

Discussion Paper for Private Sector Groups*

March 18, 2020

The question to be answered is: What is the right balance between managing the risk of COVID-19 spread and slowing down the economy to a point where it can't come back?

The COVID-19 crisis requires that proactive measures be taken to flatten the curve as soon as possible to reduce the number of people who contract COVID-19 over a period of time, so that there is a more gradual increase in the number of cases per day, than would obtain if extraordinary measures were not taken. A steeper curve—where there is a fast and dramatic increase in the number of cases, will overwhelm Jamaica's already under-resourced health care system.

There are two options for Jamaica: take extraordinary measures now, according to carefully thought out plans and scenarios on which there is multi-sector engagement on the measures to be adopted, recognizing that costs will be incurred, and an economic slowdown, with a view to mitigating the expected losses as best as possible. Or suffer the fallout as is currently happening in Italy; waiting too long to adopt the right measures and then be forced to shut down the entire country.

What follows is a set of sector by sector proposals that align with the first option of taking strong deliberate measures early on. The discussion points are informed by what has obtained in other countries that have had some degree of success in flattening the curve and mitigating private sector losses.

Upon arriving at a consensus, there must be a broad agreement that all plans may have to be revised, depending on the disease's trajectory, and the plans as outlined not yielding/delivering the desired results.

A key measure that is being widely adopted/enacted in this crisis is "social distancing," which means deliberately increasing the physical space between people to prevent spreading the virus, in particular avoiding physical contact with other people and staying between three to six feet away from another person. Social distancing is critical to flattening the curve. (In both South Korea and Italy, the movements of just one single infected person over a few days was a catalyst for the rapid and wide spread of the disease.) Other measures are important and necessary, such as widespread testing and effective contact tracing (identification and finding people who may have close contact with an infected person,) but social distancing is the responsibility of everyone, and is the most pertinent action that each individual can take to have a significant impact on the transmission of the virus.

* The target audience for this document is the various segments of the economy where the private sector plays a leading role, particularly as represented by the industry associations (MSME Alliance, SBAJ, PSOJ, JCC, JBA, JEF, and JMEA,) and key stakeholders/large corporate entities.

The most extreme form of social distancing is for an entire population to stay at home, and off the streets. This level of social distancing, however, does not facilitate ongoing commercial activity. While some industries and sectors may be able to continue largely uninterrupted with employees working from home, many rely on people being physically present, and in reasonably close proximity to one another. Moreover, even in workplaces where employers can manage social distancing on the job, and where appropriate sanitary actions have been taken and protocols are in place, simply getting to and from work requires use of public transportation where social distancing is impossible.

Another consideration in the Jamaican context is the socio-economic conditions of many Jamaicans, namely those in urban vulnerable communities, where physical space is limited. People whose living situation is such that social distancing is impractical or impossible are also those who are likely to be the most economically vulnerable. They are the least able to withstand a reduction or cessation in wages, and their needs and realities must be carefully considered to forestall the social unrest that could result from their dislocation. The implication of this is that in any attempt to measure the impact of social distancing on any given sector, consideration must be given to the workers' situations, as indirect consequences of changes. Particularly changes that include cutbacks, slow-downs, or cessation of activities.

To manage employee absence, we recommend that all employers follow the protocol recommendations of the Human Resource Management Association of Jamaica (HRMAJ) which includes: normal sick leave entitlements; consideration be given for unused portion of sick leave entitlement; medical certificate provided entitlements; short term disability; flexible work hours; and special leave for extended illnesses where applicable. In addition, we would urge employers to proactively consider vacation time entitlements as they seek to manage reduced operations during this period of containment and social distancing.

We also recommend that all companies consider other available options around: rescheduling staff to reduced days/hours; stagger opening and closing times so employees do not have to travel during peak periods; broadly observing social distancing protocols at work.

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Financial Services

- Ensure that digital and technology-based banking is in place and operational
 - o Move services online as quickly as possible by getting people signed up and increasing awareness of how they may conduct their business remotely
 - o Identify wherever branch operations/activities can be scaled down, but completely shuttering is impractical and would cause tremendous dislocation. Create protocols for “setting appointments” for more functions rather than continuing to allow walk ins
- Financial service providers should proactively assess, on a client by client basis how to support their customers, particularly their business customers, as those customer experience revenue downturns and/or losses
- Deferral of payments on existing loans (of all kinds) and new or increased credit lines, mortgage deferrals, and other forms of providing liquidity. These options could include:
 - o Providing tailored restructuring options customized to meet customer needs
 - o Extension loan terms for up to 3 months where circumstance warrant
 - o Defer business credit card payments
 - o Short term (3-6 months) working capital support
 - o Provide early access to term deposits without imposing break fees
 - o Defer loan repayments (3-6 months) – Inclusive of temporary moratorium on principal and interest payments
 - o Provide early access to term deposits without imposing break fees
- As it is expected that ATMs will be used more frequently than normal, banks should consider raising minimum withdrawal amounts and putting in place measures to keep the ATMs functioning and supplied with cash
- Payday and microfinance entities and credit unions should do more sensitization with their clients on working together to get through this crisis. In addition they should consider their future business and future clientele premised on how they treat their current clients during this difficult situation.
- Health insurance companies should consider temporarily suspending the one swipe per month limit of health insurance costs so that seniors and others will be able to buy two to three months’ supply of prescribed medications in the event of drug shortages.

Business Processing Outsourcing (BPOs)

- We acknowledge that these operations cannot scale down easily, as once a contract cannot be fulfilled, it will quickly move elsewhere.
- The guidance provided indicates that some 10,000 of 40,000 can work from home, once they have the necessary equipment. This requires permission from Customs for relevant equipment to be moved out of the facilities.
- A managed facility to minimize risk includes a sanitary physical space, appropriate spacing of call agents and other personnel, private transportation for employees, minimizing the

numbers in an elevator at a time, and, ideally, taking employee temperature at entrance to facility.

- Where facilities need to remain open, the operators should seek to provide transportation for their workers in accordance with GoJ guidelines for the transportation sector

Mining & Quarrying

- With quarrying, there is less cause for concern as the sites typically have small crews of five, working in wide open spaces. Maintaining social distances should not be a problem.
- Mining typically has big plants which makes incorporating social distancing protocols into their operations relatively easy.
- In acknowledging that this sector has an in-built safety-based culture, it is expected that they will incorporate all safe working and social distancing protocols into their operations.

Construction

- This is a high (social and economic) risk if it is shuttered, AND high risk in terms of virus transmission
- A challenging sector given the way in which workers are engaged (many on daily wages) and the fact that many of the workers in the sector are from vulnerable socio-economic brackets.
- Also, many of these wage earners support other small businesses and shuttering such a large sector is likely to have significant ripple effects.
- The sector is too large to practically support if it's shuttered. This means that very stringent protocols must be developed and monitored
- Contractors are to ensure site operations follow MOH and WHO guidelines, supported by the Incorporated Masterbuilders Association of Jamaica (IMAJ) recommendations and their own Health, Safety and Environmental (HSE) procedures.
- Contractors to internally assess how they can make their construction sites safer.
- Strongly encourage project teams (site managers, client representatives, project managers, contractors, and operators) to meet frequently (even daily) to review and enforce HSE requirements and strict social distancing protocols for construction sites. They should also be developing approaches to mitigate the impact of COVID-19 on their mutual contract obligations.
- Strongly encourage employers and employees to take a collaborative approach in assisting in the welfare of workers, especially the most physically and economically vulnerable.
- Move to reduced workdays/hours, and/or rotating shifts, and/or staggered hours where possible.

- Pay close attention to critical path items on the construction schedule and the areas that may become critical if not attended to within a few weeks.[†]
- Areas not critical to schedule should be the first considered for reducing labour
- While the sector is not customer-facing, it is labor intensive (a lot of people on the site,) and while the site itself may be controlled with strict enforcement of preventative hygiene (hand washing, cover mouth and nose when coughing or sneezing) and distancing protocols, once the workers are off site those controls are redundant.
- Considerations:
 - Providing transportation for workers so they don't have to take public transport.
 - Health checks (such as temperature checks) at the site entrance
 - Encourage/incentivize workers to stay home when they leave the site

Transport

- Consider minimizing the number of passengers driving in private passenger vehicles on each occasion, given the conditions in which passengers ride – noting that, with many persons in one vehicle, touching is likely to be unavoidable
- For those public transport vehicles that are on the road – sanitation and reduction in carrying capacity protocols
 - Regularly clean parts that are regularly touched – such as poles, seats and doors – should be wiped down with a strong disinfectant every day.
- Aggressive risk messaging directed to taximen to limit number of people in the vehicle and to recommend best practice protocols, such as reduction of passenger loads
- From the demand side - risk messaging for the consumers – what they should consider in choosing public transportation in terms of number of persons in the vehicle
 - Wash hands as soon as they can at their destination.

Restaurants/Food Services

- Distinguish between cookshops that serve meals, and that may be considered a critical service, and those that are more social
- Allow the cookshops to continue but with a time limit on when those can be operational, and protocols and guidance for those cookshops that remain open, and the requisite risk messaging (e.g. practicing proper hand hygiene, and adherence to public health standards to prevent spread of the virus.)
- Be clear on ceasing in-house dining, and only offering take out and/or delivery services
- Survival packages will be necessary; perhaps out-of-work restaurants can be engaged to provide these
- Increase the distribution capacity of Food for the Poor ensuring that it has a more robust island-wide reach.

[†] Critical path refers to those activities and milestones on a project plan that must be completed in the scheduled timelines for the project to be completed on time. Eg. Pouring the foundation for the building is on the critical path, while landscaping is not, for ensuring a building's construction proceeds.

- Increase food donations from private sector more generally, and supplement the distribution nodes with the churches, or other entities with reach, as needed.

Bars

- The bars within the vulnerable communities are often important extensions of cramped housing spaces. Without those bars it could lead to unintended consequences such as social disruption.
- Further discussion to be had with industry stakeholders.

Agriculture, Forestry & Farming

- Essential sector both for food supply, and for the small farmers' livelihoods
- They are the primary producers of the food supply
- Current research indicates that the virus is not foodborne or food-transmitted.
- Ensure distribution channels are maintained
- Look to develop specialized protocols around handling of fruits and vegetables regarding the disease, based on knowledge of how the virus behaves on food surfaces
- Wherever possible put in place centralized washing of produce
- Messaging to consumers to thoroughly wash fresh produce

Manufacturing

- Distinguish between what is more critical to business and national sustenance vs. what may be important, but not critical. A key difference could be to consider needs vs. wants
 - o Priority is to keep lines running wherever possible, but there are some business lines that can be temporarily suspended
 - o where a line may be considered important but is not critical to the country's continued running, then it could be scaled down/put on hiatus, and in these instances, workers stay home and get paid
 - o Alternatively, they may be transitioned to some other activity
 - o Explore what new opportunities might arise, with regard to shortages of items that are usually imported, and others that are in higher demand than usual, e.g. sanitizer and other cleaning products.
 - o Pursue opportunities for local needs in the first instance, and perhaps even pursuing export opportunities afterwards.

Hotels

- They are affected by both social distancing and travel restrictions
- Discussions continue in relation to what happens to the thousands of workers who may not be required in the near term, and the extent to which government support might be necessary

- Consideration may be given to use hotels as isolation sites, and perhaps a possible revenue replacement
 - o Discussion point – what does MOHW have in mind? Are they looking for isolation and quarantine zones? What will the government pay for that?

Electricity & Water Supply

JPS has been engaged to be flexible with its customers, in particular consumers, during this period. The points under discussion include:

- The cessation of electricity and water to vulnerable people who are already otherwise disrupted could bring unintended and unwanted consequences
- Suggestions have been made for:
 - o the suspension of some charges, or at a minimum, rate reduction in some areas.
 - o Providing leeway or deferral on late payment penalties or notice of disconnection,
 - o Facilitating customers with a longer time to pay their bills
- JPS has made some recommendations with respect to how they can support in this period, with Government support.
- NWC trucking water to locations that do not have running water; water essential for proper hand hygiene

(While we have outlined some thoughts in this document, we are in discussion with JPS towards identifying a raft of recommendations that may be pragmatically implemented.)

Gasoline Retailers

- Gas stations are legally and otherwise an essential service
- Social distancing should not be difficult to implement, and gas stations are not generally heavily staffed.
- Gasoline retailers are certainly going to experience a lessening of demand – and further consideration in this regard should be contemplated in future discussions
- JGRA and other sector stakeholders are being engaged to provide more detailed input.

Telecommunications

- Communication of easy electronic alternatives via apps or websites to purchase top up, buy plans, and pay bills without going to physical locations
- Support of reduced call centre activities through additional digital alternatives such as Webchat & WhatsApp
- Supporting the dissemination of government emergency communications through SMS/ email and relevant ad insertions on subscriber television platforms.
- Publication of all MOHW notices on electronic billboards and store internal signage.
- Support full roll-out of live online learning through partnership with the Ministry of Education, e-Learning Jamaica & other individual educational services.

- Zero-rating of Ministry of Health COVID-19 lines as well as other government websites.
- Providing national alternatives for data communication should a national shut-down be enacted.
- Supporting Govt. Digital Townhall messaging through our proprietary channels and through Live Streaming Support
- Prioritization of Govt & Essential Business Services (inclusive of Enterprise Customers, BPOs & SMEs)
- Support prioritized installation or upgrades to specific decision-makers and key stakeholders to support Work From Home Activities.
- Telcos require access to Headend, Landing Stations and Essential network elements, even within potentially quarantined areas, in order to keep the network maintained, and to ensure business continuity and connectivity for customers.
- Access already granted to Bull Bay but will require limited access with supervision if areas of quarantine continue to be expanded.
- Network utilization is expected to be unprecedented on the residential network through Work from Home activities as well as children being home (preliminary estimates suggest 20% higher data traffic than regular network peaks). Providers expected to shape and manage traffic to ensure connectivity for all with expansions where possible. To maintain the integrity of the network, changes to core elements of the network have been frozen.
- Persons that perpetrate vandalism or network equipment theft that seeks to damage connectivity for Jamaicans in this time of pandemic crisis, should be treated with the highest extent that the law can provide under disaster zone, state of emergency, or other legislation.

Real Estate, Renting & other Building Business Activities

- It is recommended that property owners review the provision of rental breaks or concessions/extensions
 - o Commercial space owners such as mall operators should consider granting rental holidays for a 3-month period for those tenants opting to close, or reduce rental rates for tenants sustaining losses due to very low traffic
 - o Landlords cease eviction of tenants until social and economic normalcy returns
- Sensitize landlords and property management services to the value of a good tenant
- Emphasize the importance of being flexible and giving relief to the tenants/customers they want to maintain after the crisis has passed

Wholesale and Retail

- Explore providing delivery and pickup services (i.e. pharmacies, supermarkets) to reduce foot traffic in establishment due to social distancing, self- isolation, quarantines
- Delivery companies required to vouch that drivers/bearers are healthy
- Eliminate person-to-person handing over of delivered/collected items
- Delivery persons required to follow social distancing and sanitation protocols

- A further discussion is to be had on what is essential and what might not be

Beauticians and Barbers

- Whilst the MOHW has existing protocols, we should maintain visibility on anything else that may need to be done during this health crisis
- Messaging - provide guidelines to the beauty salons and barbers especially the smaller more informal players, such as the house-based beauticians
- Can materials be provided to these entrepreneurs to be safer?
- Aggressive messaging to consumers about how to best manage the risk of engaging these services at this time

Repairs; Installation of Machinery & Equipment

- That should continue but stakeholders should be provided with information on protocols, etc.

Producers of Government Services

- The only ones that need to stay up are essential services

Security Services

- Private security – as places close there is more potential for looting
- In other markets private security step in to supplement the state security
- They give greater coverage beyond their own clients

(Further discussions to be had with private security stakeholders.)

Janitorial Service Providers

- Continue to provide sanitizing services to companies, health facilities and individuals residences
- They need to be especially prepared to disinfect spaces that have been contaminated by infected persons

Other Points to Note

- We will continue to explore possible government support for less resilient sectors, so they can viably reopen. There are certain sectors that may be more fragile than others (e.g. manufacturing) which if shuttered may need more aggressive government support to be revitalized

- There is global consensus on social gatherings being completely shut down (in many instances more drastic than a 20-person limit)
- There remains a need for more disaggregated data from MOHW regarding areas of infection and sectors where the infected are engaged
- Engage the MOHW to determine protocols on how self-isolation works in a household of 10 people etc.
- Encourage the pursuit of new opportunities – online businesses, telemedicine, distance learning etc.