on July 27-28, 2006 and August 9, 2006, the main aim was to get a broad spectrum of views and generate interaction amongst service providers from different sub-sectors.

The Facilitator introduced the Consultancy Team then provided a brief background on growth and development in the global services sector. Participants were then asked to introduce themselves using a specified format which outlined their name, industry, main services provided, main industries serviced, the extent to which they export, and main local and international competitors. These introductions served to provide background data and profiles of participants which are captured later in this report.

The participants in the focus groups were then asked to discuss a series of issues from the perspective of their sub-sector. The issues included:

- Modes of export
- Export-readiness and deficiencies that affect their potential to export
- Barriers to entry
- Legislation governing their sub-sector
- Policy changes required to develop their sub-sector
- Awareness of international trade agreements
- Sources of financing

Vibrant discussions took place in all focus groups, which were tracked on a PowerPoint presentation and recorded on camera. The outcomes of these focus groups are presented later in this report in the form of mini-reports. The focus group discussions were enhanced by the presence of a representative from the Ministry of Foreign Affairs and Foreign Trade,[8] who was able to address certain issues and to offer some feedback from their recent consultations with services providers.

Commonly expressed perspectives by participants at the end of the sessions included:

- We enjoyed the session and wished they could be arranged more often
- We learned a lot about other companies and sub-sectors in the process
- We are not certain anything will come from the process because we have been consulted on some of the same issues in the past and have seen no changes
- JAMPRO/IAC should be congratulated for seeking the input of service providers in the strategy development process.

Face-to-face interviews

The consultants completed face-to-face interviews with leaders of nine (9) umbrella organizations, three (3) public sector officials and nine (9) service providers. The interview times were set by phone calls and the specially designed data collection instruments were used in the actual interview process. The length of time taken for each interview typically ranged from 60-90 minutes. Those interviewed face to face are listed below:

[8] Mr. Calvin Manduna from the Ministry of Foreign Affairs and Foreign Trade attended all six focus group sessions.

Umbrella Organisations

1. The Institute of Chartered Accountants of Jamaica
2. The Jamaica Bar Association
3. The Media Association of Jamaica
4. The Jamaica Teachers Association
5. The Nurses Association of Jamaica
6. The Jamaica Institution of Engineers
7. The Insurance Association of Jamaica
8. The Medical Association of Jamaica
9. St. Ann Chamber of Commerce

Public Sector Officials

1. Ministry of Foreign Affairs and Foreign Trade
2. Ministry of Development
3. Companies Office of Jamaica

Service Providers

1. Project Mgt & Environmental Services – Conrad Douglas & Associates
2. Sporting services - The Institute of Sport
3. Technical and Scientific Resource – Scientific Research Council of Jamaica
4. Dental Services – Dr. Brian Morgan
5. Courier Services – Airpak Express
6. Ground Transportation – J.U.T.A
7. Personal Services (Beauty Care) – Lesma's Hut
8. Legal Accounting – Debbie-Ann Gordon and Associates
9. Advanced Integrated Systems – Doug Halsall

Telephone interviews

The consultants also conducted telephone interviews with leaders from various services sub-sectors. These interviews were also scheduled during phone calls to the proposed interviewees then the interviews were executed over the phone using the specially designed instrument. The duration of the interviews conducted ranged from 50-120 minutes. Those interviewed by this method were two (2) representatives from Umbrella Organizations, four (4) Public Officials and fourteen (14) Service Providers. These are listed below:

Umbrella Organizations

1. The Jamaica Exporters Association
2. Montego Bay Chamber of Commerce

Public Officials

1. The Planning Institute of Jamaica (by telephone)
2. National Council on Education
3. Financial Services Commission
4. Statistical Institute of Jamaica

Service Providers

1. Accounting and Auditing – BDO Jamaica
2. Management Consultancy – CATC
3. Advertising – Dunlop Corbin
4. Financial Services – National Commercial Bank
5. Social Services – Dispute Resolution Foundation
6. Financial Services (Securities Trading) – DB&G
7. Health Insurance Services - Blue Cross of Jamaica
8. IT Services – MCS Systems
9. Veterinary Services- Phoenix Veterinary Clinic
10. Cultural Services – ASHE
11. Health Related (Hospital) – Tony Thwaites Wing, UHWI
12. Services Incidental to Mining – Anthony Morgan and Company
13. Quantity Surveying – Stoppi, Cairney and Bloomfield
14. Insurance Brokers – Caribbean Assurance Brokers

Self Administered Data Collection Instruments

The consultants actually received six (6) completed self-administered data collection instruments from one (1) umbrella organization, one (1) public official and four (4) service providers as follows:

Umbrella Organization

1. The Shipping Association of Jamaica

Public Sector Officials

1. Ministry of Housing, Transport, Water and Works

Service Providers

1. Urban Planning/Architecture – Patrick Stanigar
2. Personnel Services – DOT Personnel
3. Environmental Services – Environmental Solutions
4. Market Research - Market Research Services Ltd.

Internet Questionnaires

The consultants sent out by email 20 questionnaires specially designed for members of the Jamaican Diaspora. Unfortunately, no completed questionnaires were received.

3.4 Data analysis

The approaches to dealing with the data collected from the focus groups and the interviews are outlined below.

Focus Group Data Analysis
The focus group data and information were captured on video tape and tracked in a PowerPoint presentation during each session. The focus group information has been summarized and distilled into mini-reports that are presented in Appendix 5 of this report. The main headings under which the information was captured were outlined in section 3.3.1 of this report.

Interview Data Analysis
The data for the interviews was analyzed as follows:

- A template was developed in Microsoft Excel for data entry
- Data were entered into the template
- Quantitative and qualitative data were analyzed using the special functions of Microsoft Excel
- Explanations were grouped and summarized by the consultants

3.5 Secondary research

In this study, secondary research has been used to:

- Provide background information on the services sector development and growth on the international level and domestic level
- Outline findings from previous evaluations of aspects of the local services sector
- Provide data on global and domestic trade in services
- Provide important information from the various international trade negotiations
- Provide information to assess the services infrastructure of Jamaica relative to other countries
- Provide an overview of the legislative framework of the services sector in Jamaica.

4 Main challenges

The main challenges faced are outlined in this section.

4.1 Data collection instrument design

The main challenge faced in this part of the study was the designing of data collection instruments that were succinct yet sufficiently comprehensive to cover the detailed requirements laid out in the Terms of Reference for the study. JAMPRO's internal team played an important rule in fine tuning the data collection instruments and ensuring that all facets were covered. The data collection instruments were inevitably quite lengthy; however the participants cooperated with the interviewers.

4.2 Sample selection

The main challenge encountered in this phase of the study was that of identifying the appropriate interviewees for each sub-sector then finding contact numbers for the selected individuals or their organizations. The IAC members provided assistance to the consultants during the meeting of July 21, 2006 by making several recommendations concerning appropriate interviewees.

4.3 Data analysis

The data analysis phase was quite smooth and no major challenges were encountered apart from the length of time required to convert the data captured on video tape or on the data collection instruments into information to be used to address the objectives of the study.

5 Background and Trend Analysis of the Global and Jamaican Service Sector

In this section of the report, there is a statistical analysis of the contribution of services to GDP for the global economy as well as the Jamaican economy. This will be followed by a detailed analysis of Jamaica's exports and imports of services. There will also be an outline of the value of exports from and value of imports to the major countries in the EU.

5.1 Background Data and Trends on the Global Market for Services

There has been a rapid growth in the services sector in recent years and this trend is expected to continue. The following points summarize some important facts and trends relating to the global service sector.

- Trade in services contribute over 20% of world trade and over US$1.3 trillion annually
- Services now account for approximately two-thirds of the world's economic activity
- Over half of the world's workforce is employed by service firms, which also create most of the new jobs
- Contribution of services to GDP in most countries is well over 50% and in some cases, as high as 70%.
- New information and communications technologies are increasing the tradability of services
- Trade in services is expected to represent half of all world trade by 2020

5.2 Value of Jamaican Services as a Percentage of GDP -2000-2005

The table below presents a breakdown of Jamaican GDP over the 2000-2005 period. It can be seen that the service sector steadily accounted for approximately 71% of GDP in each of the six years. It should also be noted that the PIOJ figures below do not include construction as services. Should the construction figures be added to the services figure, the contribution of services to GDP would be approximately 80%. In terms of projections, given the relative stability of the share of services in GDP, it is expected that by 2010, services should still account for a similar share as in 2005. These data reveal the importance of services to the Jamaican economy.

Table 5.2.1 Relative Contribution of Services to GDP in Jamaica 2000-2005

	Unit	2000	2001	2002	2003	2004	2005
GDP at Current Prices in purchasers' value	**\$b**	**339.5**	**373.2**	**410.1**	**472.9**	**540.1**	**N/A**
GDP in Producers' Value at Current Prices	**\$b**	**316.6**	**349.9**	**383.5**	**439**	**498.7**	**N/A**
GDP in Producers' Value at Constant (1996) Prices	**\$b**	**223.8**	**227.1**	**229.5**	**235.2**	**237.4**	**240.8**
Growth in GDP in Producers' Value at Constant (1996) Prices	**%**	**0.7**	**1.5**	**1.1**	**2.3**	**0.9**	**1.4**
Goods Production as % of Total Real GDP	**%**	**35.4**	**35.8**	**35.2**	**35**	**35.1**	**34.9**
Agriculture "	%	6.4	6.7	6.1	6.3	5.7	5.2
Mining "	%	5.3	5.4	5.5	5.6	5.7	5.8
Manufacturing "	%	14.2	14.1	13.9	13.4	13.7	13.4
Construction "		9.5	9.6	9.7	9.6	10	10.6
Services "[9]	**%**	**71.9**	**70.8**	**71.6**	**71.8**	**71.9**	**71.9**
Basic Services "	%	16.5	16.9	17.7	18	17.9	18
Electricity & Water "	%	3.8	3.8	3.9	4	4	4.1
Transport, Storage & Communication "	%	12.6	13.1	13.7	13.9	13.9	13.9
Other Services "	%	55.4	54.7	55.4	56.5	57.2	57.9
Imputed Services Charges	%	-7.3	-6.5	-6.8	-6.8	-7	-6.8

Source: Economic and Social Survey of Jamaica, PIOJ Website 2006

It is worth noting that the BOJ's Statistical Digest disaggregates the category "Other Services", the table below shows the disaggregated contribution of "Other Services" in italics to GDP.

Table 5.2.2 Contribution of "Other Services" to GDP for Jamaica 2002-2003

Industrial Sector	**2002**	**2003**	**2004**
Electricity and water	3.9	4.0	4.0
Construction and installation	9.7	9.6	10.0
[illegible]	22.0	21.8	21.9
Transport, storage and communication	13.9	13.9	13.0
[illegible]	8.2	8.4	8.2
[illegible]	5.1	5.1	5.1
[illegible]	10.2	10.0	9.9
[illegible]	7.9	8.1	8.4

Source: BOJ Statistical Digest, Feb 2005 (BOJ Website)

In this section of the report, there is a review of published data on regional and global trade in services along with information on the direction of trade. The table below provides summary information on Jamaican trade in services with most EU countries.

[9] It should be noted that Construction is a separate category from Services. This issue was discussed with a Representative of the PIOJ and it was agreed that some undetermined element of services is embodied in the Construction component, which means that the percentage of GDP accounted for by services is likely to be underestimated.

5.2.1 Jamaican Trade in Services 1980-2003 (US$M) and Projections to 2010

In terms of Jamaican trade in services, the table and graph below show the dramatic growth since 1980. Both exports and imports of services have grown over the period, though exports have always exceeded imports. It is worth noting that travel (or tourism) services account for the majority of services exports followed by transportation and communications. The relative size of exports by sub-sector is shown in Chart 6.2 below, based on data from 1997-2002.

Table 5.2.3 Jamaican Trade in Services 1980-2003 (US$M)

	YEAR	**1980**	**1985**	**1990**	**1995**	**2000**	**2003**
SECTOR	FLOW						
Total services	Exports	400.7	609.5	1026.5	1597.9	2025.7	2131.6
	Imports	369.9	414.9	697.4	1103.8	1422.5	1566.9
Transport	Exports	205	193.4	319.2	496.9	585.2	470.7
	Imports	245.2	412.9	751.3	1068.8	1332.6	680.2
Travel	Exports	43.45	63.4	99.35	278.2	364.5	1355.1
	Imports	131.9	149.6	264.6	459.3	628.6	252.4
Other services	Exports	369.9	414.9	697.4	1103.8	1422.5	305.8
	Imports	112.05	133.2	175.85	250.9	328.6	634.3

Source: UNCTAD Services Data and Development Indicators, 2004 – UNCTAD Website

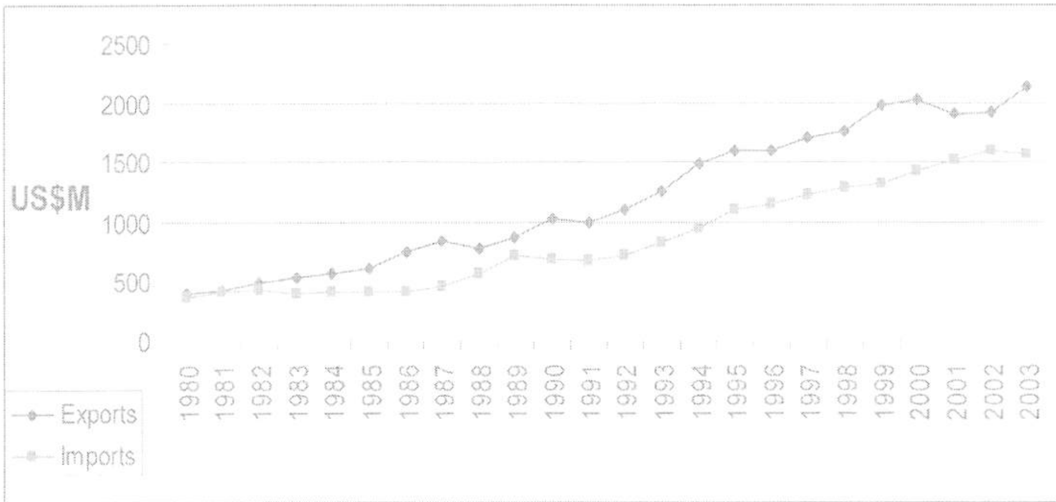
By graphing the data for the 1980-2003 period and then extrapolating based on trend, it is expected that services exports would be close to US$3.0 billion by 2010 while services imports should be about US$2.0 billion by 2010.

Table 5.2.4 Jamaican Services Exports as % of Services Income (2000-2003)

	2000	**2001**	**2002**	**2003**
Services revenue (J$B)	244.1	264.2	293.6	339.5
Services Exports (J$B)	92.0	89.9	97.5	129.2
Services Export as a % of Services Income	**38%**	**34%**	**33%**	**38%**

The above table shows that for the period 2000-2003, the value of services exports was estimated to be in the range of 33–38% of total services income. This is above the global average of 20% but reflects the fact that the Jamaican economy is heavily based on tourism, which is the dominant component of services exports.

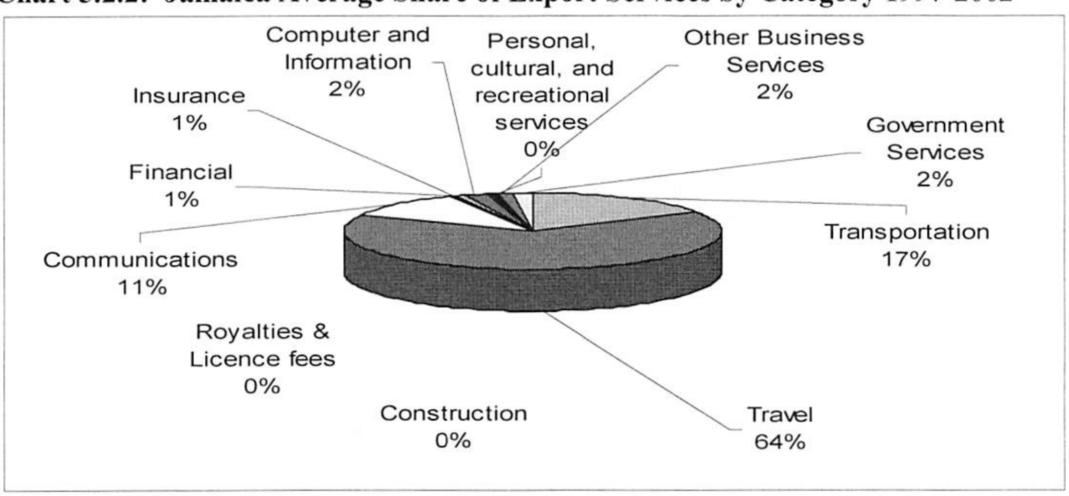
Chart 5.2.1: Jamaica Total Exports & Total Imports of Services (USM$) 1980-2003



Source: UNCTAD Services Data and Development Indicators, 2004 – UNCTAD Website

The following pie chart shows for the period 1997-2002, the average share of each broad service sub-sector in total services exports for Jamaica. As mentioned earlier, tourism is clearly the leader. However, given that the focus of this study is on non-tourism exports, it is interesting to note that transportation and communications are the next two largest services exports. Even though other categories may represent only a small percentage, this does not mean they are not worthy of being targeted for export promotion as they could actually reflect unexplored opportunities.

Chart 5.2.2: Jamaica Average Share of Export Services by Category 1997-2002

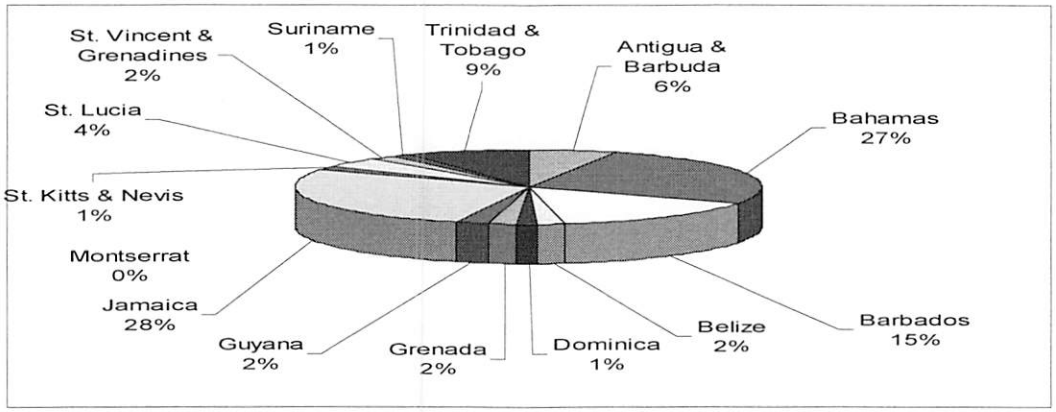


Source: CARICOM Central Banks – compiled and graphed by A-Z Information Jamaica Limited

5.2.2: Relative Share of Jamaican Services and Merchandise Exports as a Percentage of Total CARICOM Services and Merchandise Exports 1997-2002

The following two charts attempt to frame Jamaican services exports and merchandise exports in a CARICOM context. It can be seen that Jamaica accounted for the greatest share of services exports amongst CARICOM countries during the 1997-2002 period, followed closely by the Bahamas.

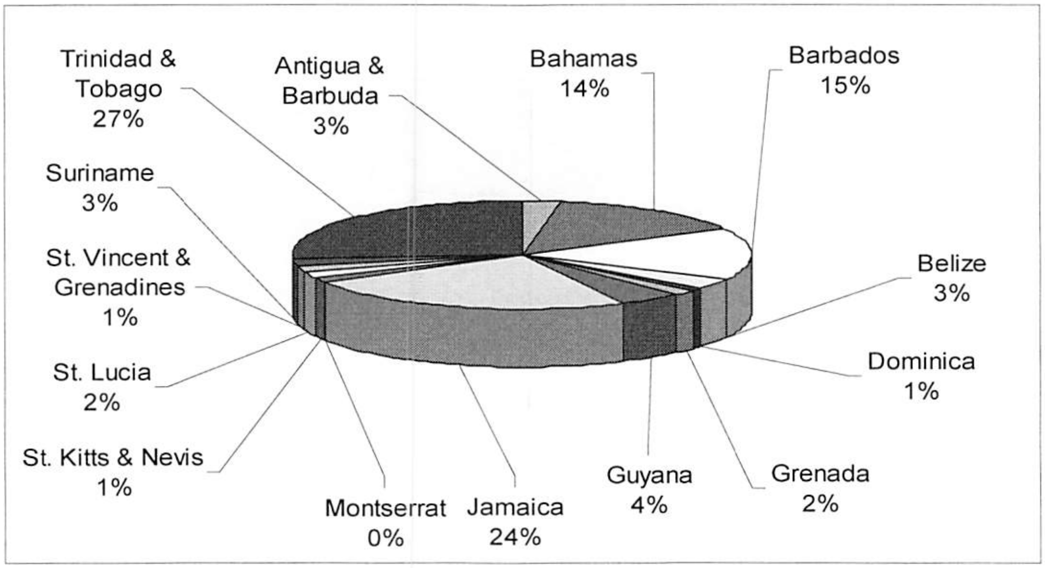
Chart 5.2.3: Relative Share of Countries in CARICOM Services Exports 1997-2002



Source: CARICOM Central Banks – compiled and graphed by A-Z Information Jamaica Limited

In terms of merchandise exports from CARICOM, the following Chart reveals that Jamaica is second only to Trinidad & Tobago amongst CARICOM countries during the 1997-2002 period.

Chart 5.2.4 Share of Countries in Total CARICOM Merchandise Exports 1997-2002



Source: CARICOM Central Banks – compiled and graphed by A-Z Information Jamaica Limited

5.2.3 Jamaican Services Trade with the EU 1997-2003 (Euros Mill)

The following table shows the direction, value and main services exported to Jamaica and imported from Jamaica by EU Countries for the period 1997 -2003.

Country	Total Exports (Euros Mill)	Total Imports (Euros Mill)	Main Exports to Jamaica	Main Imports from Jamaica
Austria	3.17	28.46	Travel, Other Business	Travel, Transport, Other Bus.
Belgium	0.7	22.7	Travel, Transport	Travel, Transport, Oth. Bus. Services
Denmark	0.29	0.15	Transport, Oth. Bus. Services	Transport, Financial, Oth. Bus. Services
France	36.00	43.48	Transport, Travel, Communications, Construction, Insurance, Financial, Merchanting & trade related, Royalties and licence fees, Pers., cultural & recreational, Oth. Bus. Services, Government	Transport, Travel, Communications, Construction, Insurance, Financial, Merchanting & trade related, Operational leasing, Pers., cultural & recreational, Oth. Bus. Services, Government
Germany	82.2	406.5	Transport, Travel, Communications, Insurance, Financial, Royalties & licence fees, Oth. Bus. Services, Government	Transport, Travel, Communications, Insurance, Financial, Royalties & licence fees, Computer & Info, Oth. Bus. Services, Pers., cultural & recr, Govt
Greece	0.91	1.18	Transport, Financial, Travel, Insurance, Construction, Computer & Info, Other Business, Communication, Royalties, Personal, cultural & Recreation,	Transport, Financial, Travel, Insurance, Construction, Computer & Info, Other Business, Communication, Royalties, Personal, cultural & Recreation, Government
Ireland	8.45	1.07	Other Business, Financial, Insurance, Computer & Info, Communication	Other Business, Financial, Insurance, Communication
Italy	9.00	142	Communication Other Business Travel	Transport, Travel, Communication, Royalties & Licensing, Financial, Construction
Luxembourg	0.39	0.09	Financial	Financial, Other Business
Sweden	117	10.7	Construction, Communication, Insurance, Computer & Info, Financial, Other Business	Computer & Info Communication, Insurance, Financial, Other Business
U.K.	390	1206	Transport, Travel, Computer & Info,Financial, Insurance, Royalties & licence fees Oth. Bus. Services	Transport, Travel, Communications, Royalties & licence fees, Oth. Bus. Services

Source: Central Banks and Central Statistical Offices of EU countries. Compiled by A-Z Information Jamaica Limited on behalf of the CRNM, 2005

The table above reveals that the greatest importer of Jamaican services in the EU is the U.K. followed by Germany and France. This is not surprising and follows the patterns of trade set by colonialism.

5.3 Global & Regional Trends and Main Issues under International Trade Agreements

In this section of the report, there will be an examination of global and regional trends and the main issues being addressed under the CSME, EU-ACP, FTAA and WTO/GATS.

5.3.1 The CSME

5.3.1.1 The Single Market

The Single Market on becoming a reality allows CARICOM goods, services, people and capital to move throughout the Caribbean Community without tariffs/barriers and without restrictions so as to create a single large economic space, and to provide for a harmonious economic and trade policy for all CARICOM States.

Even though timelines of 2006 and 2008 have been scheduled for the implementation of the Single Market and Single Economy, aspects of the Single Market are already in operation, such as:

- Regional manufacturers have been operating in a Single Market since in the 1970s to the extent that the value of Intra-Regional Domestic Exports among CARICOM Member States increased from EC$2.2 billion in 1996 to EC$3.2 billion by 2003;
- Over two thousand (2000) Certificates of Recognition of Caribbean Community Skills Qualification (Skills Certificate) have been issued to Skilled CARICOM Nationals wishing to move freely in member states. These have been issued by the relevant Ministries in the Member States participating in the CSME;
- Capital is moving freely;
- Services are being traded on the principles of National and Most Favoured Nation Treatment.
- CARICOM Nationals have been accessing benefits and exercising their rights under the Social Security Arrangement and Double Taxation Agreement
- CARICOM Regional Organization for Standards and Quality (CROSQ) has been established and is working with National Standards Bodies throughout the region.

5.3.1.2 The Single Economy

The Single Economy will facilitate the coordination and harmonization of inter alia foreign exchange and interest rate policies, tax regimes, laws and common currency, among other things so as to achieve more homogenous economic performance across CARICOM member states.

With the Single Market in place, the region's attention will now be focused on the plans for the Single Economy. To this end, a series of symposia have been held in both Barbados and Jamaica under the chairmanship of the Rt. Hon. Owen Arthur, Prime Minister of Barbados and Prime Minister with lead responsibility for the implementation of the CSME. The symposia are all aimed at providing the foundation for the Single Economy.

Some work has already started and in some instances completed to have in place a framework within which the Single Economy can be developed. Such works include:

- A Regional Plan for Sustainable Tourism which has been developed and approved by the Heads of Government;
- A Common Strategic Plan for Regional Agriculture and a Regional Transformation Programme for Agriculture to put the sector on a more competitive footing has already been presented to and approved by the Heads of Government
- A Regional Plan for the development of Services which was started in 2002 and elements of the proposed programme have been submitted for the consideration of Member States.
- A Task Force on a Regional Energy Policy has been created and is developing recommendations to support regional initiatives in this crucial area.

5.3.1.3 Developments in the Single Market

As of July 3rd 2006, the status of the CSME, both from the perspectives of the Single Market and the Single Economy, changed positively in terms of participation and operations. These developments relate specifically to:

- Participation in the Single Market;
- Expansion of categories of persons who can access free movement;
- The Framework for the Single Economy; and
- The Formation of the Caribbean Business Council

5.3.1.4 Participation in the Single Market

On July 3rd 2006, the Member States of Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines signed the Declaration by Heads of Government of the Caribbean Community on the participation of their countries in the CARICOM Single Market which brought into force full participation by all twelve Member States in the Single Market component of the CSME. This enables CARICOM Nationals to be able to exercise their rights as it relates to the free movement of persons, goods, services, capital and business establishment in any of these twelve Member States.

5.3.1.5 Expansion of categories of persons who can access free movement

Nurses and Teachers have been added to the list of approved skilled CARICOM Nationals who can access free movement and they now join University Graduates; Sports Persons; Media Persons; Artistes and Musicians as persons who can now move to any of the twelve participating Member States to engage in economic activity using a Certificate of Recognition of Caribbean Community Skills Qualification (Skills Certificate).

There is also further consideration on expanding the categories of free movement to artisans, domestics and hospitality workers pending elaboration by the Council for Human and Social Development (COHSOD) of procedures for certification and accreditation. The Heads of Government have made a commitment to incrementally expand on the categories of wage earners who can access free movement. Individual Member States can however enter into bilateral agreements with each other to source such categories of workers. These overall developments in the free movement of labour should result in:

- availability of a larger pool of human resources from which the region can source skills;
- enhancing the performance of business entities and public policy formulations;
- qualified and skilled labour being able to migrate to member states where there is a demand for such labour, thereby reducing the "brain drain" of our indigenous talent to extra-regional territories;
- strengthening of the human resource base within CARICOM, which will support the creation of Pan-Caribbean companies and brands whilst contributing to greater efficiency

5.3.1.6 Framework for the Single Economy

While a framework has been established for the development of the Single Economy, the Heads of Government have agreed to a series of consultations to be held at a Special Heads of Government meeting scheduled for later this year. These consultations are expected to produce greater details on the functioning of the Single Economy framework. This framework includes:

- Agreement for the Development of Financial Services,
- A Caribbean Investment Code
- Individual frameworks relevant to:
  - Integration of the Capital Market
  - Harmonization of Fiscal Incentives
  - Fiscal Policy Harmonization and
  - Monetary Cooperation.

5.3.1.7 The Caribbean Business Council

In further matters relating to the Single Economy, the Conference endorsed the formation of the Caribbean Business Council as a means of promoting co-ordination and greater collaboration between the private and public sectors. The Council is expected to:

- Provide a focused point of entry at the interface between the regional Public and Private sectors.

- Provide direct private sector inputs into the discussions and deliberations of all regional Public Sector decision makers at all levels, up to and including the Heads of Government.
- Facilitate the derivation and communication of common representative Private Sector positions on key regional issues, both internal and external.
- Provide a conduit to allow regional Private Sector interest groups, both national and sectoral, to be heard.

Additionally, this Council will report to the Executive of the Caribbean Association of Industry and Commerce (CAIC), for further dissemination of its issues, deliberations and activities to all regional stakeholders.

5.3.2 EU-ACP: The Economic Partnership Agreement (EPA)

The Economic Partnership Agreement (EPA) is being negotiated between the EU and CARIFORUM (a negotiating bloc made up of CARICOM member states and the Dominican Republic) and set to be concluded by January 2008. The EU has indicated that it is interested in a range of infrastructural services, including: communications, transport, financial and insurance services, construction, tourism, environmental, distribution and computer and related services, and energy services. The CRNM has submitted a list of sectors and services activities to the CARICOM member states which should provide some guidance as to which sectors are export ready or have export potential—meaning market access should be pursued for these services; which ones are sensitive (and should not be liberalized) and which ones face no direct threat of foreign competition and can be liberalized. In the case of the latter, it has been suggested by the CRNM that these services are: environmental services; research and development; tourism and travel-related; telecommunications; computer and related; news agency services; rental/leasing without operators; maritime transport).

The CARIFORUM countries are in the process of identifying their export and defensive interests i.e. which service sectors have an interest in entering the EU market and are export-ready or can develop such export potential in the future, and also the sectors which need to be safeguarded from the entry of foreign suppliers. A process of consultations between governments and the private sector is being carried out across the region. Responses have been mixed and the results of these consultations will then be developed into the regional negotiating position. In theory, there should be no a priori exclusion of any service sectors in the negotiations. However, the challenge for the CARIFORUM countries is to ensure that they can safeguard sensitive sectors, negotiate an agreement that will attract investment in strategic services sectors while ensuring that such investment promotes the development objectives of the individual countries (for example, through creation of domestic employment, transfer of skills and technical know-how), and finally ensuring that CARIFORUM suppliers who are interested in exporting to the EU are able to do so under favourable terms.

The CRNM has indicated that the model template for a CARIFORUM services offer in the EPA would largely follow the format of the EU's WTO revised services offer. It has also been agreed that the CARIFORUM services offer will be based on the WTO classification list (W/120 and CPC). However, there is a need to improve upon this list and classification, for example, concerning energy services, in order to properly express CARIFORUM services interests and to address any classification issues that may exist. The results of the services negotiations under the EPA will be asymmetrical with the EU assuming greater obligations than CARIFORUM. In terms of time frames, it is expected that the parties should begin working from draft text in the July negotiating session, and that offers exchanged in September 2006—clearly a very tight deadline.

5.3.3 FTAA

The negotiations under the FTAA are currently dormant and a successor arrangement is now being explored.

5.3.4 WTO/GATS.: The Doha Round Negotiations of the WTO

The multilateral negotiations on trade in services under the Doha Round—scheduled for completion this year and involving some 149 countries also require that CARICOM member states (as members of the WTO) make further liberalization commitments on services. The Hong Kong Ministerial Declaration (2005) required that plurilateral requests be submitted by 28 February 2006 or as soon as possible thereafter. A second round of revised offers should have been submitted by 31 July 2006 and final draft schedules of specific commitments be submitted by 31 October 2006.

According to the CRNM, CARIFORUM had collectively made requests in most services sectors to the EU in the context of the WTO. These requests mostly relate to Mode 4 or are general requests in all modes. The region's possibilities in other modes, particularly 1 and 2, in light of the capacity constraints for commercial presence, should therefore be pursued in either the WTO or EPA negotiations. CARICOM members have also submitted initial offers in their individual capacities to the WTO. According to the CRNM, while the CARICOM offers submitted to the WTO contain some areas of convergence—there are still some significant differences and the CRNM is trying to get greater convergence in the WTO commitments through the revised offers (and also in the EPA offers) across the region. The CRNM indicates that it is difficult to identify the extent to which they can achieve this because they have not reviewed all the draft WTO revised offers yet, and they are still conducting consultations for the EPA negotiations. Ideally, the draft revised offers should be sent to the CRNM for review and then amended as appropriate for harmonizing effect before being submitted to the WTO. The CRNM has asked that the Ministry of Foreign Affairs and Foreign Trade follow up on the progress of a draft revised WTO offer for Jamaica.

6.0 Main findings from Primary Research

The information presented in this section is based on information collected from: thirty-eight (38) participants in the focus groups; twenty-six (27) individual interviews with services providers, twelve (12) interviews with representatives of umbrella organizations; and nine (9) interviews with public sector officials.[10]

6.1 Background information on service providers in focus groups

As mentioned earlier in this report, the consultants held six focus groups which were attended by a total of 38 services providers from different sub-sectors. Details on the service providers are contained in Appendix 5 in which there is information on the following:

- Name
- Company name
- Years in operation
- Industry
- Services produced
- Whether you export or not
- Markets to which you export
- Major local industries that you service
- Main competitors in local market
- Main competitors in international market

Appendix 7 reveals the wide variety of participants, the wide array of industries served, the range of export markets, and the variety of services produced (amongst other things).

6.2 Academic Qualifications, Training and Experience of Service Providers

For all the service providers a certain level of training and qualification was a perquisite for holding certain positions. Only the Transportation and Sports representatives did not specify educational attainment. In two (2) instances, a Medical Degree was required; a Masters degree was required in seven (7) instances; a Bachelor's Degree in nine (9) cases; in six (6) cases, certificates were required and in five (5) cases, specialized training was required. From this, we can see that service providers typically have to have a fairly high level of education to operate in many of the services sub-sectors. Experience levels varied depending on the position in the company and the amount of specialized skills that were required. Ongoing training is also necessary in some cases. The following table captures the competence level of staff.

[10] Appendix 4 contains details on interviewees.

Table 6.2 Education, Training and Experience of Services Providers

Service Sub-Sector	Educational Attainment	Additional Training	Years of Experience
Computer Related Service	1st Degree Post Graduate Degree		15 years IT experience
Financial Services	1st Degree	Ongoing Financial training	
Health Related (Hospital)	Doctor – Medical Degree Nurse – ICU Trained		Doctor – 10-15 years
Beauty Therapy	6 month course post-secondary certification		
Taxation	Post Graduate Degree	Professional Certification	3 years (post qualification)
Management Consultancy	Post Graduate Degree		10+ years
Health and Life Insurance	Health – 1st Degree Life – Diploma		
Performing Arts	MA in Social Communication MA in Cultural Studies	Basic, intermediate and advanced training through HEART accredited scheme	5-6 years
Accounting	Qualification from a professional body in area of expertise;	AIT, revenue agent exam	Higher Level – need many years experience
Banking	Minimum 1st degree in related discipline		
Veterinary	Professional degree -Dr of Vet Medicine. 6-year programme, final year clinical		
Advertising	Artist - Art certification; Management – 1st Degree		15-20 years
Personnel	Contract Personnel – Post Graduate Degree Testing – Law and Employment Relations		Contract Personnel – 10 years
Architecture	Post Graduate Degree		10 years
Environmental Consulting	Environmental Consultant – Masters Degree Laboratory Technician – 1st Degree		Environmental Consultant – 10 years Laboratory Technician – 5 years
Services Incidental to Mining	1st Degree in Mining or Design		
Courier	1st Degree in professional expertise. Pilots - extensive training at International civil aviation Organisation (ICAO) or International Air Transport Association (IATA)		10 Years
Quantity Surveying	UTECH qualification		3-4 years
Scientific Research	Post Graduate Degree		15 years
Dentistry	Dental Auxiliary Training		
General Insurance and Assurance	Certification in Insurance (general insurance)	Government examinations re: health administration	
Dispute Resolution	Certificate in Mediation Certificate in Restorative Justice		Mediation – 2-12 years
Market Research Services	1st degree		5 years

6.3 Issues Relating to Accreditation

The University Council of Jamaica (UCJ) is a body operating under the portfolio of the Minister of Education and Youth. It was established by the University Council of Jamaica Act in October 1987. It is responsible for accrediting institutions and courses so they are recognized and deemed worthy. Its objective is to increase accessibility and availability of university level training.

To date the UCJ has registered 48 government and private tertiary institutions with over 30,000 students enrolled. It monitors 43 degree programmes (12 Masters, 23 Bachelors, 8 Associate) which have been accredited in 17 institutions. It has gained international acceptance as a member of the worldwide network of quality assurance agencies in higher education. This shows that there is no shortage of accredited programmes in Jamaica which are internationally recognized and which service providers can utilize to get themselves appropriately trained and qualified.

Service providers need to be cognizant of all the accreditation requirements in the potential export countries because there are often state or provincial accreditation requirements. For example, to practice law or engineering in the USA often requires accreditation in the state in which the service provider wishes to practice.

In the UK, the Home Office offers a 'Highly Skilled Migrant Programme' (HSMP) that allows individuals with highly specialized skills (compatible with current labour market requirements in the UK), exceptional personal skills and experience to seek work or become self-employed in the UK. The program grants immigrant or resident status to these individuals and their immediate family for an initial period of 12 months. This may be extended after if they can prove economic activity during the period of their stay. They use a point system to rank acceptability based on qualifications, experience and past earnings. Degrees must be from accredited institutions and on par with British qualifications.

It should be noted that in the U.K., there are currently labour supply shortages in the engineering sector including railway, structural engineering, transportation and highway engineers and electronic engineers. There is also a shortage of health care professionals.

Based upon the qualification and level of certification of Jamaican service providers as outlined in Table 6.2 above, there seems to be a strong cadre of well qualified Jamaican service providers who are trained in accredited programmes from all over the world.

6.4 Number of Workers in services sector[11]

The Consultants recognised that the best place to get workplace information is the Statistical Institute of Jamaica (STATIN). The Consultants consulted the The Labour Force Publication (2005) published by the Statistical Institute of Jamaica and Table 6.4 below shows a composite of the Total Labour Force in Jamaica for the past three years.

In October 2005, there was a total labour force of 1,163,800. Of this figure, 749,300 were in the services sectors. Please see the Table below for information for the past 3 years. The area highlighted in Blue shows the information related to the Services Sectors. According to STATIN's definition, the Labour Force includes persons who are employed and those who are unemployed. This figure may not accurately reflect the total Labour Force involved in services because it does not include persons in the construction industry[12], aspects of which fall under services.

Table 6.4

	2003	2004	2005
Agriculture, Forestry and Fishing	219,900	201,800	196,100
Mining, Quarrying and Refining	4,900	6,600	5,100
Manufacture	85,200	81,900	81,300
Electricity, Gas and Water	7,500	7,100	5,500
Construction and Installation	114,400	124,800	122,200
Wholesale & Retail, Hotels and Restaurant Services	259,300	284,000	292,000
Transport, storage & communications	75,300	82,500	80,400
Financing, Insurance, Real Estate and Business Services	76,000	62,600	57,900
Community, social and personal services	309,900	307,100	319,300
TOTAL WORKFORCE IN SERVICES	**720,500**	**736,200**	**749,600**
TOTAL WORKFORCE	1,155,700	1,159,800	1,163,800

[11] The TOR had required the number of Consultants in the services sector. However, the umbrella organizations were unable to provide any information to assist in making this computation.
[12] The Construction Industry is not classified as Services in STATIN's publication, however, it is felt that there are services tied up in Construction which are not accounted for under services.

The total number of persons employed in October 2005 was 1,062,700. Of this number, the number of employed persons in the services sector at was 680,800. Twenty eight (28) percentage of total number of persons employed work in Community, Social and Personal services and 24% approximately are from the Wholesale & Retail, Hotels and Restaurant Services.

Table 6.4.1 below shows the extent of the employed labour force by services groupings for the past 3 years. The cells highlighted in blue are the services categories. The table also indicates that there has been a general increase from 2003 to 2005 in the number of employed persons in the services sector.

Table 6.4.1

EMPLOYED LABOUR FORCE BY INDUSTRY GROUP			
	2003	**2004**	**2005**
Agriculture, Forestry and Fishing	215,000	195,600	190,800
Mining, Quarrying and Refining	4700	5,300	4,600
Manufacture	73,900	72,300	71,300
Electricity, Gas and Water	7000	6,500	5,200
Construction and Installation	98,500	109,200	107,300
Wholesale & Retail, Hotels and Restaurant Services	227,700	248,600	254,500
Transport, storage & communications	71,300	77,200	76,400
Financing, Insurance, Real Estate and Business Services	71,000	58,300	54,300
Community, social and personal services	285,600	285,300	295,600
Industry not Specified	1,800	400	2,700
TOTAL WORKFORCE (services)	**655,600**	**669,400**	**680,800**
TOTAL WORKFORCE	**1,056,500**	**1,058,700**	**1,062,700**

The Unemployed Labour Force at October 2005 comprised a total of 69,000 persons. To the extent that there is an unemployed labour force of this magnitude, then if the services sectors were to expand to take advantage of market opportunities, then there would be a cadre of unemployed persons who could be available for emerging positions.

The Data extracted from the STATIN Publication indicated that about 75% of the persons in the Work Force have no training as indicated in the Table below. To the extent that this data is valid for persons in the services sub-sectors, then it means that a lot of resources will have to go into ensuring that employees in the services sectors are sufficiently trained to deliver quality service.

Table 6.4.2

LABOUR FORCE TRAINING			
	2003	**2004**	**2005**
Vocational without certificate	21,000	19,200	21,300
Vocational with Certificate	77,900	78,700	100,200
Professionals without degree or diploma	7,600	11,400	10,100
Professionals with degree or diploma	102,900	84,600	95,400
Apprenticeship	1,500	4,200	2,700
On the job training	67600	57600	56,700
None	895100	923500	889800
Not stated	11800	16300	16800
TOTAL WORKFORCE	**1,185,400**	**1,195,500**	**1,193,000**

6.5 Division of Labour between Export and Local Markets

Based on interviews with individual service providers, only five (5) firms had individuals that were responsible for exports only; these were the Management Consultancy, (66%), Banking (5%), Personnel (8%), Market Research (43%) and Courier Services (10%). 10% of the staff in courier services also serviced both the local and export markets while the other 80% focused on the local market, while in Market Research 43% serviced both markets and 12.5% focused on the local market only.

For Accounting, about 33% dealt with both the export and local market; 14% of staff in Dispute Resolution Foundation and 100% of staff in advertising and dental services did both. Quantity Surveying, Architecture and services related to mining had 100% staff members who dealt with only the local market. The remainder of firms that answered this question had a mixture of individuals who operated in both local and export markets.

6.6 Membership in Local and International Organisations

Service providers were asked to indicate if they were members of local and international organizations. Most service providers were members of some organization. The following table captures their responses.

Table 6.6

Service Sub-Sector	Local Organization	International Organization
Computer Related Service		
Financial Services	Jamaica Bankers Association	
Health Related (Hospital)	MAJ, Nurses Association of Jamaica	Caribbean Nurses Organisation, International Council of Nurses, Florence Nightingale Foundation, International Confederation of Midwifes
Beauty Therapy		
Taxation	ICAJ	
Management Consultancy	JIM, JIE, AICHE (American), JIEP (Environment), Geological Society of Jamaica	
Health and Life Insurance	Health Insurance Association (HIA), American Health insurance Plan (AHIP)	
Performing Arts		
Accounting	ICAJ, ACCA, IMAJ, Institute of Internal Auditors, Pubic Accountancy Board, PSOJ, JCC	ACCA (UK), CPA (US), ICAC (everyone)
Banking	Chartered Institute of Banking in UK; Chartered Institute of Banking in Canada, Securities Trading Certification, CFA Insurance	
Veterinary	Jamaican Vet Association, Medical Association,	The World Vet Association The Caribbean Vet Association, The Commonwealth Vet Association
Advertising	Jamaica School of Arts AAAJ PAJ	
Personnel	JEF, PSOJ, JCC, HRMAJ, JCSA	ICPD, SHRM, HRPAO, HRMAJ
Architecture	JIA	
Environmental Consulting		
Services Incidental to Mining		

Service Sub-Sector	Local Organization	International Organization
Courier	Association of Jamaican Express Couriers	CLADC
Quantity Surveying	Jamaica Institute of Quantity Surveying	
Scientific Research		
Dentistry	Jamaica Dental Association	
General Insurance and Assurance	IAJ	Insurance Association of the Caribbean
Dispute Resolution		Association of Conflict Resolution (US body)
Medical	MAJ	
Engineering	JEA, JIA	
Legal	Jamaica Bar Association	Caribbean Bar Association
Media	Association of Media (owners), AAAJ; PAJ	
Education	JTA	Caribbean Union of Teachers (CUT)
Nurses and Midwives	Nurses Association of Jamaica	Caribbean Nurses Organisation, CARICOM Sec., WHO, ILO, International Council of Nurses, Florence Nightingale Foundation, International Confederation of Midwifes
Shipping	Jamaica Shipping Association	
Market Research		Qualitative Research Consultants Association

Export-readiness

In the data collection process, services providers were asked about the deficiencies in their services sub-sectors that reduce their level of export-readiness. The responses are summarized and categorized below:

- **Scale of operation of local services providers is too small** so that larger jobs go to the bigger international firms; this applies particularly to professional services, engineering, land surveying, and architectural service providers. This results in their inability to build up a track record and thereby grow – a vicious cycle emerges where being small makes it difficult to ever get the big contracts.

- **Lack of collaborative spirit and trust** prevents services providers from collaborating to buy in bulk (for example, cleaning services) or from tendering on larger contracts (engineers, architects, surveyors, management consultants), which results in failure to enjoy economies of scale and scope.

- **High cost of capital** (47-63%) acts as a disincentive to investment. This was identified as an important factor by most services providers. Some of these services providers require high cost equipment such as land surveyors who require GPS and geo referencing equipment. Larger international companies can compete effectively in the international and local markets because they can run down the average cost of expensive equipment over many projects – even a local consortium of professionals would struggle to compete (e.g. land surveyors bidding on a bauxite company project).

- **The onerous nature of performance bonds and high indemnity insurance costs** are also a major challenge for small local services providers when bidding on larger contracts due to funding constraints.

- **Scarcity of Human Resources** – Several services providers complained of a paucity of trained personnel who are prepared to teach and train others (e.g. Dentists who do not have a local dental school). There is also a scarcity of persons who are fluent in Spanish to facilitate the ease of expansion into Latin American markets

- **Lack of knowledge of property rights**: Knowledge of intellectual property rights was identified as a major deficiency in the film and music sub-sectors

- **High cost of operations** – this was identified by the Shipping services.

- **Lack of knowledge of legislation and tax laws** – this was identified by several sub-sectors.

- **Lack of knowledge of export markets** – this was identified as a deficiency by several services providers who claimed they were not aware of demand for their services in export markets nor were they aware of the legislation.

6.7 Umbrella Organisations: requirements for 100% export readiness

In response to the question which examined **the requirements for 100% export readiness**, the responses from umbrella organizations were very specific to their sub-sector. The JTA and the ICAJ both highlighted training of more professionals as the main requirement to make these sectors 100% export ready. The table below provides a more in depth look at the specific requirements.

Table 6.7

Organisation	**Requirements to become 100% export ready**
Jamaica Institution of Engineers (JIE)	Greater access by local engineers & service providers to major local development projects
Jamaica Exporters Association (JEA)	A major need for financing and training in the requirement of service delivery and assistance in market penetration.
Insurance Association of Jamaica	Capital
Institute of Chartered Accountants of Jamaica (ICAJ)	Need to be fully conversant with international standards – need to make people conversant in a world where standards are changing. Difficult to be 100% export ready because laws differ from country to country, however because of export readiness the local industry loses staff to the USA on HIB visas. Consequently, Jamaica has to import the services of accountants from the Philippines and other lower-cost countries. Solution: UWI needs to train more Accountants.
Jamaica Bar Association	Need a cultural change – Norman Manley Law School has been trying to standardize training but the culture of service delivery needs to be developed
Media Owners Association of Jamaica	Need Trade Agreements to facilitate entry into the relevant markets.
Jamaica Teachers Association (JTA)	Training is required. Problem of brain drain. Develop an education system so that we have an over-supply of teachers, rather than a surplus of unskilled individuals. Human Resource development for export.
St Ann Chamber of Commerce	Increased education and information on the standards and requirements of the various sub-sectors such as labour requirements
Montego Bay Chamber of Commerce	They cannot be, based on their particular focus

6.8 Level of awareness of international trade agreements

From the **focus groups**, there was generally a relatively low level of awareness of the CSME, EU-ACP, FTAA, WTO/GATS, and only one person had heard of the Dominican Republic FTA. All persons had heard of the CSME and were in general more familiar with this agreement than the others but very few had a working knowledge of the CSME and any implications for their sub-sector. The WTO/GATS was next in line in terms of participants' awareness but once again persons had little in depth knowledge. The FTAA and the EU-ACP were familiar to persons only in name and most participants admitted to knowing little else about them.

Services Providers: In the individual interviews, services providers were asked to assess their level of awareness of the main international trade agreements; how they became aware; and the implications for their sub-sector. On the whole service providers were most aware of the CSME followed by the WTO, the EU-ACP, the FTAA and then the DR FTA (which very few knew anything about). Apart from the CSME, less than 50% claimed to have an average or high awareness of any of the other trade agreements.

To the extent that service providers were aware, the media was identified as the main source of information. Others heard about the agreements from work, studies, and their associations.

The vagueness or general lack of responses to the question asking about the implications of trade agreements clearly indicated a low level of awareness of the implications of these agreements for the various sub-sectors.

Umbrella Organisations: In general umbrella organization representatives perceived that the level of awareness of the CSME was high and presented market access opportunities and mobility options for staff. The WTO was followed by the FTAA and then the EU-ACP in terms of perceived awareness of members. Apart from the EU-ACP, which was below average, the awareness level of the WTO and FTAA was deemed to be overall average (ranging from low to high).

The implications with respect to the brain drain and copyrights were some of the other issues raised by interviewees.

Public Officials: Public officials gave their perceptions on the awareness of international agreements by service providers as well as employees of their institutions.

- With respect to the CSME, public officials generally felt that service providers had an average to low level of awareness while their employees had an average to high level of awareness.
- With respect to the EU-ACP, public officials felt that there was a low awareness amongst services providers and an overall average awareness by their staff (ranging from high to low).
- With respect to the FTAA, public officials felt that there was a low awareness amongst services providers and an overall average awareness by their staff (ranging from high to low).
- With respect to the WTO, though awareness was perceived to be marginally higher than for the EU-ACP and the FTAA, public officials generally felt that there was a low awareness amongst services providers and an overall average awareness by their staff (ranging from high to low). The table below provides the details on the responses by public officials.

Table 6.8 Public Officials Perceived Awareness of International Agreements by a) Services Providers and b) Employees of their Institutions

	High	Average	Low	None	Don't know	No response	Total
CSME							
Service Provider Awareness	1	5	2	-	1	-	9
Employees Awareness	3	5	1	-	-	-	9
EU-ACP							
Service Provider Awareness	0	1	6	1	1	-	9
Employees Awareness	2	2	4	-	-	1	9
FTAA							
Service Provider Awareness	1	1	6	-	-	1	9
Employees Awareness	2	2	4	-	-	1	9
WTO							
Service Provider Awareness	1	2	5	-	-	1	9
Employees Awareness	3	3	2	-	-	1	9
Other Trade Agreements							
Service Provider Awareness	0	0	2	1	-	6	9
Employees Awareness	1	0	2	-	-	6	9

Public Education Initiatives on International Agreements

Public Sector Officials identified a cross section of media through which information on the international trade agreements can be disseminated as part of a **Public Education Programme**. The suggestions included seminars, workshops, print and electronic media, brochures as well as sectoral consultations. The following table shows the Public Education Programmes/Initiatives which were suggested by the Public sector officials interviewed.

Table 6.8.1

Ministry/Agency	**Public Education Programme/Initiatives**
Financial Services Company (FSC)	Programmes aimed at activities explaining what the agreements are and what they mean in terms opportunities – what they can and cannot do
National Council on Education	Sectoral consultations – focus on the sub-sector
STATIN	Seminars, print and electronics programme
Companies Office of Jamaica	Seminars, brochures- radio & television programmes/campaign
OPM- Ministry of Development	Not sure: maybe more focussed seminars, media- print & electronic
PIOJ	Dissemination of information and hearing from service providers by any means – media or anything
Ministry of Foreign Affairs and Foreign Trade	WTO workshop on Maritime shipping with local shippers, upcoming workshops on services to be held in October

Ministry/Agency	Public Education Programme/Initiatives
JAMPRO	Strengthen those institutes that provide services to persons in the trade, certification of technical service providers
Ministry of Housing, Transport, Water and Works	Seminars and workshops to sensitize departments regarding the services trade

Umbrella Organisations: Like the Public Sector Officials, the Umbrella Organisations identified a number of media through which information on the international trade agreements could be disseminated as part of a **Public Education Programme**. The suggestions included seminars, workshops, the Jamaica Information Service (JIS), print and electronic media, town meetings, bulletins, flyers and brochures. The following table shows the Public Education Programmes/Initiatives which were suggested by the representatives of umbrella organizations who were interviewed.

Table 6.8.1.1

Umbrella Organisation	Public Education Programme/Initiatives
Jamaica Institution of Engineers	Workshops, seminars, conferences and regular circulation of information
JEA	Projects on behalf of various clusters e.g. CPEC projects enhancing the capacity to export
Medical Association	JIS/ Mini symposia
Insurance Association of Jamaica	Not necessary
ICAJ	A mixture of programmes. The ICAJ had an excellent session on CSME. Policy makers need to sensitize people on the importance of Ministry of Foreign Affairs and Foreign Trade
Jamaica Bar Association	Need something that makes lawyers and government entities want to buy into a culture of efficiency
Media Association Jamaica (Owners)	Monthly meetings. MAJ should put printed information out.
JTA	Printed information – bulletins, flyers
Nurses Association of Jamaica	Seminars, Conferences and Media
St Ann Chamber of Commerce	Town Meetings, media programmes, JIS programmes and using ordinary language including schools
Jamaica Shipping Association	Seminars using local and international speakers. Must intensify that effort.
Montego Bay Chamber of Commerce	Seminars and workshops, especially on issues of WTO

6.8.2 Implications of International Trade Agreements for Ministries/Agencies

In terms of the implications of the various international trade agreements for their ministry/agency, the following table captures the responses of some public officials.

Table 6.8.2

Ministry/Agency	Implications of International Trade Agreements for Agency
Financial Services Commission (FSC)	CSME – Likely to mean increased cooperation amongst Caribbean regulators in terms of information sharing and collaboration. May prompt further strengthening of regulatory bodies. Broad schedules to WTO/EU – liberalized trade in financial services to a large extent. Very little was not committed
National Council on Education	We will have to start lobbying once the recommendations are made
STATIN	Will be required to provide more statistical information
Companies Office of Jamaica	CSME / WTO- Will have to deal more with regional and international companies
OPM- Ministry of Development	Will impact government policy especially since policies are no longer exclusively locally derived
PIOJ	Agreements have limited implications – PIOJ is not an implementing agency. However, it can disseminate knowledge and provide research assistance
Ministry of Foreign Affairs and Trade	Impacts the way Ministry secures opportunities for Jamaican service providers in foreign markets, as well as how sensitive service providers are safeguarded against foreign competition
JAMPRO	Agreements will or do assist those in the sector
Ministry of Housing, Transport, Water and Works	A rigid legislative framework that guides local policy development

6.9 Projects/activities that have been identified to promote sector internationally

Service Providers: In the interviews, service providers were asked to outline any projects or activities that have been identified to promote internationally any services sub-sector or the entire services sector. Sixteen service providers indicated that they could not identify any projects/activities to promote the sector internationally.

- For banking services it was felt that it has been left to individual institutions to chart their own course from enlightened self interest.
- For courier services it was felt that the effort and energy are usually spent on limiting rather than promoting the service sector. It was felt that the Customs

User Fee which is charged on everything coming into the island only adds to time and costs and subtracts from competitiveness.

The table below shows the responses of four service providers that identified projects to promote their sub-sector.

Table 6.9

Sub-Sector	Projects/Activities
Hospital Services	The Building of 2 additional operating theatres and 8 bed ICU
Taxation	Tax incentive regime for Jamaican and non-residents doing business in Jamaica. Every Caribbean island has enacted legislation to encourage individuals & companies to invest in their countries
Health Insurance	Caribbean expansion - NCB leads with BLUE CARD service to give local access to international card users
Social Services	Caribbean conferences organized by the DRF & Mona School of Business

Public Sector Agencies: Five Public Sector Agencies responded in the affirmative that they could identify projects/activities to promote the sector internationally as indicated in the table below. Two Public Sector Agencies indicated that they could not identify any projects/activities to promote the services sector internationally. The other two Public Agencies did not respond to the question, however, one respondent outlined a number of cultural programmes which were designed to promote entertainment services internationally while the other Ministry indicated that JAMPRO should be contacted for such information related to international promotional activities.

Table 6.9.1

Ministry/Agency	Projects/Activities
Financial Services Commission (FSC)	Tourism and Migrant Worker Programmes
STATIN	JAMPRO carries out several activities
Companies Office of Jamaica	JAMPRO's recent promotion of Jamaica in China
OPM- Ministry of Development	Initiatives in cultural projects e.g. Music, films - Reggae Sumfest/Sunsplash. Participation in MIDEM etc.
PIOJ	The roads and infrastructural development are all geared to support all sectors including services
Ministry of Foreign Affairs and Foreign Trade	Contact JAMPRO for info
Ministry of Housing, Transportation, Water and Works	1) Advertisement of national airline/ carrier abroad 2) Creation of websites for transportation sub-sector entities

PUBLIC SECTOR: Public Sector Agencies indicated that they had existing, projected or recommended activities **to support, develop and promote services providers**. These activities include workshops, seminars and short courses. In addition, two public sector agencies, STATIN and PIOJ indicated that even though they do not have specific actions to develop and promote services they make statistics and information available to service providers.

Table 6.9.2

Ministry/Agency	Activities to develop and promote service providers
National Council on Education	Want to become a lobby group
STATIN	To develop statistics on the trade in services
OPM- Ministry of Development	Ongoing projects of reform of government departments. Development and dissemination of a manual to be published shortly
PIOJ	Research and information are generally available
Ministry of Foreign Affairs and Foreign Trade	Short intensive courses targeting the private sector, community outreach and public awareness campaigns
JAMPRO	Workshops and seminars with those in the industry
Ministry of Housing, Transportation, Water and Works	Financial, legislative and regulatory actions to develop transportation sub-sectors

6.10 Adequacy of the Level of Focus on the Services Sector

Four Public Sector respondents indicated that there was not sufficient focus on services. Reasons given ranged from the fact that the contribution of services is not accepted to the fact that we are still a goods-focused economy. Two of the respondents felt that there is a gradual recognition of the importance of services and that the level of focus is gradually improving.

Three of the Public Sector respondents felt that the government should focus more on the development of the services sector rather than the merchandise sector in order to expand export opportunities. The reasons given included the fact that we have lost our competitive edge in manufacturing, which means that we should focus on services, where we have a comparative advantage and which is a growth sector. There were opposing views from those which were of the opinion that Government should not focus on any one sector and that there is need for a balance.

When Public Sector Officials were asked which service sectors the Government should prioritize for focus; music and entertainment was by far the most frequent response followed by educational services. Other responses included medical tourism as well as the professional services. The specific comments were as followed:

- Education and culture represent a great opportunity as a niche market. Jamaica needs to exploit these opportunities, for example we should bottle and sell Bob Marley "sand".
- Information (statistics) in order to inform policies
- Professional services - engineering, education and medical services
- Music, entertainment and sports as well as medical services as a subject of tourism and of course educational services
- Government should not favour any sector
- Infrastructural-related services, banking and other financial services as well as entertainment and cultural services

- An emphasis could be drawn in some areas such as contract negotiation and song writing workshops.

The majority of the **Public Officials** interviewed were not of the opinion that **there should be a special Agency or Unit for Services**. Some of the reasons given are that there is not sufficient homogeneity amongst service providers to justify a separate agency; it was felt that there was more need for an agency to play a coordinating role such as JAMPRO.

Two Public Sector officials felt that there is need for the establishment of a special Agency or Unit for Service Providers. The reasons given are that it will increase the focus on issues relevant to the various services sub-sectors as well as to coordinate and streamline information and internal networking.

6.11 Role of Government in Stimulating the Export of Services

Public Officials for the most part felt that Government had a role to play in stimulating the export of services. The variety of responses to the question concerning the role of the Government included:

- Establishing double taxation treaties where they do not exist and lobbying to harmonize tax and incentives in the CSME
- Performing a lead role – assisting start up companies, providing low interest loans, reducing bureaucracy.
- Facilitating coordination with respect to initiatives relating to international agreements and identifying opportunities.
- Providing the right policies & infrastructure, training etc
- Leading the vanguard of initiatives to assist the private sector to develop services exports where they do not export in order to create an outward orientation and to update services sector stakeholders on export opportunities as they arise
- Providing an incentive to encourage private sector to invest in the services sector and provide training to service providers on the culture of overseas customers. The Government should also provide funding for the sector.
- Creating an environment conducive to the operations of each entity through effective policies

Though unable to provide funding directly, public sector officials indicated that service providers could seek funding from the Development Bank of Jamaica or explore various options through JAMPRO, as well as connections to the World Bank and the IDB.

7 Examination of Existing Markets, Competition & Services Infrastructure

This section of the report examines existing markets to which Jamaican service providers export; competition in the market; and the services infrastructure in Jamaica to determine the extent to which it facilitates services exports and renders the country internationally competitive. The consultants have developed an A-Z Infrastructural Competitiveness Index for the Jamaican services sector based on the quantity, quality and cost of key infrastructure that services providers would require to ensure international competitiveness.

7.1 Existing markets

The main markets to which Jamaican services providers export are the USA, Canada, the UK and the Caribbean because of, inter alia, the historical trade linkages and the large Jamaican Diaspora populations. However, as was revealed in data provided earlier, Jamaica exports services to several EU countries and services such as entertainment are exported to Asia, Africa and the rest of the world.

Services Providers listed the following destination countries for Jamaican services exports: USA, Canada, Mexico, UK, Trinidad & Tobago, Barbados, Guyana, Belize, Russia, Ukraine, Sweden, Australia, the OECS, Singapore, China, and Japan.[13]

The following table, which was developed from empirical research carried out by Noel Watson and Dorothy Riddle in 2004,[14] summarizes the export markets to which Jamaica exports services and the modes by which these exports take place.

7.1.1 The Relative Use of the Four Modes of Exporting Services

The relative use of the four Modes for exporting services was analyzed qualitatively based on the responses of the Service Providers, the Umbrella Associations and the Public Officials. It was not possible to determine an overall dollar value of trade by each mode but the frequency with which each mode was used was a reflection of usage.

The data indicated that Mode 2 was the most widely used mode with much consumption by foreigners taking place within Jamaica's borders. This was followed closely by Mode 1 where service providers provided services abroad without leaving but by using Jamaica's advanced telecommunications system. The modes that required Jamaicans to leave the country were the least used modes. Mode 4 was occasionally used but not on a regular basis and Mode 3 was the least used with very few service providers setting up a commercial presence abroad.

[14] Assessment of Services Trade Capacity: Jamaica, Dr. Noel Watson and Dr. Dorothy Riddle, April 2004 – Study funded by the ITC.

These trends were also seen in the data from the Umbrella Organisations and Public Officials.
According to information given by the Umbrella Organisations, Mode 3 was the least used mode with only 10% of exporting done under that Mode. Modes 1, 2 and 4 each represented 30% of the methods used. The data from the Public Sector Officials showed a similar trend with Mode 3 being the least used - 29.4% of exports were done by Mode 1, 29.4% by Mode 2, 17.7% by Mode 3 and 23.5% by Mode 4.

Table 7.1 - Services Being Exported from Jamaica; the Modes of Supply and the Main Export Markets

GATS Category	Service	Mode of Supply				Examples of Export Markets
		1	2	3	4	
Business services	Legal services	*	*	*	*	Global* + BVI
	Accounting & auditing	*	*		*	Global*
	Architectural services	*	*		*	Global*
	Engineering services	*	*		*	Global*
	Urban planning					
	Medical & dental services		*		*	Global*
	Veterinary services		*			Global*
	Nursing & midwifery		*		*	Global*
	Computer consulting	*	*			
	Software development	*	*		*	
	Data processing	*				
	Database services	*				
	Research & development	*	*		*	
	Real estate services	*	*			Global*
	Property management		*			
	Equipment rental & leasing		*			Global*
	Advertising		*			
	Market research	*	*			CARICOM, US, UK, Switzerland
	Management consulting	*	*		*	Global*
	Services incidental to mining		*			Canada, US
	Placement & supply of personnel		*			US
	Investigation & security	*	*			Global* + Germany
	Scientific & technical services	*	*		*	US
	Equipment maintenance & repair		*			
	Building-cleaning services		*			Global*
	Photographic services		*			
	Packaging services		*			
	Printing, publishing		*	*		
	Translation services					
	Convention services		*			
Communications	Postal services	*	*			Global*
	Courier services		*			
	Telecommunications	*	*			Global*
	Internet-related services	*	*			

GATS Category	Service	Mode of Supply				Examples of Export Markets
		1	2	3	4	
	Audio-visual services		*		*	T&T, US, Cayman Islands, St. Vincent, Barbados
Construction	[all stages]		*			
Distribution services	Commission agents' services		*		*	CARICOM
	Wholesale trade services		*			
	Retailing services		*			
Educational services	Primary education services		*			
	Secondary education services		*			
	Higher education services		*	*	*	CARICOM, US, UK
	Vocational training		*		*	Bahamas, Barbados
Environmental services	Sewage services		*			Global*
	Waste management services		*			Global*
	Sanitation services		*			Global*
	Environmental impact assessments	*	*		*	CARICOM
Financial services	Insurance	*	*		*	Global*, Cayman Islands
	Actuarial services	*	*		*	Global*
	Banking		*	*		T&T, US, UK, Canada
	Securities brokerage	*	*			US, UK, Canada
	Asset management					
Health-related & social services	Hospital services		*			Global*
Recreational, cultural, sporting services	Entertainment services	*	*		*	Global*
	New agency services; journalists	*			*	US, UK, Canada
	Cultural services		*			
	Recreational services		*			
	Sporting services		*		*	Global*
Tourism & travel-related services	Hotels & restaurants		*			Global*
	Travel agency services		*			Global*
	Tour operators	*	*			Global*
	Tourist guides services		*			Global*
Transport services	Maritime transport	*	*			Global*
	Air transport	*	*			Global* + Cuba
	Road transport		*			Global*
	Shipping agent; cargo handling		*			Global*
	Storage & warehousing		*			
	Customs brokerage	*	*			Global*
	Freight forwarding		*			Global*
Other	Utilities provision		*			Global*

*Global = wide range of markets, particularly U.S., U.K., Canada, and CARICOM

7.1.2 Other Countries to which Service Providers would like to export

Service providers indicated that they would like to develop relationships with other regions and countries including Latin America, Central America, Puerto Rico, CARICOM Countries, the Pacific Region, The Dominican Republic, Cuba, U.S. Virgin Islands, African Nations, other Caribbean and developing countries.

Explanations given for wanting to trade with these countries included:

- The desire to understand some of these more sophisticated markets
- To expand services
- To employ more staff
- To exploit connections
- To fulfill the potential and drastically improve sales
- Our common history with African Nations

Public Officials suggested that there are untapped markets that Jamaican Services Providers could exploit such as Latin America (subject to mastering the language), Asia, and Africa. However, it was felt that service providers need to come together to create larger professional entities as a prerequisite to exploiting new markets - especially those outside the region.

7.1.3 Factors Identified as Reducing Export Potential

The reasons given for not exporting to some target markets included: inadequate Air links within the region, shortage of critical skills, and the concentration on initially developing the domestic market in preparation for taking on the challenges of export markets.

It is worth noting that of the 27 service providers interviewed; only 3 were not currently exporting their services and one did so occasionally. These included architect/urban planner, quantity surveyor and provider of services incidental to mining. Market Research does on a small scale. Reasons cited for not exporting included the inability to service local demand, lack of information on where market opportunities exist, and lack of information on demand for services. One of the focus groups recommended that the government should take the lead by developing a list of all professionals in Jamaica who would be interested in exporting, setting qualification standards and giving umbrella support. The CSME was identified as a good starting point.

Thirteen (13) service providers claimed to have services available for export that they are not currently exporting. The reasons given include the fact that there are too many barriers to trade and that sometimes international contracts are passed on to acquaintances and big companies eliminating those who may be more suited to do the job as well as the smaller businesses.

7.2 Competition Analysis

Service providers felt that competition, with the exception for the financial, engineering and medical services sub sectors, comes mainly from domestically owned or based enterprises. In some sub sectors, a single company or small number may control the local markets for a particular service. For example, the market for electronic pin (EPIN) services is 97% controlled by one local company with three others controlling the remaining 3%.

- In financial services, including insurance, competition comes from both local and international sources
- In accountancy and related services, competition comes from the international majors such as Price Waterhouse Coopers and Peat Marwick.

Public Sector Officials suggested that competition came mainly from services providers within the region, including Cuba. In addition, for certain products and services, competition came from the USA, Canada, India, Japan and China.

With respect to Jamaican Film, Music and Entertainment, according to JAMPRO, competition was from performers (producers) of like products worldwide.

Umbrella organizations also identified their main competitors in the export market for each sub-sector:

- The Jamaica Institution of Engineers considered all professional engineers internationally as competitors
- The health services sub-sector consider specialist medical facilities in and outside the region as competitors.
- The insurance sub-sector considered all registered and domiciled insurance entities to be competition.
- The Bar Association considered international law firms in North America, UK and elsewhere as competition.

7.3 Top Local Exporters

Umbrella Organisations identified the top local exporters of services in their sub-sectors to be the following:

- Engineering services - JENTECH, Environmental Solutions and Technical Solutions Ltd
- Insurance services - ICWI
- Accountancy services – Price Waterhouse Coopers and KPMG
- Legal services - Dunn Cox, Myers Fletcher & Gordon and Livingston Alexander Levy
- Media services - Gleaner, RJR Group, CVMTV and TVJ.

The table below lists the top local services providers identified by the Service Providers themselves.

Table 7.3 – Top Local Exporters in the Various Sub sectors

Sub Sectors	Top local exporters
Information Technology	Management Control Systems (MCS) and Advanced Integrated Systems (AIS)
Health Services	University College Hospital -Tony Thwaites Wing.
Cosmetology	None identified
Tax Consultancy	Price Waterhouse Coopers
Environmental Consultants	Conrad Douglas & Associate and Environmental Solutions
Health Insurance	Blue Cross of Jamaica
Culture (Music& Dance)	ASHE, NDTC/Carifolk, Oliver Samuels
Accountancy	PWC, KPMG and BDO
Management Consultancy	IMCJ Members
Sports	None identified
Banking & Finance including Merchant & Investment Banking	City Bank, JMMB (going to Dom Rep), First Caribbean
Veterinary Services	Phoenix veterinary clinic – the oldest in the business
Advertising & Public Relations	CPR, Dunlop Corbin
Personnel Recruitment Services	None indicated
Architectural Services	Not aware
Mining Services	Government of Jamaica
Courier Services	FEDEX, DHL
Quantities Surveying Services	None indicated
Scientific Research Services	None indicated
Dental Health Services	None indicated
Tour Services	JUTA
Insurance Brokerage Services	None indicated
Dispute Resolution Services	None indicated
Market Research Services Ltd	None indicated

7.4 Capacity Building Requirements of Services Exporters/Providers

There is scope for building the overall capacity of Jamaican Services Providers especially as it relates to increasing the level of services exports. Capacity building requirements identified by the Consultants include:

- A coordinating agency which conducts market research and identifies opportunities for service providers
- Training of service providers in the putting together of consortia to bid for large international projects (including seeking partners locally, in CARICOM and internationally)
- Training and sensitization of service providers in international quality standards for services, including the requirements for ISO 9000 and ISO 14000 certification
- Providing service providers with information on the legislative and other requirements to penetrate export markets

- Training on how the various modes of exports can be used more effectively in increasing exports and legally minimize the impact of barriers to entry
- Creation of additional funding windows and provision of information on available funding for services exports
- Provision of basic training on international agreements, especially in areas relevant to their specific service industry
- Provision of ideas on how service providers could share resources, facilities and equipment to become a greater force in the export market.

7.5 Services Infrastructure and A-Z Infrastructural Competitiveness Index

In this section of the study there is an attempt to examine the existing services infrastructure available to support Jamaican service providers and help render them internationally competitive and export-ready.

7.5.1 Assessment of existing services infrastructure

In terms of services infrastructure, there was an examination of the cost and availability of factors, facilities and resources that are required to support the services sector and render service providers internationally competitive.. The 15 variables assessed are separated into eight with higher weighting and seven with lower weighting as outlined below:
Higher weighted variables = 75% of index

1) Trained staff
2) Adequate education system
3) Telecommunications
4) Internet
5) Computers
6) Transport – air, sea, land
7) Electricity
8) Water
9) Availability and cost of capital
10) Research and development facilities
11) Networking infrastructure that coordinates service providers

Lower Weighted variables = 25% of index

1) Financial services – for remittances and access to international capital markets
2) Foreign exchange
3) Office space
4) Hotel accommodation (Mode 2)
5) Health Services
6) Security
7) Facilitating macroeconomic environment – reasonable taxes, low inflation, etc.

The availability of the above variables (at a competitive price) is key to the export competitiveness of Jamaican service providers. Each variable was then assigned a rating/score and then an A-Z Infrastructural Competitiveness Index (ICI) was developed.

7.5.2 ***Constructing the A-Z Infrastructural Competitiveness Index***

In constructing the ICI, the consultants employed the following steps:

1. Rated each of the above variables in terms of quantity available, quality, and cost – a score of 10 marks was used for each attribute and then an average taken
2. The eight higher weighted variables were summed and averaged and given a weighting of 75% in the Index and the seven lower weighted variables were summed and averaged and given a weighting of 25% in the index ***(See Category Average in table below).***
3. The average value of the higher weighted variables (out of a maximum of 75%) were added to the value of the average of the lower weighted variables (out of a maximum of 25%) to provide an overall ICI (out of 100%) ***(See Weighted Category Average in the table below).***

Table 7.5 Computation of the A-Z Infrastructural Competitiveness Index (ICI)[15]

	Quality	Quantit y	Cost	Average	Category Average	Weighted Category Average
Assessment Variables	1 to 10	1 to 10	1 to 10	1 to 10		
Higher Weighed Variables					6.6	49.3%
Trained staff	7	5	6	6.0		
Adequate education system	7	7	6	6.7		
Telecommunications	9	8	7	8.0		
Internet	7	8	5	6.7		
Computers – availability	10	7	8	8.3		
Transport – air, sea, land	10	9	6	8.3		
Electricity	6	9	4	6.3		
Water	9	8	5	7.3		
Access to funds at competitive cost of capital	7	7	3	5.7		
Research and Development	6	3	6	5.0		
Network for coordinating service sector				4.0		
Lower Weighted Variables					6.5	16.2%
Financial services – for remittances & access to international capital markets	8	8	5	7.0		
Foreign exchange	9	9	7	8.3		
Office space	7	5	5	5.7		
Hotel accommodation (Mode 2)	8	8	7	7.7		
Health Services	5	5	7	5.7		
Security	5	5	5	5.0		
Facilitating macroeconomic environment – reasonable taxes, low inflation, etc.	6			6.0		
A-Z Infrastructural Competitiveness Index (ICI)						65.5%

The estimated ICI based on the above variables and weightings emerged with a value of 65.5%, which in simple terms suggests that overall Jamaica is operating 34.5% below the level required to be perfectly internationally competitive. It is unlikely that any country will attain an ICI of 100% because whereas India or China may excel in some of the cost and quantity components of the index, they may be less competitive with countries like the USA and the EU in terms of quality.

[15] The analysis that justifies the scorings provided in this table are contained in Appendix 1.

An ICI of 65.5% is therefore not a bad rating for Jamaica and suggests that service providers have a fairly solid infrastructural foundation from which to launch or expand their service export activities.[16] If policy makers wish to make Jamaican services providers (and producers in general) more internationally competitive, it is recommended that they undertake measures to improve the quantity, quality and cost of important infrastructural variables.

[16] The IAC requested that the Consultants ask Representatives of Professional bodies to evaluate the values assigned to variables in the ICI. The Consultants were unable to contact a broad enough cross section of Representatives to warrant any meaningful change in the estimated value of the ICI.

8.0 Export Market Opportunities for Jamaican Services Providers

This section of the study examines export potential of Jamaican services providers from two perspectives: a) from the perspective of new and traditional markets i.e. geographical basis and b) from the perspective of global demand and local supply potential for various sub-sectors. The results reveal that there are numerous markets that service providers can exploit as well as numerous sub-sectors.

8.1 Market Opportunities: A Geographically Based Perspective

Information generated in this study has confirmed that Jamaican services exports tend to follow the traditional trade patterns of traditional exports such as sugar, bananas, other agricultural produce and bauxite/alumina. In addition to traditional exports, the development of Jamaica's largest services export, tourism, has also developed along traditional export market lines.

8.1.1 Traditional/Existing Markets – USA, UK, Canada and CARICOM

The traditional and main markets for most of Jamaica's exports are the USA, UK, Canada and the Caribbean Common Market (CARICOM). However, service providers and public officials interviewed in this study indicated that there is much scope for Jamaican providers to further exploit these traditional markets. For example, there is great potential to export more music & entertainment, food related, professional and personal services.

8.1.2 Diaspora Market – USA, UK and Canada

Over the past fifty years, large numbers of Jamaicans have migrated to the USA, UK and Canada, resulting in the growth of a substantial Jamaican population outside Jamaica that is estimated to be larger than the population within Jamaica. This external Jamaican population, the Jamaica Diaspora, is now a significant market for Jamaican services and goods. Although this market has been developing over the years, to a great extent its development has been primarily informal. The Jamaica Government has over recent years begun to organise the Diaspora, setting up formal organisations in the USA, UK and Canada. As this process of organising develops, the Diaspora market will become more defined and more easily targeted by existing and new exporters of services and goods.

8.1.3 New Markets – Asia, Europe, and Africa

Whilst the traditional export markets continue to be the main focus for most services exporters, a number of new markets have developed These new markets include Japan, Europe, and other Asian and African countries. For example, exports of Reggae music, Blue mountain coffee and Rum to Japan and Europe can be capitalised on as linkages for bringing other services to these new markets.

8.1.4 The CSME

The further opening up of the CSME, the establishment of the Caribbean Court of Justice for dealing with commercial disputes opens up new opportunities for the export of Jamaican services by the various modes. The free movement of qualified professionals such as university graduates; nurses, teachers, media persons, musicians, artistes as well as self employed services providers with approved certification opens further the CSME market for Jamaica Services exporters.

8.1.5 Tourism Linked Markets

Jamaica's tourism continues to grow in numbers and is broadening the source of is tourists. Traditionally, tourists to Jamaica came from our traditional markets, the USA, Canada and the UK. With the building of new hotels by European investors and the resulting broadening of Jamaica's tourism marketing, people from other countries are beginning to enjoy Jamaican tourism products. Along with traditional tourists, the new visitors represent new markets links which Jamaica's services exporters can exploit.

A number of Jamaican services can be easily linked to Jamaica's tourism for export in various modes. These include cultural and entertainment products (including reggae music), health services and culinary services.

World health tourism, for example, is estimated to be US$40 billion annually. Thailand for example attracts over 600,000 health visitors per annum. Jamaica has a cadre of well-trained health services professionals capable of providing world-class services. A number of Jamaica's health professionals are regularly poached to work in first world health services.

Jamaica is geographically close to the USA, the world's largest economy, with per capita expenditure on healthcare of US$3,800 compared to Jamaica's US$253. As a result of the high cost and expenditure on health services, US citizens often travel overseas to seek medical attention. Jamaica is ideally placed to exploit this opportunity to export medical services to US consumers primarily via mode two (2), but also to a less extent via mode one (1). In addition, the tropical climate is ideal for Jamaica to establish itself as a retirement location for US, Canadian and UK citizens as well as for members of the Jamaican Diaspora.

8.1.6 Ethnic link to Africa

Jamaica has intermittently traded with different African countries, primarily in services. In the main, the export of services to Africa is informal, mainly music and other cultural products and services. Exporters of professional services are well placed to export engineering and other services to African countries, especially where Jamaican firms can collaborate to create larger professional entities that can compete internationally for the provision of services especially through international agencies.

Jamaica has established itself as a major force in sports, especially sprinting. Several African countries on the other hand have excelled in middle and long distance running. Jamaica could capitalise on the export of training services in short distance running.

8.2 Export Market Potential for Jamaican Services Sub-Sectors – A Demand and Supply Perspective

In order to provide greater insights into export market potential for Jamaican services, the Consultants conducted an analysis of a broad cross section of services sub-sectors based on global as well as Jamaican variables. The variables that were used to assess export market potential of the different sub-sectors were the following:

Number of Jamaican service providers
Quality of Jamaican service providers
Size of Global Market in US$
Global market competitiveness
Relative Price/labour cost competitiveness

The following discussion explains the reason for selecting each variable, measurement issues and the construction of the A-Z Export Market Potential Index and Grade.

8.2.1 A-Z Export Market Potential Index and Grade

Each of the above variables was rated on a scale of 1 to 5 and then an index value and grade calculated for each sub-sector. The A-Z Export Market Potential Index was calculated as the overall percentage based on the total score of each sub-sector. The distribution of percentage scores was then placed on a normal/bell curve and graded from A to E - where A=80%+, B=65-79%, C=50-64%, D=35-49%, E<35%.

8.2.2 Number of Jamaican service providers

The number of Jamaican service providers is an important supply-side variable because it is an indicator of the country's ability to effectively satisfy demand for the export of the particular service. Estimates of the number of service providers for each sub-sector were made based on findings from interviews with umbrella organisations as well as the Consultants' estimates. This variable was graded as follows:
0-250 service providers = 1, 251 - 500 = 2, 501 - 750 =3, 751- 1000 = 4, 1000 + = 5

8.2.3 Quality of Jamaican service providers

The average quality of service providers is also an important supply-side variable because quantity alone may not be adequate; especially if the quality of the services provided is below global standards. The A-Z Consultants gave each sub-sector a rating based on their knowledge of the Jamaican market and information obtained from the surveys. The quality variable was graded as follows:
1=Poor, 2=Below Average, 3=Average, 4=Good, 5=Excellent

8.2.4 Size of Global Market in US$

The size of the global market for each sub-sector is a critical demand-side variable because a small export market will limit the demand and potential to export. US market estimates were used as a proxy for global market estimates of each sub-sector.[17] The global market variable was graded as follows:
US$0 -5bn =1, US$5 -10bn=2, US$10 -15bn=3, US$15 - 20b=4, US$>20bn=5

[17] Data were obtained from ibisworld.com

8.2.5 Global Market Competitiveness

The competitiveness of a sub-sector is also a very important demand-side variable because if there is strong competition for the market, it might limit the potential to penetrate the export market. At the other extreme, in a niche market for Jamaican services, competition from other countries is minimal or negligible and market penetration should therefore be easier for Jamaican services providers e.g. reggae artistes. The Consultants used their knowledge of global markets to evaluate global market competitiveness, which was graded as follows:
Very Competitive = 1; Competitive =2; Reasonably Competitive=3; Not Very Competitive=4; Niche=5

8.2.6 Price/Labour Cost Competitiveness

The relative price of Jamaican services or labour relative to other countries is also another important variable given that if Jamaican prices are above those on the global market then demand for exports will be reduced. The Consultants used their knowledge of global markets to evaluate relative price competitiveness, which was graded as follows: Jamaica service provider costs much higher=1, Jamaican service provider costs somewhat higher=2, Jamaica services provider costs on par with global market=3, Jamaican service provider costs marginally below = 4, Jamaican services provider costs much less=5.

8.2.7 Main Findings

The tables below show a) the estimates of the number of service providers and the estimated US market size of the various sub-sectors, and b) the estimates of the A-Z Export Market Potential Index and Grade. The findings suggest that there is good export potential in many sub-sectors; however the following are those for which Grade A was assigned (the details are presented in the tables below):

Music Entertainment
Advertising
Auditing/Accounting
IT
Medical Services
Cosmetology (hair, nail & skin)
Hotel/Tourism
Nursing
Construction
Educational/Training
Health Insurance
Health Tourism/Telemedicine
Telecommunications

The following table and graph show the distribution of grades across the 37 services sub-sectors examined by the Consultants.

Score Range	Grade	Total
80-100	A	13
65-79	B	7
50-64	C	12
35-49	D	5
<35	E	0
Overall Total		37

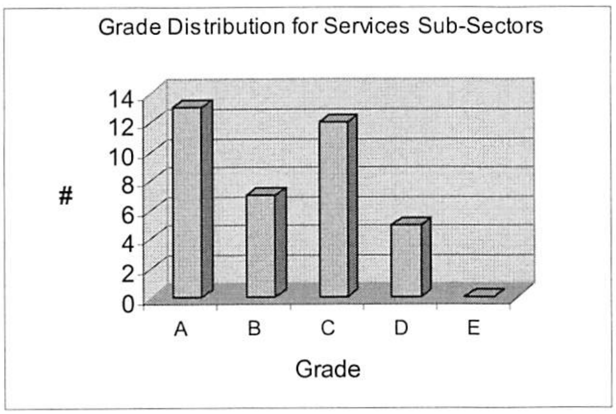


Table 8.2.1 Estimated Number of Services Providers and Size of US Market

Services Sector	Estimated # of Service Providers	Size of US Market (US$BN)
Advertising	>1000	58.00 - USA 2005
Architecture	165	38.00 - USA 2005
Auditing/Accounting	8700	102.00 - USA 2005
Audio Visual/Media	<250	68.00 - USA 2005
Cargo	89	22.30 - USA 2005
Conference/Convention	15	10.50 - USA 2005
Construction	600	66.00 - USA 2005
Cosmetology (Hair, nail & skin)	150	40.00 - USA 2005
Courier	250	62.00 - USA 2005
Dentistry	200	88.00 - USA 2005
Educational/Training	20000	44.00 - USA 2005
Engineering	375	150.00 - USA 2005
Environmental Consulting	40	10.00 - USA 2005
Facilities & Building Maintenance Industry	4	7.00 - USA 2005
Film making	4	25.00 - worldwide 2010
Financial Services	10	84.00 - USA 2005
Health Insurance	2800	875.00 - USA 2005
Health Tourism/Telemedicine	>1000	40.00 – worldwide
Hotels/Tourism	20000	106.00 - USA 2005
IT	10000	246.00 - USA 2005
Telecommunications	2500	245.00 - USA 2005
Land Surveying	150	5.00 - USA 2005
Management Consulting	45	113.00 - USA 2005
Marine Pilots	126	2.42 - USA 2005
Market Research	96	16.00 - USA 2005
Media	13	1.8 Trill worldwide 2010
Media (not including newspapers)	<750	57.00 - USA 2005
Mediation	<250	-
Medical Services	2500	921.00 - USA 2005
Music/Entertainment	>1000	27.00 - USA 2005
Nursing	1900	84.00 -USA 2005
Personnel	15	7.40 - USA 2005
Shipping Industry	72	2.00 - USA 2005
Social Research & Evaluation	<250	4.00 - USA 2005
Urban Designs & Planning	165	6.00 - USA 2005
Veterinary Services	<250	21.00 - USA 2005
Waste Disposal	10	12.00 - USA 2005

Table 8.2.2 A-Z Export Market Potential Index and Grade for Jamaican Services Sub-Sectors

Services Sector	**Size Ratings by # of Service Providers** 0-250 = 1, 251-500=2, 501-750=3, 751-1K=4, 1000 + = 5	**Quality ratings of Service Providers** 1=Poor 2=Below Ave. 3=Average 4=Good 5=Excellent	**Size of Export Market US$BN** 0-5bn =1, 5-10=2, 10-15=3, 15-20=4, >20=5	**Global Market Competitiveness Ratings** 1=Very Competitive 2=Competitive 3=Fairly Comp'tive 4=Not Very Comp'tive 5= Niche	**Price/Labour cost Competitiveness** 1=Jamaica services provider costs much higher, 3=Jamaica costs on par, 5=Jamaica costs much less	**Overall Rating of export market (max= 25)**	**Overall %**	**Grade** A=80%+, B=65-79%, C=50-64%, D=35-49%, E<35%
Music/Entertainment	5	5	5	5	5	25	100%	A+
Advertising	5	3	5	4	5	22	88%	A
Auditing/ Accounting	5	4	5	3	5	22	88%	A
IT	5	4	5	3	5	22	88%	A
Medical Services	5	4	5	3	5	22	88%	A
Cosmetology (Hair, nail & skin)	5	3	5	3	5	21	84%	A
Hotels	5	4	5	2	5	21	84%	A
Nursing	5	4	5	2	5	21	84%	A
Construction	3	3	5	4	5	20	80%	A
Educational/Training	5	4	5	1	5	20	80%	A
Health Insurance	5	3	5	4	3	20	80%	A
Health Tourism/Telemedicine	5	3	5	2	5	20	80%	A
Telecommunications	5	4	5	3	3	20	80%	A
Engineering	2	3	5	4	5	19	76%	B
Media(not including newspapers)	3	2	5	4	5	19	76%	B
Audio Visual/Media	1	4	5	3	5	18	72%	B
Dentistry	1	4	5	3	5	18	72%	B
Architecture	1	3	5	3	5	17	68%	B
Film making	1	2	5	4	5	17	68%	B

Services Sector	**Size Ratings by # of Service Providers** 0-250 = 1, 251-500=2, 501-750=3, 751-1K=4, 1000 + = 5	**Quality ratings of Service Providers** 1=Poor 2=Below Ave. 3=Average 4=Good 5=Excellent	**Size of Export Market US$BN** 0-5bn =1, 5-10=2, 10-15=3, 15-20=4, >20=5	**Global Market Competitiveness Ratings** 1=Very Competitive 2=Competitive 3=Fairly Comp'tive 4=Not Very Comp'tive 5= Niche	**Price/Labour cost Competitiveness** 1=Jamaica services provider costs much higher, 3=Jamaica costs on par, 5=Jamaica costs much less	**Overall Rating of export market (max= 25)**	**Overall %**	**Grade** A=80%+, B=65-79%, C=50-64%, D=35-49%, E<35%
Media	1	3	5	3	5	17	68%	B
Environmental Consulting	1	2	4	4	5	16	64%	C+
Facilities and Building Maintenance Industry	1	2	4	4	5	16	64%	C+
Financial Services	1	4	5	3	3	16	64%	C+
Management Consulting	1	2	5	3	5	16	64%	C+
Veterinary Services	1	2	5	3	5	16	64%	C+
Conference/Convention	1	2	4	3	5	15	60%	C
Market Research	1	2	4	3	5	15	60%	C
Cargo	1	1	5	2	5	14	56%	C
Courier	1	2	5	3	3	14	56%	C
Land Surveying	1	2	1	4	5	13	52%	C
Personnel	1	2	2	3	5	13	52%	C
Urban Designs & Planning	1	2	2	3	5	13	52%	C
Mediation	1	1	1	4	5	12	48%	D
Waste Disposal	1	1	2	4	5	12	48%	D
Marine Pilots	1	2	1	2	5	11	44%	D
Shipping Industry	5	4	1	3	5	18	72%	B
Social Research & Evaluation	1	1	1	3	3	9	36%	D
Average	**2.6**	**2.8**	**4.1**	**3.2**	**4.7**	**17.3**	**69%**	**B-**
Standard Deviation	**1.9**	**1.1**	**1.5**	**0.8**	**0.7**	**3.7**	**15%**	

9.0 Legislation Relevant to Service Industries and Trade in Services

In this section of the study, there will be an outline of the legislation relevant to Jamaican services providers especially as it relates to exporting. Most services sub-sectors have their own specific legislation or sections of an Act that govern the activities of services providers. For example, architects have the Architects Registration Act which prescribes the criteria for registration (including temporary registration) of Architects, including the requirements of citizenship or ordinary residence in Jamaica, certification, registration, licensing and good character. A section of the Act authorizes the Minister to make regulations prescribing inter alia the qualifications and requirements which shall be a pre-requisite for registration under the Act.

Apart from the sub-sector specific legislation, there is also horizontal legislation that typically applies to all or most exporters regardless of sub-sector. Horizontal legislation is often more binding than specific legislation and can be used to prevent or induce export activity. Horizontal legislation includes those relating to such issues as:

- Work permits
- Money Laundering
- Company Registration
- Exchange Controls
- Tax Registration and Compliance

9.1 Jamaican Horizontal Legislation that Impacts Services Providers

The following section briefly outlines some horizontal legislation that may impact on the activities of all or several Jamaican service providers.

Horizontal Issue	Relevant Legislation
• Work permits	1) Foreign Nationals and Commonwealth Citizens (Employment) Act; 2) Caribbean Community Free Movement of Skilled Persons Act 1997; 3) The Emigrants Protection Act
• Money Laundering	1) Money Laundering Act 2) Interception of Communications Act
• Company Registration	1) Companies Act 2) The Cooperatives Societies Act
• Exchange Controls	1) The Bank of Jamaica Act 2) The Financial Institutions Act 3) The Money Laundering Act
• Tax Registration and Compliance	1) Revenue Administration Act 2) The Financial Services Commission Act
• Copyrights	1) The Copyrights Act 2) The Designs Act 3) The Trade Marks Act 4) Jamaica Intellectual Property Office Act

9.2 Specific Legislation for Jamaican Services Sub-sectors

The following section identifies the main Jamaican legislation faced by service providers in various local sub-sectors. Those sub-sectors without any specific legislation (such as Management Consultancy) will also be noted. The sub-sectors in which removal of restrictions was required in order to be compliant with the CSME will also be identified.

The consultants examined the Laws of Jamaica for 140 clearly defined services sub-sectors and identified the specific legislation, if any, relevant to each sub-sector. The legislation relevant to each sub-sector is recorded in Appendix 2. Of the 140 sub-sectors, only eleven (11) did not have some specific legislation relating to it. These are:

1) Computer related services (excluding software)
2) R&D for social sciences research
3) R&D for interdisciplinary research
4) Rental of machinery and equipment
5) Market research
6) Management consultancy
7) Photographic services
8) Convention services
9) Courier services
10) Internal waterways transport
11) Space transport

This legislative analysis suggests that there is an extensive legislative framework in place for the services sector given that 92% of the clearly defined services sub-sectors had at least one Act that governed all or part of its activities; the average number of Acts per sub-sector was two (2). Some sub-sectors had up to seven (7) Acts that were relevant in some way or the other. It must be borne in mind that one Act was sometimes relevant to more than a single sub-sector. It is beyond the scope of this study to examine and outline the sections of the Acts that are relevant to each sub-sector but the table in Appendix 2 will serve as an excellent guide to services providers or potential services providers who wish to know the Acts of law that are relevant to guide, regulate and restrict them.

9.3 Legislation Amendments Suggested by Service Providers

Based on interviews, services providers identified the need to amend certain laws to make them clear, comprehensive and unambiguous. Those mentioned included the following:

- GCT laws also need to apply to foreign services providers. A level playing field for nationals and non-nationals and appropriate incentives need to be established.

- In order to improve exports in the veterinary sector laws need to be softened on the transportation of animals to Jamaica.

- Currently there is no clear legislation or policy on sporting in Jamaica. It was felt that the sector needs to be taken more seriously as there is great potential for foreign exchange earnings e.g. in areas such as coaching.
- In the financial services sector, changes are being made to legislations (FSC Act, Securities Act and Insurance Act) to strengthen the regulatory and supervisory power of the FSC, broadening the coverage and improving the quality of governance. Steps are being made to align the framework with international standards. This will expand the disclosure of regulatory bodies abroad.
- In taxation, changes should be made to the Public Accounting Act to give the Institute of Chartered Accountants of Jamaica (ICAJ) more power.
- In the Legal Sector, it is proposed that legal education be made compulsory to improve accountability and response time.
- In terms of media legislation, the Libel Act should be amended and included in a Defamation Act that covers libel and slander. They also suggest lobbying to get a new charter of rights that includes a statement on the "freedom of the press" as distinct from "freedom of expression".
- In terms of transportation, revision and reorganisation of the content and structure of the Road Traffic Act is necessary. For the Main Road Act 1932 - the content needs to be revised relating to penalties and fines for committing road offences. All acts prior to 1960 need to be updated and revised.

9.4 Jamaican Legislation to Facilitate the CSME

Jamaica was among three CARICOM countries which had agreed to lead the CSME implementation process by completing all of the required processes by December 31, 2004. Consequently Jamaica has enacted all the relevant laws to be fully compliant with the CSME, such as:

- The Revised Treaty of Chaguaramas which has been passed into domestic law through the Caribbean Community Act
- The Caribbean Court of Justice Act
- The Caribbean Regional Organisation on Standards and Quality (CROSQ) has been implemented in domestic law through the Caribbean Regional Organisation on Standards and Quality Act
- The Caribbean Community (Free Movement of Skilled Persons) Act
- The Caribbean Community (Movement of Factors) Act

The following Acts have been amended to remove discriminatory provisions and to make them CSME compliant:

The Professional Engineers Act
The Architect Registration Act

9.5 Legislation in the export markets

It is worth noting however, that from the perspective of exporting, familiarity with the legislation in export markets is probably the most important for Jamaican services exporters because that determines many of the restrictions and regulations faced when operating in those markets. It is beyond the scope of this study to assess the legislative framework in the various export markets. However, some of these issues are covered in the final part of the following section where barriers to entry are discussed.

10.0 Barriers to trade

In this section, there will be an examination of barriers to trade based on information gathered from 1) focus group sessions, 2) interviews with services providers, umbrella organizations and public sector officials and 3) on research carried out in a previous study.

10.1 Focus Groups – Barriers to Entry

Focus group participants were asked: **what are the greatest obstacles faced in different export markets?** The following discussion outlines those sub-sectors where the representatives identified barriers to entry, and briefly explains what the (perceived) barriers are.

Educational

- Reliable ground transportation within the Caribbean
- The high cost of Air Transport as well as the complexity of the routes
- Technology (domestic infrastructural problem)
- The lack of a regional accreditation body, so that courses offered in other countries can be accredited

Dental

- Insufficient funding
- Lack of knowledge in terms of the licensing processes in the other countries
- Need for approval from the American Dental Association to collaborate with retired Dentists in the USA to serve as Lecturers
- Lack of grant funds and cheap money

Health Insurance/ Brokerage Services

- The relative slowness in the speed of the licensing process (Caribbean & USA)

Advertising:

- Need for skilled negotiators to negotiate in Federal States

Financial Services

- Differences in laws (of different stock exchanges) impact on the ability to operate effectively such as with respect to equities, stocks especially between Jamaica, Barbados & Trinidad (time differences when trades are executed, settlement, currencies)

Management Consulting

- Cultural and language issues
- Transportation & logistics in the CARICOM region, for example, it takes too long to travel within the region. There is also a lack of information and data (for analysis)

Shipping

- Cannot set up a stevedoring or shipping agency in the Dominican Republic without a local partner.
- There is the stigma of goods going into the USA
- The cabotage laws in the USA (the Jones Act) where only ships with US bottoms can move between ports in the US
- There is uncertainty with respect to the current HQ for Airpak Express because the Port Authority is about to take over Tinson Pen

Accounting

- Recognition of qualifications by professional bodies
- Regulatory aspects – the sectors need better regulation
- The issue of work permit acquisition– Skilled National Certificate is not as seamless as it should be (CSME)

Architecture

- Every state in the U.S.A has a different registration process

10.2 Barriers to Trade Identified in Interviews

From the interviews, it was found that the barriers/ constraints faced vary depending of sub sector. The barriers included bureaucratic, financial, regulatory, lack of market information, inequity in incentives granting and lack of market sophistication. Some exporters complained of uneven application of GCT on some services by the Jamaican authorities; regulatory problems in both local and targeted export markets; and issues relating to recognition of certificates and visas (the movement of natural persons).

With respect to financing, complaints ranged from high cost of capital to the inability of local professional entities to fund the posting of bonds when competing for foreign and local contracts. The lack of development and sophistication of the regional capital markets was also cited as inhibiting entry into those markets. Suggested solutions included: the creation of a regional stock market, harmonization of laws and regulations, forming strategic partnerships to create critical mass, increase training of professionals and allowing market forces to determine salaries so as to reduce the migration of skilled personnel. This latter point is considered critical as it relates to Nurses in the chain of professionals that constitute the health services sub-sector.

The following matrix shows how the 46 interviewees ranked a list of frequently identified barriers to trade. The ranking shows that domestically controlled factors pose the greatest barriers as indicated by the top four barriers:

- Lack of capital
- Higher operational costs
- Market Information
- Lack of legislative framework

Table 10.2 Ranking of Obstacles to Trade in Terms of Significance by the 46 Interviewees

OBSTACLES	Very Significant	Average	Not Significant	No Response	Total
Lack of capital	20	4	12	10	**46**
Higher operational costs	16	5	11	4	**46**
Market Information	16	11	11	8	**46**
Lack of legislative framework	12	9	14	11	**46**
Preferential Treatment	12	4	16	14	**46**
Qualifications	11	9	19	7	**46**
International Recognition	10	5	21	10	**46**
Restriction on movement of natural persons	10	13	11	12	**46**
Lack of knowledge of or interest in opportunities to be gained	9	9	17	11	**46**
Absence of specialist skills	8	10	18	10	**46**
Restriction on number of foreigners that can operate in destination	4	7	24	10	**46**
Lack of low cost telecomm infrastructure	4	6	25	11	**46**
Lack of bandwidth infrastructure	3	8	25	10	**46**

Specific Service Sub-Sector	**Main Barriers to Entry for USA**	**Main Barriers to Entry for Canada**
Real Estate Services	Real Estate Brokerage US citizen requirement	▪ Only commercial presence ▪ Citizenship requirement for use of title ▪ Residency requirement
Convention Services	Mode 4 unbound apart from horizontal restrictions	▪ Commercial presence ▪ Permanent residency ▪ In-Province address ▪ Citizenship requirement for use of title
Investigation and security services	Permanent residence alien status or US citizenship is required to own contract security firms in Maine	▪ Commercial presence ▪ % Foreign ownership ▪ Citizenship requirement for private investigators
Credit reporting and collection services		Only commercial presence
Communication		
Audiovisual	Printing and publishing ▪ Restriction on media ownership Electronic Media ▪ US citizenship requirements ▪ Discretion in issuing of licences ▪ Restrictions on number of radio frequencies ▪ Discriminatory treatment with respect to grants	No commitments
Postal, courier, express mail	Ownership restrictions on newspapers	▪ Economic needs test ▪ Ownership restrictions on newspapers ▪ Differential taxes for advertisers in foreign publications
Telecomms	▪ Ownership restrictions ▪ Several Mode 3 restrictions	Several restrictions

Specific Service Sub-Sector	Main Barriers to Entry for USA	Main Barriers to Entry for Canada
Construction & related	In-state office (Michigan)	Special deposits with the Treasury from non-resident contractors
Distribution	Mode 4 unbound apart from horizontal restrictions	▪ Mobile fish buyers licenses are not issued to foreigners ▪ Itinerant Sellers: Commercial presence required ▪ Direct Sellers: Commercial presence ▪ Indirect tax measures for delivery by mail ▪ Retail petroleum: Public convenience and necessity test
Education	Quantitative restrictions on licenses	Nothing specific
Energy	Unbound Mode 4	Unbound Mode 4
Environmental	Unbound Mode 4	Unbound Mode 4
Financial	Insurance ▪ Discriminatory Federal taxes on premiums ceded abroad ▪ Citizenship requirements ▪ Residency for members of the board ▪ Discriminatory licensing fees Banking and other financial services ▪ Citizenship requirements for Directors. ▪ Restrictions on public offerings ▪ Restrictions on range of services ▪ Discriminatory registration requirements	**Insurance** ▪ Direct insurance and reinsurance and retrocession (federal): Citizenship requirements ▪ Residency Requirements ▪ Capital requirements ▪ Adjustment services: restrictions on non-residents to operate independently ▪ An excise tax of 10 per cent is applicable on net premiums paid to non-resident insurers **Banking** ▪ Incorporation requirements ▪ Citizenship and residency requirements for Directors.
Health & Social	Needs testing	None

Specific Service Sub-Sector	Main Barriers to Entry for USA	Main Barriers to Entry for Canada
Tourism	Tour guides: The number of concessions available is limited	***Hotels, Restaurants & Bars*** ▪ Residency requirements ▪ Citizenship requirements ▪ Differential land transfer tax **Travel agency, tour operators** ▪ Travel agencies and travel wholesalers: commercial presence ▪ Residency requirements
Recreational, Cultural and Sporting Services	Sporting and recreational: The number of concessions available is limited	No commitments
Transport		
Air transport	Repairs: Unbound for Modes 1 and 4	Maintenance and repair of aircraft and aircraft engines - unbound
Maritime	No commitments	Unbound

11.0 Government Inputs and Policy Changes

11.1 Policy changes required to be put in place to facilitate trade and growth

11.1.1 Service Providers' Suggestions

In response to this question, it is interesting to note that both the IT and the Securities Trading sub-sectors called for the recognition of electronic signatures as a policy change they would like to see put in place. The majority of the answers were sector specific as indicated in the Table below.

Table 11.1.1

Sub-Sector	Policy changes
Information Technology Services	a) Recognition of Online Transactions; b)GCT Law applies to external changes; c) Recognition of online signatures; IP - protection from privacy
Financial Services	a) Harmonization b) Pension Fund c) Electronic signature acceptance d) Regional Stock Exchange
Hospital Services	Some form of hospital accreditation standard to ensure recognition by insurance providers and consumers (e.g. USA)
Personal/Hairdressing	Reduction of Licence Fees
Taxation	a) Competitive Tax Rates b) Clear, unambiguous and comprehensive Laws and Legislation c) Tax Incentive Regimes
Management Consultancy	General nurturing approach to help develop the services sector beginning at the school level where students are made aware that knowledge is a product (consultancy) and is a saleable product. The major centers of knowledge- secondary and tertiary should form alliance for the development and maintenance of databases nationally and internationally Would love to see policies which recognize services as an export and provide the usual incentives like those offered in manufacturing.
Health Insurance	Regional or international certification to facilitate movement across borders (HEART) services
Cultural Services	Restrictions on exportation and importation of equipment. Establishment of an education board to look at issues to do with entertainment. It is one of the things keeping us on the map; our culture will be a great source of FX earnings. Also need certification process for persons who are DJs and sound engineers who do not have formal training.
Accountancy	Provide a better economic climate for investments and there will be job creation. Cut down on bureaucracy - Govt. wants to tax everything, no incentives to facilitate investment - people need to want to use services
Sporting Services	There needs to be a clear policy on sport. It is too often viewed as a pastime. Need radical change in thinking as it needs to be taken seriously as a business. Areas to consider i) Sports Tourism ii) Services to be exported i.e. Talented athletic coaches (coaching services) to other Caribbean countries.

Sub-Sector	Policy changes
Financial Services	The Policy environment is fine
Veterinary Services	Amend Animal Diseases & Importation Act to allow tourists to travel with their pets.
Advertising and Promotion	Would like common market to be common –need to review the existing restrictions.
Personnel Services	Review of EAA. Temporary staff should be seen as employees of staffing organization but in terms of some statutory obligations be treated as stock-in-trade on the balance sheet
Mining Related Services	Improvement of environment laws - the improvement of Mining & Transport Ministries
Courier Services	Would like to see Jamaica become the local logistics hub for both ocean and air. This would enhance trade facilitation - Use Vernam Field to do this - giving peppercorn lease to FEDEX, DHL, UPS for space to set up hub. Also, there is need for a holistic national transportation policy, including rail, sea, road and air. Need to consider Jamaica as a port of registry
Quantity Surveying Services	Registration of Quantity Surveyors.
Dental Services	The allowance of insurance claims for those persons from overseas who visit Dentists in Jamaica
Insurance Brokerage	The government should lobby for certain standardization issues within the English speaking Caribbean. Company registration and Capital requirements should be standard, so once you meet these requirements in your territory, you should not have to meet them again in any other country in the CSME.
Information Technology	Electronic signature legislation

11.1.2 Umbrella Organisations' Suggestions

The JEA and ICAJ called for more incentives to facilitate services providers. The St. Ann Chamber of Commerce and the Insurance Association of Jamaica both called for a level playing field with respect to domestic competition versus international competition. The other answers were sector specific as indicated in the Table below.

Table 11.1.2

Organisation	Policy Changes Required
Jamaica Institution of Engineers	Work permit for incoming engineers – Harmonization within CARICOM.
JEA	Need to have financial institutions set up to service businesses – The Export Industry Encouragement Act should be amended to include services outside of the creative industry.
Medical Association of Jamaica (MAJ)	Government could play a critical role in getting hospitals accredited through the international accreditation board for hospitals. In order to enhance health tourism, duties on medical equipment and supplies need to be waived or reduced. This will allow hospitals to improve quality and the range of services. To further promote health tourism, it is vital to enter into negotiations with foreign insurance companies to cover health services carried out here. This will be mutually beneficial for patients and the health sector. However, the insurance companies and domestic government may not see the benefit and refuse to comply.
Insurance Association of Jamaica	Negotiate a level playing field. Ensure that the legislative environment of our trading partners is straightforward and as transparent as ours. Also, the government should put in place incentives for shareholders to merge their companies, so that we could end up with larger conglomerates which could enter the US market where the capital requirements are high. The Government should call all the Chairmen of Insurance Companies together and offer a break on share transfer tax as an incentive to merge.
ICAJ	In Taxation - Need more incentives and policies that drive FDI – The Cayman Islands and Bahamas have the relevant policy framework, so Jamaica needs to benchmark these countries; - Jamaica has missed the boat in offshore banking – investors are setting up in St. Lucia because of incentives.
Jamaica Bar Association	Need greater efficiency especially in government agencies.
Media (Owners) Association of Jamaica	Need to lobby to get the new Charter of Rights to include a specific statement on "freedom of the press" as distinct from "freedom to express".
Nurses Association of Jamaica (NAJ)	Transfer all nursing training programmes under the umbrella of the Ministry of Education as opposed to the Ministry of Health where they now reside. Change the current bonding regime to facilitate increase in the take up of additional and advanced training

Organisation	Policy Changes Required
St Ann Chamber of Commerce	Change the tax regime, especially relating to GCT and the income tax revenue threshold. Seek to bring all businesses in the tax net. Appropriate incentives to ensure a level playing field.
Montego Bay Chamber of Commerce	Need incentives to assist local and foreign investments in all areas.

11.1.3 Public Sector Officials' Suggestions

Like the JEA and ICAJ, the Companies Office of Jamaica, PIOJ and JAMPRO also called for more incentives to facilitate services providers. There were also issues of taxation which STATIN spoke to in terms of the creation of a level playing field for locals and foreigners. The representative from the Companies Office of Jamaica felt that there should be a reduction in taxation which would act as an incentive for companies.

Table 11.1.3

Ministry/Agency	Policy Changes Required
Financial Services Company (FSC)	Policies to continue ensuring the soundness and health of the various companies in the financial sector.
National Council on Education	1) There is the need to have a policy to prepare our persons to global standards and in sufficient quantities to satisfy the domestic and export market; 2) We should cut out residential training and use distance mode - cheaper and ensures access to more persons; 3). Need for study programmes to allow for work and study- stay at home and study; 4) Need modular programmes instead of years of study; 5) Need to have policy directed at quality, timing and space
STATIN	In terms of Taxation - create level playing field for local and foreigners
Companies Office of Jamaica	Make business environment more user-friendly and less time consuming. Reduce taxation for companies and introduce legislation to facilitate electronic transactions
OPM- Ministry of Development	Reorientation of the bureaucracy to give greater recognition to services. Gearing education and training to meet the demand for services.
PIOJ	Need similar incentives for services as we have for goods.

Ministry/Agency	Policy Changes Required
Ministry of Foreign Affairs and Foreign Trade	In certain sector, policy making must be done in consultation with the industry to allow for relevant and timely policy intervention. Policy makers must maintain awareness of local and international developments in the respective services industry
JAMPRO	1) Tax incentives 2) Proper Entertainment Complex 3) Proper promotion in schools
Ministry of Housing, Transport, Water and Works	1) Air Transport – the revitalization of the domestic commuter airline industry; reinvesting in some of the abandoned local aerodrome locations; continued development of existing international and domestic aerodromes. 2) Land Transport (road) - Proper maintenance schedule. 3) Land (rail) revision of concessionary agreements that prohibit the growth of railway transport in Jamaica. 4) Maritime transport- Efforts to facilitate a faster, more efficient legislative process. 5) Multimodal/ Inter-Modal transportation - policy created to develop and support multi-modal and inter-modal transportation

11.2 Ranking Government Inputs Required to Enhance the Services Sector

Several persons interviewed felt that the sector was important but not accorded the recognition deserved (apart from tourism and financial services) and suggested that the authorities should produce an environment conducive to its growth. The following matrix ranks the main inputs that the 46 interviewees (27 service providers, 12 unmbrella organizations and 7 public sector entities) and felt are required from Government.

The matrix shows that fiscal incentives, public education, conclusion of bilateral and multilateral trade agreements, and a supportive regulatory framework received the top four rankings.

Table 11.2 Ranking of Government Inputs Required for Enhancement of the Services Sector in Terms of Importance

Government Input Required	Very Important	Important	Unimportant	No Response	Total
1. Provision of fiscal and other incentives for local services providers, especially those with export capacity	27	5	5	9	**46**
2. Participating in and hosting public education fora and initiatives aimed at sensitizing stakeholders to opportunities/challenges facing the services sector	23	11	5	7	**46**
3. Conclusion of bilateral and multilateral tax and trade in services agreements that will enhance market access	19	14	4	9	**46**
4. Establishing a regulatory framework to support the development and export capacity of the services sector	19	11	7	9	**46**
5. Provision of legislation promoting and facilitating the export of services	16	17	5	8	**46**
6. Restructure key government institutions to reflect the level of efficiency required to ensure that service providers can be serviced in a timely manner for various business processes	24	10	2	10	**46**
7. Locate or create funding and technical assistance for the development of the services export industry	18	13	6	9	**46**
8. Ensure the consistent treatment of service providers by customs and immigration personnel	17	12	7	10	**46**

11.3 Required Policy Changes - Focus Group Participants

The following section outlines some of the policy changes that participants from different focus groups/sub-sectors felt would help to enhance the development of their industries or the services sector in general. The recommendations are compiled under the various focus groups in order to capture the different areas of concern and reflect the dynamics of each group.

11.3.1 Focus Group 1

- Policy Makers should ensure that the rules of the CSME agreements on services are being observed by all countries which signed the Agreement and they should insist on regional level policy changes and harmonization of laws. Jamaica is very free and detailed with information which allows others to enter without a problem – countries in Caribbean do not freely give out information on issues such as capital requirements and other requirements for setting up in their countries.
- Review existing policies – The National Industrial Policy should be recast and renamed to include services. People do not relate it to services at the moment because the word industry implies manufacturing (or at least makes people think of that).
- Jamaican policy makers must commit to a policy for Jamaica to become a new economy producing skilled, knowledgeable persons able to fill gaps in the service sector. Many people work in services but the country needs more informed people. A collective vision needs to be set to transform people's perception of services.
- The Government should have a cost-benefit analysis conducted to better understand the importance of exporting services
- The country requires a policy framework which values publication or publishing as an exportable product e.g. capturing Jamaican cultural and other matters. At the moment, it is too costly to publish here. The Government needs to take an inventory to assess exactly what specific or general opportunities are out there and take advantage of some of these opportunities.
- Tax reform is required because the tax paid on export earnings needs to be removed to create a level playing field because these taxes make the services of the local services provider more expensive than their foreign counterparts who do not pay the taxes. It was recommended that local services providers should be able to reclaim GCT, so that they could keep their prices competitive.

11.3.2 Focus Group 2

- For projects being implemented in Jamaica, it should be mandatory to have some stipulated quantity of Jamaican input which should be a part of the grading system for the tender for a Jamaican job
- Need policy change to address the tax advantages extended to international companies– treatment should at least be equal

- GCT should to be zero rated for export projects because foreign competitors do not have to pay it - Land Surveyors have accessed a zero-rated arrangement.
- There should be more stringent Work Permit requirements for foreigners coming to Jamaica to work on projects –there is also a need for stricter enforcement of laws, especially the need to determine if Jamaicans can fill the positions before work permits are granted to foreigners.
- Policy should be adjusted so that four-wheel drive vehicles should not be considered luxury for land surveyors and similar professions

11.3.3 Focus Group 3

The policy changes that were identified by this group include the following:

- A policy is required which will allow Dentists to be trained in Jamaica and not have to go overseas.
- A policy is required which changes the current policy where the Nursing School cannot give a degree in nursing because it is felt that it will be in direct competition with UWI.
- A policy change which will see the opening of formal (parish) centres with respect to Conflict Resolution - Ministry of Justice
- There is an issue with Alternative Disputes Resolution (ADR) in the Jamaican workplace – a policy is required for more cases to be cleared through mediation as opposed to the court system.
- A policy to create an executive agency responsible for services should be considered.

11.3.4 Focus Group 4

- A policy should be put in place so that the cabotage rule applies – only Caribbean bottoms should be allowed to move between the ports in the Caribbean. The example was given of the German company which is now offering a Caribbean feeder service by taking the cargo from the big shipping lines which come to Jamaica and transshipping it to the smaller territories in the Caribbean. If the cabotage rule is introduced, the Germans would have to "Caribbeanise" their fleet.
- Rules similar to the rules governing the operations of shipping agencies in the Dominican Republic should be applied in Jamaica. The authorities should examine the practices of the Dominican Republic and Suriname with respect to their regulations governing the operations of shipping agencies.
- It is felt that even though the policy makers know about the workings of the port authority, shipping does not mean a lot to them. It is a gold mine for Jamaica if proper strategies were to be developed to leverage the industry and to take advantage of the investment that is already made in the infrastructure, etc.
- The policy makers should look at the USA's Automated Manifest System (AMS) which works where manifests are transmitted and are accepted as a final copy – this should result in improved efficiency for all stakeholders if implemented in Jamaica.

- Forwarders should be bonded. For example, a Freight Forwarder should be made to pay a Bond in the event that there is a breach. Some specific aspects of the freight forwarding service should be licensed
- Truckers and warehousing operations should be licensed

11.3.5 Focus Group 5

- Persons who are making decisions need to be more in touch with what is happening in the service sector (technology etc) so the private sector needs to take the initiative and get involved in educating the public sector. For example, entertainment is a big export industry and has untapped potential - Government officials have a basic lack of understanding of the service industry
- Government needs to ask itself how are we as a country going to make money out of the Jamaican culture and what is needed to kick start the process
- Government needs to be the catalyst for change in terms of promoting services. Government needs to prioritize and understand that the persons they put in place need to have the intellect and the world view which would help them to promote services export
- Necessary for Government policies to be clearly outlined and transparent –
- There is need for incentives to encourage services that the country wants to promote or in which it has a natural advantage
- Remove the mystique about incentives. Tax legislation needs to be improved – the legislation does not work because it is not geared toward services. There should be GCT levied on imported services – local service providers are at a disadvantage because there is no GCT on imported services, so the persons coming in from abroad to offer the service have the advantage
- There is the need for a collaborative effort between private and public sectors – the private sector needs to educate/guide the public sector (limited resources) with respect to their needs. Government needs to play a more facilitatory role
- There is need for a policy to look at the cultural and creative sector – need to look at what has been successfully done in other countries – Ireland, New Zealand, Canada, Australia, etc
- A policy should be put in place that requires Ministries to communicate with each other as they should to avoid conflicts – for example while JAMPRO may be facilitating the granting of an incentive, the Ministry of Finance, through lack of understanding, may be making it difficult to operate.There is the need for funding to establish the proper institutions and to conduct training at a scale that can increase Jamaica's international competitiveness – grants, loans, etc
- There is need for a comprehensive approach to all the laws. There is a lack of transparency – one sometimes finds things out through a process of talking to persons. Persons who are here to invest and who do not know anyone would have a problem figuring out what incentives are available.
- This can be replicated across all service sectors – there is need for strong collaboration between Public and Private Sector for the long list of things

which need to be addressed – someone needs to be nominated in key governmental agencies with the mandate to deliver and implement with responsibility for addressing the specific issues. Someone has to be held accountable for delivery.

- **Administration of property rights** – collection agencies are supposed to have reciprocal arrangements. The collection societies abroad are supposed to collect royalties from the radio stations abroad for Jamaican songs played on US radio stations and send them to the artistes. However, their radar does not adequately pick up Jamaican music when it is played because these agencies tend to sample only main stream radio stations. They need to widen the sample net in order to catch the Jamaican music which is played mainly on small and medium sized radio stations.

  Representatives of the Motion Picture Association of America send persons to Jamaica who are able to get the police to go out and lock up vendors who are selling illegal copies of tapes on the streets. International agreements call for reciprocity, so there should be institutions in place which must serve all rights equally. The government should try and leverage their position by negotiating at that point by saying that we will help you in your quest to get illegal tapes off the street if you will help us to lobby the collection societies to widen their net, so that they sample small and medium sized radio stations to collect royalties from those stations for Jamaican musicians. The rights of Jamaican musicians are currently being exploited. The Jamaican Government can intervene -there is the need to make appeal to the Collections societies as well as at the diplomatic level – there are institutions established by Congress which address those issues.

11.3.6 Focus Group 6

- **Services related to construction**: there is little or no support from Government because there is lack of recognition of professional standards in Jamaica – the Architectural Registration Act still does not have teeth – Architects come into Jamaica at will. In the area of arbitration and dispute settlement in Quantity Surveying, there are no acceptable standards. There is very little attempt at looking at the professional qualifications and standards, etc – anyone can come to Jamaica and "hang up a shingle and say they are an Environmentalist or QS". There is nothing to protect the Jamaican public.
- Need for the resuscitation of the veterinary diagnostic lab which has now fallen into disarray
- There is need for a subsidized export programme by the Jamaican Government to encourage services export
- Government should not be involved in private sector waste disposal (Sector specific)
- Ensure that garbage is dumped in regulated dump areas

- Need for education with respect to facilitating service providers to achieve high operating standards for their export service – so that service providers can operate at global quality standards
- Professionals from other jurisdictions must be certified to operate in this space (environmental)
- Need for new legislation to get us into the 21^{st} century – a lot of the legislation is pre-Independence and one would say that they are definitely not relevant at this point in time given the leaps and bounds in technology, etc
- Need to have service providers on the regulatory boards – in order to get their understanding of the sector and to inform policy and regulations.

12 0 SWOT Analysis

12.1 Strengths

- Jamaica has a fairly high quality infrastructural base which is critical to taking advantage of all the various modes of services delivery – A-Z Infrastructural Competitiveness Index of 65.5%. This includes well trained services providers, high quality telecommunication services, a well developed financial services sector, a fairly stable macroeconomic environment, etc.
- A well developed services sector which accounts for over 70% of Jamaican GDP which means that there are many providers offering quality services on the local market.
- Jamaican service providers are English speaking and English is still the main language in which international trade is conducted, which gives them an inherent advantage
- Jamaica has a deep pool of natural talent in the area of sports, music and culture on which major international service industries are built

12.2 Weaknesses

- Lack of a culture of trust, collaboration and coordination amongst services providers to come together to achieve a critical mass to undertake larger international projects – pooling of funds, pooling of skills, etc
- Too great a focus of local services providers on protecting the domestic market rather than preparing themselves for the larger and more lucrative export market e.g. architects, engineers and surveyors.
- Insufficient communication between the public sector and the various services sub-sectors on the needs of services providers.
- Lack of a strong enough capital base or specially designated funding sources (such as the EXIM Bank) for service providers which prevents local service providers from acquiring equipment or being able to put up performance bonds or finance indemnity insurance.
- Lack of bilingual skills, e.g. the ability to speak Spanish which prevents us from taking advantage of opportunities in large Spanish speaking markets which are in close proximity to Jamaica

12.3 Opportunities

- Jamaica has strong "brand" in the international market created by our artistes and sports persons, which provides a natural marketing advantage to all services providers. Jamaican services providers can ride on the vehicle created by our reggae and sporting culture
- Jamaican services providers can take advantage of the large Diaspora markets and their overseas connections. Many Jamaicans overseas are loyal to Jamaicans and are often proud to have persons from "yard" providing services.
- Generally tap existing markets more intensively by collaborating with members of the Diaspora to penetrate the mainstream and other ethnic markets in countries such as the USA, UK and Canada

- Jamaican services providers must maximize the use of information technology to deliver services (Mode 1 - e.g. telemedicine) or to identify the services needs of foreigners (Mode 2 - e.g. health related-tourism).
- The clustering of services around existing leading exports of goods and services e.g. piggy backing on tourism such as offering dental tourism, or basing health tourism on Jamaican agricultural products and/or Jamaican flora and fauna.
- Developing a public education campaign that continually identifies the opportunities in the export of services market and the series of practical steps required to exploit these opportunities.
- Pooling of certain categories of service providers such as nurses, teachers and accountants, thereby exporting the services rather than having the service providers migrate
- Organising and coordinating service providers (across CARICOM) to generate a critical mass that can be used to compete for larger projects
- The Reforming of the Tax System to level the playing field so that foreign service providers do not have a competitive edge over their local counterparts (especially as it relates to GCT and other statutory deductions)
- Under the UK's Home Office 'Highly Skilled Migrant Programme' there are currently opportunities for service providers in the engineering and health care sub-sectors due to a shortage of labour.

12.4 Threats

- Lack of awareness of international trade agreements and the opportunities and challenges presented by these agreements. The focus group meetings and interviews have revealed a relatively low level of awareness of the main international agreements, including the CSME.
- If Jamaicans do not take full advantage of the Jamaican branding by using it to their advantage in exporting services or protecting it through copyrights, then others will exploit it and erode the true value to be gained from the authentic brand. This is particularly true for the entertainment & culture and distribution sub-sectors.
- A local environment in which foreigners have a competitive edge over Jamaican services providers in the Jamaican market so that Jamaican services providers are unable to build up the necessary capital base or experience that they need to launch into the export market (the fact that foreigners can avoid GCT while Jamaican services providers seem unable to do so was identified as a competitive disadvantage to local services providers).

Appendix 1:

Justification of Values Given to Variables Used to Compute the A-Z Infrastructural Competitiveness Index (ICI)

Trained staff:

Quality

In most of the services sub-sectors in which Jamaica now export services, as well as in some areas with the potential and desire to export, Jamaica has qualified and trained staff.

Quantity

The problem arises where quantity or size of operations are critical to success. In over 80% of businesses surveyed, the majority of sub-sectors are populated by small entities employing from one to twenty professionals.

Costs

Jamaica is traditionally considered a low labour cost location. However this designation applies primarily to low cost labour intensive type economic activities, such as light manufacturing and mining. For the services sector, costs as they relate to wages and salaries are somewhat higher but still lower than in most competing countries.

Adequate education system

Quality

Jamaica has a literacy rate of 79.9% (PIOJ 2005). The quality output of the education system is relatively high at both the secondary and tertiary levels. Most of our secondary students can gain acceptance in North American, British and other tertiary institutions. In addition Jamaica's tertiary graduates are easily accepted to post graduate courses in institutions internationally. Generally most services sector entities rely on local education institutions to provide graduates for their employment.

Quantity

Output from the education system has supplied most of the trained workers needed to support the services sector entities operating in Jamaica. Outputs from the education system for the six years ending 2005 are contained in the following table.

Education		2000	2001	2002	2003	2004	2005
Enrolment In :	('000)						
Primary Institutions	"	325.3	334.7	332.9	328.4	331.3	326.4
Secondary Institutions	"	226.4	227.5	226.5	231.2	236.9	237.2
Tertiary Institutions	"	12.5	12.1	12.5	20.1	24.3	21.9
University graduates	"	18.6	20.9	20.7	18.7	23.9	24.6
Literacy Rate	"	79.9	79.9	79.9	79.9	79.9	79.9

		2000	2001	2002	2003	2004	2005
Total Output of Technical, Managerial & Related Manpower	('000)	8.3	8.6	8.9	9.7	12.6	12.9
Total Output of Skilled and Semi –Skilled Manpower	(000)	17.5	17.9	28.9	21.7	34.2	41.8

Cost
The cost of secondary education as compared with other countries with which Jamaica normally competes is relatively low, however tertiary education costs are trending towards real cost as it is becoming the norm internationally.

Telecommunications
Quality
Since the deregulation of the telecommunications industry, and the introduction of competition, the quality of Jamaica's telecommunications infrastructure has improved considerably and is now on par with that of North America. Jamaica's services export ability is greatly improved because of the quality of the telecommunications infrastructure and services.

Quantity
Jamaica with a population of 2.8m has over 3.1million telephones (2.7million cellular and 390,000 fixed line telephones) or penetration of over 100 per 100.

Cost
Since the deregulation and introduction of competition in the telecommunications sector, costs in all segments of the industry have been falling and continue to fall. Cellular telephone costs have also been falling but continue to have a significant differential with fixed land line cost. Cost of cellular telephone services are the exception and continue to cost more than those obtaining in some of Jamaica's competitor countries.

Internet Services
Quality
The quality of Jamaica's Internet services is close to that available in North America and better than in most other countries with the exception of certain countries in Asia, the so called Asian tigers. Jamaica has multiple suppliers of broadband services.

Quantity
The quantity/availability of internet services across Jamaica is increasing at fast rate with access available in all major towns and in most of the smaller towns. Internet penetration is currently 39 per 100. Access is available via both fixed and wireless services.

Costs
Cost of Internet services comparatively low, although slightly above those prevailing in North America. With the increase in competition, cost continues to fall, and are likely to be in line shortly with those of the USA and Canada.

Computers

Quality

The qualities of computers available in Jamaica are generally similar in quality with those available in North America and most developed economies.

Quantity

Computers are generally available in whatever quantities that are required by both business and domestic users.

Cost

Except for transportation costs, the prices for computers in Jamaica are close to the cost for similar computer products in North America.

Transport – air, sea, land

Quality

The quality of transportation, air and sea in particular are generally of a high quality. Land transportation suffers from a lack of adequately maintained roads, but is sufficiently adequate for the needs of most of the service sectors.

Quantity

Jamaica is well served by all categories of transportation; its geographical position makes it relatively easy to be linked to almost any part of the world by air. In addition with the natural harbour of Kingston, Jamaica is well connected to the world's international maritime network.

Cost

Transportation costs are generally higher than in a number of Jamaica's trading partner and competitor countries. Cost to travel between Jamaica and the USA and Europe are generally higher than for comparable distances within the USA and Europe.

Electricity

Quality

The quality of electricity in terms of reliability is below that of several of Jamaica's competitor countries. The country suffers from supply instability which affects all industries?

Quantity

Electricity is generally available across the country both in the specification and the level and quantity required.

Cost

Electricity costs are generally higher in Jamaica than in our main export markets as well as among our main competitor countries.

Water
Quality
Jamaica's water quality is among the best in the world.

Quantity
Water is generally available to most sectors of industry. Demand for water by the services sector is not critical to its functioning. At certain times of the year it is sometimes necessary for water to be rationed.

Cost
Cost of water is marginally higher in Jamaica than in some other countries that compete with Jamaica in the same market. As water is not generally critical to services exporters, cost impacts minimally services competitiveness or exports.

Availability and cost of capital
Quality
The quality of service given in Jamaican financial institutions is average

Quantity
With the exception of very large projects, capital is available.

Cost
The cost of capital is extremely high in Jamaica compared to its trading partners.

Research and Development Facilities
Quality
It is felt that the research conducted at the University, the SRC, the Bureau of Standards and other organizations is average

Quantity
It is felt that Jamaica lacks sufficient facilities for research

Cost
It is felt that Jamaica's research costs would be average.

Networking infrastructure to coordinate the service sector
It is felt that an overall low score is appropriate for this important variable to reflect the fact that networking and coordination amongst service providers is weak in Jamaica.

Financial services – for remittances and access to international capital markets
Quality
The quality of Jamaica's financial services sector is relatively high compared to most of the major markets to which export services. Knowledge of foreign exchange trading is particularly high compared to some major economies.

Quantity
The quantity of financial services in terms of access to international capital markets and for remittances is generally high. Jamaica has a well developed financial services sector providing and exporting a wide range of services.

Costs
The costs of financial services including interest rates are marginally higher than in a number of significant competitor countries. Interest rates are generally higher in Jamaica.

Foreign exchange

Quality
The quality of service associated with the management of foreign exchange services are as good as are available in most developed economies.

Quantity
Foreign exchange, since the removal of exchange control, has been freely available to both individuals and businesses without restrictions. Individuals and companies are free to open and hold foreign exchange accounts inside or outside Jamaica.

Cost
Cost of foreign exchange is generally in line with international levels.

Office space

Quality
The quality of office space is of a relatively high standard. Primarily due to high import content in construction and finishing, office space in Jamaica is marginally below standards in competing countries.

Quantity
The availability of office space is generally adequate for the existing services sector market. Recently following contraction in the financial sector there was excess supply for a time.

Cost
The cost of commercial space including office space is generally higher than in most competitor economies reflecting the continuing high Jamaican interest rates.

Hotel accommodation (Mode 2)

Quality
The quality of hotel accommodation in Jamaica is generally high especially in the relating export services sectors of tourism and business travel.

Quantity
Jamaica has a large number of hotel rooms available to both the business and tourism sectors.

Cost
The cost of hotel rooms is very competitive especially in the tourism sector. In the business travel sector, costs are generally in line with international levels.

Health Services
Quality
The quality of health services in Jamaica varies, with small boutique type specialist facilities of reasonably high standards of service, and a number of large public facilities providing moderately reasonable service. . Overall the health service is generally below those in most important competing countries.

Quantity
The quantity of health services available in Jamaica is below the level of demanded in faces generally.

Cost
The cost of health services is generally low especially in the public health facilities. In the small boutique specialist facilities, costs are generally higher.

Security
Quality
The quality of security services in Jamaica is generally low, and there is great reliance on private security to augment state security generally.

Quantity
The quantity – size- of the security force in Jamaica is generally low compared to countries with which Jamaica competes.

Cost
Cost of security in Jamaica is relatively high, and is an important cost element in most company's operating budget. Security cost is a significant disincentive to businesses operating in Jamaica.

Facilitating macroeconomic environment in terms of reasonable taxes, low inflation, etc.
Quality
The quality of the facilitating macroeconomic environment is generally moderate to low. Some of the agencies with which the business public deals have been making efforts to improve the environment with commendable improvements.

Appendix 2

Services Sub-Sectors and Relevant Legislation[18]

	Services Sub-Sectors	**# Acts**	**Titles of Legislation**
A.	Professional Services		
a.	Legal Services	4	1)Legal Profession Act, 1972, 2) Council of Legal Education Act, 1974, 3) Company Law, 4) Income Tax Act
b.	Accounting, auditing and bookkeeping services	4	1) Public Accountancy Act, 2) Financial Administration and Audit Act 3) Companies Act 4) Accounting board Regulations
c.	Taxation Services	14	1) Public Accountancy Act, 2) Financial Administration and Audit Act, 3) Land Taxation Act, 4) Tax Collection Act 5) Companies Act 6) Income Tax Act 7) Accounting board Regulations 8) GCT Act 9) Taxing Statues 10) Transfer Tax Act 11) Stamp Duty Act, 12) Customs Act 13) FSC Act 14) Pensions Act
d.	Architectural services	1	Architects Registration Act
e.	Engineering services	1	Professional Engineers Registration Act
f.	Integrated engineering services	1	Professional Engineers Registration Act
g.	Urban planning and landscape architectural services	2	1) Town & Country Planning Act, 2) Urban Renewal (Tax Relief) Act
h.	Medical and dental services	3	1) Medical Act, 2) Dental Act, 3) Nurses and Midwife Act
i.	Veterinary services	2	1) Veterinary Act, 2) Animals (Diseases and Importation) Act 3) Animal Importation Act
j.	Services provided by midwives, nurses, physiotherapists and Para-medical personnel	1	Nurses and Midwives Act
B.	Computer and Related Services		
a.	Consultancy services related to the installation of computer hardware	4	1) Telecom Act 2000 2) Intellectual Property Act 3) FSC Regulations Act 4) BOJ Regulations Act
b.	Software implementation services	0	Jamaica Intellectual Property Office Act
c.	Data processing services	0	None
d.	Data base services	0	None
C.	Research & Development Services		

[18] According to JAMPRO, the Export Encouragement Act and the Free Zone Act are two pieces of horizontal legislation which cut across all services.

	Services Sub-Sectors	# Acts	Titles of Legislation
a.	R&D services on natural sciences	2	1) Caribbean Agricultural Research & Development Act, 1983, 2) Scientific Research Council act
b.	R&D services on social sciences and humanities	0	None
c.	Interdisciplinary R&D services	0	None
D.	Real Estate Services		
a.	Involving own or leased property	2	1) Real Estate (Dealers & Developers) Act, 2) Real Property Representative Act
b.	On a fee or contract basis	2	1) Real Estate (Dealers & Developers) Act, 2) Real Property Representative Act
E.	Rental/Leasing Services without Operators		
a.	Relating to ships	2	1) The Shipping Act 1999, 2) The West Indies Shipping Corporation Act 1976
b.	Relating to aircraft	1	1) Civil Aviations Act 1966 (see regulations 1967, 1976, 1978, 1984)
c.	Relating to other transport equipment	5	1) The Civil Aviations Act 1966, 2) The Road Traffic Act 1938, 3) The Shipping Act 1999, 4) The Public Passenger (Rural Area) act 1970, 5) The Public Passenger (Kingston Metropolitan Transport Region) Act 1947
d.	Relating to other machinery and equipment	0	
F.	Other Business Services		
a.	Advertising services	3	1) The Trade Marks Act 2001, 2) The Advertisement Regulations Act 1954 3) Copyright Act
b.	Market research and public opinion polling services	0	None
c.	Management consulting service	0	
d.	Services related to man. Consulting	0	None
e.	Technical testing and analysis services.	3	1) The Aquaculture Act, 2) Inland Marine Act, 3) The Water Resources Act 1996

	Services Sub-Sectors	# Acts	Titles of Legislation
f.	Services incidental to agriculture, hunting and forestry	6	1) The Agricultural Development Corporation Act 1952, 2) The Caribbean Agricultural Research and Development Institute Act 1982, 3) The Land Development and Utilization Act 1966, 4) The Rural Agricultural Development Authority Act 1990, 5) The Wildlife Protection Act 1945, 6) The Praedial Larceny (Protection) Act 1983, 7) The Forest Act 1996
g.	Services incidental to fishing	3	1) Fishing Industry Act, 2) Shipping Act, 3) Morant and Pedro Cays Act
h.	Services incidental to mining	8	1) Mining Act, 2) Settled Land Act, 3) Bauxite and Alumina Industries (special provisions) Act, 4) Quarries Control Act, 5) Land Valuation Act, 6) Bauxite production Levy Act, 7) Minerals Vesting Act 8)Quarries Act and Mining Act
i.	Services incidental to manufacturing	3	1) The Industrial Incentives Act 1956, 2) The Factories Act 1943, 3) The Food Storage and Prevention of Infestation 1958
j.	Services incidental to energy distribution	4	1) The Electricity Development Act 1958, 2) The Electricity Survey Act 1956, 3) The Electric Lighting Act 1890, 4) The Public Utilities Protection Act 1984
k.	Placement and supply services of Personnel	8	1) The Law Reform (Common Employment) Act 1961, 2) The Minimum Wage act 1938, 3) The Caribbean Community (Free Movement of Skilled Persons) Act 1997, 4) The Employment Agencies Regulation Act 1957 5) The Foreign Recruiting Act 1875 6) Employment Agencies Act 7) LRIDA 8) Redundancy Payments Act
l.	Investigation and security	1	1) The Private Security Regulation Authority Act 1992
m.	Related scientific and technical consulting services	1	1) The Scientific Research Council Act 1960
n.	Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)	1	1) The Public Health Act 1985
o.	Building-cleaning services	3	1) The Public Health Act 1985, *2) The Animals (Diseases and Importation) Act 1948, 3) The Food Storage and Prevention of Infestation 1958*

	Services Sub-Sectors	# Acts	Titles of Legislation
p.	Photographic services	0	None
q.	Packaging services	1	1) The Processed Food Act 1959
r.	Printing, publishing	2	1) The Printers Act 1939, 2) The Libel and Slander Act 1851
s.	Convention services	0	None
2	COMMUNICATION SERVICES		
A.	Postal services	1	1) The Post Office Act 1941
B.	Courier services	1	1) Postal Act (1941) Third party transporting items
C.	Telecommunication services		
a.	Voice telephone services	2	1) The Telecommunications Act 2000, 2) The Public Utilities Protection Act 1984
b.	Packet-switched data transmission services	1	1) The Telecommunications Act 2000
c.	Circuit-switched data transmission services	1	1) The Telecommunications Act 2000
d.	Telex services	1	1) The Telecommunications Act 2000
e.	Telegraph services	3	1) The Telecommunications Act 2000, 2) The Telegraph Act 1879, 3) The Radio and Telegraph Act 1973
f.	Facsimile services	2	1) The Telecommunications Act 2000, 2) The Post Office Act 1941
g.	Private leased circuit services	1	1) The Telecommunications Act 2000
h.	Electronic mail	1	1) The Telecommunications Act 2000
i.	Voice mail	1	1) The Telecommunications Act 2000
j.	On-line information and data base retrieval	1	1) The Telecommunications Act 2000
k.	Electronic data interchange (EDI)	1	1) The Telecommunications Act 2000
L.	Enhanced/value-added facsimile services, incl. store and forward, store and retrieve	1	1) The Telecommunications Act 2000
m.	Code and protocol conversion	1	1) The Telecommunications Act 2000
n.	On-line information and/or data processing (incl. transaction processing)	1	1) The Telecommunications Act 2000
D.	Audiovisual services		
a.	Motion picture and video tape production and distribution services	2	1) The Motion Picture (Encouragement) Act 1948, 2) The Cinematograph Act 1914

	Services Sub-Sectors	# Acts	Titles of Legislation
b.	Motion picture projection service	1	1) The Motion Picture (Encouragement) Act 1948
c.	Radio and television services	2	1) The Radio and Telegraph Act 1973, 2) The Broadcasting and Radio Re-Diffusion Act 1949
d.	Radio and television transmission services	2	1) The Radio and Telegraph Act 1973, 2) The Broadcasting and Radio Re-Diffusion Act 1949
e.	Sound recording	1	1) The Copyright Act 1993
3	CONSTRUCTION AND RELATED ENGINEERING SERVICES		
A.	General construction work for buildings	4	1) The Kingston and St. Andrew Building Act 1883, 2) The Building Societies Act 1897, 3) The Real Estate (Dealers and Developers) Act 1988, 4) The Town and Country Planning Act 1958
B.	General construction work for civil engineering	1	1) The Kingston and St. Andrew Building Act 1883
C.	Installation and assembly work	1	1) The Kingston and St. Andrew Building Act 1883
D.	Building completion and finishing work	4	1) The Kingston and St. Andrew Building Act 1883, 2) The Building Societies Act 1897, 3) The Real Estate (Dealers and Developers) Act 1988, 4) The Settled Land Act 1888
4	DISTRIBUTION SERVICES		
A.	Commission agents' services	2	1) The Trade Act 1955, 2) The Licenses of Trade and Business Act 1908
B.	Wholesale trade services	2	1) The Trade Act 1955, 2) The Licenses of Trade and Business Act 1908
C.	Retailing services	3	1) The Trade Act 1955, 2) The Licenses of Trade and Business Act 1908, 3) The Shops and Offices Act 1961
D.	Franchising	2	1) The Trade Act 1955, 2) The Licenses of Trade and Business Act 1908
5	EDUCATIONAL SERVICES		
A.	Primary education services	1	1) The Education Act 1965
B.	Secondary education services	2	1) The Education Act 1965, 2) The Community Colleges of Jamaica Act 2001
C.	Higher education services	3	1) The Education Act 1965, 2) The National Council of Education Act 1993, 3) The University Cess Act 1988

	Services Sub-Sectors	# Acts	Titles of Legislation
D.	Adult education	1	1) The Education Act 1965
E.	Other education services	3	1) Education Act and Regulation 2) Labour Laws 3) Staff order for public servants
6	ENVIRONMENTAL SERVICES		
A.	Sewage services	2	1) The Kingston Improvements Act 1890, 2) National Solid Waste Management Act 2002
B.	Refuse disposal services	1	1) National Solid Waste Management Act 2002
C.	Sanitation and similar services	1	1) The Public Health Act 1985
7	FINANCIAL SERVICES		
A.	All insurance and insurance-related services	4	1) The Insurance Act 2001, 2) The Deposit Insurance Act 1998, 3) The Insurance Fund Act 1921 4) Financial Services Act
a.	Life, accident and health insurance services	4	1) The Insurance Act 2001, 2) The Motor Vehicles Insurance (Third Party Risks) Act 1941 3) The National Health Services Act 1997 4) Financial Services Act
b.	Non-life insurance services	5	1) The Insurance Act 2001, 2) The Motor Vehicles Insurance (Third Party Risks) Act 1941, 3) The Deposit Insurance Act 1998, 4) The Insurance Fund Act 1921, 5) The Marine Insurance Act 1973
c.	Reinsurance and retrocession	1	1) The Insurance Act 2001
d.	Services auxiliary to insurance (including broking and agency services)	2	1) The Insurance Act 2001 2) Insurance Regulation 2001
B.	Banking and other financial services (excl. insurance)	10	1) The Financial Institutions Act 1992, 2) The Banking Act 1992, 3) The Bank of Jamaica Act 1973, 4) The Workers Saving and bank Loan Act 1973, 5) The Building Societies Act 1984 6) The Caribbean Development Bank Act 1969, 7) The Financial Services Commission Act 2001, 8) The International Finance Companies (Income Tax Relief) Act 1971 9) BOJ Act, 10) Unit Trust Act
a.	Acceptance of deposits and other repayable funds from the public	4	1) The Banking Act 1992, 2) The Bank of Jamaica Act 1973, 3) The Cooperate Societies Act 1950, 4) The Financial Institutions Act

	Services Sub-Sectors	# Acts	Titles of Legislation
b.	Lending of all types, incl., inter alia, consumer credit, mortgage credit, factoring and financing of commercial transaction	12	1) Loans (Local Authorities) Act 1958, 2) The Loans (Caribbean Development Act) 1973, 3) The Loans (World Bank) Act 1965, 4) 2) Loans to Small business Act 1956, 5) The Workers Saving and bank Loan Act 1973 6) The Financial Institutions Act 1992, 7) The Banking Act 1992, 8) The Bank of Jamaica Act 1973, 9) The Loans (Additional Powers) Act 1927, 10) The Building Societies Act 1984, 11) The Housing Act 1969, 12) The Hire Purchase Act 1974
c.	Financial leasing	2	1) The Banking Act 1992, 2) The Bank of Jamaica Act 1973
d.	All payment and money transmission services	2	1) The Banking Act 1992, 2) The Bank of Jamaica Act 1973
e.	Guarantees and commitments	2	1) The Banking Act 1992, 2) The Bank of Jamaica Act 1973
f.	Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following: - money market instruments (cheques, bills, foreign exchange, derivative products incl., but not limited to, futures and options, exchange rate and interest rate instruments, including products such as swaps, forward rate agreements, etc.- transferable securities, - other negotiable instruments and financial assets, incl. bullion	6	1) The Banking Act 1992, 2) The Bank of Jamaica Act 1973 3) The Financial Administration and Audit Act 1959 4) The Bills of Exchange Act 1893, 5) The Bretton Woods Agreements Act 1962, 6) The Loans (Equity Investment Bonds) Act 1987
g.	Participation in issues of all kinds of securities, incl. under-writing and placement as agent (whether publicly or privately) and provision of service related to such issues	3	1) The Insurance Act, 2) Financial Institutions Act, 3) Financial Services Commissions Act
h.	Money broking	3	1) Financial Institutions Act, 2) Bank of Jamaica Act, 3) Financial Services Commission Act
i.	Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services	4	1) The Trustee Act 1897, 2) The Jamaica National Heritage Trust Act 1985, 3) The Unit Trusts Act 1971, 4) The Financial Institutions Act 1992

	Services Sub-Sectors	# Acts	Titles of Legislation
j.	Settlement and clearing services for financial assets, incl. securities, derivative products, and other negotiable instruments	1	1) The Financial Institutions Act 1992
k.	Advisory and other auxiliary financial services on all the activities listed in Article 1B of MTN.TNC/W/50, incl. credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy	4	1) The Trustee Act 1897, 2) The Jamaica National Heritage Trust Act 1985, 3) The Unit Trusts Act 1971, 4) The Financial Institutions Act 1992
l.	Provision and transfer of financial information, and financial data processing and related software by providers of other financial services	5	1) The Financial Institutions Act 1992, 2) Financial Services Commission Act (2001), 3) Insurance Act (2001), 4) Securities Act 1993 (amended 1996 & 2005), 5) Pensions Superannuation and Retirement Schemes Act (2005)
C.	Other		
8.	HEALTH RELATED AND SOCIAL SERVICES (other than those listed under 1.A.h-j.)		
A.	Hospital services	4	1) The National Health Services Act 1997, 2) The University Hospital Act 1948, 3) The Medical Act 1976, 4) The Professions Supplementary to Medicine Act 1969
B.	Other Human Health Services	3	1) The National Health Services Act 1997, 2) The Public Health Act 1985, 3) The Professions Supplementary to Medicine Act 1969
C.	Social Services	7	1) The International Development Association Agreement Act 1964, 2) The Friendly Societies Act 1968, *3) The Criminal Justice Reform Act 2001, 4) The Criminal Records (Rehabilitation of Offenders) Act 1988,* 5) The National Youth Service Act 1999, 6) The National Council on Drug Abuse Act 1991, 7) The Domestic Violence Act 1996
9.	TOURISM AND TRAVEL RELATED SERVICES		
A.	Hotels and restaurants (incl. catering)	5	1) The Tourist Board Act 1955, 2) The Tourist Accommodation (License Duty) Act 1984, 3) The Hotel Keepers Liability Act 1950, 4) The Beach Control Act 1956, 5) The Public Health Act 1985,

	Services Sub-Sectors	# Acts	Titles of Legislation
B.	Travel agencies and tour operators Services	3	1) The Tourist Board Act 1955, 2) The Travel Agencies Regulation Act 1956, 3) The Road Traffic Act 1938
C.	Tourist guides services	1	1) The Tourist Board Act 1955
10.	RECREATIONAL, CULTURAL AND SPORTING SERVICES		
	(Other than audiovisual services)		
A.	Entertainment services (including theatre, live bands and circus services)	2	1) The Noise Abatement Act 1997, *2) The Animals (Diseases and Importation) Act 1948*
B.	News agency services	4	1) The Libel and Slander Act 1851, 2) The Defamation Act 1963, 3) The Copyright Act 1993, 4) The Broadcasting and Radio Re-Diffusion Act 1949
C.	Libraries, archives, museums and other cultural services	4	1) The Copyright Act 1993, 2) The Jamaica Library Service Act 1949, 3) The Institute of Jamaica Act 1978, 4) The Archives Act 1983
D.	Sporting and other recreational services	2	1) Betting, Gaming and Lotteries Act 1965, *2) The King George VI Memorial Park Act 1956*
11.	TRANSPORT SERVICES		
A.	Maritime Transport Services	6	1) The Maritime Areas Act 1996, 2) The Shipping Act 1999, 3) The Caribbean Maritime Institute Act 1993, 4) Port Authority Act 1972, 5) Pilotage Act 1972, 6) Jamaica Export Freezone Act 1996
a.	Passenger transportation	3	1) The Maritime Areas Act 1996, 2) The Shipping Act 1999, 3) Pilotage Act 1972,
b.	Freight transportation	7	1) The Maritime Areas Act 1996, 2) The Shipping Act 1999, 3) The Wharfage Act 1895, 4) The West Indies Shipping Corporation Act 1976 5) The Port Authority Act 1972, 6) The Cargo Preference Act 1979, 7)) Jamaica Export Freezone Act 1996
c.	Rental of vessels with crew	3	1) The Maritime Areas Act 1996, 2) The Shipping Act 1999, 3) Pilotage Act 1972
d.	Maintenance and repair of vessels	1	1) The Maritime Areas Act 1996, 2) The Shipping Act 1999
e.	Pushing and towing services	1	1) The Maritime Areas Act 1996, 2) The Shipping Act 1999

	Services Sub-Sectors	# Acts	Titles of Legislation
f.	Supporting services for maritime transport	3	*1) The Shipping (Incentives) Act 1979*, 2) The Maritime Insurance Act 1973, 3) Pilotage Act 1972
B.	Internal Waterways Transport		None
a.	Passenger transportation	0	None
b.	Freight transportation	0	None
c.	Rental of vessels with crew	0	None
d.	Maintenance and repair of vessels	0	None
e.	Pushing and towing services	0	None
f.	Supporting services for internal waterway transport	0	None
C.	Air Transport Services		
a.	Passenger transportation	2	1) The Civil Aviation Act 1966, 2) Airport Authority Act 1974
b.	Freight transportation	2	1) The Civil Aviation Act 1966, 2) Airport Authority Act 1974
c.	Rental of aircraft with crew	2	1) The Civil Aviation Act 1966, 2) Airport Authority Act 1974
d.	Maintenance and repair of aircraft	1	1) The Civil Aviation Act 1966
e.	Supporting services for air transport	3	1) Airports (Economic) Regulation Act 2002, 2) The Civil Aviation Act 1966, 3) Airport Authority Act 1974
D.	Space Transport	0	None
E.	Rail Transport Services		
a.	Passenger transportation	2	1) The Railway Transportation Act 1960, 2) Jamaica Railway Corporation Act 1996
b.	Freight transportation	2	1) The Railway Transportation Act 1960, 2) Jamaica Railway Corporation Act 1996
c.	Pushing and towing services	2	1) The Railway Transportation Act 1960, 2) Jamaica Railway Corporation Act 1996
d.	Maintenance and repair of rail transport equipment	2	1) The Railway Transportation Act 1960, 2) Jamaica Railway Corporation Act 1996
e.	Supporting services for rail transport services	2	1) The Railway Transportation Act 1960, 2) Jamaica Railway Corporation Act 1996
F.	Road Transport Services		) 2) Land (road) - A) Public Passenger Transport (KMTR & Rural areas) Act

	Services Sub-Sectors	# Acts	Titles of Legislation
			1998; Toll Roads Act 1938; road Maintenance Fund Act 1987; Main Roads Act 1932; Parochial Roads Act 1932 3) Land (rail) - A) Jamaica Railway Corporation Act 1996 1
a.	Passenger transportation	7	1) The Road Traffic Act 1938, 2) The Public Passenger (Rural Area) act 1970, 3) The Public Passenger (Kingston Metropolitan Transport Region) Act 1947, 4) Toll Roads Act 1938, 5)Road Maintenance Fund Act 1987, 6) Main Roads Act 1932, 7) Parochial Roads Act 1932
b.	Freight transportation	5	1) The Road Traffic Act 1938, 2) Toll Roads Act 1938, 3)Road Maintenance Fund Act 1987, 4) Main Roads Act 1932, 5) Parochial Roads Act 1932
c.	Rental of commercial vehicles with operator	2	1) The Road Traffic Act 1938, 2) Toll Roads Act 1938
d.	Maintenance and repair of road transport equipment	1	1) The Road Traffic Act 1938
e.	Supporting services for road transport services	3	1) The Road Traffic Act 1938, 2) Toll Roads Act 1938, 3)Road Maintenance Fund Act 1987
G.	Pipeline Transport		
a.	Transportation of fuels	2	1) The Petroleum Act 1981, 2) The Petroleum and Oil Fuel (Landing and storage) Act 1925,
b.	Transportation of other goods	1	Water Resources Act
H.	Services auxiliary to all modes of Transport		
a.	Cargo-handling services	1	1) The Cargo Preference Act 1979
b.	Storage and warehouse services	1	1) The Food Storage and Prevention of Infestation Act 1958,
c.	Freight transport agency services	5	1) Customs Act, 2) Shipping Act, 3) Civic Aviation Act, 4) Airports Act, 5) Road Traffic Act
I.	Other Transport Services		
12.	OTHER SERVICES NOT INCLUDED ELSEWHERE		

	Services Sub-Sectors	# Acts	Titles of Legislation
A	Quantity Surveying	1	Quantity Surveyors registration act
B	Dispute Resolution(Mediation/`Community Relations)		Amendment to the Criminal Justice Reform Act of 2001 - sect 16; Supreme Court Rule #74 (September 2006); Resident Magistrates Court (Amendment Rules of 1999) Sect 26,27 & 28

Appendix 3: Data Collection Instruments

1. **Data collection instrument for services providers**
2. **Data collection instrument for umbrella organizations**
3. **Data collection instrument for public officials**
4. **Data collection instrument for the Jamaican Diaspora**

Data Collection Instrument for Jamaican Service Providers

Section 1: Background Information

Date: ______ Interviewer: ____________________ Location: ________________

Name of company/individual: ________________________ Establishment date: ___

Owner: _______________ Manager: _______________ Number of employees: ____

Person interviewed: __________________ Position___________________________

Tel: _____________________ Fax: _________ email: _________________________

Section 2: Type and value of services provided/exported

1. What range of services does your company provide? a) __________________
   b) ____________ c) _____________ d) ____________ e) ____________

2. Which of the above services do you currently export? a) __________________
   b) ____________ c) _____________ d) ____________ e) ____________

3. Which services are available for export but not currently being exported? a) ____
   b)_____________ c) _____________ d) ____________ e) ____________

4. What % of your services is exported by each of the four modes?

Service Exported	Mode 1	Mode 2	Mode 3	Mode 4	No. of years exporting service
a)	%	%	%	%	
b)	%	%	%	%	
c)	%	%	%	%	
d)	%	%	%	%	
e)	%	%	%	%	

Mode 1: Cross border supply – exporting using email, courier, fax, mail, video, telephone

Mode 2: Consumption abroad - consumer comes to Jamaica or foreign company/person operating in Jamaica consumes service

Mode 3: Commercial presence – set up a branch or subsidiary overseas

Mode 4: Movement of natural persons – temporary entry into another country to provide services

5. To which countries do you export and what is the approximate value of exports? (Remember to consider all four modes)? (List export countries under the relevant region and write the estimated value next to it e.g. under N. America you might choose **USA US$20,000 or under Europe you might indicate Germany US$25,000)**

Service Exported	N. America	Europe	Caribbean	Other
a)	USA US$ Canada US$ Mexico US$			
b)	USA US$ Canada US$ Mexico US$			
c)	USA US$ Canada US$ Mexico US$			
d)	USA US$ Canada US$ Mexico US$			
e)	USA US$ Canada US$ Mexico US$			

6. For each of the services that you provide, list any other countries to which you would like to export your services and explain a) Why you would like to export to these countries and b) Why you have not done so to date?

Service Exported	Other Countries	Explain (why you would like to and why you have not done so)
a)		
b)		
c)		
d)		
e)		

7. Indicate in the following table for each service a) the number of employees that provide **only** services exports, b) the number of employees **both** exporting and providing services to the local market (indicate % of time spent on exports versus local market); c) the total number of employees providing each service **only** to the local market d) the **value ($)** of services provided to the local market

Service Provided	# persons exporting services only	# persons exporting and providing to local market	# persons providing services to local market only	Value of services provided to local market (J$)
a)				
b)				
c)				
d)				
e)				

8. Please list the name and function of the key individuals in your company who export each service

Service Provided	Name/Function	Name/Function	Name/Function	Name/Function
a)				
b)				
c)				
d)				
e)				

9. For each service that you provide, what level of experience and training are your staff typically required to have and what are the professional organizations, if any, in which they have membership? (e.g. For Management consultancy services - a Senior Consultant may require 10 years experience, have a minimum of a Masters Degree and is likely to be a member of the IMCJ)

Service Provided	**Average experience level**	**Typical level of training or certification**	**Professional organizations**
a)			
b)			
c)			
d)			
e)			

Section 3: Competition, Barriers, Policy, Legislation and International Agreements

10. For each service that you provide, who do you consider to be your main competitors in the export market?

Service sub-sector	**Main competitors** (can be service providers from other countries or local companies)
a)	
b)	
c)	
d)	
e)	

11. Who do you consider to be the top local exporters of services that you provide?
a) ____________________ b) ____________________ c) ____________________

12. List the major constraints/barriers that you face when trying to export your services and how you think they should be addressed (**e.g. legal, financial, technical, management, information, infrastructure, costs, etc.** Use back of sheet if more space is required)

Constraint/Concern	How should constraint be addressed?

13. From your perspective, rate the following obstacles to trade in terms of significance **[Very significant (VS), average significance (AS), not significant (NS)]**

Obstacles	Significance rating (VS,AS,NS)
1. Preferential treatment to domestic providers (taxation, subsidies, etc)	
2. Insufficient qualifications for providing services to international standards	
3. Lack of international recognition of local qualifications	
4. Inadequate market information due to lack of market research available for services sub-sectors	
5. Lack of capital to expand into international markets	
6. Restrictions on the movement of natural persons based on citizenship and nationality	
7. Restrictions on the number of foreigners that can operate in the destination country/state	
8. Lack of low-cost telecommunications infrastructure	
9. Lack of legislative framework that is conducive to the development of efficient corporate vehicles.	
10. Lack of knowledge of or interest in the opportunities to be gained from the export of services	
11. Lack of bandwidth infrastructure within the local telecoms industry	
12. Absence of specialist skills in areas that the international market requires	
13. High costs of operations compared to competing jurisdictions with regards to office space, utilities, security, etc.	

14. If you have **never exported** your services, please explain why you have not (you can choose amongst the following options and provide other reasons too)

- O Never occurred to management/owners
- O Not part of our business goals
- O Cannot even satisfy needs of the local market/lack of capacity
- O Not sure where the market opportunities exist
- O Too much perceived competition
- O Too many barriers to trade (e.g.___________________________)
- O Cannot meet standards required
- O Other ____

____

____

15. If you have **never exported**, what would make you interested in exporting? __

____

16. What are the main pieces of legislation governing the services sub-sectors in which you operate?

Service sub-sector	**Relevant Legislation (Relevant section of Act)**
a)	
b)	
c)	
d)	
e)	

17. What policy changes would you like to have put in place to facilitate trade and growth of the services sub-sectors in which you operate?

Service sub-sector	**Policy changes required**
a)	
b)	
c)	
d)	
e)	

18. In your opinion, in terms of inputs required from Government to develop the export capacity of your sub-sector, please rate the following in terms of importance [**very important (VI), important (I), unimportant(U)**]

Government Inputs Required	**Importance Rating** (VI,I,U)
9. Establishing a regulatory framework to support the development and export capacity of the services sector	
10. Conclusion of bilateral and multilateral tax and trade in services agreements that will enhance market access	
11. Provision of fiscal and other incentives for local services providers, especially those with export capacity	
12. Participating in and hosting public education fora and initiatives aimed at sensitizing stakeholders to opportunities/challenges facing the services sector	
13. Provision of legislation promoting and facilitating the export of services	
14. Ensure the consistent treatment of service providers by customs and immigration personnel	
15. Locate or create funding and technical assistance for the development of the services export industry	
16. Restructure key government institutions to reflect the level of efficiency required to ensure that service providers can be serviced in a timely manner for various business processes	

Can you outline any projects/activities that have been identified to promote internationally any services sub-sector or the entire service sector? Yes___ No___

____

19. Which Government Ministries or Agencies does your company have to interface with, for what purpose, and how efficient are they (indicate High, Average, Low)?

Ministry/Agency	Purpose	Efficiency Rating
a)		High, Average, Low
b)		High, Average, Low
c)		High, Average, Low
d)		High, Average, Low
e)		High, Average, Low

20. Which of the following international trade agreements are you familiar with, how did you hear about it, and what is the implication/relevance for your industry?

International Agreement	Awareness None, low, average, high	Heard about it from	Implication/Relevance
CSME			
EU-ACP			
FTAA			
WTO			
Dom. Rep FTA			

21. List local & international trade or industry associations of which you are a member

Local Associations	International Associations

22. If your sub-sector does not have an industry association, do you think it would benefit from one? Yes__ No__ Explain ______________________________

23. What are your sources of financing for your business and what are the main constraints that you face with respect to financing?

Source of financing (rank from largest)	Main Constraints
Commercial Bank loans	
Special government facilities (e.g. EXIM Bank)	
Loans from family or friends	
Shareholders equity contributions	
Company profits/surpluses	
Advances from clients	
Personal resources	
Grants from international or local donor agencies	
Other (specify) ___________	

24. Please could you identify the name of your Bankers (this information will be confidential and will not be provided in any disaggregated way)
Local bank(s): ____
Overseas bank(s): ____

Data Collection Instrument for Jamaican Umbrella Organisations

Section 1: Background Information

Date: ______ Interviewer: ____________________ Location: _________________
Name of organization: ________________________ Establishment date: _________
Number of members: ______ Industry/sub-sector: ___________________________
Person interviewed: __________________ Position___________________________
Tel: ______________________ Fax: _________ email: _________________________

1 What percentage of service providers in your sub-sector are members of your association/group? ____

2 What are the main services/benefits that your organization provides for members?
____
____
____

3 What are the main services demanded from your organization by your members?
____
____

4 Do you provide information to your members that result in additional business opportunities? Yes ___ No ___. If Yes, give examples of local as well as export opportunities created. If No, explain why not ____________________________
____

5. What modes do you use to communicate with your members and how frequently do you communicate with members? ___________________________________
____

Section 2: Export focus and type of services provided/exported

6. Would you say that service providers in your sector are predominantly
   a) Local market focused___
   b) Export market focused____
   c) Both local and export market focused ____
   Explain: ____

7. Would you say that
   1. No service providers in your sub-sector are export-ready _____
   2. Less than 20% of service providers in your sub-sector are export-ready ____
   3. 20-50% of service providers in your sub-sector are export-ready _____
   4. 51-80% of service providers in your sub-sector are export-ready ____
   5. Over 80% of service providers in your sub-sector are export-ready ____
   Explain____

8. What is required to make all service providers in your sub-sector 100% export- ready **(how could your sub-sector be further developed)**?______________________________
____

9. What range of services does your industry provide? a) ____________________ b) ____________ c) ____________ d) ____________ e) ____________

10. Which of the above services are currently exported? a) ____________________ b) ____________ c) ____________ d) ____________ e) ____________

11. Which services are available for export but not currently being exported? a) ____ b)____________ c) ____________ d) ____________ e) ____________

12. Which services in your sub-sector are exported by each of the four modes?

Service Exported	Mode 1	Mode 2	Mode 3	Mode 4
a)				
b)				
c)				
d)				
e)				

Mode 1: Cross border supply – exporting using email, courier, fax, mail, video, telephone
Mode 2: Consumption abroad - consumer comes to Jamaica or foreign company/person operating in Jamaica consumes service
Mode 3: Commercial presence – set up a branch or subsidiary overseas
Mode 4: Movement of natural persons – temporary entry into another country to provide services

13. Do you have any data from your sub-sector on the level/value of exports? Yes__ No__ If Yes, could you share this with us? ____________________

14. To which countries do members of your sub-sector export? (Remember to consider all four modes)? (List export countries under the relevant region)

Service Exported	N. America	Europe	Caribbean	Other
a)	USA Canada Mexico			
b)	USA Canada Mexico			
c)	USA Canada Mexico			
d)	USA Canada Mexico			
e)	USA Canada Mexico			

Section 3: Competition, Barriers, Policy, Legislation and International Agreements

15. For each service that your sub-sector provides, who do you consider to be your main competitors in the export market?

Service sub-sector	**Main competitors** (can be service providers from other countries or local companies)
a)	
b)	
c)	
d)	
e)	

16. Who do you consider to be the top local exporters of services in your sub-sector?

Service sub-sector	**Top two exporters** (can be service providers from other countries or local companies)	
a)	1.	2.
b)	1.	2.
c)	1.	2.
d)	1.	2.
e)	1.	2.

17. List the major constraints/barriers that your members face when trying to export services and how do you think they should be addressed (**e.g. legal, financial, technical, management, information, infrastructure, costs, etc.** Use back of sheet if more space is required)

Constraint/Concern	How should constraint be addressed?

18. From your perspective, rate the following obstacles to trade in terms of significance **[Very significant (VS), average significance (AS), not significant (NS)]**

Obstacles	**Significance rating** (VS,AS,NS)
Preferential treatment to domestic providers (taxation, subsidies, etc)	
Insufficient qualifications for providing services to international standards	
Lack of international recognition of local qualifications	
Inadequate market information due to lack of market research available for services sub-sectors	
Lack of capital to expand into international markets	
Restrictions on the movement of natural persons based on citizenship and nationality	
Restrictions on the number of foreigners that can operate in the destination country/state	
Lack of low-cost telecommunications infrastructure	
Lack of legislative framework that is conducive to the development of efficient corporate vehicles.	
Lack of knowledge of or interest in the opportunities to be gained from the export of services	
Lack of bandwidth infrastructure within the local telecoms industry	
Absence of specialist skills in areas that the international market requires	
High costs of operations compared to competing jurisdictions with regards to office space, utilities, security, etc.	

19. What are the main pieces of legislation governing the services sub-sectors in which you operate? Do you think any of the legislation needs to be changed in any way?

Service sub-sector	**Relevant Legislation (Relevant section of Act)**
a)	
b)	
c)	
d)	
e)	

Suggested changes in the legislation: __________________________________

20. What policy changes would you like to have put in place to facilitate trade and growth of the services sub-sectors under your umbrella?

Service sub-sector	**Policy changes required**
a)	
b)	
c)	
d)	
e)	

21. In your opinion, in terms of inputs required from Government to develop the export capacity of your sub-sector, please rate the following in terms of importance [**very important (VI), important (I), unimportant(U)**]

Government Inputs Required	**Importance Rating (VI,I,U)**
1. Establishing a regulatory framework to support the development and export capacity of the services sector	
2. Conclusion of bilateral and multilateral tax and trade in services agreements that will enhance market access	
3. Provision of fiscal and other incentives for local services providers, especially those with export capacity	
4. Participating in and hosting public education fora and initiatives aimed at sensitizing stakeholders to opportunities/challenges facing the services sector	
5. Provision of legislation promoting and facilitating the export of services	
6. Ensure the consistent treatment of service providers by customs and immigration personnel	
7. Locate or create funding and technical assistance for the development of the services export industry	
8. Restructure key government institutions to reflect the level of efficiency required to ensure that service providers can be serviced in a timely manner for various business processes	

22. Which Government Ministries or Agencies does your sub-sector have to interface with, for what purpose, and how efficient are they (indicate High, Average, Low)?

Ministry/Agency	**Purpose**	**Efficiency Rating**
a)		High, Average, Low
b)		High, Average, Low
c)		High, Average, Low
d)		High, Average, Low
e)		High, Average, Low

23. How would you rate the awareness of your sub-sector about the following trade agreements and what are the implications/relevance for your sub-sector?

International Agreement	**Awareness** None, low, average, high	**Implication/Relevance**
CSME		
EU-ACP		
FTAA		
WTO		
Other		

24. What type of public education programme, if any, do you think would be appropriate for making your members more aware? ______________________

____

25. Does your organisation have its own existing, projected or recommended actions to develop and promote the sub-sector? Yes___ No__ Explain _____________

____

26. Are there any untapped export markets that you think your members could exploit (e.g. China) and what do you think would be necessary for them to enter these markets?

____

____

27. List local & international trade or industry associations with which your members are typically affiliated

Local Associations	International Associations

28. What benefits do your members receive from these trade or industry affiliations?

____

29. What are the main sources of financing for your members and what are the main constraints that they face with respect to financing?

Source of financing (rank from largest where 1 is largest))	**Rank** (from 1-8)	**Main Constraints**
1. Commercial Bank loans		
2. Special government facilities (e.g. EXIM Bank)		
3. Loans from family or friends		
4. Shareholders equity contributions		
5. Company profits/surpluses		
6. Advances from clients		
7. Grants from international or local donor agencies		
8. Other (specify) ______________		

30. What would you recommend in order to reduce the constraints?

____

____

Data Collection Instrument for Jamaican Public Sector Officials

Section 1: Background Information

Date: ______ Interviewer: ____________________ Location: ________________
Name of Ministry/Agency: ____
Industry/sub-sector(s) represented: _____________________________________
Person interviewed: __________________ Position__________________________
Tel: _____________________ Fax: _________ email: ________________________

Section 2: Export focus and type of service providers supported

1. What are the main services sub-sectors with which your ministry/agency interfaces
   ____
   ____
2. What support or services do you provide for services providers? _____________
   ____
3. In your opinion, what more could your ministry/agency do to assist services providers? ____
   ____

Which of the four modes of exporting services do you think service providers that fall

Mode 1: Cross border supply – exporting using email, courier, fax, mail, video, telephone_____
Mode 2: Consumption abroad - consumer comes to Jamaica or foreign company/person operating in Jamaica consumes service_____
Mode 3: Commercial presence – set up a branch or subsidiary overseas_____
Mode 4: Movement of natural persons – temporary entry into another country to provide services

5. Would you say that service providers with which you interface are predominantly
   a) Local market focused___
   b) Export market focused____
   c) Both local and export market focused ____
   Explain: ____

Section 3: Competition, Barriers, Policy, Legislation and Trade Agreements

6. To which countries would you say that service providers are now predominantly exporting? ____
7. To which countries do you think services providers should be encouraged to export? Explain ____
   ____
8. Who do you think are the main competitors for Jamaican services providers in the export market? ____

9. Are there any untapped markets that you think Jamaican services providers could exploit? Yes___ No___ List these markets_____________________________

10. Do you think Jamaican services providers can effectively compete on the international market? Explain:_____________________________________
____

11. Please list the major constraints/barriers that in your opinion service providers face when trying to export services and how do you think they should be addressed (**e.g. legal, financial, technical, management, information, infrastructure, costs, etc.** Use back of sheet if more space is required)

Constraint/Concern	How should constraint be addressed?

12. From your perspective, rate the following obstacles to trade in terms of significance **[Very significant (VS), average significance (AS), not significant (NS)]**

Obstacles	**Significance rating** (VS,AS,NS)
1. Preferential treatment to domestic providers (taxation, subsidies, etc)	
2. Insufficient qualifications for providing services to international standards	
3. Lack of international recognition of local qualifications	
4. Inadequate market information due to lack of market research available for services sub-sectors	
5. Lack of capital to expand into international markets	
6. Restrictions on the movement of natural persons based on citizenship and nationality	
7. Restrictions on the number of foreigners that can operate in the destination country/state	
8. Lack of low-cost telecommunications infrastructure	
9. Lack of legislative framework that is conducive to the development of efficient corporate vehicles.	
10. Lack of knowledge of or interest in the opportunities to be gained from the export of services	
11. Lack of bandwidth infrastructure within the local telecoms industry	
12. Absence of specialist skills in areas that the international market requires	
13. High costs of operations compared to competing jurisdictions with regards to office space, utilities, security, etc.	
14. Other: Specify	
15. Other: Specify	

13. What are the main pieces of legislation governing the services sub-sectors with which you interface? Do you think any of the legislation needs to be changed?

Service sub-sector	Relevant Legislation (Relevant section of Act)
a)	
b)	
c)	
d)	
e)	

Suggested changes in the legislation: ________________________________

____

14. What policy changes do you think are required to facilitate trade and growth of the services sub-sectors with which you interface?

Service sub-sector	Policy changes required
a)	
b)	
c)	
d)	
e)	

15. In your opinion, in terms of inputs required from Government to develop the export capacity of services sub-sectors with which you interface, please rate the following in terms of importance [**very important (VI), important (I), unimportant(U)**]

Government Inputs Required	Importance Rating (VI,I,U)
Establishing a regulatory framework to support the development and export capacity of the services sector	
Conclusion of bilateral and multilateral tax and trade in services agreements that will enhance market access	
Provision of fiscal and other incentives for local services providers, especially those with export capacity	
Participating in and hosting public education fora and initiatives aimed at sensitizing stakeholders to opportunities/challenges facing the services sector	
Provision of legislation promoting and facilitating the export of services	
Ensure the consistent treatment of service providers by customs and immigration personnel	
Locate or create funding and technical assistance for the development of the services export industry	
Restructure key government institutions to reflect the level of efficiency required to ensure that service providers can be serviced in a timely manner for various business processes	
Other: Specify	

16. Do you think services providers are aware of the four modes by which services can be exported? Yes___ No___ Explain ______________________________

17. How would you rate the awareness of a) services providers and b) employees of your ministry/agency about the following trade agreements?

International Agreement	**Service Providers Awareness** None, low, average, high	**Employees Awareness** None, low, average, high
CSME		
EU-ACP		
FTAA		
WTO		
Other		

18. What do you think are the likely implications of these international trade agreements for the work and focus of your Ministry/Agency?

____

____

____

19. Can you outline any projects/activities that have been identified to promote internationally any services sub-sector or the entire service sector? Yes___ No___

____

____

20. What type of public education programme, if any, do you think would be appropriate for making your employees and service providers more aware?

____

____

21. Does your ministry/agency have any existing, projected or recommended actions to develop and promote services providers? Yes___ No__ Explain __________

____

22. In your opinion, do you think there is enough focus on the services sector in general? Yes__ No____ Explain: ____________________________________

23. In your opinion, do you think the Government should focus more on the development of the services sector rather than the merchandise sector in order to expand export opportunities for Jamaica? Yes_____ No____ Explain_________

____

24. Which service sub-sectors do you think the Government should prioritize for focus in order to develop our services exports? ___________________________

____

25. Given the importance of services in global GDP and trade, do you think we need to establish a special Agency or Unit for Services Providers (just as we have a Ministry of Agriculture) to focus specifically on developing the services sector? Yes__ No__ Explain____

26. Are there any financial sources that your ministry/agency can tap on behalf of services providers? Yes___ No____ Explain _____________________________

27. How do you think service providers currently finance their activities?

Source of financing (rank from largest where 1 is largest))	**Rank** (from 1-8)	**Main Constraints**
Commercial Bank loans		
Special government facilities (e.g. EXIM Bank)		
Loans from family or friends		
Shareholders equity contributions		
Company profits/surpluses		
Advances from clients		
Grants from international or local donor agencies		
Other (specify) _______________		

28. In general and to summarize, what role do you think the government of Jamaica should play, if any, in stimulating the export of services? ____________________
____
____
____

Data Collection Instrument for Jamaican Diaspora

The information being requested in this questionnaire is intended to inform a draft national strategy for the development of the Jamaican services sector which is being prepared by the Industry Advisory Council (IAC)/JAMPRO on behalf of the Government. This questionnaire hopes to obtain the input of members of the Jamaican Diaspora on the optimal approach to developing services exports from Jamaica. We recognize that Jamaicans living overseas can provide important advice on obstacles and opportunities for the penetration of Jamaican services into markets in their country of residence both to a) persons of Jamaican or Caribbean origin and b) to natives of the country in which they reside (e.g. other U.S. citizens).

We would like this questionnaire to be completed based on your knowledge of at least one area in the services sector (e.g. accounting services or architectural services). Also attached to this correspondence is a document outlining the various types of services sub-sectors from which you may select.

We would also appreciate your sending copies of this questionnaire to other members of the Diaspora so that they can also participate in the survey. Responses can be returned to Dr. Noel Watson at dleander@cwjamaica.com or noelwatson@hotmail.com or faxed to 876-960-3143 by August 18th 2006.

Section 1: Background Information

Date: ______ Name of company/individual: ______________________________

Country in which you reside/operate: ______________________________

Tel: ____________________ Fax: _________ email: ______________________

Years operating outside of Jamaica: ______________________________

Type of business activity engaged in ____________________

Position: ___________

Diaspora Organisations with which you are affiliated: ______________________

____

Section 2: Types of services with export opportunities

1. List five service activities which you think Jamaicans service providers could successfully offer in your country of residence and provide a brief explanation for your selections

Service Activities	Explanation of selection
a)	
b)	
c)	
d)	
e)	

2. Are there any services that you think Jamaicans could offer without leaving Jamaica (by email, telephone or by courier)?
3. Are there any services that you think Jamaican service providers could offer by inviting people from overseas to visit Jamaica and consume in Jamaica (e.g. tourism services)?

4. Are there any services that you think Jamaican service providers could provide by setting up offices overseas (e.g. setting up a consultancy business)?

5. Are there any services that you think Jamaican service providers could provide by traveling overseas on a temporary basis (e.g. offering nursing services for three months)?

6. Please indicate any Jamaican service providers that are currently offering services in the country in which you live (please list them and the type of business they are in)?

Service provider	Years in business	Type of business activity
a)		
b)		
c)		
d)		
e)		

Section 3: Competition, Barriers, Policy, and Legislation

7. For each service with which you are familiar, who do you consider to be the main competitors for Jamaicans in the export market (e.g. Chinese, Indians, and other Jamaican Diaspora members)?

Service sub-sector	Main competitors
a)	
b)	
c)	
d)	
e)	

8. List the major constraints/barriers that Jamaicans will face when trying to export services to the country in which you reside and how you think these barriers should be addressed **(e.g. legal, financial, technical, management, information, infrastructure, costs, etc.)**

Constraint/Concern	How should constraint be addressed?

9. From your perspective, rate the following obstacles to trade that Jamaican service providers are likely to face. Please put your significance rating in the space provided below and rate significance as either **Very significant (VS), average significance (AS), not significant (NS)**

Obstacles	**Significance rating (VS,AS,NS)**
• Preferential treatment to domestic providers (taxation, subsidies, etc)	•
• Insufficient qualifications for providing services to international standards	•
• Lack of international recognition of local qualifications	•
• Inadequate market information due to lack of market research available for services sub-sectors	•
• Lack of capital to expand into international markets	•
• Restrictions on the movement of natural persons based on citizenship and nationality	•
• Restrictions on the number of foreigners that can operate in the destination country/state	•
• Lack of low-cost telecommunications infrastructure	•
• Lack of legislative framework that is conducive to the development of efficient corporate vehicles.	•
• Lack of knowledge of or interest in the opportunities to be gained from the export of services	•
• Lack of bandwidth infrastructure within the local telecoms industry	•
• Absence of specialist skills in areas that the international market requires	•
• High costs of operations compared to competing jurisdictions with regards to office space, utilities, security, etc.	•

10. What are the main legislative/regulatory/licensing requirements that govern the services sub-sectors in your country of residence, with which Jamaican service exporters would have to become familiar?

Service sub-sector	**Legislation/regulation/licensing** (e.g. Media Services Act in USA)
a)	
b)	
c)	
d)	
e)	

11. What policy changes do you think the Government of Jamaican should put in place to facilitate the export of services to the country in which you reside?

12. Do you have any listings of other Jamaican Diaspora organizations? If so, please could you provide us with them?

13. In your opinion, to what extent do these Diaspora organizations promote Jamaican exports?

Appendix 4:
Mini Reports on Six Focus Groups

Focus Group 1

JAMPRO Board Room, July 27, 2006

There were eight persons in attendance from the professional services:

1. Everald Dewar – Accounting/Auditing
2. Conrad Douglas – Environmental Consulting
3. Shane Ingram – Financial Services
4. Shereen Jones – Computer
5. Henley Morgan – Management Consulting
6. Nola Philpotts-Brown – Health Insurance
7. Wayne Stewart – Advertising
8. Raymond Walker – Insurance Brokerage

Modes by which the sub-sectors export

Service	Mode 1	Mode 2	Mode 3	Mode 4
Accounting/Auditing	Yes	Yes	No	Yes
Environmental Consulting	Yes	Yes	Yes	Yes
Financial	Yes	No	Yes	No
IT	Yes	No	No	Yes
Management Consulting	Yes	Yes	No	Yes
Health Insurance	No	Yes	Yes	No
Advertising	Yes	Yes	Yes	No
Insurance Broking	Yes	Yes	No	No

Sub-sectors with deficiencies which prevent export-readiness

- Health Insurance
- Advertising
- Environmental
- Insurance Brokerage
- Mgmt Consulting
- IT
- Taxation

Deficiencies and challenges to Export-readiness

The services providers present outlined the deficiencies and challenges which they face with respect to being export ready.

- Health Insurance - Financial & technical deficiencies
- Advertising - Tax related - may be deficiency in information on how to get around these issues
- Environmental - Market research in the host countries, demand analysis – potential markets not known – (finance); lack of information
- Insurance Brokerage – Financial, tax related, legislative
- Management Consultancy – lacking in expertise and capacity; mindset of local users towards "foreign" consultants and government
- IT- lack of expertise, lack of knowledge of legislation in areas that they wish to operate, availability of skilled resources
- Taxation - laws are not clear and the misapplication of the laws is not clear and happens often – cannot advise individuals – local and abroad – with certainty with respect to Income Tax & GCT - gray areas when applying laws
- General lack of information – need database to address entire service sector

<u>Barriers faced in sub-sector and approaches to addressing them</u>

Barrier	Steps to deal with barriers
Health Insurance/ Brokerage Svcs: •Speediness in licensing process (Caribbean & USA)	Government negotiators should deal with this at the governmental level – arrangement can be made as long as certain basic requirements are met. Negotiators need to understand needs of service provider and the barriers (do feasibility study) they may face and work out ways to eliminate these and expedite licensing process.
Advertising: Need for skilled negotiators to negotiate in federal states	Need to know that once requirements are met then with time will be allowed to set up in foreign country.
Financial Services – differences in laws (of different stock exchanges) impact ability to operate effectively re: equities, stocks Esp. between Jam, Barbados & Trinidad (timing differences when trades are executed, settlement, currencies)	Harmonization of existing laws across the Caribbean Maybe need a Caribbean exchange which will eliminate these problems

Barrier	Steps to deal with barriers
Management Consulting – cultural and language	More language proficient persons (look at educational system.) Strategic alliances □A possible role for HEART – certify people in different languages /have more interpreters. People have broken that barrier when trading commodities, so maybe liaising with these people may give ideas on how to break into market with services)
Transportation & logistics in the CARICOM region for example - it takes too long to travel within the region	
Lack of Information and data (for analysis)	Service Sector Database

Jamaicans need to be more aggressive -know what is out there and be more aggressive in pursuing it. Jamaicans need to familiarize ourselves with the different trade agreements so we can exploit them more

People interested in the Dominican Republic and the European Union - Taxation, Environmental, insurance brokerage, IT, advertising, consultancy, science, health insurance

Adequacy of existing legislation

Legislation	Adequacy
Taxation	Wants laws to be clear and administration of laws to be clear
Advertising	Good (in terms of Copyright)
Insurance (Health and Brokerage	Good (need general harmonization of requirements through region)
IT (Telecommunications Act)	
Financial	

The need for legislation to enhance ability to export

- Export incentive (to support services)
- Intellectual property rights would be beneficial for exports / copyrights. Jamaica has very strict copyright laws but there is no barrier to intellectual property which moves freely
- Legislation which recognizes management consultancy as an export service

- Electronic transactions and policy acts amendments to make such transactions legally binding in a court of law.

Required policy changes

- Advertising - The tax paid on export earnings needs to be removed to facilitate level playing field in terms of competition. These taxes make the services of the local advertiser more expensive – Local Advertisers should be able to reclaim GCT and not have to pass it on to their clients. TAX -→ GCT on export services is zero rated under certain conditions. Persons who are in Jamaica and not registered under GCT can come in and do business and leave without having to pay tax
- Regional level policy changes and harmonization of laws – countries in Caribbean do not freely give out information on issues such as capital requirements and other requirements for setting up in their countries. Jamaica is very free and detailed with that information which allows others to enter without problem. Policy Makers should ensure that the rules of the CSME agreements on services are being observed by all countries which signed the Agreement.
- Review of existing policies – The National Industrial Policy should be recast and renamed to include services. People do not relate it to services at the moment because the word industry implies manufacturing (or at least makes people think of that).
- A policy which commits Jamaica to be a new economy is needed. We need to produce skilled, knowledgeable persons to fill gaps in service sector. Many people work in services but need more informed people to fit in.
- There is the need to do cost benefit analysis so that government will understand the importance of exporting services
- A policy framework which values publication as an exportable product is needed. At the moment, it is too costly to publish here.
- A collective Vision needs to be set to transform people's perception of services
- Need to know value of certain service sectors for entire region that is accessible by all – a kind of multi-lateral flow of information. Needs to be constantly updated
- There is need for a multitude of opportunities throughout the Caribbean, Africa, some pacific regions, Asia – need to take an inventory to assess exactly what is out there and take advantage of some of these opportunities – Caribbean export did this for Caribbean region recently.
- There is a need for the standardization in the company registration process and capital requirements throughout the CSME countries so that the registration certificate of a company from one country is valid in all member states.

Working Knowledge with International Trade Agreements and Implications

Working Knowledge	Number Persons
CSME	4 of 8
EU-ACP	2 of 8
FTAA	1 of 8
WTO/GATS	0
Dom. Rep. FTA	0

Most of the persons in the Focus Group have an appreciation of the above trade agreements but few have a working knowledge.

- 6 services providers would appreciate public knowledge on CSME
- 5 services providers would appreciate information on EU-ACP (not necessarily focus for some)
- 5 services providers would appreciate information on FTAA

Role of industry association - What more could it do?

Does Association play a role	What more could it do?
IMCJ	Do more in terms of export standards & Opportunities
Jamaica Computer Society	Can do a lot more
	Most professional Societies are archaic and can generally do much more
Advertising Agency & Association	Provide more information – many people not affiliated internationally and is very beneficial to those who are – could provide more opportunities for members
Insurance Association of Jamaica	Focus is still on local issues – not on export services

<u>Main sources of financing for businesses in your sub-sector</u>

- Commercial Banks
- Equity

If there was a tax incentive for people to reinvest their property/ earnings into equity, many would do so. They also indicated that they would appreciate funding for export of services.

Focus Group 2

JAMPRO Board Room, July 27, 2006

Seven persons were in attendance from the construction and related sub-sectors:

- Valentine McCook – Land Surveying
- Andrew Gracey – Land Surveying
- Hopeton Heron – Engineering
- Garth Hinchcliffe – Building/Cleaning Services
- Audrey Lea-Hong- Training Services
- Martell Lee – Integrated Engineering Services
- Patrick Stanigar – Urban Planning/Architecture

Modes by which the sub-sectors export

Mode 1: Engineering, Land surveying, Architectural, Quantity Surveying
Mode 2: Cleaning Services, Land surveying, Architectural, Quantity Surveying, Engineering
Mode 3: Architectural (alliances & collaborations & joint ventures) Engineering, QS, Land surveying
Mode 4: Engineering, Architectural, Land Surveying, QS, Training

Service	Mode 1	Mode 2	Mode 3	Mode 4
Architecture	Yes	Yes	Yes	Yes
Engineering	Yes	Yes	Yes	Yes
Land surveying	Yes	Yes	Yes	Yes
Quantity Surveying	Yes	Yes	Yes	Yes
Cleaning Services	Yes	No	No	No
Training Services	No	No	No	Yes

Sub-sectors with deficiencies which prevent export-readiness

- Engineering
- Land surveying
- Architectural
- Cleaning Services

Deficiencies and challenges to export readiness

- **Scale of operation of local services providers is too small** so that larger jobs go to the bigger international firms; this applies particularly to engineering, land surveying and architectural service providers. This results in their not being able to build up a track record and thereby grow – a vicious cycle emerges where being small makes it difficult to ever get the big contracts.

- **Lack of collaborative spirit and trust** prevents services providers from collaborating to buy in bulk (cleaning services) or from tendering on larger contracts (engineers, architects, surveyors), which results in failure to enjoy economies of scale and scope.

- **High cost of capital** (47 – 63%) acts as a disincentive to investment. This was identified as an important factor by providers of engineering, land surveying, architectural and cleaning services. Some of these services providers require high cost equipment such as land surveyors who require GPS and geo referencing equipment. Larger international companies can compete effectively in the international and local market because they can run down the average cost of expensive equipment over many projects - even a local consortium of professionals would struggle to compete (e.g. land surveyors bidding on a bauxite company project).

- **The onerous nature of performance bonds and high indemnity insurance costs** are also a major challenge for small local services providers when bidding on larger contracts due to funding constraints.

Barriers faced in sub-sector and approaches to addressing them

Barrier	**Steps to deal with barriers**
The individual state laws in the USA – registration requirements in each state (e.g. engineering and landscaping)	Erect similar barriers to potential entrants in the local market. Establish local organizations and structures to address local needs
Language Barrier – Spanish Caribbean (Architects think that there is a problem in this regard)	Need to train more of our professionals in other languages, Spanish, Chinese, Japanese
Different industry practices and requirements in overseas markets – such as legislation and registration requirements	Need to negotiate for same international standards across the board or restrict entry into the Jamaican market
EU Registration requirements for many service providers even if they are trained in the UK	Obtain EU registration. Little choice because of effort to standardize across the EU.
Specific EU experience required for EU funded local projects even if projects are	Collaborate with EU professionals to obtain EU experience and 2) Negotiate to

Barrier	Steps to deal with barriers
implemented in Jamaica	remove EU experience requirements for projects implemented outside of the EU
Inadequate information on export markets	Service providers need to appropriately inform themselves before trying to enter other markets and negotiators must do the same before they negotiate on different service sub-sectors.

There was a general feeling that Jamaica should adopt a defensive posture and set up its own barriers rather than try to remove all the existing barriers in exchange for greater market access into other countries.

<u>Adequacy of existing legislation</u>

Legislation	Adequate
Land surveying	Very adequate
Engineering	Adequate
Architectural	Adequate
Urban Planning	**No specific legislation**
Cleaning	**No specific legislation**

<u>Need for legislation by other sub-sectors to enhance the ability to export</u>

- **Cleaning services** – a definite need for legislation from a safety perspective, given the high chemical content of cleaning agents used in this sector. The Pesticide Control Authority is asking for persons who operate with pesticides to be licensed.

- **Urban Planning** – this should require legislation, it is a very ambiguous profession – one can enter as an Architect or as a geographer.

<u>Required policy changes</u>

- For projects in Jamaica, need some stipulated Jamaican input – should be a part of the grading system for the tender for a Jamaican job
- Need policy change to address the tax advantages extended to international companies– treatment should at least be equal
- GCT should to be zero rated for export projects because foreign competitors do not have to pay it - (Land Surveyors have accessed a zero-rated arrangement)
- There should be more stringent Work Permit requirements for foreigners coming to Jamaica to work on projects –there is also a need for stricter enforcement of

laws, especially whether Jamaicans can fill the positions before work permits are granted.

- Policy should be adjusted so that four-wheel drive vehicles should not be considered luxury for land surveyors and similar professions

Working Knowledge of International Trade Agreements and their Implications

Working Knowledge	Number Persons
CSME	1 of 7
EU-ACP	1 of 7
FTAA	1 of 7
WTO/GATS	1 of 7
Dom. Rep. FTA	0

Role of Industry Associations - What more could it do?

Does Association play a role	What more could it do?
Jamaica Institution of Engineers – Negotiates cheap rates for information access for members	Other Associations need to do the same - negotiate cheap rates for information access for members
	There is more scope for collaboration

Main sources of financing for businesses in the sub-sectors

- Equity
- Commercial banks (for high end equipment, motor vehicles)**OTHER**

Comments – LAND SURVEYING

- The Act which governs the actions of the Commissioned Land Surveyor does not speak to engineering drawings, which include topographic surveys; as a result surveyors from abroad actually come in and are not restricted in conducting these surveys, despite not being registered, e.g. the persons coming in to work on Highway Development. On the other hand, registration requirements for cadastral surveys are more explicitly stated.

- For surveyors, being a member of the Royal Institute of Chartered Surveyors allows one to practice within the Caribbean region without requiring further qualification. On the other hand, other licensed surveyors will have to get the license of the jurisdiction in which they want to practice.

- The Jamaican Land Surveyors Association has about 100 members (full and Associate).

GENERAL COMMENTS

- On some larger engineering projects, big firms look for local counterparts to work with them.

- From the architectural perspective, there are issues of language and culture/style, especially as it relates to Spanish-speaking countries such as the Dominican Republic.

- Generally it is felt that these services sectors need to equip themselves with information before attempting to enter other market. It was also felt that being more informed would enable them to inform the persons who negotiate on their behalf.

Focus Group 3

JAMPRO Board Room, July 28, 2006

There were seven persons in attendance from the educational and professional services sectors.

- Trish Steger – Educational
- Rhena Williams – Educational
- Dotsie Gordon – Personnel
- Faith Collins – Medical
- Thaon Jones – Dental
- Karen Gentles – Social
- Maxine Wedderburn – Market Research

Modes by which the sub-sectors export

Service	**Mode 1**	**Mode 2**	**Mode 3**	**Mode 4**
Educational	Yes	Yes	Yes	Yes
Personnel	Yes	Yes	No	No
Medical	No	Yes	No	No
Dental	Yes	Yes	No	No
Social	Yes	Yes	No	Yes
Market Research	Yes	Yes	No	Yes

Sub-sectors with deficiencies which prevent export readiness The following sub-sectors identified deficiencies which prevent their export readiness:

- Dentistry
- Educational

Deficiencies/challenges to export-readiness

The following are the deficiencies which were identified by the sub-sectors as deterrents to export readiness.

- **Scale of Operations of local service providers is too small** – the small boutique type service provider is not in a position to go for big contracts, so it is the big firms which will always benefit. The small companies end up competing against each other instead of working as a large collaborative unit.

- **High Cost of Equipment** – The Dental Service Provider (DAS) spoke about the prohibitive costs to upgrade equipment in Public Sector (Dentistry) to provide a private sector type of service which if developed for the local market can be exported. There is a lack of financial resources available to small businesses (low interest loans and grant funding) in terms of educational services.

- **Scarcity of Human Resources** – There is a paucity of trained dental personnel who are prepared to teach/train in the public sector. There is also a scarcity of persons who are fluent in Spanish to facilitate the ease of expansion into Latin American markets.

- **It is also generally felt that there is a lack of vision as far the services sector is concerned.**

Barriers faced in sub-sector and approaches to addressing them

Barrier	Steps to deal with barriers
Educational: ▪ Reliable ground transportation within the Caribbean ▪ The high cost of Air Transport as well as the complexity of the routes ▪ Technology (domestic infrastructural problem) ▪ The lack of a regional Accreditation body so that courses offered in other countries can be accredited	▪ The Regional airlines need to address the air transport issueThe Jamaican schools would need Southern Association of Colleges & Schools accreditation by the USA if going to offer services thereThere is the need for the forming of a regional Accreditation body.
Dental: ▪ Insufficient funding ▪ Lack of knowledge in terms of the licensing processes in the other countries ▪ Need for approval from the American Dental Association to collaborate with retired Dentists in the USA to serve as Lecturers	▪ Need for a vision which is in sync with the development of the dental educational profession
▪ Lack of grant funds and cheap money	

Adequacy of existing legislation

Legislation	Adequacy
Social –three pieces of legislation ▪ Amendment to the Criminal Justice Reform Act of 2001 – Sect 16 ▪ Supreme Court Rule # 74 (Sept 2006) ▪ Resident Magistrates Court (Amendment Rules of 1999) Sections 26, 27 & 28	These pieces of legislation have been reviewed at their insistence. No problems at the moment.
Dental (currently under review) Dental Act (1972)	Inadequate – does not recognize all the various sub-sectors in dentistry and does not give the Council the authority to regulate training in dentistry (which means that an offshore school can come in and establish and there is nothing in the act which allow the Council to have any oversight on the regulation of this school.)
Educational (Education Regulations Act	
Personnel – Employment Agencies Act	Needs to be reviewed – too restrictive
Medical – Medical Act	

Required policy changes

The policy changes that were identified by this group include the following:

- A policy which will allows Dentists to be trained in Jamaica
- A policy which changes the current policy where the Nursing school cannot give a degree in nursing because it is felt that it will be in direct competition with the UWI
- A policy change which will see the opening of formal centres (parish) with respect to Conflict Resolution - Ministry of Justice
- There is an issue with Alternative Disputes Resolution (ADR) in the Jamaican workplace – policy for more cases to be cleared through mediation as opposed to through the court
- It would be difficult to bring all the services areas under one Ministry – it is felt that there is the need for a Minister with portfolio responsibility for services or an executive agency.

Working Knowledge of International Trade Agreements and their Implications

Familiarity	**Number of Participants**
CSME	2 out of 7
EU-ACP	2 out of 7
FTAA	0
WTO/GATS	1 out of 7
Dom. Rep. FTA	1 out of 7

Does your industry association play an important role in providing information? What more could it do?

Does Association play a role?	**What more could it do**
Dentistry Dental Association of Jamaica	Plays a limited role. It could be more inclusive to allow more Dentists to be a part. Association needs to encourage more Dentists to become members and therefore needs more marketing
Medical – Medical Association of Jamaica	
ACHEA – Association of Caribbean Higher Education Administrators (6 years)	-It is a regional organization – relatively young and can play more of a lobbying role with respect to regional standards as well as information sharing etc.

There are no associations which govern the Personnel, Marketing & Social services. Service providers from the market research and social services sectors do not think that there is need for an association since they do not have anything to lobby for.

The main sources of financing for businesses by these services providers include:

- Equity
- Grants
- Budget (Subvention) (Public sector)
- Funding agencies
- Contracts for service
- Credit Unions

Focus Group 4
JAMPRO Board Room, July 28, 2006

There were four persons in attendance from the shipping and courier services.

- Charles Johnson – Shipping
- Trevor Riley – Shipping
- Candice Kerr – Courier
- Beverley Johnson-Green - Freight Forwarders

Brief Overview of some aspects of the Maritime industry

This is a service sector which is supposedly free in terms of market entry. In order to provide the service, one needs a good agent and good stevedoring service to offer maritime services. It is a capital intensive business. There is no need for air rights etc like the airline would need to land in a country.

The Shipping business is growing in Jamaica at this point in time – The Shipping Association has actually doubled its staff in the last two years and the Port Authority has had to increase its staff also to deal with the growth in the business.

One of Jamaica's strengths is in the provision of transshipment services.

Govt focuses on the customs end of the business because they act as revenue collection agents for the govt. It is felt that no attention is paid to the Freight Forwarders who are facilitators of the goods which actually come into the country.

Freight Forwarders are governed by FIATA which has legislation on the movement of freight. These persons fall under FIATA:

- NVOCC- Non-Vessel Operating Common Carrier – Forwarders who sell space on the ship
- Haulage contractors
- Warehouse operators
- Air cargo agents
- Courier agents
- Marine Insurance Brokers
- Airline Operators

Modes by which the sub-sectors export

Service	Mode 1	Mode 2	Mode 3	Mode 4
Courier	Yes	Yes	Yes	No
Freight Forwarding	Yes	Yes	No	Yes
Shipping	No	Yes	Yes	No

Deficiencies and challenges to export readiness

There is a high cost of operations with respect to Shipping services.

Barriers faced in sub-sector and approaches to addressing them

Barrier	Steps to deal with barriers
In order to gain entry into the Dominican Republic to service shipping lines, it is necessary to operate a stevedoring or shipping agency in the Dominican Republic without a local partner.	
There is the stigma of goods going into the USA	
The cabotage laws in the USA (the Jones Act) where only ships with US bottoms can move between ports in the US	
There is uncertainty with respect to the current HQ for Airpak Express because the Port Authority is about to take over Tinson Pen	

There was a strong recommendation that Jamaica adopts a defensive posture as it relates to shipping and set up its own barriers in exchange for greater market access into other jurisdictions.

Adequacy of existing legislation

Legislation	Adequacy
Shipping Act	The Shipping Act is deemed to be inadequate in its coverage , since it does not deal with shipping agency operations and stevedoring. It is felt that the Act needs to be more restrictive in its application.

There is no legislation governing the operations of Freight Forwarders and Courier services. It was felt however that there should be procedures and guidelines to govern the operations of Freight Forwarders in Jamaica.

Need for legislation to govern activities

- It is felt that there is need for legislation for the enforcement of the cabotage rule in Jamaica.
- There is a need to put more regulation in place to match those existing in other jurisdictions
- There is need for legislative guidelines to facilitate the use of e-documents as final documents in the shipping industry, where entries can be submitted online to Jamaica Customs as final entries.

Required policy changes

- The Cabotage rule should apply – only Caribbean bottoms should be allowed to move between the ports in the Caribbean. The example was given of the German company which is now offering a Caribbean feeding service by taking the cargo from the big shipping lines which come to Jamaica and feeding it to the smaller territories in the Caribbean. If the cabotage rule is introduced, the Germans would have to "Caribbeanise" their fleet.

- Rules similar to the rules governing the operations of shipping agencies in the Dominican Republic should be applied here. The authorities should compare the practices of the Dominican Republic and Suriname with respect to their regulations governing the operations of shipping agencies.

- It is felt that even though the Policy makers know about the workings of the port authority; shipping does not mean a lot to them. It is a gold mine for Jamaica if proper strategies were to be developed to leverage the industry and to take advantage of the investment that is already made in infrastructure etc.

- The policy makers should look at the USA's Automated Manifest System (AMS) which works where manifests are transmitted and are accepted as a final copy – should result in improved efficiency for all stakeholders if implemented here.

- Forwarders should be bonded. For example, a Freight Forwarder should be made to pay a Bond in the event that there is a breach. Some specific aspects of the freight forwarding service should be licensed

- Trucking and warehousing operations should be bonded some functions should be licensed

Working Knowledge with/of International Trade Agreements and Implications

Familiarity	Number of Participants
CSME	1 of 4
EU-ACP	1 of 4
FTAA	
WTO/GATS	
Dom. Rep. FTA	

Roles of Industry associations - What more could it do?

Does Association play a role	What more could it do?
Freight Forwarders Association	
Shipping Association of Jamaica	

Main sources of financing for businesses in the sub-sectors Equity is the main source of financing that the service providers in this group use

Focus Group 5

JAMPRO Board Room, August 9, 2006

Five persons were in attendance from the Media, Entertainment and Accounting sectors.

- Merrick Needham – Conference Services
- Lennie Little-White – Audio Visual (film making)
- David McBean – Media Services
- Lloyd Stanbury – Entertainment (music)
- Brian Denning – Accounting/Auditing

Modes by which the sub-sectors export

Service	Mode 1	Mode 2	Mode 3	Mode 4
Tax Advisory/Accounting/Auditing	Yes	Yes	Yes	
Audio Visual	Yes	Yes		Yes
Media	Yes	Yes		Yes
Conference/Convention: Protocol Training	No	Yes		Yes
Entertainment (Music)	Yes	Yes	Yes*	Yes

*It should be noted that the company representing Entertainment services has a creative way of approaching Mode 3 in the sense that the Company has a presence in the UK, however through the use of VOIP, (Voice over Internet Protocol) the telephone actually rings in an office in Jamaica and is answered by someone here.

Sub-sector with deficiencies which prevent export-readiness Conferencing (

- Audio visual
- Entertainment
- Media

Deficiencies and challenges to export readiness

Inadequate infrastructure –The Conference/convention sub-sector exists in a peripheral way. There are an insufficient number of rooms (basic accommodation) to expand conferencing services. There is also a lack of space in terms of adequate conference facilities to host large conferences or conventions in the international sense. Up to 300 – small; 300 – 500 medium and over 500 persons- large.

In the entertainment services sector, there is also a lack of space to host live performances. A lot has to be done to create the appropriate technical environment. There is no ready venue to host a live presentation beyond the size of the Ward theatre or the Little Theatre. Venues are created from football fields and open spaces to stage that type of event both in terms of the venue as well as the sound technical facilities required to stage such a product.

Trained human resources – Despite all the years of film production, there is still a lack of support level skills at the international standard of production. Still operating at a minimal level. We don't have the support crews in Jamaica – have a few electricians at the second or third level not at the leadership level. A few make up artists – at the Miami level not at the Los Angeles level. Training in Jamaica is minimal – CARIMAC and CPTC. One is intellectually focused – equipping you to go and work at a TV station and the other offers week-end courses which do not take you to that other level.

The Music video industry is a major component of the film industry – we have some big named artistes, however their music videos have all been done by foreign directors because of the non-existence of skilled personnel operating at that level. A camera man should have the requisite skills. The providers representing entertainment and audio visual services identified the lack of trained management as a major problem For example, in media, there is a brain drain (editors for production) out of the industry – hence, there is no cadre of skilled experts in this area to support export.

The provider of entertainment services also identified a deficiency in management capacity to adequately service the export market. Management of entertainment service is a complex one –it utilizes traditional management techniques but there needs to be a clear understanding of how the business works and the rights created once you produce a product. Understanding the technicality of the business is key to good management.

There are also problems in accounting/auditing with a lack of trained personnel. It is difficult to find basic skills in persons with university degrees etc.

Cross cutting issues - There is lack of a comprehensive approach to the laws - lack of a transparent approach. There should be some point where someone can go whether it is a website or an agency and get information about the laws, incentives etc.

Lack of knowledge: Knowledge of intellectual property rights (we don't know how to protect our rights

Barriers faced in sub-sector and approaches to addressing them

Barrier	Addressing barrier
Accounting/Auditing ▪ Regulatory aspect ▪ Recognition of qualifications by professional bodies ▪ The issue of work permit – Skilled certificate is not as seamless as it should be (CSME)	

Adequacy of existing legislation

Legislation	Adequacy
Tax Advisory/Accounting/Auditing	
Audio Visual	Inadequate
Media	
Conference/Convention: Protocol Training	No specific legislation
Entertainment (Music)	Inadequate

Need for legislation by other sub-sectors to enhance the ability to export

- Motion picture Act should be expanded to the Entertainment Act or a Creative Industry Encouragement Act as well as take onboard videographers, musicians etc as well as the new technologies
- Need to review the Copyright Act – extend the lifetime of copyright (music and film etc) moving beyond 50 years (sound recorded) – public domain some countries have gone to 75 and to 100 years,
- Need general legislation for services

Required policy changes

- Persons who are making decisions need to be more in touch with what is happening in the service sector (technology etc)
- Private sector has to get involved in educating the public sector
- Entertainment is a big export industry - Government officials have a basic lack of understanding of the service industry
- Government need to ask itself how are we as a country going to make money out of the Jamaican culture and what is needed to kick start it?
- Government needs to be the catalyst for change in terms of promoting services. Government needs to prioritize and understand that the persons they put in place need to have the intellect and the world view which would help them to promote services export -
- Necessary for Government policies to be clearly outlined and transparent –
- There is need for incentives to encourage services that the country wants to promote or believe that it has a natural advantage
- Remove the mystique about incentives. Tax legislation needs to be improved – the legislation does not work because it is not geared toward services. There should be GCT levied on imported services – local service providers are at a disadvantage because there is no GCT on imported services, so the persons coming in from abroad to offer the service have the advantage
- There is the need for a collaborative effort between private and public sector – private sector needs to educate/guide the public sector (limited resources) with respect to their needs. Government needs to play a more facilitatory role

- There is need for a policy to look at the cultural and creative sector – we need to look at what has been successfully done in other countries, for example, – Ireland, New Zealand, Canada, Australia etc
- Ministries are not speaking to each other as they shouldThere is the need for funding to establish the proper institutions and to conduct training – grants, loans etc
- There is need for a comprehensive approach to all the laws. There is a lack of transparency – one sometimes find out things through a process of talking to persons. Person who are here to invest and who do not know anyone would have a problem figuring out what incentives are available
- This can be replicated across all service sectors – there is need for strong collaboration between Public and Private Sector for the long list of things which need to be addressed – someone needs to be nominated in key governmental agencies with the mandated to deliver and implement with responsibility for addressing the specific issues. Someone has to be held accountable for delivery
- Need Funding to establish a collections society – institution properly established and managed to collect on behalf of the artistes
- **Administration of property rights** – The Government needs to lobby on behalf of the local musicians with the collection agencies. The collections agencies are supposed to have reciprocal arrangement. The collection societies abroad are supposed to collect royalties from the radio stations abroad for Jamaican songs played on US radio stations and send them to the artistes. However, their radar does not adequately pick up Jamaican music when it is played because these agencies tend to sample main stream radio stations. They need to widen the sample net in order to catch Jamaica's music which is played mainly on small and medium sized radio stations. Representatives of the Motion Picture Association of America send persons to Jamaica who are able to get the police to go out and lock up persons who are selling illegal copies of tapes on the streets. International agreements call for reciprocity. The government should try and leverage their position by negotiating at that point by saying that we will help you in your quest to get illegal tapes off the street if you will help us to lobby the collection societies to widen its net so that they sample small and medium sized radio stations to collect royalties from those stations for Jamaican musicians. The International Agreements call for reciprocity so there should be institutions in place which must serve all rights equally. The rights of Jamaican musicians are currently being exploited and are not falling in the net that they have there. Our Government can intervene and ask for that adjustment to be made. There is the need to make appeal to the Collections societies as well as at the diplomatic level – there are institutions established in Congress which address those issues.

Working Knowledge with/of International Trade Agreements and Implications

- **Media Services** - some familiarity with CSME, EU/ACP and the WTO

- **Entertainment Services** – level of familiarity very low. The negotiators are accustomed to trading in things that you can put on a ship. They are having a difficulty with understanding how you can trade in music without having to physically ship. The bulk of the trade will be done by way of a click. Have to find way to address the roles that institutions play in ensuring that trade takes place. – It is not about shipping and quotas and barriers to entry in this new economy. There are not a lot of barriers at least not in the same way as when you trade in goods.

Focus Group 6

JAMPRO Board Room, August 9, 2006

Seven persons were in attendance representing Professional services, waste disposal, postal, distribution and environmental sectors:

- Sharonmae Shirley – Environmental
- Geta-Mae O'Sullivan – Distribution
- Maurice Stoppi – Quantity Surveying
- David Minott - Waste Disposal
- Desmond Hayle – Architectural Services
- Sarah Wilkinson – Veterinary Services
- Gordon Brown – Postal Services

Modes by which the sub-sectors export services?

Service	**Mode 1**	**Mode 2**	**Mode 3**	**Mode 4**
Environmental	Yes	Yes	No	Yes
Wholesale & Retail distribution	Yes	Yes	Yes	Yes
Quantity Surveying	Yes	Yes	No	Yes
Waste Disposal	No	Yes	No	No
Architectural	Yes	Yes	Yes	Yes
Veterinary	No	Yes	N	Yes
Postal Services	No	Yes	No	No

There are few protective measures to protect the small service provider to properly compete with providers from the vast overseas companies which have a lot of support.

Deficiencies and challenges to export readiness

- waiting on Government to implement the National Accreditation Programme
- High cost of specialized equipment
- Access to cheap capital
- Higher cost to provide services overseas (utilities, GCT,) cannot compete with overseas service providers for example those in Trinidad and Tobago who will be able to come in on a bid at a cheaper rate

Human Resources

Distribution Services:

- With respect to trained Human Resource, expertise may be lacking
- Deficiency in other languages for example, Spanish to facilitate exporting service into the Latin American countries around us. Jamaicans are not multi-lingual.**Waste Disposal** –
- the sector is disorganized and is not being treated seriously by Government and this creates impediments

Barriers faced in sub-sector and approaches to addressing them

Barrier	Addressing barrier
Architectural ▪ Every state in the US has a different registration process.	There should be reciprocal arrangements in the US to allow for qualified Jamaican Architects being registered in over there in the same way that their Architects can come here and work without much fanfare - WTO agreement

Adequacy of existing legislation

Legislation	Adequacy
▪ Postal Services	The Legislative framework is an impediment. It impedes the Postal Service from forming alliances with international courier companies. The Postal Service is constrained by not being able to take independent decisions without the intervention of the Ministry of Finance for something as simple as giving discounts.

Need for legislation by other sub-sectors to enhance the ability to export

- **Waste Disposal services** – need regulation for this sector. There are private companies currently contracting government resources in a private capacity
- **Veterinary Services** – the dog and cat importation law does not allow for the expansion of the service sector For example, persons are not allowed to bring their pets into Jamaica when on vacation. For example, Europe has moved towards pet passporting where pets can travel freely
- **Environmental** – need for registration to govern the bringing in of samples from overseas
- Need for the revision in the Act which governs arbitration in commercial disputes **(Quantity Surveying)**
- Need for standards and regulations to regulate **all service sectors/sub-sectors** which govern the service sectors

Required policy changes

- **Quantity Surveying**: there is little or no support from Government because there is lack of recognition of professional standards in Jamaica – the Architectural Registration Act still does not have teeth – Architects come in to Jamaica at will. In the area of arbitration and dispute settlement in Quantity Surveying, there are no acceptable standards. There is very little attempt at looking at what professional qualifications and standards etc in – anyone can come to Jamaica and hang up a shingle and say they are an Environmentalist or QS. There is nothing to protect the Jamaican public.

- Need for the implementation of subsidies for providers of professional services
- Need for the resuscitation of the veterinary diagnostic lab which has now fallen into disarray
- Subsidized export programme by the Jamaican Government in terms of trying to encourage service export
- Govt should not be involved in private sector waste disposal
- Enforcement to show how waste disposal in done
- Ensure that garbage is dumped in regulated dump areas
- Need for education with respect to facilitating service providers to achieve high operating standards for their export service – so that service providers can operate to global quality standards
- Professionals from other jurisdictions must be certified to operate in this space (environmental)
- Need for new legislation to get us into the 21st century – a lot of the legislation is pre-independence and one would say that they are definitely not relevant at this point in time given the leaps and bounds in technology, etc
- Need to have service providers on the regulatory boards – to get their understanding of the sector and inform policy and regulations (general comment)
- Need service providers (commercial presence) to be a part of the regulatory arm of the service sub-sectors
- Private sector and public sector need to come together Need to have professionals on the regulatory boardNeed to have someone from the industry on the regulatory board

Main sources of financing for businesses in the sub-sectors

- Equity

Appendix 5: Profile of Three Sub-Sectors with Strong Export Potential

This Appendix examines three services sub-sectors which the IAC and the Consultants agreed should present great export opportunities for Jamaica if the appropriate legislative and policy changes are made. The three sub-sectors are:

- The Offshore Sector/International Businesses Centre
- Cultural services
- Telemedicine and Health Tourism

A brief profile of each sub-sector is presented in this appendix which provides background information, an indication of Jamaica's competitive advantage, and the required legislative, regulatory and policy changes.

1.0 Jamaica as an Offshore/International Business Centre

In the course of this study, the majority of those that participated in the Focus Group Sessions as well as those who completed questionnaires support the idea that Jamaica should take the necessary steps to becoming an International Business Centre (IBC) with excellent incentives to attract Foreign Direct Investments, thereby encouraging the growth and expansion of the local services sectors.

There have been several attempts over time to enact legislation to establish Jamaica as an International Business Centre. The most recent are:

- The International Finance Companies (Income Tax Relief) Act
- Ministry of Industry & Commerce proposal via Cabinet Submission MITC 47/01 to widen the International Finance Companies (Income Tax Relief) Act to include in addition to financial transactions, professional management and other business services. Under the proposed amendment the level of incentives available to qualified companies would be increased.
- The amendment of the Export Industries Encouragement Act (EIEA) to enable Export Services to benefit from tax incentives as was originally intended for the manufacturing sector.

In addition, members of both the public and private sectors, are of the view that the EIEA should be further amended to remove the distinction between EIEA services exports to CARICOM countries and non-CARICOM countries.

As a result of the concerns expressed previously by the Organisation for Economic Cooperation and Development (OECD), with respect to the "destabilizing effects of tax incentives that are available in IBCs or Off Shore Financial Centres, Jamaica had decided against moving forward with the process of establishing itself as an IBC.

The OECD has since revised its position, with the principal objector to IBC's/Offshore Financial Centres, the USA, stating its changed position as follows:

> *"The United States does not support efforts to dictate to any country what its own tax rate or tax system should be and will not participate in any initiative to harmonize world tax systems. The United States simply has no interest in stifling the competition that forces governments like businesses to create efficiencies... Where we share common goals, we will continue to work with our G7 partners to achieve these goals. The work of this particular OECD initiative, however, must be refocused on the core element that is our common goal: the need for countries to be able to obtain specific information from other countries upon request in order to prevent the illegal evasion of their tax laws by the dishonest few. In its current form, the project is too broad and it is not in line with this administrations tax and economic priorities."*

In addition to the revised position of the US and its implication for the OECD as a whole, at least two states of the USA, Colorado and Montana in 2002 enacted legislation creating what they described as **"Confidential Banking"** for non-resident aliens.

The Jamaican private sector in general and key players in the services sector have expressed strong support to see Jamaica established as an International Business Centre. They cite the fact that in addition to the traditional Offshore Financial centres, a number of new countries have since embraced the changed position of the OECD, enacting legislation to establish themselves as IBCs. The CARICOM countries that have moved to becoming IBC's include:

- St. Lucia
- Antigua and Barbuda
- St. Kitts and Nevis
- Barbados
- Trinidad & Tobago

Review of the Samuel Lohman Study

The Samuel Lohman Study on International Financial Services Centres identified several critical factors necessary for IBC's to be successful. These include:

<u>A Stable Economy</u>

A stable and secure economy is of paramount importance for IBC jurisdictions, if they are to attract high quality and sustainable investments. The nature of the financial and other related business services being sought by international corporations requires transparent and stable political and financial environment.

Progressive Legislation

This factor is perhaps the most critical of all characteristics of an IFSC. In essence, the product being provided by the offshore jurisdiction is the suite of first-class corporation legislation that will enable the benefits being sought. These pieces of legislation may range between trust and company law to insurance and banking laws.

It is this feature of an IFSC that determines the success of the industry. It has also become critical for the offshore jurisdictions to ensure that they adhere to and not contradict the principles and regulations that govern the international financial services industry. In 2002, the Financial Action Task Force (FATF) and the (OECD) blacklisted many defaulting jurisdictions which have since revised their legislation and now attempt to ensure that they are aligned to the institution's regulations.

Offshore jurisdictions therefore invest significant amounts in the review and the updating of their legislation, in an effort to provide an additional advantage to international companies and guarantee their investment.

Being signatories to Double Taxation Agreements (DTAs) with target markets will also provide an additional leverage to offshore jurisdictions, where the DTAs provide sufficient coverage for both parties' tax base. The 2005 World Investment Report has noted that 60% of global investment is covered by DTAs, as opposed to 20% by Bilateral Investment Treaties (BITs). These instruments therefore seem to be influential in encouraging trade in services through the creation of an open investment environment.

Incentives and Benefits

The quality and extent of benefits afforded to offshore companies is dependent upon the legislation which governs the activities of the IFSC. In general, IFSCs offer exemption from income tax, capital gain taxes and withholding taxes. For instance, the small island of Nevis, under the Fiscal Incentives Act, exempts offshore companies from income, social security, capital gains, withholding, gift, estate and succession taxes.

Support Services

While the legislation may enable certain activities, the IFSC's success depends upon the strength and quality of the regulatory framework within which the financial services are provided. The offshore jurisdiction must be able to provide a highly skilled and qualified labour force in the targeted areas.

Moreover, another standard feature of an IFSC is the establishment of a Fiscal Services Commission, which normally functions as the final regulatory body for financial services. Supported by other agencies, private and public alike, the Commission monitors the activities of all of the financial service providers and offers general oversight for the local industry.

The existence of a first-rate telecommunications platform will also play a key role in the success of an IFSC. The nature of the industry demands that the local service providers communicate regularly and provide relevant updates of their activities in the most efficient manner. Furthermore, with the convenience of the client playing an important role to the IFSC, improving universal access to critical information for the international corporations will provide a clear advantage for one jurisdiction above another.

Convenience is further enhanced where clients are provided with very simple and flexible procedures to accomplish the fundamental activity within an IFSC – incorporating/registering a company. Where some jurisdictions may offer very competitive rates, they may still stand at a disadvantage where the incorporation/registration requirements are found to be cumbersome to administer. A quality telecommunications platform can drastically reduce the administrative burdens by providing on-line registration.

Review of Jamaica's infrastructure to support an IBC

Jamaica already has in place important and critical elements of the necessary infrastructure on which to build a successful International Business Centre/ Offshore Financial Centre. These include:

- A robust and well-regulated, sophisticated and stable financial industry with appropriately trained and skilled labour force,
- A robust and modern telecommunications infrastructure with available and competitively priced broadband services linked to North America and the rest of the world via fibre optic and other marine cables, as well as an array of international and US domestic satellite network
- A stable, democratic political environment
- Access, without limitation to appropriate business technologies
- Two International Airports servicing air travel between Jamaica and the major cities of North America and Europe with multiple flights daily.

Compared to the CARICOM member states of Barbados, St Lucia, Guyana and Trinidad & Tobago, Jamaica's infrastructure in terms of quality and size of the financial sector as well as the availability of professional support services such as legal, tax and accountancy services is far more developed.

Jamaica also has a wide range and number of other services professionals such as Engineers, Environmental Management Professionals, Architects and other Management Professionals. In the education sector, Jamaica has five accredited universities and a number of other tertiary educational institutions. A secondary school system graduating over 230,000 students each year supplies the universities and other tertiary institutions.

A direct comparison between Jamaica and Barbados done by Samuel Lohman concluded that:

> "In 2003, the International Business and Financial Service sector in Barbados accounted for 40% of the corporate tax revenue. During the 2003/04 FY, the government collected an estimated US$46.8 million in tax revenue from companies operating in the sector. An additional US$2.45 million was collected in application and licensing fees.
>
> On a conservative projection, Jamaica stands to gain, at the minimum, an equivalent amount to that which Barbados has been earning from its IBC sector.

With its arguably limited resources, Barbados has succeeded in attracting 7000 IBCs to its jurisdiction. As illustrated in the **A-Z Infrastructural Competitiveness Index**, Jamaica undoubtedly has the infrastructure in place, and in most cases in greater quantities and of superior quality, to attract twice as many IBCs and guarantee the success of an FSC.

It will be noted however, that Jamaica's legislations will require immediate attention and revision to provide the benefits and incentives critical to the operation of an offshore centre. Where these revisions are completed, the Government of Jamaica will earn a significant amount and therefore the economy at large, that stands to profit immensely from this venture. The development of strategic skills and the ability to earn considerable amounts of professional fees will guarantee the support of the financial services sector, and therefore Jamaica's success as an international financial services centre.

With the relatively high quality, size and robust state of much of Jamaica's services related infrastructure, the main requirements now for Jamaica becoming a successful IBC/IFSC is to enact suitable legislation with attractive incentives and appropriate regulations that will be attractive to investors, whilst reassuring the international community.

2.0 Cultural Services/Brand Jamaica

Preamble

Jamaica has a vibrant entertainment and cultural sub-sector that has the ability to contribute greatly to the social and economic development of the country. The country is blessed with a range of unique cultural and physical assets which have led to the development of the sub-sector without much formal direction.

Jamaica's music, food, sports, art and entertainment have attracted attention and a great following worldwide. The physical beauty, favourable climate and colourful people have helped to create a first class tourism product, which along with the country's various cultural assets have developed over the years into the unique Brand JAMAICA, instantly recognizable in virtually every country of the world.

Several individual components contribute to the make up and essence of Brand JAMAICA and include the following:

- Music including music videos
- Food – cuisine
- Theatre and Dance
- Art including Film
- Sports – Athletics, football (Reggae Boyz)

Jamaica's Jerk cuisine is now known around the world also, and can be found on the menus in a range of restaurants from fast food diners to fine restaurants in major cities as well as on the shelves of major supermarkets. The annual Jerk festival held in Jamaica is also gaining popularity.

Jamaica's theatre and dance in various forms are also well known. Jamaica dance troupes and theatre groups regularly tour the major cities of the world.

Sports, especially athletics as well as unlikely activities such as bob sleigh, a winter sport, also contribute to Brand JAMAICA'S high visibility.

Jamaica as a result of its high visibility, through its various unique cultural components has the ability to develop a cultural sub-sector whose contribution could be far greater than the rest of the economy combined.

The physical attractions of Jamaica, its history, its music and culture also make Jamaica an attractive location for films over the years. As a result Jamaica has developed a fledgling film and music video industry, and a number of major films have been shot in Jamaica

The above assets have given Jamaica comparative advantage over most countries of its size in a number of areas that can be exploited individually as well as collectively. No other country of Jamaica's size has the combinations of unique assets and the high level of recognition and visibility that Jamaica has.

Reggae Music and its impact on the world
Reggae music, which originated in Jamaica, is recognised across the world as a unique Jamaican art form and is seen as the most important contributor to the JAMAICAN Brand. It is copied around the world and Jamaica is treated as a kind of Mecca to non-Jamaican reggae practitioners and followers. Every Jamaican alive at the turn of the last century will remember the immense pride they felt when The BBC chose one of Bob Marley's seminal tunes, "One Love," as its 'song of the century' while the US-based Time Magazine named Bob Marley and the Wailers' "Exodus", as the "Album of the Century. Bob Marley's name has instant recognition the world over. The impact of Bob Marley's music and of reggae on the world as a whole is beyond words.

Some of the world's most famous musicians come to Jamaica to record their music and feel the vibes. Reggae music is regularly used in commercials for hundreds of household products and services around the world, thus giving brand JAMAICA a subliminal push in the subconscious of millions persons making them amenable to buying Jamaican goods and services.

The general informal nature of the approach to the exploitation of the various cultural components belies their contribution and importance to national development. Reggae music, for example, has spawned hundreds, perhaps thousands of reggae bands and singers who earn hundreds of millions of dollars, some of which flow back into the Jamaican economy.

Constraints affecting the entertainment industry

Lack of space and technical resources
The annual reggae and other festivals that are held annually in Jamaica are attended by thousands of tourists and other visitors, who spend millions of dollars in the economy. Notwithstanding the success of these annual events, there is an air of informality as well as some serious constraints in terms of space, resources and other inputs needed to maximise the potential from the sub sector. For example, in the entertainment services sector, there is a lack of adequate space to host live performances. There are no ready venues to host live presentations beyond the size of the Ward theatre or the Little Theatre in Kingston. Venues are created from football fields and open spaces to stage this type of event both in terms of the space needed as well as the technical sound facilities required.

Shortage of Skills
According to Services Providers in the sub-sector, there is an overall shortage of skills in all departments and at all levels.

It is felt that the FILM industry in Jamaican has not developed to the extent that it can. Despite all the years of film production, there is still a lack of support level skills at the international standard of production. The industry is still operating at a minimal level, and does not have the support crews in Jamaica to create the foundation for a serious film industry. Jamaica has only a few electricians at the second or third level with a few make up artists – at the Miami production level not at the Los Angeles production level noted one of the industry's main players in one focus group meeting.

He further noted that the film industry training in Jamaica at CARIMAC (UWI) and the government owned CPTC is minimal. The former is intellectually focused and basically equips students to work at TV stations while the other offers weekend courses, which are not sufficient to take you even to that basic level.

The Music video industry is a major component of the local film industry "However, even though Jamaica has some big-named reggae artistes, their music videos have all been done by foreign directors because of the non-existence of skilled personnel operating at that level in Jamaica".

Services Providers representing entertainment and audiovisual services identified the lack of trained management as a major problem. For example, in media, there is a brain drain (editors for production) out of the industry – hence; there is no cadre of skilled experts in this area to support export. The provider of entertainment services also identified a deficiency in management capacity to adequately service the export market. He noted that the management of entertainment service is complex. It utilises traditional management techniques but there is need for a clear understanding of how the business works and the rights created once a product is produced. Understanding the technicality of the business is key to good management, he added.

Non- collection of Royalties

Even with significant inflows from reggae music, according to Services Providers, royalties are not being properly collected in some overseas markets and there is a need for Government's intervention to ensure more is collected from Jamaican music played in overseas markets. The Government needs to lobby on behalf of the local musicians with the collection agencies within the reciprocal framework that they operate. The collection societies abroad are supposed to collect royalties from their radio stations for Jamaican songs played on US radio stations and send them to the artistes.

Industry representatives point out that representatives of the Motion Picture Association of America send persons to Jamaica who are able to get the police to go out and lock up Jamaicans for selling illegal copies of tapes on the streets. The International Agreements call for reciprocity, so there should be institutions in place, which must serve all rights equally.

Possible Solutions

In order to deal with the problems identified and to put the overall entertainment industry on a path towards proper development, service providers suggested a number of policy initiatives to be taken by government. Overall there is a need for policy changes that will reflect the importance of the entertainment industry as a possible major contributor to development. Other policy initiatives suggested include:

- The Government should look at the approaches taken by countries such as New Zealand, Australia and Canada that have well thought out policies with respect to entertainment and as a consequence have developed highly successful entertainment industries
- The Motion picture Act should be expanded to the Entertainment Act or a Creative Industry Encouragement Act so as to take onboard videographers, musicians etc as well as the new emerging technologies which currently exist.
- The Copyright Act should be reviewed with respect to extending the lifetime of copyright (music and film etc) moving beyond 50 years, some countries have gone to 75 and to 100 years,
- The need for general legislation for services

3.0 Telemedicine and Health Tourism

Introduction

The National Telemedicine Programme is headed by Dr Winston Mendes-Davidson who has completed some robust and in depth research in the area of telemedicine. The research looked at the potential as well as the need for a comprehensive telemedicine system in Jamaica.

The Mendes-Davidson Model is a proprietary comprehensive telemedicine / tele-health framework system model, developed and designed for the deployment of integrated or converged voice, video and data telemedicine / tele-health services, whose content is distributed over a secure broadband infrastructure network.

The telemedicine project took ten years to build with the testing of different modules of content and applications on its prototype infrastructure for a comprehensive system. More than fifteen copyrights, patents, brands, licenses etc. have been developed as a result of this extensive and rigorous research.

The Comprehensive Telemedicine Model – The Mendes-Davidson Model

The system service strategy utilises a seven-step integrated (low to high end) application of appropriate information technologies. Health care services to the consumer/patient are offered at an affordable cost. The health provider i.e. Physician, Dentist, Nurse, Pharmacist, Administrator etc. may use any step for delivering any service for which they are competent. The steps are integrated into four component systems as follows:

1. Steps 1 to 3 are referred to as the DOCTOR--ON-CALL (DOC) system.

2. Steps 4 to 5 are referred to as the TEL-MED-SERV system.

3. Steps 6 to 7 are referred to as the TEL-HEALTH-GLOBAL system.

4. The foundation is referred to as EHR (Electronic Health Record) DATA INFRASTRUCTURE system.

- **Doctor on Call** - This service is delivered by telephone call (voice technology) of patient to Doctor. The value added costs of "Doctor on Call" telephony services is affordable when compared with the basic costs of health care in the Caribbean. These costs are way below the costs of services of a primary care physician in the USA, Canada and the UK where there are large populations of Caribbean peoples.
- **Tel-Med Serv** - This service is supported by broadband supplied on demand by a robust infrastructure for intranet, extranet and Internet. It requires the use of converged voice over IP, video conferencing systems and health information systems delivered by an integrated web-based Electronic Health Record System.

Depending on the capability of the provider, the movement of files and multimedia patient records may be restricted to the intranet and extranet only. This area of file management is under strict Medical Authority and Control. The new health personnel developed for training in this area is the "Multimedia Interactive Telemedicine Service" (MITS) provider, who is skilled at using diagnostic peripherals for storing and sending data and multimedia files across the intranet and internet.

- **Global Telemedicine / Telehealth Services**

Telemedicine is a vital, essential and necessary platform for the export of services. This component of the Mendes Davidson-model is the final piece of the platform for the export of services in the global domain. It is the service, which is entirely capable of enabling global reach for competitive engagement in the area of export services.

Voice over Internet protocol (VOIP) linking "Doctor on Call" telephone call from Jamaica to Jamaicans abroad or Tourists anywhere in North America or Europe to for point-to-point telephony or through Doctors' websites for interactive consultations with patients and clients abroad is enabled by the comprehensive telemedicine system model. These situations include multimedia video streaming of medical information; working with surgical and other remote treatment and diagnostic devices for management and treatment of health conditions in remote sites; Teleconferencing, global tele-health TV links, and multicast interactive health sessions for symposia or online teaching in the health sector becomes the reality.

Home and Health Tourism, National/Regional Export Services – The cost per capita for Health care in Jamaica is 40 times and 20 times less respectively than the cost of health care in our traditional tourism markets. This represents a reservoir of opportunities for the development of new niche markets in the tourism sector. This pilot project was designed to test the feasibility of establishing a broadband videoconferencing link between the bronchoscopic / endoscopic unit at the National Chest Hospital and the South Baptist Hospital in Miami. The project was partly funded by the National Health Fund.

The results of this Pilot project confirmed the following:

- Real-time imaging between a health facility in Jamaica and the USA (foreign country) under conditions governed by strict telemedicine protocols is feasible.
- The security of the system may be protected from end to end and that enabling of third parties in a virtual private network setting may be performed securely.
- The practical application of telemedicine for the export of health services on a secure broadband network setting.

The digital equipment, scope of work and the Clinical expertise are important factors in establishing the National Chest Hospital as a Centre of Excellence and a facility, which could therefore be an export platform for Medical Health Tourism.

The integration of the high-end Telemedicine services with the Tourism sector in Jamaica presents opportunities for natural technology and business synergies. Global reach of the Jamaican Health Services in Jamaica is a natural outcome of its Comprehensive Telemedicine System Infrastructure this will enable the export thrust in services, which is critical to the future economic survival of Jamaica in the global market place.

The scope of health tourism was established by the National Telemedicine Research project and may be classified into three distinct categories:

- Wellness Health Tourism
- Medical Health Tourism
- Convalescent Health tourism

Potential for Medical Tourism

Global analysis indicates that the global medical tourism market comprised over 19 million trips in 2005, with a total value of US$20 billion. •(**Source: International Travel Trade market).** The Global Medical Tourism market is valued at $40 billion **(Source: Medical Tourism Assoc. Inc).**
The off-shoring experiences in India and Thailand confirm that the development of world health tourism will be a multi-billion dollar market. Indeed this market has many backward linkages such as ethno-medicines and the vast area of alternative healthy lifestyles therapies, which are part of the rapidly growing global billion dollar market in indigenous and alternative heath therapies.

A rapidly growing elderly population in the metropolis, which constitutes our strategic tourism partners, is a viable **Convalescent Health Tourism** niche which will also boost our capacity to export services.

Medical tourism is a rapidly growing industry with countries like Mexico, Brazil, Argentina, Costa Rica, Dominican Republic, Peru, Singapore, Hungary, India, Israel, Jordan, Lithuania, Malaysia, South Africa, Thailand and the Philippines actively promoting it. In fact Thailand attracts 600 000 medical tourists per year and is projected to attract one million foreign patients. (Source: Medical Tourism Assoc. Inc)India is a recent entrant into medical tourism, which industry watchers say is growing at 30 per cent annually. Americans and others are going to exotic destinations like India and Thailand for elective surgeries performed by world-class doctors at Third-World prices. **(CBS)** – the cost of cardiac bypass surgery was $12,000.00 in Thailand as opposed to a cost of $100,000.00 in the USA. (Source: International and national Perspectives on Health Tourism – Dr Winston Mendes-Davidson)

Competitive Advantage

Like the Caribbean, Jamaica has some natural advantages in terms of the delivery of health tourism. These include:

- Significantly lower cost of services

- A well-developed health service with excellent professional training from the region's reputable institution - the University of the West Indies (UWI)
- Internationally recognized health institutions delivering excellent quality of service and standards
- Regional broadband IT platform for sustainability of telemedicine Caribbean deployment, because of Cable and Wireless' Caribbean network infrastructure.
- Low cost geriatric health tourism opportunities
- A popular tourist destination

Telemedicine will increase cost efficiencies in health services because of timesaving, increased access, efficiencies and management. There is very little fundamental structural or management changes needed in the existing health sector infrastructure throughout the Caribbean to facilitate penetration of Caribbean health services in the global marketplace.

The Jamaica Telemedicine Model is a highly customized cutting edge technical design which is comprehensive in both scope and content meeting the needs of the health and other service sectors in an economically viable and sustainable way.

Information Source:

- International and national Perspectives on Health Tourism – Dr Winston Mendes-Davidson
- Telemedicine Jamaica Limited – Dr. Winston Mendes-Davidson
- Report on Implementation of Bilateral Agreement between Jamaica and China – Jamaica's National Telemedicine Programme – Dr. Winston Mendes-Davidson

Appendix 6: Interviewees in Primary Research

	Services Sub-Sector	Contact Person	Company	Tele #
1	Taxation	Everald Dewar	BDO Jamaica	926-4421 926-4266 926-1409 926-6489
2	Insurance Brokerage	Raymond Walker	Caribbean Assurance Brokers	754-7889
3	Management Consulting Services	Dr. Henley Morgan	CATC	967-1119/1123
4	Advertising	Wayne Stewart	Dunlop Corbin Communications	926-4116
5	Veterinary	Dr. Sarah Eytle	Phoenix Veterinary Clinic	926 5060
6	Social Services	Karen Gentles	Dispute Resolution Foundation	906-2456
7	Cultural Services	Conroy Wilson	ASHE	960-2985/968-5414
8	Sporting Services	Ian Andrews	Institute of Sports	929569-4970/926-5956
9	Securities Trading (Financial)	Shane Ingram	DB & G	962-6000 & 960 6699
10	Health Insurance	Nola Philpotts-Brown	Blue Cross	927-9821/513 0210
11	Technical and Scientific Research Consulting Services	Roselyn Fisher	Scientific Research Council	927 1771& 927 1706/ 977 1110
12	Project Management and Environmental Services	Conrad Douglas	Dr. Conrad Douglas & Associates	929-8824/0023
13	Computer Related: Software Implementation Data Processing Hardware Installation	Shereen Jones	MCS Systems	929-8661x265 & 383 4551
14	Urban Planning	Patrick Stanigar	PAO Stanigar Architects	967-1781
15	Health Related (hospital)	Dr. Andrea Sutherland-Tony Thwaites Wing	Tony Thwaites Wing - UHWI	977-2607/2695
16	Personnel Services	Dotsie Gordon	DOT Personnel Services	968-0731-2
17	Dental	Brian Morgan	Brian Morgan	
18	Services incidental to mining	Anthony Morgan	Anthony Morgan & Co	330-3573
19	Courier Services	Christopher Read	Airpak Express Ltd	663-2477/ 9205551
20	Quantity Surveying	Maurice Stoppi	Stoppi, Cairney & Bloomfield	941-8003
21	Environmental Services	Sharonmae Shirley	Environmental Solutions Ltd.	960-8627/931-9074/
22	Financial Services (Banking)	Patrick Hylton	NCB	935-2068
23	Ground Transportatin	Everald Chaplin	JUTA	
24	Personal Care	Lesma Frith	Lesma's Hut	968-5991
25	Legal/Accounting	Debbie Ann Gordon	Debbie Anne Gordon & Associates	922-1800
26	Computer Related: Software Implementation Data Processing Hardware Installation	ICS Ltd	Doug Halsall	
27	Market Research	Market Research Ltd	Kiska-Kay O'Connor	929-6311

	Association	Position	Contact Person	Tel
1	**Jamaica Bar Association**	President	John Leiba	922-1500
2	**Institute of Chartered Accountants of Jamaica**	President	Leighton McKnight	922-6230
3	**Media Association of Jamaica**	CEO	Eleanor Henry	908-4955
4	**Jamaica Institution of Engineers**	President	Hopeton Heron	920-7004
5	**Shipping Association of Jamaica**	President	Trevor Riley	923-3491
6	**Medical Association of Jamaica**	President	Alverston Bailey	946-1102/1105
7	**Jamaica Exporters Association**	President	André Gordon	920-6702
8	**St. Ann Chamber of Commerce**	President	Norma Walters	972-2629
9	**Montego Bay Chamber of Commerce**	President	Pauline Reid	971-8020
10	**Jamaica Teachers' Association**	Outgoing President	Ruel Reid	967-9454
11	**Insurance Association of JA (Gen Ins)**	Member	Evan Thwaites	
12	**Nurses Association of Jamaica**	President	Edith Allwood-Anderson	

	Ministry/Agency	Position	Contact Person	Tel
1	**PIOJ**	Director General	Wesley Hughes	906-3636
2	**STATIN**	Director General	Sonia Jackson	926-5311
3	**Ministry of Industry, Commerce, Science & Technology**		Bev Rose Forbes	
4	**National Council on Education**	Exec Director	Ruth Morris	968-4609
5	**JAMPRO**	Manager, Film	Dell Crooks	978-7755
6	**MFAFT**	Senior Director of Foreign Trade	Marcia Thomas & Calvin Manduna	926-4220-8
7	**OPM - Ministry of Development**	Snr Director	Lorna Simmonds	927-4101
8	**Financial Services Commission**		Everton McFarlane	906-3010
9	**Companies Office of Jamaica**	CEO & Registrar	Judith Ramlogan	908-4419

Appendix 7: Participants in Six Focus Groups: Services Export Study

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Everald Dewar	BDO Jamaica		Auditing/ Accounting	Taxation Accounting/ Auditing	Yes	EU, NA, Caribbean, Australia	Business entities – medium sized	international audit firms	other local audit Firms
Conrad Douglas	Conrad Douglas & Associates	21 years	Environmental Consulting	environmental mgmt, impact assessment; scientific studies, trouble shooting, technical research and development	Yes	Caribbean, West Africa, EU (Russia, Ukraine, UK, France), US, Canada	wide range	many	Environmental Solutions Ltd.
Shane Ingram	DB & G	14 years	Financial Services	sale of equities, bonds, fixed income	Yes	commercial presence in T&T	Individual & Institutional Clients	everyone esp. online players	Banks and other Financial Institutions
Shereen Jones	MCS (technical Subsidiary of JN)	33 yrs	IT	Hardware & software, prof services, software devt & transaction processing (sale of electronic PINS to eg. Digicel	Yes	T&T, B'dos, Curacao, UK, US, Turks & Caicos , Cuba	Telecoms, wide ranging	Every technology company in the world	Fujitsu, Illuminat, IBM, BML, Technology Services, Lascelles Telecom

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Henley Morgan	CATC Ltd. & Global Mgmt services Ltd	21 years/7 years	Knowledge	Knowledge based products & outsourcing	Yes	CARICOM countries	Public, private & NGOs.	international consultancies	local mgmt consultancies
Nola Philpotts-Brown	Blue Cross of Jamaica	50 years	Health Insurance	Health Plans, Health mgmt services; Life Insurance	Yes	Persons living overseas USA, Canada & UK	Private, Public & Individuals	Overseas Insurance Companies	LOJ, Medecus/Guardian
Wayne Stewart	Dunlop Corbin Communications	50 years	Advertising	creative, art & media placement	Yes	CARICOM, US & UK	Services, manufacturing, public sector	large international advertising firms	many advertising companies and media houses
Raymond Walker	Caribbean Assurance Brokers	8 months	Insurance Brokerage for local co's (facultative placement brokerage	brokerage service for a wide range of insurance services	Yes	USA (persons living overseas)	public and private sectors; industries	Many	all other 20 brokerage firms

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Valentine McCook	Land Surveyors Association/ Newsome, McCook & Association	15 years	Land Surveying	Land surveying/boundary surveys	Not exporting but other persons in the industry do	N/A	Agriculture, Construction, all sectors of the economy, mortgage financial companies, bauxite industry, highway development (North Coast and Highway 2000)	Persons/companies from overseas offering land surveying services, eg. Cubans	All other Land Surveyors
Andrew Gracey	A.I. Gracey & Associates	10 years	Land Surveying	the whole range of land surveying services	An occasional client from overseas (mode 2)		The Development market and construction industry and the financial sector	Persons/companies from overseas offering land surveying services,	All other Land Surveyors

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Hopeton Heron	Jamaica Institution of Engineers	29 years	Engineering	Engineering services, engineering designs, project management	Yes	project management, construction management, coastal engineering, construction engineering	mainly Caribbean	members compete with themselves	All industries – utilities, airports, seaports, bauxite
Garth Hinchcliffe	Manpower Maintenance Services Ltd	15 years	Facilities and Building Maintenance Industry	janitorial services, pest control, electrical, landscaping, carpentry, electrical, plumbing	Indirectly	looking to export to the (Miami) USA, Regionally – looking at commercial presence (been invited to Miami)	Aeronautical, Hotels, Hospitals, Private Homes, Educational, Commercial Buildings	Service Master (USA	Minott's in terms of Janitorial services
Andrea Lea Hong	Institute for Workforce Education and Development	9 months		Contractual Training, Janitorial courses, Jamaica foundation for Livelong Learning , NHT Basic Math & English Course		Working on an MOU with the Min of Labour to do training for export			

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Patrick Stanigar	Patrick Stanigar Architects	21 years	Urban Designs & Planning	Architecture, Urban planning, urban designs	Yes	Caribbean	Governments, private Large firms	Foreign firms	Other Architects
Trish Steger	University College of the Caribbean	38 years (collectively	Educational	Education/Training	Yes		Everyone	International Schools	UWI
Rhena Williams	University College of the Caribbean				Yes				
Dotsie Gordon	Dot Personnel	35 years	Personnel	Personnel	Yes		Local Business Market	International Placement Firms	Ministry of Labour, HEART, other Placement companies

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Thaon Jones	Dental Auxiliary School (DAS	36 years	Dental Auxiliary Training	Dental training for all the dental auxiliary groups	Yes		Public and Private sectors	UWI (St Augustine); University of Guyana & Barbados; all dental auxiliary programme overseas	In the area of dental Hygiene training – Northern Caribbean University

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Karen Gentles	Dispute Resolution Foundation	12 years	Mediation	Social Services (Training in Mediation; conflict resolution facilitation; community dialogue; Arbitration, advocacy; restorative justice)	Yes	OECS; Trinidad & Tobago, Barbados, Guyana, The Bahamas, Belize	Ministry of Justice (courts); MOEY, Ministry of Health (VPA); Ministry of Security; private sector; public sector; community persons	Other Conflict Resolution bodies	NGO hence no competitors – persons doing similar work – PALS

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Maxine Wedderburn	Hope Enterprises Limited	21 years	Market Research & Social Research & Evaluation	Social Research & Evaluation	Yes	Caribbean – the Bahamas, The USA	MOH, (Behavioural research related to HIV/AIDS); Public Sector, Private Sector	All research agencies, university and other service providers such as Mathematics & FHI	Local Research Companies – (Market Research Ltd., Marketing Strategy for market research and UWI for social research)
Charles Johnston	Jamaica Banana Producers	87	Maritime	ship husbandry	Yes	Ship owners from all over the world		Any agent because we are open in terms of establishment of similar businesses	Grace Kennedy, Maritime & transport, Lannaman & Morris

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Trevor Riley	Jamaica Shipping Association	67	Shipping Industry	supply the labourers to the stevedoring companies; plus supplier of technology services to the port; logistic software which operates the container terminal; wharf Information Service for Kingston wharves, payroll and accounting packages; canine security services; public education; research	Indirectly		Shipping Industry		None
Candice Kerr	Airpak Express	14	Courier	Courier	Yes - UPS Courier affiliation; agents for Amerijet and ITN a shipping agent	USA	Business sector, private individual s	International Couriers eg. DHL, FEDEX etc.	local courier services - Tara, Mandeville Couriers etc.

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Beverley Johnson Green	JLB International Ltd	17	Cargo	Ocean consolidation and air consolidation	Yes	N.A. Caribbean	everyone	forwarders in the international arena	BL Williams International , AJ Barned & Sons, KLC; and other Freight Forwarders
Beverley Johnson Green	Freight Forwarders Association of Jamaica	23		Delivery service, distribution , documentation, packaging finding the good or finding the source of the good	Yes	North America, Caribbean, Central & South America	anyone in the business of the movement of goods	Freight Forwarders in the international arena	Freight Forwarders in the local market
Brian Denning	Price Waterhouse Coopers	90	Accounting/ Auditing	Tax advisory, auditing, accounting	Yes	Caribbean, all over the world	All	Same as above and smaller firms	KPMG, Ernst & Young, Deloitte & Touche
Lennie Little-White	Mediamix	34	Film making	film making, media tools, PR training	Yes	Caribbean, N.A. UK	Advertiser s		Other videographer s;
David McBean	CVM Group		Media	Medis - TV, Radio, Print	Yes	N.A. & Caribbean	All (advertisin g)	Satellite Radios, internet	Local TV stations and cable channels

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Merrick Needham	Merrick Needham & Associates	20	Conference/ Convention	Support services for conferencing	Yes		Jamaica Govt; private sector		Glamour Tours; Jamaica Tours; small conference operators in Kingston
Lloyd Stanbury	Carib Bead Entertainment	8	Music/Entert ainment	music production and management (lobbying, advisory, tools for negotiating)	Yes	Caribbean, N.A., Japan, Europe	Local entertainm ent and media; production work for advertisers	VP records, Greensleeves, Jet Star, Atlantic, Warner Bros, MCI	Shocking vibes, anchor media products, headline entertainmen t, solid agency, penthouse recording
Sharonmae Shirley	Environmental Solutions	15	Environment al Consultancy Sector	Laboratory Analysis, environmental audits, environmental assessments, environment Consulting, Environmental management	Yes	Caribbean, Central America	Diverse tourism, developm ental, chemicals, petrochem icals and commerci al firms	Consultants from the USA, Europe and other developed countries	Conrad Douglas & Associates and individual players

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Geta Mae O'Sullivan	Lasco Pharmaceutical Division	17	Health Care (human & animals)	Wholesale Distribution of Pharmaceutical products (LASMED)	Yes	**Pharmaceuticals -** Barbados, Antigua & Barbuda, Trinidad & Tobago; **Food -** Caribbean	All industries	Other distributors of pharmaceutical products locally - Masters International of the UK	Other distributors of pharmaceutical products locally
Maurice Stoppi	Stoppi, Cairney & Bloomfield	45	Construction	Quantity Surveying, Cost Engineering, Contract Administration	Yes (in a limited sense)	Caribbean	Construction	"Predators" who visit the Caribbean from the UK	Local Quantity Surveyors
David Minott	Minott Services	40	Waste Disposal	Waste disposal services; janitorial services & labour management	No	Would like to enter the Cayman Market which has recently been privatized.	North Coast Hotels, Airports, Commercial Banks, Insurance Companies, Factories, Hospitals	None in Jamaica	Manpower Services, Milestone Environmental, Garbage Disposal System, Premier Waste

Name	Company name	Years in operation	Industry	Services produced	Whether you export or not	Markets to which you export	Major local industries that you service	Main competitors in international market	Main competitors in local market
Desmond Hayle	Desmond Hayle & Associates	16	Pre & Post Contract Services (Construction)	Contract Administration, Project Management, Architectural Services	Yes	N.A. U.K., Caribbean, Spain	construction	Predators from N.A.	LOCAL Architects
Sarah Wilkinson-Eytle	Phoenix Veterinary Clinic	21	Health Care (animals)	Health care, grooming, boarding	No	N/A	Persons with pets; security companies with guard dogs		Other vets
Gordon Brown	Postal Corporation	335		Postal services,	No	N/A	All	International courier services	Local courier/ delivery services

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- UNECLAC website - www.eclac.org
- US Coalition of Services Providers' Website - www.uscsi.org
- US Department of Commerce - www.stat-usa.gov
- Website for Team Canada Inc (a network of federal departments and agencies) - www.exportsource.ca