

Common Country Analysis – Update 2022

Jamaica

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Executive Summary

Jamaica, as with all countries across the globe, has endured a turbulent two years. Since the Common Country Analysis in 2020, the country has endured a global health and economic crisis brought on by the COVID-19 pandemic followed by a strong inflationary period, most recently compounded by the instability in global food and fuel markets from the war in the Ukraine. While Jamaica is firmly on its path to recovery, its pre-existing multi-dimensional vulnerabilities, have meant that progress has not been evenly spread.

Across many of the Sustainable Development Goals, progress has stagnated¹ during the COVID-19 era² and in some rare examples, hard won progress has even been reversed, such as with Goals 11 - Sustainable Cities and Communities, 15 - Life on Land and 16 - Peace, Justice, and Strong Institutions. Specific attention is needed to not only return Jamaica back to where it was two years ago but to also make up for progress that it would have made had it not suffered its worst economic crisis for over 50 years.

Despite these challenges, Jamaica has made remarkable progress on SDGs Goals 1 – No Poverty, 3 - Good Health and Well-Being, 8 - Decent Work and Economic Growth, and 9 - Industry, Innovation, and Infrastructure. However, on Goals 1, 3 and 8 Jamaica’s SDG scores for 2022 remain behind those recorded in 2019 before the COVID-19 pandemic. It is only on Goal 9 – Industry, Innovation and Infrastructure Jamaica has made the most advancement building on its progress in each year throughout the COVID-19 pandemic.

Relating these SDG developments to the UN Multi Country Sustainable Cooperation Framework (MSDCF), the regional development strategy for 19 UN agencies serving 22 countries across the Caribbean, the picture that emerges can help guide and focus UN support to governments and national partners. For Jamaica, focusing on reversing losses crosses most priority areas of the MSDCF but significant attention will be need to accelerate progress in Priority Area 4: Peace Safety Justice and Rule of Law.

Jamaica’s second Voluntary National Review³ presented at the High-Level Political Forum in July 2022, recognised the immense challenges that it has faced, and continues to face in the aftermath of COVID-19 over the past 2 years. Jamaica has been able to restore economic stability through this very turbulent time with its continued firm commitment to a rules-based fiscal as well as monetary approaches put in place during the successful IMF economic stabilisation programmes⁴ over 2013 to 2019 period. The government’s efforts have firmly supported recovery, setting the economy on a return to growth, decreasing unemployment and debt sustainability path. With global economic conditions expected to be uncertain over the next few years a key challenge for Jamaica will be how it can best put its economy onto a higher and more resilient growth path that supports the 2030 Agenda and delivering the SDGs.

¹ <https://dashboards.sdgindex.org/profiles/jamaica>

² Evidenced in Goals 2 - No Hunger, 4 - Quality Education, 5 - Gender Equality, 6 - Clean Water and Sanitation, 7 - Affordable and Clean Energy, 10 - Reduced Inequalities, 12 - Responsible Consumption and Production, 13 - Climate Action and 14 - Life Below Water and 17 - Partnerships for the Goals.

³ <https://www.pioj.gov.jm/product/jamaica-voluntary-national-review-report-on-the-implementation-of-the-2030-agenda-for-sustainable-development/>

⁴ IMF- Jamaica 2013 Extended Financing Facility & IMF – Jamaica 2016 Stand-by Arrangement

Introduction

In December 2020, the United Nations (UN) published its comprehensive Common Country Analysis (CCA) for Jamaica. The CCA is designed to reflect the UN's evidence-based, integrated, forward-looking analysis of the context for sustainable development in Jamaica, in view of achieving the 2030 Agenda and delivering the Sustainable Development Goals (SDGs). It also forms the evidence-base for the UN programmatic support through the 2022 to 2026 Multi-Country Sustainable Development Cooperation Framework (MSDCF).

Two years on, this assessment is an update to the CCA, the purpose of which is to analyse key emerging challenges, opportunities, and risks in Jamaica and, when needed, inform on the strategic direction of United Nations Agencies, Funds and Programmes (UNAFP). Key elements of this assessment will include an analysis of events that have had an impact on Jamaica; updating of data and information on the Jamaica development context; notable legal, policy and regulatory changes that have taken place; and changes of multi-dimensional vulnerabilities that can impact on Jamaica's sustainable development.

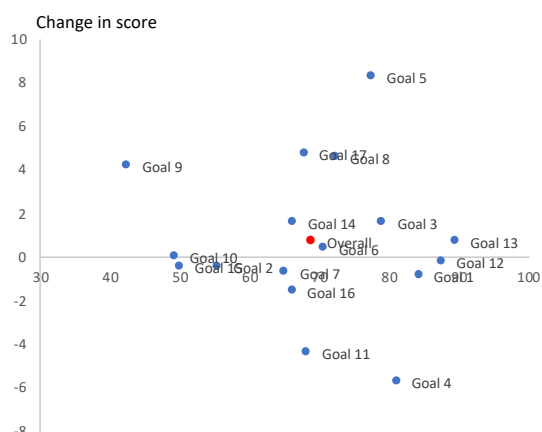
Figure 1: The United Nations Multi-Country Sustainable Development Cooperation Framework for the English and Dutch-speaking Caribbean 2022 to 2026 priorities.



Source: United Nations Multi-Country Sustainable Development Cooperation Framework 2022-2026

Informed by the CCA of the English and Dutch-Speaking Caribbean, the UN MSDCF was signed by the Minister of Foreign Affairs and Foreign Trade, Senator the Hon. Kamina Johnson Smith on the 15th of March 2022, marking the continuation of Jamaica's partnership with the UN to attain the SDGs. This MSDCF sets out four priorities and eight outcomes for UNAFP to support the English and Dutch-Speaking Caribbean achieve the

Chart 3: Jamaica’s performance by SDG since 2015.



Source: United Nations Sustainable Development Solutions Network

By SDG, Chart 3 shows that since 2015 Jamaica has improved many of its individual SDG scores for Goals 5 – Gender Equality, 8 – Decent Work and Economic Growth, 9 - Industry, Innovation, and Infrastructure and 17 – Partnerships for the Goals, but its performance has deteriorated most notably for Goals 4 – Quality education and 11 – Sustainable Cities and Communities.⁶

For Goals that Jamaica has substantially improved on, progress on Goal 9 is particularly noteworthy as the score is the lowest of all Jamaica’s 17 Goals. Conversely, the decrease Goal 4’s score is of concern as this is among the top scoring Goals for Jamaica, and for which data backdated to 2000 shows that Jamaica’s deteriorating performance for this Goal is a longstanding issue. Table 1 shows Jamaica’s most recent 2022 SDG performance by Goal.

Table 1: SDG Dashboard and Trends for Jamaica for 2022



Dashboards: ● SDG Achieved ● Challenges remain ● Significant Challenges Remain ● Major Challenges remain ● Information unavailable

Trends: On track or maintaining SDG achievement Moderately improving Stagnating Decreasing ● Trend information unavailable

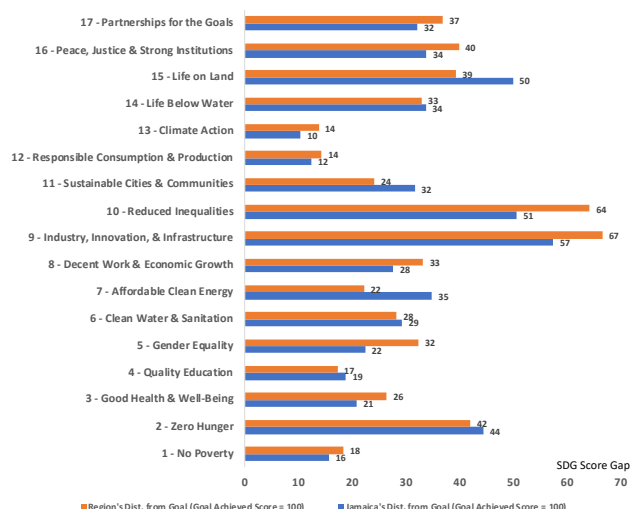
Source: <https://dashboards.sdindex.org/profiles/jamaica>

⁶ For Jamaica’s other SDGs, there have been marginal changes over the past 7 years with SDG score changes ranging between -2 and 2.

Chart 4 compares Jamaica’s current progress to achieving each Goal to the LAC region where the Goal is achieved when the score is equal to 100.

Jamaica is closer to achieving 10 of the 17 SDGs compared to the region. This is most noticeable for Goals 3 – Good Health & Well-Being, 5 – Gender Equality, 9 – Industry Innovation & Infrastructure, 10 – Reduced Inequalities and 16 – Peace, Justice & Strong Institutions, where the difference between Jamaica and the LAC region is greatest. On Goals where the LAC region is closest to achieving, notably for Goals 7 – Affordable Clean Energy, 11 – Sustainable Cities & Communities, and 15 – Life on Land – drawing on other countries experience may help Jamaica’s enhance its own performance on these Goals.

Chart 4: Jamaica’s SDG progress compared to the LAC Region - 2022.



Source: United Nations Sustainable Development Solutions Network

Jamaica’s Second Voluntary National Review

Jamaica completed its second Voluntary National Review in June 2022, which was presented at the 2022 High Level Political Forum in July.⁷ This review reaffirmed Jamaica’s commitment to the principles of sustainable development, the 2030 Agenda and the SDGs which have been integrated into its National Development Plan, Vision 2030 Jamaica. The challenging domestic and global context around which the VNR was prepared was an important influence on Jamaica’s priorities. As Table 2 shows, while there have been many achievements over the first review period, Jamaica still faces several development challenges.

Table 1: Key Achievements and Challenges highlighted in Jamaica’s second VNR

Goals	Achievement	Challenges
1. No Poverty	Decline in poverty prevalence to 11 percent in 2019 from 19 percent in 2017.	Disparity in the performance of rural versus urban poverty trends.
2. No Hunger	Decline in food poverty prevalence to 4 percent in 2019 from 5.4 percent in 2017.	Impact of external factors on food production.
3. Good Health and Well-being	Decline in infant mortality rate from 16.7 per 1,000 in 2014 to 15.2 per 1,000 in 2019.	Inadequate financing service for delivery and wellness programmes.
4. Quality Education	High enrolment levels from early childhood up to grade 11.	Estimated learning loss at 1.3 years in learning adjusted years of schooling due to COVID-19.
5. Gender Inequality	Improvements in gender parity, ranked 44 th globally in 2018 and 40 th in 2021.	Underrepresentation of males in tertiary and training programmes.
6. Clean Water & Sanitation	Establishment of the integrated water resource management plan.	Rising energy costs and threat of more frequent droughts due to climate change.
7. Affordable and Clean Energy	13 percent of electricity generated from renewable sources in 2021, up from 12 percent in 2018.	Disparity in access to safe electricity by region and consumption group.
8. Decent Work and Economic Growth	35 percent reduction in youth unemployment between 2015 and 2019.	Vulnerability to external shocks impacting growth.

⁷ See <https://hlpf.un.org/countries/jamaica>

9. Industry, Innovation, and Infrastructure	Development of the National Broadband Initiative.	Low innovation and productivity in the productive sectors.
10. Reduced Inequalities	Approval of regulation for the Disabilities Act (2014)	Stagnating Gini coefficient of 0.37 in 2019, down from 0.38 in 2017.
11. Sustainable Cities and Communities	Increase in value of residential mortgages between 2018 and 2020.	Gaps in localizing at the community level for realizing the goals.
12. Responsible Consumption and Production	Launch of Jamaica Standard ISO 14005:2017 and guidelines.	Unavailability of data to monitor progress.
13. Climate Action	Revised Nationally Determined Contribution under the Paris Agreement 2020.	High average annual damages from storms, rains, and droughts.
14. Life Below Water	Increase in protected marine areas to 15 percent.	Decline in marine water quality, coral reef index and mangroves.
15. Life on Land	Increase in protected forest area to 29 percent.	Competing land use priorities.
16. Peace, Justice, and Strong Institutions	Launch of the National Plan of Action for Integrated Response to Children and Violence.	High levels of violent crime impacting on social services and the economy
17. Partnerships for the Goals	Reduction in debt to GDP ratio from 135 percent in 2013 to 95 percent in 2019.	Access to concessional financing for Middle Income Countries.

Source: Jamaica's Second Voluntary National Review

Jamaica's second Voluntary National Review outlined key areas for the acceleration and recovery of development gains. Among these include the launch of the monitoring and evaluation system for reporting on Jamaica's development indicators; to implement the Medium-Term Framework 2021-2024 to advance the SDGs; to strengthen the National Statistical System; to leverage corporate social responsibility for the SDGs at the local level; strengthen the means of implementation through increased localisation of the goals and Vision 2030 Jamaica; to cultivate international partnerships for technical cooperation and advocate for addressing requirements for concessionary financing; and to strengthen communication and stakeholder mobilisation locally and nationally.⁸

An important challenge that the second VNR recognises, is Jamaica's ability to support development with much reduced fiscal space. While Jamaica was swift to act to support its citizens and protect its economic assets from the impacts of COVID-19 (e.g., COVID-19 Allocation of Resources for Employees (CARE) Programme that provided support to about 440,000 persons, costing about US\$130 million⁹) the cost of doing so, for all countries, means that Jamaica enters its crisis recovery phase with higher indebtedness and reduced fiscal space.

MSDCF Developments Since the Last Review

This section assesses the developments that have taken place across the *four MSDCF priority* areas by, in part, measuring the progress each pillar has made against the SDGs that they are attributed to as well as outlining the key contextual changes that have had an influence in recent years.

- **Pillar 1: Shared Prosperity and Economic Resilience**

Since the recording of its first case of COVID-19 on the 4th of March 2020, Jamaica has had 152,758 cases and 3,461 deaths¹⁰ as of 31st of December 2022. As a populous SIDS, while the number of cases in Jamaica is high in absolute terms, as per 100,000 persons both the

⁸ See <https://www.pioj.gov.jm/product/voluntary-national-review-report-on-the-2030-agenda-and-the-sustainable-development-goals/>

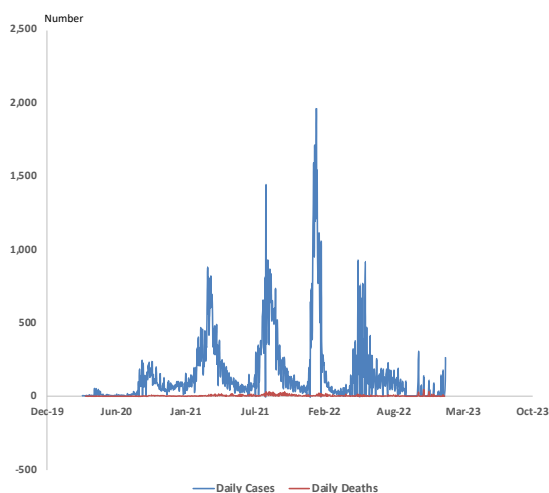
⁹ See <https://hlpf.un.org/sites/default/files/vnrs/2022/VNR%202022%20Jamaica%20Report.pdf>

¹⁰ <https://covid19.who.int/region/amro/country/jm>

number of cases and deaths were comparable with many others experience across the Caribbean. As a proportion of the population, the number of COVID-19 cases amounts to about 5 percent of the population, of which 0.12 percent have succumbed to this disease.

As Chart 5 shows, Jamaica has experienced several waves of COVID-19 reflecting the introduction of new variants. New Omicron variants – BA.2, BA.4 and BA.5 – were discovered (BA.2 in April 2022 and BA.4 and BA.5 in August 2022) that cause spikes in cases over 2022.

Chart 5: Episodes of COVID-19 in Jamaica since March 2020.



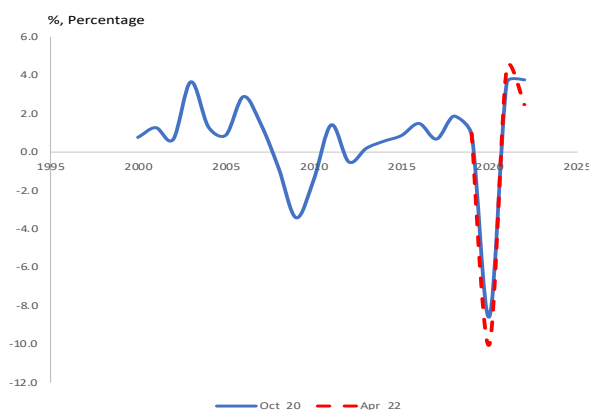
Source: Our World in Data

A concern with the ever-presence of, and advent of new COVID-19 variants has been the relatively low number of Jamaican’s who are fully vaccinated against the virus. At about 30 percent currently of Jamaicans who have received one dose of vaccine, just 26 percent of the population are fully vaccinated against the virus.¹¹ This is far short of the target – 40 percent of the population by the end of December 2021 and 70 percent the end of June 2022 - set by the WHO globally.

While Jamaica is by no means alone in the Caribbean with vaccination rates that fall short of the WHO targets, it does pose a continuing risk that virulent strains may again take hold in Jamaica.

As the data in Chart 6 shows the socio-economic experience of COVID-19 for Jamaica was devastating for Jamaica. Safeguarding and lockdown measures led to a dramatic decline in Jamaica’s Gross Domestic Product (GDP) in 2020 that over 2 years on, Jamaica is still recovering from.

Chart 6: Real Gross Domestic Product Growth



Source: IMF World Economic Outlook October 2020 & April 2022

Also, the high uncertainty around the impact of COVID-19 led the IMF to revise down its projections of real GDP growth for 2020 from -8.6 percent per annum in their October 2020 World Economic Outlook projections to -10 percent in their most recent October 2022 projections presented at their Autumn meetings.

From operating at full potential, Jamaica’s output gap - the difference between actual and potential GDP -

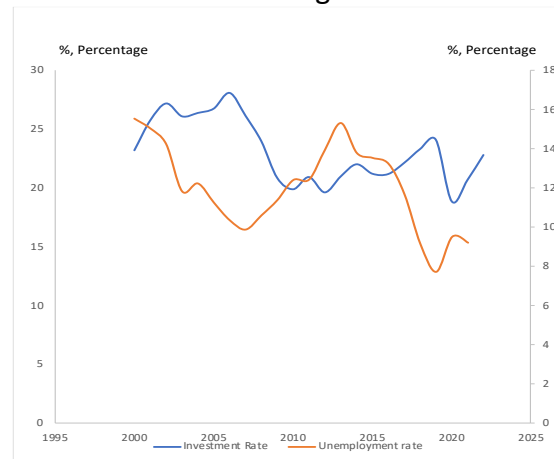
¹¹ <https://ourworldindata.org/covid-vaccinations?country=JAM>

increased by about 10 percent in 2020 and under latest IMF projections is not expected to return to full potential until 2023. The availability of COVID-19 vaccines, less fatal variants of the virus and increased natural immunity, Jamaica has been able to revive its economy. The most recent October 2022 World Economic Outlook growth projections¹² for 2021 shows Jamaica returning to positive real growth of 4.6 percent and a further 2.8 percent in 2022.

COVID-19 affected both the demand and supply sides of the Jamaican economy. Demand was affected by lockdown and social distancing measures that prevented face to face transactions, which similarly affected supply and supply chains as workers were unable to travel to work. Consequently, unemployment increased, and firms reduced investment as profits fell sharply (see **Chart 7**).

Services, a sector which Jamaica is highly dependent on, was significantly impacted as face-to-face transactions were affected by lockdown measures. Industries that were hardest hit were in travel and tourism, which accounted for almost one-third of Jamaica’s GDP in 2019.¹³

Chart 7: Jamaica’s Unemployment and Investment Rates during COVID-19



Source: IMF World Economic Outlook April 2022 and Statista

So severe was the impact for Jamaica of COVID-19 on the travel and tourism sector that over 100,000 jobs were lost in 2020 alone. With the relaxations in travel restrictions and requirements introduced in 2021 Jamaica’s was able to open its economy again and revive economic activity through into 2022. The World Travel and Tourism Council¹⁴ show the contribution to GDP of the travel and tourism sector increasing by 36.2 percent in 2021 with projections for 2022 and 2023 building on this recovery.¹⁵ In September of 2022, the Tourism Minister, Hon. Edmund Bartlett, reported tourism earnings of more than US\$4 billion for 2022, which exceeds 2019 levels by about US\$100 million.¹⁶ Both the recovery of this sector and recoveries in other economic sectors have led unemployment to decrease to 6.6 percent in July of this year.¹⁷

¹² 2021 outturns are still open to revision.

¹³ See WTTC Economic Impact Report for Jamaica (<https://wttc.org/Research/Economic-Impact/moduleId/704/itemId/137/controller/DownloadRequest/action/QuickDownload>)

¹⁴ See <https://wttc.org/research/economic-impact> for Jamaica

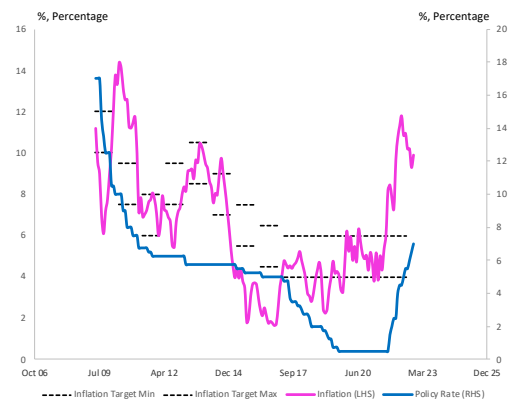
¹⁵ See <https://wttc.org/Portals/0/Documents/Reports/2022/Travel-and-tourism-in-the-caribbean.pdf>

¹⁶ <https://jis.gov.jm/tourism-earnings-to-exceed-us4-billion-this-year/>

¹⁷ See <https://jis.gov.jm/decline-in-unemployment-continues/>

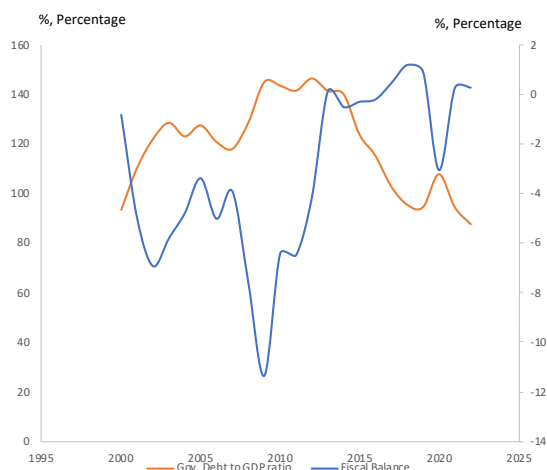
Despite the economic recovery over 2021 and 2022, the Jamaican Central Bank has had to tighten monetary policy as inflationary pressures have grown. Following 26 months - from August 2019 to September 2021 - of policy rates being held at 0.5 percent, inflationary pressures began to build over the summer of 2022. With inflationary pressures accompanying the return of the Jamaican economy back to its potential, the disruption to global food and fuel prices due to the war in Ukraine since February 2022 have compounded price increases to double digit levels and led to policy rates rising from 2.5 at the beginning of 2022 to 7 percent by year end.

Chart 8: Consumer price inflation and Policy Rates in Jamaica to 2022



Source: Central Bank of Jamaica

Chart 9: Jamaica’s Fiscal Response to COVID-19



Source: IMF World Economic Outlook April 2022

Outlook projections indicate that given Jamaica’s reliance on strategic imports of food and fuels, upward global price developments affected by the war in Ukraine could lead to a current account outturn of a 6 percent deficit in 2022.

For fiscal policy, the Jamaican Government resumed its IMF stabilisation commitment of reducing the public debt ratio to 60 percent by 2028 by operating a balanced budget. Since 2020, public debt to GDP has decreased from 108 percent to 96 percent in March 2022, and expected to fall below 90 percent by the end of fiscal year.¹⁸ Fiscal space is expected to remain tight until the government has met its fiscal commitment on public debt.

Externally, the current account continued to improve from a deficit of -0.4 percent of GDP in 2020 to surplus of 0.8 percent of GDP in 2021. However, latest IMF World Economic

The economic impact of the war in Ukraine on Jamaica

IMF projections for 2022 presented at the Autumn meetings showed Jamaica’s positive growth continuing but at a slower rate of 2.8 percent in 2022 compared to 2021 and increasing slightly to 3.0 percent in 2023. However, the war in Ukraine – which began on the 24th of February 2022 – together with pre-existing inflationary pressures presents Jamaica with substantial downside risks to growth as the Central Bank introduces measures to cool demand and the growth in consumer prices.

¹⁸ See <https://jis.gov.jm/debt-to-gdp-ratio-to-fall-to-96-per-cent/>

As a net importer of food and fuel, the war in the Ukraine presents substantial risks both directly – through adverse price developments in Jamaica’s strategic imports – and indirectly from the impact that the war has on economic prosperity of other countries by affecting Jamaica’s keys sectors like travel and tourism. Also, with the imposition of sanctions on countries sympathetic to Russia, these ripple effects may be wider, dynamic, and more protracted globally.¹⁹ Box 1 provides a short summary of the significance of Ukraine and Russia to global food and fuel security.

Box 1: The significance of Ukraine and Russia to food and fuel security.

Ukraine and Russia are significant to the global economy both in terms of food and fuel security. In terms of food security*:

- For **wheat**, Russia and Ukraine accounted for 14 percent of global wheat production from 2017 to 2021 and rank first and fifth, respectively. Both countries are prominent exporters, providing nearly 30 percent of global wheat exports.
- For **corn**, while the U.S. remains the dominant global producer (32 percent) and exporter (33 percent) for corn, Ukraine ranks fourth, contributing over 15 percent of world corn exports and Russia ranks sixth with a 2.3 percent share of corn exports.
- For **barley**, while the EU holds the dominant production share and is the leading region for world barley exports, Russia, and Ukraine account for about 19 percent of barley production and nearly 32 percent of barley exports.
- For **soybeans** and **vegetable oil**, while the global soybean market continues to be dominated by the U.S. and South America – with over 82 percent of world soybean production and almost 90 percent of soybean exports come from the U.S., Brazil, and Argentina - both Russia and Ukraine rank in the top 10 for soybean production and exports, but together represent just 2.3 percent of production and 2.1 percent of exports globally.
- For **sunflower oil**, Ukraine, and Russia, are leading producers and exporters of sunflower oil which comprises a 9 percent production share and around 2 percent of the export share for the world vegetable oil market. Almost 60 percent of world sunflower oil production is from Ukraine and Russia, and these two countries alone account for over 75 percent of world exports.

For fuel**:

- Russia is one of the world’s top 3 **crude oil** producers, alongside Saudi Arabia and the United States. In 2021, its crude and condensate output reached 10.5 million barrels per day (bpd), making up 14 percent of the world’s total supply. In 2021 Russia exported an estimated 4.7 million bpd of crude globally. China was the largest importer of Russian crude (1.6 million bpd), but a significant volume also went to Europe (2.4 million bpd). Russia produces several different types of crude oil, but its main export blend is Urals, which is a medium sour crude, and has extensive crude export pipeline capacity, allowing it to move large volumes directly to Europe and Asia. Currently, it supplies around 20 percent of total European refinery crude throughputs.
- Russia has a substantial **refining capacity**, estimated at 6.9 million bpd, and produces oil products, such as gasoline and diesel. In the past decade, Russian companies have invested heavily in primary and secondary refining capacity and have been able to shift its motor fuel production to meet Euro 5 (10 ppm) standards.
- Russia also is a major exporter of **vacuum gasoil** and **heavy fuel oil**. In 2021, Russian refineries processed 5.6 million bpd of crude and exported 2.8 million bpd of oil products. Europe remains a major market for Russian products receiving 10 percent of its demand (750,000 bpd) of diesel.
- Russia is the world’s largest gas exporter and second-largest producer of **natural gas**, behind the United States. It has the world’s largest gas reserves and in 2021 the produced 762 bcm of natural gas and exported around 210 bcm via pipeline.

¹⁹ For example, sanctions on exports from Belarus are likely to have ripple effects in global fertiliser markets, as Belarus accounts for about 16 percent of global potash fertiliser exports.

Box 1: The significance of Ukraine and Russia to food and fuel security (continued...).

- It has a wide-reaching **gas export network**, with transit routes through Belarus and Ukraine, and pipelines direct into Europe. Russia’s natural gas accounted for 45 percent of imports and almost 40 percent of EU gas demand in 2021. This share has increased in recent years, as European natural gas production declined. Germany, Turkey, and Italy are the largest importers of Russian natural gas.
- Russia has been expanding its **liquefied natural gas (LNG)** capacity and in 2021, the government released a long-term LNG development plan, targeting 110-190 bcm/year LNG exports by 2025. Russia exported 40 bcm of LNG in 2021, making it the world’s 4th largest LNG exporter and accounting for about 8 percent of global supply.

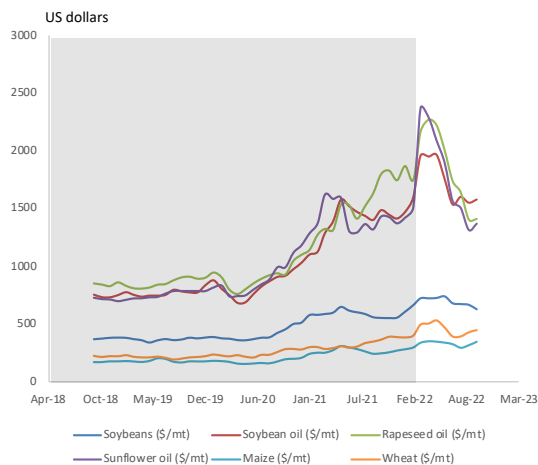
*See <https://ocj.com/2022/03/ukraine-russia-and-crop-production/>

** See <https://www.iea.org/articles/energy-fact-sheet-why-does-russian-oil-and-gas-matter>

- *Direct impacts*

Conflict in key crop producing regions within Ukraine, notably Luhansk and Donetsk during the initial months, but spreading to other areas as the conflict progressed, heavily influenced food prices where Ukraine, Russia, and other countries upon whom sanctions were imposed, are important to global supply.

Chart 10: Selected Global Food Price Developments 2019 to 2022



Source: World Bank Pink List <https://www.worldbank.org/en/research/commodity-markets>

As a dominant producer globally of sunflower seeds and oil, the war in Ukraine caused a 58 percent increase in the price of sunflower oil between February and March 2022. Price spikes in complimentary cooking oils – rapeseed and soybean oil – of 24 percent and 23 percent also occurred as countries brought forward their purchases of these products (Chart 10) anticipating future shortages in supply.

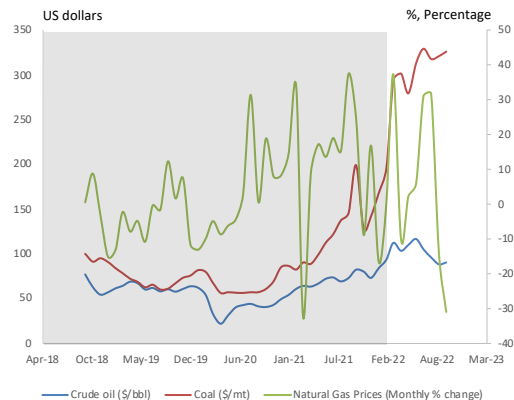
In the months since March, prices of each of these oil food products have fallen back as supply concerns subsided and markets stabilised. However, the continuing conflict and impacts on global commodity markets means that periods of price instability are likely to arise and uncertainty prevail for the foreseeable future.

For maize and wheat, where Ukraine and Russia are important to global supply, price increases in the initial months of conflict were apparent but less dramatic. For maize, prices increased by almost 15 percent between the months of February and March, and for Wheat the increase was higher at 24.5 percent. Similar to sunflower and other oils, prices have begun to decrease, particularly between the months of May through to July, but this was short lived as prices began to rise again in the months of September and October this year.

On fuels, price developments followed a similar path to food prices, with sharp spikes in prices in the initial months of conflict, and then subsiding as oil markets adjusted. For crude oil, Chart 11 shows that global prices jumped 20 percent over February to March 2022 (from US\$94 per barrel to US\$112 per barrel).

For natural gas, where prices have been particularly volatile over the course of 2021, prices increased by 37 percent between February and March due in large part to sanctions imposed on Russia.

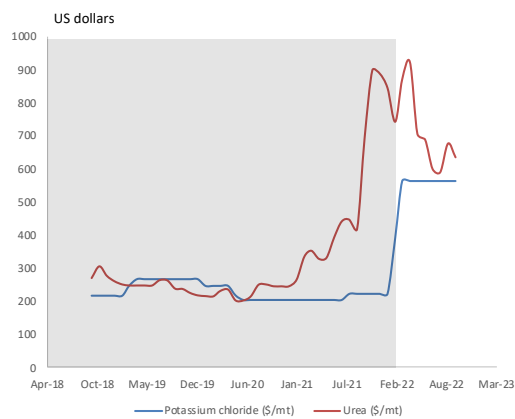
Chart 11: Selected Global Fuel Price Developments 2019 to 2022



Source: World Bank Pink List
<https://www.worldbank.org/en/research/commodity-markets>

The most dramatic price development has been in coal markets, where prices increased by almost 50 percent in the month following the Russian invasion. Pending sanctions on coal exports from Russia, particularly by the EU, spurred forward buying of Russian coal among certain countries across Europe.

Chart 12: Selected Global Potassium and Urea Price Developments 2019 to 2022



Source: World Bank Pink List
<https://www.worldbank.org/en/research/commodity-markets>

Other impacts from the war have been felt in sectors where sanctions have been imposed on the exports from countries sympathetic to Russia, notably Belarus. Belarus is a significant supplier of potassium globally. Sanctions on Belarus have disrupted supply causing potassium prices to increase by 44 percent, between February and March 2022 compounding the substantial price increase of 77 percent that occurred between January and February.

The sharp rise in potassium prices over the first quarter 2022 is anticipated to have an impact on nitrogenous – ammonia and urea – fertiliser prices, for which potassium is key feedstock (see Chart 12). The pass-through of fertiliser prices to the retail prices of agricultural products has the potential to add future inflationary pressure both to Jamaica and globally.

While inflationary pressures were building in 2021, the war in Ukraine has had a compounding impact. In the 8 months since February, the consumer price index increased by 7.4 percent, of which food and fuels accounted for 5 percentage points (see Chart 13).

- *Indirect impacts*

With inflation increasing over the course of 2022 both in Jamaica as well as globally, monetary as well as fiscal tightening measures to control price rises are likely to affect growth in 2022 and 2023 by their effect on domestic demand.

With growth globally projected at 2.9 percent for 2023²⁰ this will have ripple effects on the Jamaican economy through travel and tourism, exports, particularly nostalgia exports, etc. sectors as well as through remittances, to which the performance of the Jamaican economy depends.

Overall, Jamaica’s economic performance and 2022, while forecast to be positive is expected to be affected by tighter macro-economic policies, as the Jamaican and other governments respond to control inflation with higher policy rates. Moreover, on-going war in Ukraine continues to pose risks to the global economy and as the Jamaican Government continues to fulfil its commitment to reduce public indebtedness, fiscal space is likely to be limited in the years ahead.

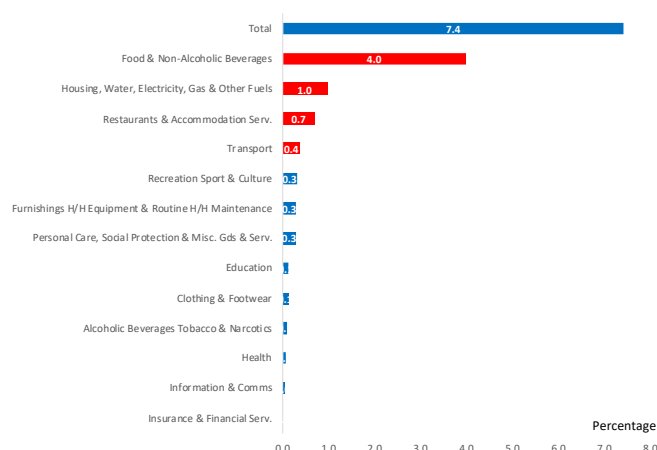
Impact on shared prosperity and economic resilience in Jamaica?

Overall, the continued recovery of the Jamaican economy in 2022 from COVID-19 pandemic has supported the first MSDCF pillar of *Shared Prosperity and Economic Resilience*. Higher incomes and lower unemployment have assisted the reversal in many of this pillar indicators and reversed losses that had accrued during the worst year of COVID-19.

The MSDCF illustrated a concordance between the SDGs and its priority pillars and outcomes. For this pillar, the outcomes expected were more productive and competitive business ecosystem designed to improve people’s standards of living and well-being; and a Caribbean that has fully transitioned to a more diversified and sustainable economy that supports inclusive and resilient economic growth.

Success in this pillar would promote advancements in SDGs 1 - No Poverty, 2 - Zero Hunger, 8 - Decent Work and Economic Growth and 9 - Industry, Innovation and Infrastructure that are associated with enhanced business ecosystem and SDGs 2 – Zero Hunger, 7 – Affordable and Clean Energy, 8 – Decent Work and Economic Growth, 9 – Industry, Innovation and Infrastructure, 12 - Responsible Consumption and Production, and 17 – Partnerships for the Goals, associated with a transitioned, diversified and sustainable economy.

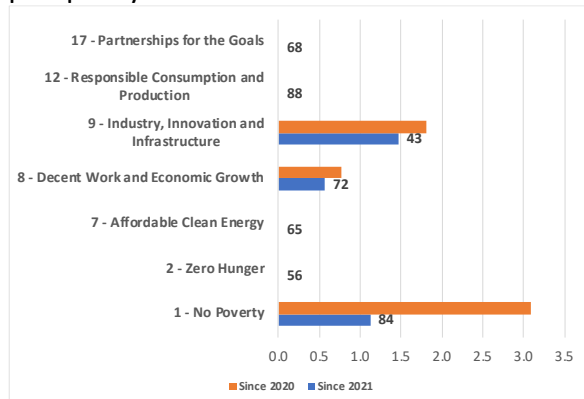
Chart 13: Price developments in Jamaica since February 2022



Source: Statistical Institute of Jamaica

²⁰ See the January 2023 IMF World Economic Outlook update (<https://www.imf.org/en/Publications/WEO>)

Chart 14: Progress on advancing shared prosperity and economic resilience



Source: UN Sustainable Development Solutions Network

Chart 14 shows the progress made in the seven SDGs associated with shared prosperity and economic resilience since 2020 and since 2021. Over the past year (in blue) Jamaica has advanced SDG 1 - Reducing Poverty; SDG 8 - Decent Work and Economic Growth; and SDG 9 Industry, Innovation, and Infrastructure. While Jamaica has been able to increase the momentum of SDGs 8 and 9 into 2022, for SDG1, progress, while positive, has slowed on 2021 levels into 2022.

For SDGs 8 – Decent Work and Economic Growth and 9 – Industry, Innovation, and Infrastructure, although progress was modest over this period Jamaica made more progress on these Goals in 2022 than it did over the previous year. For Goals 2 – Zero Hunger, 7 – Affordable Clean Energy, 12 – Responsible Consumption and Production and 17 – Partnerships for the Goals associated with this pillar no material progress to influence these SDG scores has been made.

In the light of these developments, while greater attention is needed across all these goals, special attention on SDG 9 to increase the momentum further on Jamaica’s lowest scoring SDG is required. Similarly for SDG 2, in which no progress is shown by the index, ensuring that growth increases prosperity inclusively will be important in the years ahead.

- ***Pillar 2: Equality, Well-Being and Leave No One Behind***

For this pillar focused on equality, well-being and leave no one behind, developments in this update over the past year cover unemployment and the labour market, education, health, and shock responsive developments in social protection. Taking each in turn:

- ***Unemployment and the Labour Market***

The COVID-19 pandemic had profound impacts on the Jamaican labour market. Both the dramatic fall in demand caused by lockdown measures combined with these same measures affecting workers ability to participate in labour markets caused a dramatic rise in unemployment. To put this into perspective, in the four years leading up to COVID-19, unemployment fell from 13.2 percent of the labour force to 7.7 percent in 2019. Between 2019 and 2020, it had jumped back up to 10.2 percent, with workers in the accommodation and food services and transportation and storage sectors being especially affected by the decline in tourism. So severe were the impacts from COVID-19 on the labour market that the Jamaican government – along with many others globally – introduced socio-economic support packages, e.g., COVID-19 Allocation of Resources for Employees (CARE) Programme - to assist vulnerable workers, especially in those sectors most adversely affected by closures and reduced business.

With the introduction of vaccines, the advent of less severe variants of COVID-19 and the increase in natural immunity, over the course of 2021 and 2022, the Jamaican government took steps to lower safe-guarding restrictions that enabled economic activity to recover.

With this recovery, unemployment fell sharply with rates reported to have reaching as low as 6.6 percent of the labour force in July 2022.²¹

While the fall in unemployment in 2022 has been impressive, there remain differences in gender outcomes that are of concern. The initial job losses caused by COVID-19 fell most heavily on female workers, who prior to COVID-19 were already experiencing higher unemployment rates compared to male workers. In 2019, female unemployment was 9.9 percent, compared to 5.8 for males, and despite a sharp decline in unemployment in 2022, female unemployment remained above males (8.2 percent compared to 5.2 percent).²²

Similarly for Jamaica's youth – aged 15 to 24 years – the unemployment rate increased to almost 26 percent in 2020, with the incidence again falling most heavily on females (30.8 percent versus 21.5 percent for males).²³ By July 2022, youth unemployment remained stubbornly high at 16.7 percent. With income inequality measures for Jamaica somewhat dated (last measured in 2004, with a GINI coefficient of 45.5²⁴), COVID-19 will have increased inequality, particularly along age and gender lines.

- **Educational access and outcomes**

Jamaica has traditionally been a strong performer in terms of the quality of education it provides. This is evidenced by SDG 4 being among its strongest goals. However, since 2000 and particularly since COVID-19, the score of this goal has declined and it currently stands at 81.1 and just below the average of the LAC region.²⁵

In June 2021, the Jamaican Government²⁶ launched a Public Expenditure Review (PER) on the education sector to assess the adequacy, efficiency, and quality of public spending. This review, which followed the Jamaican Education Transformation Commission report in September 2021²⁷, was motivated by concerns that public education expenditures in Jamaica were not reaping commensurate education outcomes. This review²⁸ concluded that while the level of public education spending was adequate compared with the level of spending by governments in comparator countries, it was not delivering commensurate education outcomes. Jamaica's learning adjusted years of schooling, while comparable to countries of similar income levels, lagged those with similar expenditure levels.

The review concluded that by reallocating resources between education levels, educational outcomes across Jamaica could be improved. At the Global Transforming Education Summit (TES)²⁹ held over the 16th to the 19th September 2022 the Jamaican Government committed to improve the teaching profession by:

²¹ <https://jis.gov.jm/decline-in-unemployment-continues/#:~:text=Director%20General%2C%20Statistical%20Institute%20of%20Jamaica%2C%20Carol%20Coy.&text=The%20Statistical%20Institute%20of%20Jamaica,the%20corresponding%20period%20last%20year.>

²² See <https://statinja.gov.jm/LabourForce/NewLFS.aspx>

²³ See <https://www.statista.com/statistics/812123/youth-unemployment-rate-in-jamaica/>

²⁴ See World Bank World Development Indicators

²⁵ See <https://dashboards.sdginde.org/downloads>

²⁶ Supported by UNICEF and the World Bank.

²⁷ See <https://opm.gov.jm/wp-content/uploads/flipbook/jetc-reform-of-education-in-jamaica-2021/>

²⁸ See

<https://www.unicef.org/jamaica/media/3541/file/Public%20Expenditure%20Review%20of%20the%20Education%20Sector%20in%20Jamaica.pdf>

²⁹ See <https://www.un.org/en/transforming-education-summit>

- Creating opportunities for teachers to improve their educational levels so that more teachers hold university degrees and teacher certification.
- Introducing financial incentives and support for the development of comprehensive policies for teachers and teaching personnel.
- Improving pupil-teacher ratios.
- Providing teachers with the requisite resources and enabling environments to better utilize methods to improve student engagement and learning outcomes.
- Providing incentives to encourage retention.
- Engaging teachers and educators in decision-making processes.

Notwithstanding important data gaps in this field, the Jamaican Government also committed to promote greater inclusion for students with disabilities as well as support teachers through training who are engaged with disabled students.

COVID-19 has had a dramatic impact on Jamaica's education system. School closures affected students' ability to access education. From-home schooling was found to be a poor substitute to face-to-face learning as students lacked the benefits from social interactions and challenges among students and teachers of having adequate access to WIFI and digital devices meant frequent interruptions or no access at all to lessons. Moreover, adapting to new learning and teaching styles online required additional training both for students and teachers. Data collected by UNESCO showed that between 13th of March 2020 and the 31st of March 2022, Jamaican schools were closed for 26 weeks with face-to-face tuition replaced by on-line learning. Schools across Jamaica were partially opened for 46 weeks from 5th of October 2020 and were fully opened from the 7th of March 2022.³⁰ Official estimates published in the second Voluntary National Review suggest that learning losses due to COVID-19 could be as much as 1.3 years.

- **Health and Health Systems**

For health, non-communicable diseases (NCDs) are both recognised as a leading cause of death in Jamaica as well as posing a substantial economic cost.³¹ The most recent health and lifestyle survey in 2018 showed that 33.8 percent of Jamaicans over the age of 15 had hypertension; 12 percent of Jamaicans above the age of 15 suffered from diabetes; and 54 percent of Jamaicans were classified as being overweight. Many of these pre-conditions were already placing strong demands on the Jamaican health system. At 1.7 per 1000 of the population in 2022, bed capacity in the Jamaican health system is below many others across the Caribbean on this measure.³² Through the recent waves of COVID-19 variants Jamaica has, however, been fortunate to have contained the level of fatalities on the 31st of December 2022 at 0.1 percent of the population.

The readiness of health systems to cope with a high number of COVID-19 cases has been a shared concern for the Caribbean. Ranked at 120 of 195 countries on the Global Health Systems Index³³ areas within the national health system shown in need of attention span

³⁰ See <https://covid19.uis.unesco.org/global-monitoring-school-closures-covid19/>

³¹ See <https://jis.gov.jm/ncds-must-be-seen-as-an-economic-problem-dr-tufton/>

³² See Our World in Data, <https://ourworldindata.org/covid-cases>

³³ Jamaica was assessed across six categories – prevent, detect, respond, health, norms and risk – for the Global Health Security Index.

the ability range from Jamaica's ability to detect, respond, and prevent. In their latest assessment, Jamaica lies below the regional average on 5 of the 6 criteria.

- **Social Protection**

Over 2 years into the pandemic, COVID-19 continues to impact on people's livelihoods. The August 2022 Regional Food Security and Livelihoods Survey by the World Food Programme (WFP)³⁴ found that over one-half of the Jamaican respondents (54 percent) faced a disruption to their livelihoods in the two weeks prior to taking the survey, with higher livelihood input prices being of most concern. When respondents were asked to look forward, almost three-quarters expected impacts to their livelihoods to continue, with those on lower incomes, living in rural areas, engaged in casual labour or reliant on the support of others holding the most pessimistic outlooks. Deteriorating incomes remain prevalent, with one-half of respondents reporting that their household had experienced a job loss or reduced income since the start of the pandemic (compared to 29 percent in the April 2020 survey). Respondents' main concerns included their inability to cover their essential needs (51 percent), particularly their food needs (48 percent) with household budgets squeezed by rising food prices.

According to the prevalence rates of food insecurity in Jamaica, over half of respondents (68 percent) were found to be moderately or severely food insecure, with the lowest income household being the hardest hit. More respondents from Jamaica are reporting going a whole day without eating and skipping meals in August 2022 compared to April 2020. Lowest income households were most likely to resort to negative coping strategies, and over half reported to have no food stocks when surveyed. To mitigate this, respondents were drawing on savings (84 percent) to meet their food and other needs and taking measures like reducing their spending on education and health services and selling productive assets as necessary coping strategies. With food insecurity risks deepening social protection mechanisms are becoming an important social-safety net for many Jamaicans.

Impacts on equality, well-being and leave no one behind in Jamaica?

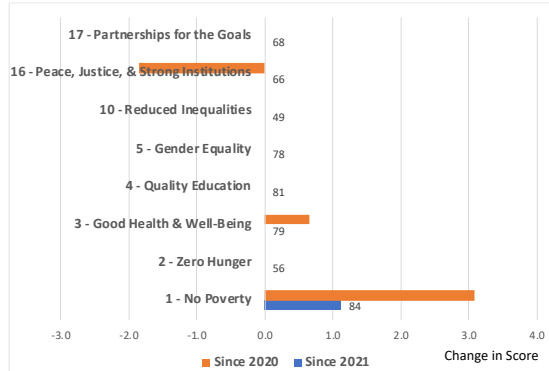
For equality, well-being and leave no-one behind, the key outcomes expected are national governments and regional institutions to use relevant data and information to design and adopt laws and policies to eliminate discrimination, address structural inequalities and ensure the advancement of those at risk of being left furthest behind; and people in the Caribbean equitably access and utilize universal, quality and shock responsive social protection, education, health, and care services.

To these outcomes, Goals 5 - Gender Equality, 10 - Reduced Inequalities, 16 - Peace, Justice, and Strong Institutions and 17 - Partnerships for the goals were associated with the first outcome and for enhanced data and policies Goals 1 – No Poverty, 2 - No Hunger, 3 - Good Health and Well-being, 4 - Quality Education, 5 - Gender Equality, and 10 - Reduced Inequalities were associated with the second.

³⁴ See

<https://analytics.wfp.org/t/Public/views/CaribbeanFoodSecurityLivelihoodsImpactSurvey/Overview?%3Aembed=y&%3AisGuestRedirectFromVizportal=y>

Chart 15: Progress on advancing equality, well-being and LNOB



Source: UN Sustainable Development Solutions Network

Chart 15 shows that since 2021, Jamaica has made modest progress to increase its SDG scores on 7 of these 8 Goals. Moreover, on SDG 1 while Jamaica score has improved, most of this was achieved in 2021 rather than in 2022. For Goal 16, Jamaica has yet to redress the losses in this score that occurred due to COVID-19.

These developments show a strong motivation to support Jamaica’s advancements on the SDGs that have stagnated over the past year, with an emphasis on those that have deteriorated in

recent years, notably SDG 16 and low SDG score Goals like SDG 2 – Zero Hunger and SDG 10 – Reduced Inequalities. With recent survey evidence highlighting the food security concerns of respondents across Jamaica, interventions that address these would also assist Jamaica improve SDG 2.

- **Pillar 3: Resilience to Climate Change, Shocks and Natural Resource Management**

Jamaica faces many climate-change hazards. Its geographical location makes it highly vulnerable to sea level rise, changing rainfall patterns, extreme tropical and extratropical storms and cyclones and increased air and sea surface temperatures. With the frequency and intensity of natural hazard events increasing, like other Caribbean small island developing states, Jamaica is highly vulnerable.

While Jamaica has not experienced a severe tropical cyclone in the past year, it has been impacted by 15 tropical cyclones since 2000 (most recent Hurricane Matthew Category 4 in September 2016) and continues to be under threat from hydrological hazards that have the potential to cause human disruption and infrastructural damage. With a high proportion of Jamaica’s infrastructure and population (almost 10 percent³⁵) located on low-lying coastal areas, Jamaica is particularly vulnerable to hurricanes, storm surges, as well as the coastal erosion from rising sea-levels. Moreover, with 84 percent of water supply reliant on ground water sources³⁶ rising sea levels caused by global warming poses a particular concern.

Most recent global indices on climate risk, like Germanwatch’s Climate Risk Index³⁷, which measures a country’s propensity or predisposition to be affected by climate related hazards; and the Environmental Performance Index measuring the state of a country’s sustainability show Jamaica to be among the most vulnerable to climate risk (130th of 180 countries).

³⁵ See UNDESA (<https://www.un.org/development/desa/dpad/least-developed-country-category/ldc-data-retrieval.html>)

³⁶ See <https://www.olasdata.org/en/jamaica/#:~:text=Jamaica%20is%20the%20third%20largest,water%20from%20rivers%20and%20streams.>

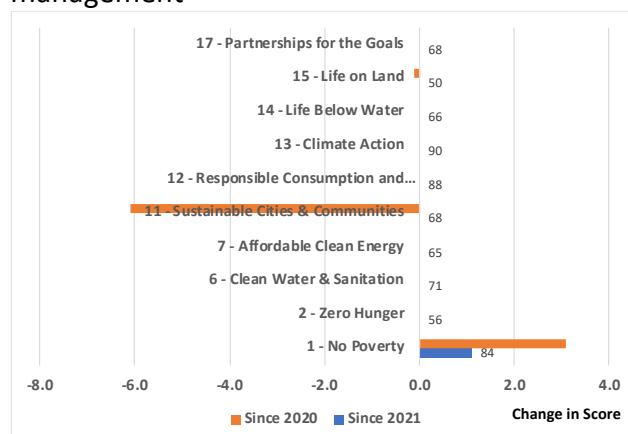
³⁷ See https://www.germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202021_2.pdf

Impacts on resilience to climate change, shocks, and natural resource management in Jamaica?

For developments in resilience to climate change, shocks and natural resource management, the key outcomes expected are that Caribbean people, communities, and institutions have enhanced adaptive capacity for inclusive, gender responsive Disaster Risk Management and climate change adaptation and mitigation; and that Caribbean countries manage natural resources and ecosystems strengthening their resilience and enhancing the resilience and prosperity of the people and communities that depend on them.

To these MSDCF outcomes Goals 1 - No Poverty, 2 - No Hunger, 7 - Affordable and Clean Energy, 11 - Sustainable Cities and Communities, 12 - Responsible Consumption and Production, 13 - Climate Action, and 17 - Partnerships for the goals were associated with climate change adaptation capacities and disaster risk management, with Goals 2 - No Hunger, 6 - Clean water and sanitation, 12 - Responsible Consumption and Production, 14 - Life Below Water, and 15 - Life on Land associated with natural resource management.

Chart 16: Progress on advancing resilience to climate change, shocks, and natural resource management



Source: UN Sustainable Development Solutions Network

Chart 16 shows that apart from SDG 1, which is also associated with other priority pillars of the MSDCF, Jamaica has not registered any progress to change its SDG score on 7 of the 10 SDGs associated with this priority over the past two years.

For SDG 11 – Sustainable Cities and Communities and SDG 15 – Life on Land, Jamaica’s SDG score has declined, with no progress registered to reverse these losses in 2021.

The implications for UN support on this priority pillar is wide ranging but most pressing on the goals that have suffered reversals in recent years - SDGs 11 and 15. For SDG 15, its score of 50 means that it is also an SDG that is furthest behind for Jamaica, which together with SDG 2 – Zero Hunger with an SDG score of 56 will require special attention to reverse the losses and advance progress in the years ahead.

- **Pillar 4: Peace, Safety, Justice, and Rule of Law**

Jamaica remains an internationally peaceful country but internally suffers from high levels of crime, particularly violent crime. The homicide rate per 100,000 of the population in 2022 was 43.85.³⁸ Official figures for January to August 2022 show that Category One Crimes³⁹ increased by 1.6 percent on the same period a year earlier. Over 2022, other serious and

³⁸ <https://www.statista.com/statistics/262963/ranking-the-20-countries-with-the-most-murders-per-100-000-inhabitants/>

³⁹ Category One Crimes are those considered serious and are often coupled with acts of violence – falling in i) serious and violent crimes (murder, shooting, rape, and aggravated assault); and ii) acquisitory crimes (robbery, break-in, and larceny).

violent crimes have reached levels that are just below what they were for 2021 and remain a serious problem for Jamaica.⁴⁰

2022 saw an increase of 6.8 percent in murders in comparison to 2021, with gang violence associated with 71 percent of those murders.⁴¹ To curb murder rates which are strongly related to inter- and intra-gang conflict over the course of 2022, States of Public Emergency have been declared that give the Jamaica Defence Force extra-ordinary rights to contain and reduce period of violence.

Since the last CCA update for Jamaica, violence in schools has been on the rise. In response the Ministry of Education and Youth (MOEY) announced this year an initiative aimed at targeting violence in schools and targeted halving the level of violence in schools by November 2023. Utilising a multifaceted approach, this initiative aims to improve the physical infrastructure, teaching, and incentivising strategies for peacebuilding in schools.⁴²

Young people (aged between 15-24) in Jamaica are the group that is most affected by violence both as victims and as perpetrators.⁴³ Negative narratives around youth continue, highlighting the need to engage youth in peacebuilding and violence prevention actions. In 2022, youth-led research⁴⁴ in Jamaica found that youth participation in policymaking on peace and security remains very limited.

In addition to violent crime, acquisitory crimes have also increased markedly on 2021 levels. Robberies increased by 13.3 percent (from 520 to 589) and break-ins by 5.8 percent (from 600 to 635) in 2022.

On human rights, recent external assessments of developments in Jamaica have been mixed. While Jamaica's national elections were transparent, free, fair, and peaceful, there have been reports of unlawful killings by security forces; harsh conditions in prisons and detention facilities; arbitrary arrests and detention; corruption; a lack of accountability for gender-based violence; and the continued criminalizing of consensual same sex sexual conduct between adults.⁴⁵ When steps have been taken to uphold the accountability of those responsible for human rights abuses, there are reports that these steps have not been universally applied. On corruption, the full implementation of the law is still pending. Box 2 summarises a recent assessment by the US government on human rights in Jamaica.⁴⁶

⁴⁰ For rape, this has shown the highest decline of 18 percent (from 316 to 259) in 2022 with aggravated assault also decreasing on 2021 levels by 3.8 percent (from 757 to 728).

⁴¹ See <https://www.reuters.com/world/americas/jamaica-declares-regional-states-emergency-due-gang-violence-2022-11-15/>

⁴² See <https://moey.gov.jm/just-medz-it-campaign-to-end-violence-in-schools-2/>

⁴³ See https://youth4peace.info/system/files/2018-04/6.%20CFR_Jamaica%20Case%20Study_Elizabeth%20Ward_0.pdf

⁴⁴ See https://en.unesco.org/sites/default/files/policy_jam_factsheet_1.pdf & https://en.unesco.org/sites/default/files/gov_jam_factsheet_0.pdf

⁴⁵ See https://www.state.gov/wp-content/uploads/2022/02/313615_JAMAICA-2021-HUMAN-RIGHTS-REPORT.pdf

⁴⁶ See <https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/jamaica/> for full report.

Box 2: Summary of human rights issues in Jamaica

A 2021 US government report on human rights assessed Jamaica's human rights across seven criteria.

1. Respect for the integrity of the person

There are reports of arbitrary and unlawful killings by Jamaican security forces in 2021. On arbitrary arrests and detentions, while the constitution allows arrest conditional on their being a reasonable suspicion of an offence having been committed or being about to commit, there are reports that official procedures were not always followed. Once detained, there are also reports that detainees did not have access to legal counsel or able to notify family members of their detention. Prison and distension centre conditions were also of concern, with concerns of overcrowding, physical abuse, limited food, poor sanitary conditions, inadequate medical care, and poor administration raised. On providing a fair public trial, while this is generally upheld, the backlog of criminal cases resulting from COVID-19 was claimed to undermine the process of receiving a fair public trial. On arbitrary and unlawful interferences, the police have faced accusations of searches conducted without warrants, and in ZOSOs and SOEs, there are reports of biometric information taken from temporarily detained persons by security forces.

2. Respect for Civil Liberties

On freedom of expression, Jamaica has performed well across internet freedom, academic freedom and cultural events, freedoms of peaceful assembly and association, freedom of religion and freedom of movement and the right to leave the country.

3. Freedom to Participate in the Political Process

On freedom to participate in the political process, Jamaica performs well. The last national elections were judged to be transparent, free, fair, and peaceful and Jamaica has no laws which limit the participation of women or members of minority groups in politics.

4. Corruption and Lack of Transparency in Government

On corruption, implementing the law on corruption remains pending and media and civil society organizations have highlighted the pace at which corruption cases are addressed.

5. Governmental Posture Towards International and Non-governmental Investigation of Alleged Abuses of Human Rights

There has not been evidence to indicate that the Jamaican Government interferes in the operations of human rights groups.

6. Discrimination and Societal Abuses

For discrimination and societal abuses, while prohibiting laws exist, enforcement of these laws has been under the spotlight.

- For *abuse*, a key development in November 2021 was the Government's approval of the Sexual Harassment Act that created a legal definition of sexual harassment in private workplaces and public institutions. For children, while Jamaican laws ban abuse and mistreatment of children in all its forms, including neglect, The National Children's Registry has received a substantial number of reports of child abuse in 2020. Corporal punishment and other forms of child abuse are prevalent and physical punishment in schools remained commonplace. On sexual exploitation of children, the law criminalizes the sexual exploitation of children but there are continued reports of sexual exploitation and child sex trafficking.
- On *discrimination* this covers many groups. For *gender* discrimination, while the law provides the same legal status and rights for women as for men, women encounter discrimination in the workplace through their earning and job opportunity. For *ethnicity*, while the right to freedom from discrimination based on race and skin colour exists, there are no laws or regulations prohibiting discrimination on the grounds of ethnicity. For persons with *disabilities*, the law prohibits discrimination but does not mandate accessibility standards. For persons with *HIV and AIDS*, there are reports of the continued stigma and discrimination of person with this disease that gives rise to individuals rejecting treatment for HIV. For *acts of violence*, criminalization, and other abuses based on sexual orientation and gender identity, comprehensive antidiscrimination legislation protecting the rights of LGBTQI+ persons have still to be developed.

7. Worker Rights

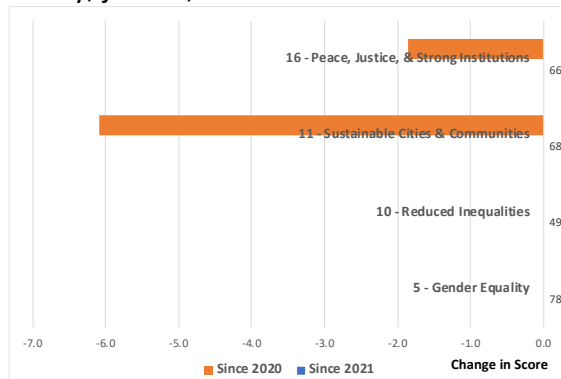
On freedom of association and the right to collective bargaining in Jamaica, some aspects of the law inhibit the ability of certain workers to organize, particularly those undertaking essential services. In other areas, notably on the prohibition of forced or compulsory labour and prohibition of child labour and minimum age for employment, where laws exist, enforcement remains an issue. This is particularly prevalent in the informal sector where information and oversight are weak. On discrimination with respect to employment and occupation, while right to freedom from discrimination based on gender, race, place of origin, social class, skin colour, religion, and political opinion exist, the law does not prohibit discrimination on the grounds of ethnicity, nationality, sexual orientation, or gender identity. For acceptable working conditions and occupational safety and health, laws exist to protect workers, notably for a 40-hour week and suitable health and safety standards (under ILO guidelines) but the universal application of the law to restrict workdays to 12 hours or less has yet to be implemented or for their being adequate provision of Official inspectors to identify violations and enforce workplace regulations, particularly in the informal sector.

Impacts on peace, safety, justice, and rule of law in Jamaica?

For developments in peace, safety, justice and rule of law, the key outcomes expected from the MSDCF are regional and national laws, policies, systems, and institutions improve access to justice and promote peace, social cohesion, and security; and people in the Caribbean and communities actively contribute to and benefit from building and maintaining safer, fairer, more inclusive, and equitable societies.

To these outcomes, Goals 5 - Gender Equality, 10 - Reduced Inequalities, and 16 - Peace, Justice and Strong Institutions were associated with justice and peace, with Goals 5 - Gender Equality, 11 - Sustainable Cities and Communities, and 16 - Peace, Justice and Strong Institutions are associated with the second outcome of building and maintaining safer, fairer, more inclusive, and equitable societies.

Chart 17: Progress on advancing peace, safety, justice, and the rule of law



Source: UN Sustainable Development Solutions Network

SDGs that have stagnated since COVID-19 and for which are furthest behind, i.e., SDG 10.

Chart 17 shows that while there has been little material progress registered to enhance the scores of the four SDGs associated with this priority since 2021, Jamaica has not reversed the losses on SDG 11 – Sustainable Cities and Communities and SDG 16 – Peace, Justice and Strong Institutions have both deteriorated in 2000 to 2021.

These developments for this pillar show a clear motivation to assist Jamaica reverse the declines recorded in SDGs 11 and 16, while at the same time support Jamaica revive

Multi-Dimensional Vulnerabilities to Sustainable Development

At the time of Common Country Analysis in December 2020, the main risks to sustainable development for Jamaica, based on views polled across UN Agencies, were environmental, particularly the adverse consequences from climate change; public health related from new and more virulent waves the COVID-19; economic stability; and social cohesion, including crime and violence, gender equality and non-discrimination associated vulnerabilities. In the light of development over the past year these vulnerabilities remain relevant today.

While the Jamaican economy is still recovering from one of its worst periods in recorded history, the risk to Jamaica’s outlook and future sustainable development remains substantial. On the upside, politically, the present government’s large majority – 48 of the 63 seats in the House of Representatives – achieved at the 2020 elections by the Jamaican Labour Party, suggests that Jamaica will remain politically stable over the current five-year term of Office. However, on economic stability, transformation, and resilience, while past IMF supported reforms have assisted with the introduction of rules based fiscal and monetary methods for economic stability, economic growth has remains subdued. The Government’s commitment to reducing public debt to 60 percent of GDP by 2028 in the absence of higher growth will mean that fiscal space for large transformational and resilience-building development projects is unlikely to become available from public expenditures until 2028. Alternative innovative financing methods and solutions will, therefore, need to be sought to assist Jamaica’s financing of its SDGs to deliver them by 2030. A risk looming for Jamaica in the coming years is how it, and others globally, can bring inflation down. Strong measures taken both domestically in Jamaica and in countries that Jamaica depends heavily on for trade, tourism, and other financial flows – e.g. the United States, United Kingdom, and Canada – will cool demand and have an impact on growth. Also

a heightening of the turbulence that we have seen in global markets over the past year could have further ripple effects that impact on Jamaica’s economic prospects.

For environmental and climate change risks, experience shows for the Caribbean region this risk cannot be discounted. IMF analysis⁴⁷ shows that Caribbean countries share in their vulnerability to frequent and costly natural disasters that in the years ahead are expected to be amplified by the adverse impact of climate change. For Jamaica, the impacts of climate change extend beyond the destructive presence of hurricanes for Jamaica, with more varied patterns in rainfall and rising sea levels exposes Jamaica to more frequent water shortages due to its reliance on ground water sources. Environmentally too, Jamaica’s sustainability has deteriorated recently.⁴⁸ Effective natural resource management to ensure Jamaica’s sustainability will be crucial if it is to build resilience in the coming years.

For violent crime and human rights, increases in violent crime are pervasive and threaten social cohesion, economic stability, and ultimately can have an impact political stability. A heightening of these risks would divert attention and transformative resources away from Jamaica’s priority development needs, to slow Jamaica’s future prosperity and resilience building that provide important buffers to other risks.

Financing Landscape

Table 3 shows that the financing landscape for Jamaica presents several options through which it can finance its sustainable development.

Table 3: Summary of Financing Sources

	Domestic	Foreign
Public	Government expenditures	ODA
Private	Investment, Charities	FDI, Remittances, Charities

Source: Common Country Analysis – Jamaica 2020

From public sources, Jamaica can finance its sustainable development both domestically from government expenditures, paid for through revenue mobilisation or debt as well as internationally through Official Development Assistance. Private financial flows too are important sources of finance for Jamaica either through domestic channels like investment and charities as well as through international channels like foreign direct investment, tourism revenues, income remitted from abroad and charity donations from organisations based overseas.

⁴⁷ See <https://www.imf.org/en/Publications/fandd/issues/2018/03/otker>

⁴⁸ See <https://epi.yale.edu/>

- **Public financing**

COVID-19 led to a sharp rise in Jamaica’s budget deficit and public debt. In one year, Jamaica saw its progress reversed on debt reduction by about 3 years (see Chart 18). With economic recovery from COVID-19 underway the government remains committed to reducing public debt to 60 percent of GDP by 2028⁴⁹ and is operating a small budget surplus to achieve this goal.

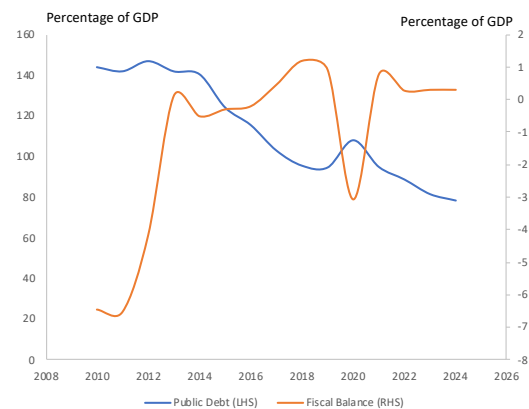
In the absence of a stronger growth in the years ahead, fiscal space for transformational development projects is anticipated to be tight until the debt target is reached. Indeed, consistent with this view, the most recent IMF projections expect the Jamaican government to operate small fiscal surpluses in the years ahead.

Foreign public sources taking the form of Official Development Assistance are unlikely to increase substantially for Jamaica. Jamaica’s upper-middle income status⁵⁰ makes it ineligible for many sources of concessional finance. Most recent figures show that Jamaica received less than 0.5 percent of its GNI in ODA in 2020. With some countries also reducing their contributions to Overseas Development Assistance, mean that public sources of development finance are likely to remain limited for Jamaica in the years ahead.

- **Private financing**

Domestic private financing flows, through investment, have been variable in recent years. Jamaica’s investment rate fell by 1 percentage point of GDP in 2020 with latest IMF projections showing that Jamaica’s investment rate will remain around 8 percent of GDP. With policy rates having increased substantially to control inflation, the cost of borrowing for investment will also rise. Private financing of development projects may therefore become impacted both by the high current cost of borrowing but also because of uncertainty of future servicing costs as governments globally take measures to control inflationary pressures.

Chart 18: Fiscal balance and Public Debt developments for Jamaica



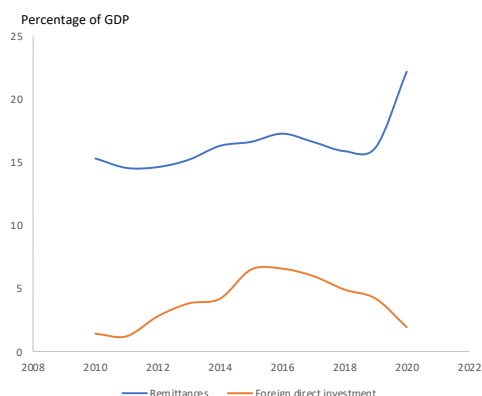
Source: IMF World Economic Outlook October 2022

⁴⁹ Previously it had been 2025.

⁵⁰ See <https://blogs.worldbank.org/opendata/new-world-bank-country-classifications-income-level-2022-2023>

From foreign sources, financing flows can take the form of foreign direct investment, remittances, and funds from charity organisations.

Chart 19: Remittances and FDI developments for Jamaica



Source: World Bank World Development Indicators

Remittances, which accounted for 22 percent of GDP in 2020⁵¹, are a substantial source of finance in Jamaica. With as many Jamaicans living outside of Jamaica as within, remittances have been high and steady. Before COVID-19, these averaged about 16 percent of GDP (see Chart 19) but increases substantially in 2021 to around US\$3.3 billion and serving as an important safety net for many Jamaicans.⁵² However, remittance flows have fallen back in 2022. In July they were 4.7 percent (US\$2.88 billion) below what they were a year earlier, signalling a return to traditional levels.⁵³

For foreign direct investment, this has been declining in recent years having peaked at 6.6 percent of GDP in 2015. At 1.9 percent of GDP in 2020, recent strong responses to inflationary developments are likely to dampen investor spirits at least until economic conditions stabilise.

Overall, traditional sources of development financing are likely to be limited for Jamaica in the years ahead, prompting the need for innovative financing to bridge the SDG financing gap. New mechanisms and solutions that not just increase the volume of financing flows; but also enhance the effectiveness of existing development finance and improve the efficiency of development financing will be needed for Jamaica to support it delivering its SDGs in the time remaining.

Across these pillars Jamaica is already accessing initiatives and receiving financing on **climate** – GEF and Montreal Protocol Unit -; **gender** - Gender Equality Seal; **business alignment to the SDGs** - Impact Venture Accelerator, SDG Investor Maps; and **public sector support** - SDG Budgeting and Tax for SDG programmes to enhance development outcomes from new and existing financing.

In the remaining eight years of the 2030 Agenda, Jamaica’s potential for attracting adequate financing for the SDGs rests in its ability to both expand its pipeline of development projects, while at the same time enable the development of new and existing innovative financing instruments through which investors from both home and abroad can channel their funds.

Conclusions

The main developments that have taken place in 2022 have been economic as Jamaica and others manage their recoveries from one of the most severe economic crises in living memory. To compound this the impacts from new geo-political tensions, notably the war in

⁵¹ Source World Bank’s World Development Indicators.

⁵² <https://jis.gov.jm/remittances-exceed-3-3-billion-in-2021/>

⁵³ <https://boj.org.jm/wp-content/uploads/2022/09/Remittance-Bulletin-July-2022.pdf>

Ukraine, have had ripple effects on the Jamaican economy through the impact on food and fuel prices.

COVID-19 was damaging for all countries progress towards the SDGs and Jamaica was no exception. The economic slump and debt burden from COVID-19 crowded-out resources for some of the SDGs.

The concordance between the priorities of the MSDCF and Jamaica's SDGs can steer UN support to address the emerging challenges and opportunities in Jamaica. The analysis shows that SDGs in most urgent need of attention are those SDGs that have deteriorated over the past two years, notably SDGs 9 - Industry, Innovation, and Infrastructure, 11 - Sustainable Cities and Communities, 15 - Life on Land and 16 - Peace, Justice, and Strong Institutions.

For Goals that have stagnated since COVID-19 – notably Goals 2 - No Hunger, 4 - Quality Education, 5 - Gender Equality, 6 - Clean Water and Sanitation, 7 - Affordable and Clean Energy, 8 - Decent Work and Economic Growth, 10 - Reduced Inequalities, 12 - Responsible Consumption and Production and 17 - Partnerships for the Goals – support will be required to revive and build momentum.

Finally, for Goals in which Jamaica has advanced since COVID-19, notably SDGs 1 – No Poverty, 3 – Good Health and Well-Being, and 8 – Decent Work and Economic Growth – their scores remain below pre-pandemic levels of 2019. Only for Goal 9 – Industry, Innovation, and Infrastructure, was Jamaica able to advance its SDG score through COVID-19 and while this has been an enormous achievement, continued support will be needed to lift this Goal, which still lies furthest behind for Jamaica.