



EN



**11<sup>th</sup> EDF**

**National Indicative Programme**

**(2014 – 2020)**

**for co-operation between**

**Jamaica**

**and**

**the European Union**

## GENERAL CLAUSES

The Government of Jamaica and the European Commission hereby agree as follows:

- (1) The Government of Jamaica, (represented by [name, title]) and the European Commission, (represented by [name, title]) hereinafter referred to as the Parties, determined the general orientations for cooperation for the period 2014-2020.

These orientations which are included in the National Indicative Programme, regard the European Union Aid in favour of Jamaica and were drawn up in accordance with the provisions of Articles 2 and 4 of Annex IV to the ACP-EC Partnership Agreement, signed in Cotonou on 23 June 2000, revised and signed in Luxemburg on 25 June 2005 and revised and signed in Ouagadougou on 22 June 2010.

The National Indicative Programme is annexed to the present document.

- (2) As regards the indicative programmable financial resources which the European Union envisages to make available to Jamaica for the period 2014-2020, an amount of EUR 46 million is foreseen for the allocation referred to in Article 3.2 (a) of Annex IV of the ACP-EC Partnership Agreement (A-allocation). A B-allocation referred to in Article 3.2 (b) can be established to cover unforeseen needs. . This allocation is at EUR 0 until a need arises. These allocations are not entitlements and may be revised by the Commission, following the mid-term and end-of-term reviews, in accordance with Article 5.7 of annex IV of the ACP-EC Partnership Agreement.
- (3) The A-allocation is destined to cover macroeconomic support, sectoral policies, programmes and projects. The National Indicative Programme concerns the resources of the A-allocation. It also takes into consideration financing from which Jamaica benefits or could benefit under other European Union resources. It does not pre-empt financing decisions by the Commission.
- (4) The B-allocation is destined to cover unforeseen needs such as humanitarian, emergency and post emergency assistance, where such support cannot be financed from the EU budget, contributions to internationally agreed debt relief initiatives and support to mitigate exogenous shocks. The B-allocation shall be established according to specific mechanisms and procedures and does therefore not constitute a part of the programming.
- (5) Pending the entry into force of the Internal Agreement between the Representatives of the Governments of the Member States of the European Union, meeting with the Council on the financing of European Union Aid under the multiannual financial framework for the period 2014 to 2020, financing decisions for projects and programmes can be taken by the Commission at the request of the Government of Jamaica within the limits of the A- and B-allocations referred to in this document under the condition that sufficient financial resources are available in the transitional measures ("Bridging Facility") composed of uncommitted balances from the previous EDFs and from funds decommitted from projects or programmes under those EDFs. The respective projects and programmes shall be implemented according to the rules and procedures of the 10th EDF until the entry into force of the 11th EDF implementing rules and financial regulation.
- (6) The European Investment Bank may contribute to the implementation of the present National Indicative Programme by operations financed from the Investment Facility and/or from its own resources, in accordance with Articles 2c and 3 of the 11th EDF multi-annual financial framework for the period 2014-2020.

- (7) In accordance with Article 5 of Annex IV to the ACP-EC Partnership Agreement, the National Indicative Programme as well as the A-and B-allocations can be revised following the mid-term review and the end-of-term review or ad hoc reviews.

Signatures

For the Government of Jamaica

For the Commission

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## List of Acronyms

MDGs	Millennium Development Goals
DRR	Disaster Risk Reduction
EPA	Economic Partnership Agreement
PFM	Public Finance Management
UNDP	United Nation Development Programme
HDI	Human Development Index
GDP	Gross Domestic Product
MTF	Medium Term Socio-Economic Policy Framework
JCF	Jamaica Constabulary Force
DfID	Department for International Development
CIDA	Canadian International Development Agency
IDB	Inter-American Development Bank
USAID	US Agency for International Development
PEFA	Public Expenditure and Financial Accountability
DRGEP	Debt Reduction and Growth Enhancement Programme
EFF	Extended Fund Facility
PSIP	Public Sector Investment Programme
TWG	Thematic Working Groups
GCCA	Global Climate Change Alliance
CDB	Caribbean Development Bank
SMSEs	Small and Medium Sized Enterprises
CARTAC	Caribbean Regional Technical Assistance Centre
PEFA	Public Expenditure and Financial Accountability
IMF	International Monetary Fund
PRP	Poverty Reduction Programme
PROMAC	Programme for the Reduction of Maternal and Child Mortality
JSAT	Justice, Security Accountability and Transparency Project

## 1. OVERALL LINES OF EU RESPONSE

### 1.1 Strategic Objectives of the EU's Relationship with Jamaica

The overarching objective of the ACP-EU Agreement is to promote the development of a common strategic approach to poverty reduction, consistent with the objectives of sustainable development and the integration of ACP countries into the world economy. Cooperation between Jamaica and the EU will pursue these objectives, taking into account the fundamental principles set out in the ACP-EU Agreement in particular the "ownership" of the strategy by the country. The Multi-indicative programme (MIP) will draw on Jamaica's national strategy documents, notably Vision 2030, to a maximum degree.

The "European Consensus on Development" and the "Agenda for Change" set the general policy framework at EU level. The primary objective of the EU development policy is the eradication of poverty in the context of sustainable development, in line with the international agenda, and with particular attention to the Millennium Development Goals (MDGs). In order to ensure consistency of EU actions, the MIP is also enshrined in the broader context of EU policies, notably the EU Strategic Framework and Action Plan on Human Rights and Democracy

The EU's Agenda for Change calls for supporting good governance, in political, economic, social and environmental terms. The EU will continue to support Jamaica in modernising its justice system, strengthening the institutional and administrative capacity of justice institutions as part of structural reforms. This also comprises the modernisation of the criminal justice system, ensuring judicial integrity and independence, enhanced transparency and accountability of court operations and improved access to justice for all. The cooperation aims at improving justice by enabling institutions to deliver and citizens to claim their rights, while ensuring accountability and oversight of the authorities. The partnership will build on the successful cooperation developed over recent years, incorporate the lessons learned and provide a new impetus in selected areas of the justice sector.

The Agenda for Change recognizes that inclusive and economic, social and environmental sustainable growth is crucial to long-term poverty reduction and human development. However, development is not sustainable if it damages the environment, biodiversity and natural resources and increases the vulnerability to natural disasters. The European Union therefore promotes the transition towards a "green economy" that can generate growth, create jobs and help reduce poverty by valuing and investing in natural capital. It further emphasise the importance of improving the resilience of developing countries to the consequences of climate change.

The European Union has therefore committed itself to spend at least 20% of its budget for the 2014-2020 period, and by extensions also of the European Development Fund on climate change-related action. Further the EU 2020 Biodiversity Strategy articulates the need to step up the EU contribution to averting global biodiversity loss.

Resilience building is an overarching goal (ref. COM (2012) 586 final and SWD(2013) 227 final and strategies should contribute to different policies, in particular Food Security, Climate Change Adaptation and Disaster Risk Reduction (DRR).

In its relationship with Jamaica and in its support to Jamaica's efforts to move "towards Inclusive Growth and Sustainable Development" as envisaged by the *Medium Term Socio-Economic Policy Framework (MTF) 2012-2015*, the European Union will focus on sustainable development and the resilience to climate change.

The EU Continues to be an active partner in supporting regional integration and cooperation. At the regional level, Jamaica signed the Economic Partnership Agreement (EPA) between the CARIFORUM countries and the EU in October 2008. The CARIFORUM-EU EPA builds a trade partnership for increased competitiveness, participation in the world trading system, economic growth

and development. The EU is firmly committed to implementing its obligations stemming from the EPA and assist Jamaica to implement its obligations.

In the context of its commitment to support good governance in all of its partnerships, the EU is prepared to offer support towards further improving Jamaica's Public Finance Management (PFM). This includes priority areas such as i) public sector management for better service delivery; ii) the promotion of fair and transparent domestic tax systems in line with principles of good governance in the tax area encompassing policy and administrative aspects; iii) help to reduce corruption, which includes capacity building in control and oversight bodies and iv) Strengthen PFM for environmental sustainable development and climate finance. The EU has supported PFM reforms in Jamaica, through its Budget Support operations, the monitoring of the eligibility criteria and corresponding capacity development programmes. It will continue providing financial and technical support to help Jamaica attain financial compliance, aggregate fiscal discipline, strategic allocation of resources and efficiency in service delivery.

The EU response and National Indicative Programme may be complemented by operations financed by the EIB from the Cotonou Investment Facility and/or its Own Resources

## **1.2. Choice of Sectors**

Jamaica is ranked as a High Human Development Country by the UNDP with an HDI of 0.730 in 2012, ranking 85 out of 187 countries. The population stands at 2.7 million with a per capita income of 5,472 USD and a literacy rate of 91.7% in 2012. Jamaica is an upper middle income country. Nevertheless, the country faces many development challenges including persistent budget deficits, high external debt, declining income, increasing poverty, environmental and climate vulnerability and high levels of violence. Jamaica's public debt was estimated at 145.9% of GDP in 2012. Despite notable reductions following two debt exchanges, debt servicing consumes a significant portion of the annual budget each year (43.24 % of the 2013/2014 budget). This has resulted in lower than required levels of expenditure on critical social services, such as education (15% of budget), health (6.5% of budget), and security (9.3% of budget), linked also to less than satisfactory collection of taxes. The situation is aggravated by weaknesses in the Public Finance Management system, which are negatively impacting on fiscal discipline, efficient service delivery and strategic resources allocation.

There is broad consensus among the Jamaican Government, the EU and other development partners that the high level of criminality combined with institutional weaknesses in the justice sector obliges the Government to spend a high share of its budget on crime related and preventive measures, impeding economic growth and more effective poverty alleviation policies. Insecurity and an insufficient capacity of the justice sector deter foreign investment and pose an enormous cost to the Jamaican economy and citizens at large. It is in this context that the Jamaican justice sector is considered key in promoting an equitable economic development.

The natural environment is vitally important to the two major economic sectors agriculture and tourism and thus for the well-being of Jamaica and its people: But is under serious threat. Jamaica's geographical location in the hurricane belt and intensively developed coast make it especially vulnerable to the effects of climate change. Over the years, hydro-meteorological hazards such as hurricanes, floods and droughts had a significant impact on economic activities, poverty, human welfare and natural resources. Environmental degradation and loss of biodiversity compounded by climate change are threatening the livelihood of communities in coastal and inland zones. Thus decreasing negative environmental trends will be crucial to improve growth prospects and social indicators and to address economic hardship and social problems.

*Vision 2030 Jamaica – National Development Plan*, the country's first long-term strategic development plan, provides a comprehensive planning framework in which the economic, social, environmental and governance aspects of national development are integrated. Its four National Goals are:

- (1) Jamaicans are empowered to achieve their fullest potential
- (2) The Jamaican society is secure, cohesive and just
- (3) Jamaica's economy is prosperous
- (4) Jamaica has a healthy Natural environment.

The *Medium Term Socio-Economic Policy Framework (MTF) 2012-2015* is the second medium term strategic programme to implement the *National Development Plan*. Its four Medium Term Themes correspond with the four National Goals of the long-term development plan

- (1) Development and Protection of Human Capital
- (2) National Security and Justice
- (3) Economic Stability, Competitiveness and Employment
- (4) Environmental Resilience and Climate Change Response

The European Union considers this strategic policy framework, as a sound basis for the cooperation with Jamaica. In line with Jamaica's long-term National Development Plan and its medium term implementation framework MTF 2012-2015, the 11<sup>th</sup> EDF Multi Annual Indicative Programme will engage in three sectors of concentration:

- (1) Justice
- (2) Environment and Climate Change
- (3) Public Finance Management.

The following provides an overview of the current support of the European Union to the four National Goals and substantiates the selection of the sector of concentration under the 11<sup>th</sup> EDF based on development challenges, EU's comparative advantage, absorption capacity and resource requirements. The choice of sectors will capitalise from the lessons learned from the past cooperation, in particular the 10<sup>th</sup> European Development Fund and the Global Climate Change Alliance as well as the Accompanying Measures for Sugar and the Banana Support Programme.

**NATIONAL GOAL 1: "JAMAICANS ARE EMPOWERED TO ACHIEVE THEIR FULLEST POTENTIAL"**

Medium Term Theme <i>"Development &amp; Protection of Human Capital"</i>			
PRIORITY NATIONAL OUTCOME	PRIORITY AREAS	CURRENT/PIPELINE EU SUPPORT	AMT €M
A Healthy and Stable Population	Primary Health Care; Health Promotion Approach; Disease Surveillance <sup>1</sup> and HIV/AIDS; International Migration and Development	Programme for the Reduction of Maternal and Child Mortality	22.0
World Class Education and Training	Early Childhood Development; Educational System Reforms; Labour Force Training	Poverty Reduction Programme III & IV	23.94
Effective Social Protection	Social Welfare and Security; Poverty Reduction	Poverty Reduction Programme III & IV(see above)	

The health sector has traditionally received support primarily for HIV/AIDS, which is expected to continue and the priorities related to education and social welfare and security benefit from substantial and on-going support from the World Bank and the Inter-American Development Bank (IDB). In addition, there is significant EU pipeline support related to maternal and child mortality and poverty reduction covering more than half the period of the 11<sup>th</sup> EDF.

Whilst, there are still financial needs to realise the objectives in the priority area, the currently and future high level of funding have stretched the absorption capacity. Therefore no additional allocations under the EDF 11 are proposed.

<sup>1</sup> Areas highlighted in bold are supported under on-going or pipeline EU support



**NATIONAL GOAL 2: "THE JAMAICAN SOCIETY IS SECURE, COHESIVE AND JUST"**

Medium Term Theme "National Security and Justice"			
PRIORITY NATIONAL OUTCOME	PRIORITY AREAS	CURRENT/PIPELINE EU SUPPORT	AMT €M
Security And Safety	Jamaica Constabulary Force Reform; Anti-Crime Strategy; Community Renewal Programme; Protection and Care for Children and Youth	Poverty Reduction Programmes (see above)	
		Security Sector Reform Programme	11.74
		Justice, Security, Accountability and Transparency Project	12.6
Effective Governance	Justice System Reform; Local Governance	Security Sector Reform Programme (see above)	
		Justice, Security, Accountability and Transparency Project (see above)	

The EU has established itself as the lead development partner in Jamaica's continued efforts to address issues of security and justice, with notable results related to improvements in security and justice infrastructure; social interventions in volatile and vulnerable communities; mainstreaming of human rights issues in the Jamaica Constabulary Force (JCF); strategies for fighting corruption; the roll out of community policing; increasing the number persons receiving training at the JCF training facility; increases in the complement of judges; and support to the reduction of case backlog in the courts.

Past interventions have largely focussed on the security aspect, with actions related to justice deemed as accompanying the major security interventions. With Jamaica's murder rate still the top 6<sup>th</sup> in the world<sup>2</sup>, there is increased recognition that justice is that critical link between security and development and therefore greater traction in justice reform is required if the envisioned national outcomes are to be achieved.

The 2012 National Security Policy prioritises five key reform areas:

- Remove the profit from crime
- Reform the justice system
- Police by consent
- Dismantle gangs
- Focus on at-risk individuals and communities

The judicial system is currently viewed as the weakest link in the country's law enforcement and criminal justice. The main reasons for the dysfunctional judicial system are:

- Court procedures, protocols and working practices are slow, inefficient and overdue for modernisation;
- Poor management of court time, persistence in paper based records and poor management of the chain of evidence;
- Weak management and, in some cases, corruption.

The judiciary is ill equipped to handle the burden of the security challenges facing the country. There are chronic problems including a lack of resources related to administration and staffing, legal professional shortages, physical infrastructure insufficiencies, a lack of IT hardware and training and outdated, often archaic legislation. The legal process itself is slow, extended delays in prosecution and justice delivery are common. The slow road to justice and a failure to bring forward robust cases in a fight against persistent and often organized criminal networks has a direct impact on the worsening security situation within Jamaica, threatening political and economic stability. There is a push by the Ministry of Justice to enact the proposed Committal Proceeding Act, which seeks to clear the pile-up of cases at Resident Magistrate's Courts through the elimination of the preliminary enquiries process. A special joint select committee, which examined the bill, found that the time taken up by preliminary enquiries contributes to the backlog of cases in RM courts. The Act was already passed in the Senate

<sup>2</sup> United Nations Office on Drugs and Crime 2012 data

and is now tabled in Parliament for debate. In December 2012, the Government also passed legislation to accommodate Video Evidence in court cases especially for vulnerable witnesses, including in cases related to the lottery scam.

There are also legislative reforms being undertaken to provide for the taking of DNA samples from persons arrested in relation to specified offences, as well as to tackle and suppress criminal gangs and criminal gang-related activities. In March 2013, new anti-lottery scam legislation was passed, designed to give authorities the ability, among other things to target proceeds of lottery-scamming activities and hand down increased penalties and prison terms for convicted offenders.

If Jamaica's security situation is to improve, the administration's judicial reform process will be critical. The Justice sector is therefore prioritized as a focal area for support under the 11<sup>th</sup> EDF with a view to solidifying the impact of past interventions and significantly advancing Jamaica's development objectives. Particular attention will be given to detention conditions and juvenile justice.

Detention conditions are poor, primarily due to overcrowding and unsanitary conditions. There is often no access to adequate health services for prisoners and rehabilitative activities are very limited. Abuse of inmates in detention facilities is cause for concern. Although the law prohibits the incarceration of children in adult prisons, some juveniles as young as 13 years old were held in adult jails and lock-ups as there were no juvenile facilities with adequate security.

The conditions of children in detention continue to be a cause for concern and although the Government has implemented some changes, much more needs to be done not only for their physical well-being but also for their mental-wellbeing, as many of the children in detention facilities have been victims of violence and abuse. The staff needs training on how to deal with troubled children as the current training in the correctional facilities, including those that house children, is geared to being punitive rather than rehabilitative. Children and juveniles in need of care and protection, uncontrollable juveniles and those in conflict with the law are often held together without distinction. The lack of separation makes it extremely difficult, if not impossible, to address the individual needs of children, be it in terms of protection or rehabilitation.

The EU support rendered so far has been closely coordinated with initiatives financed by other development partners such as Department for International Development (DfID), Canadian International Development Agency (CIDA), Inter-American Development Bank (IDB), US Agency for International Development (USAID) It is important to solidify the gains made through past interventions while doing some adjustments in accordance with new insights and analysis. 11<sup>th</sup> EDF support to this focal area will be in context of the Jamaica Justice System Reform Policy Agenda Framework which identifies 7 priorities: 1) Fair and timely case resolution, 2) Improved access to justice, 3) A strong judiciary, 4) Strengthened linkages between justice sector institutions, 5) A sound court infrastructure, 6) A social component for the delivery of justice reform and 7) Strengthened public trust and confidence.

**NATIONAL GOAL 3: "JAMAICA'S ECONOMY IS PROSPEROUS"**

Medium Term Theme <i>"Economic Stability, Competitiveness and Employment"</i>			
PRIORITY NATIONAL OUTCOME	PRIORITY AREAS	CURRENT/PIPELINE EU SUPPORT	AMT €M
A Stable Macro-economy	Fiscal Consolidation; Debt Management; Tax Reform	Debt Reduction and Growth Enhancement Programme	21.2
		Public Financial Management Support Programme	5.0
An Enabling Business Environment	Competitive Business Environment; Labour Market Reform; Targeted Employment Programmes	Banana Accompanying Measures	4.73
		Sugar Accompanying Measures	89.78
		Economic Partnership Agreement Capacity Building Projects (EPA I +II)	7.25
Priority Economic Projects	Major Development Projects – Road Infrastructure Development, Agro parks, ICT Parks, Logistics Hub, Tourism Product Development, Creative Industries and Sport, Urban Renewal, LNG Project		

The Government recently concluded negotiations with the IMF to access support under the Extended Fund Facility towards stabilizing the economy to facilitate growth. There has been substantial support

from the EU under the Debt Reduction and Growth Enhancement Programme (DRGEP), which has greatly supported increased fiscal management. Despite a number of important reforms, the 2012 repeat Public Expenditure and Financial Accountability (PEFA) assessment and recent reports of the Auditor General have pointed to a number of systemic issues which need to be addressed if further improvements to fiscal management are to be realized.

The Government has responded to the 2012 PEFA findings as well as reports of the Auditor General with a Public Financial Management Reform Action Plan, which will require external support if it is to be meaningfully realized. The focus is on identified weak areas in the PFM system: (a) Accounting & Reporting (improving the availability of data for monitoring budget execution and for widening the scope of in-year reports and to implement adjusted Chart of Accounts, (b) Cash Management (centralizing cash-management at the Accountant General’s Department (AGD) to realize the benefit of cash-aggregation and central release of payments, (c) Internal Control & Audit (improve compliance with rules for processing and recording transactions, as well as coverage and quality of internal audit functions), (d) Commitments Control, (e) Revenue Collection and Enforcement, (f) Procurement, (g) Budget Oversight, (h) Budget Planning, Formulation Process and Execution and (i) Fiscal Discipline (including adoption of legally-binding Fiscal Rules and effective implementation of multi-year Budgeting).

An EU response has been crafted through additional resources to the DRGEP and a PFM Support Programme and there is significant support from the IDB. There are however, critical gaps still to be addressed particularly relating to mainstreaming of deep-seated reforms which are being embarked upon. For this reason, public financial management is identified as an additional sector of concentration under the 11<sup>th</sup> EDF. However should own resources or resources already in the pipeline of the EU or provided by other donors result to be sufficient, the allocation will be redistributed between the two remaining sectors.

**NATIONAL GOAL 4: "JAMAICA HAS A HEALTHY NATURAL ENVIRONMENT"**

Medium Term Theme <i>"Environmental Resilience and Climate Change Response"</i>			
PRIORITY NATIONAL OUTCOME	PRIORITY AREAS	CURRENT/PIPELINE EU SUPPORT	AMT €M
Hazard Risk Reduction and Adaptation to Climate change	Hazard Risk Reduction; Environmental Resilience and Sustainable Planning; Climate Change Adaptation and Mitigation	Climate Change Adaptation and Disaster Risk Reduction	4.13

Jamaica's geographical location in the hurricane belt and intensively developed coastal zones make it especially vulnerable to hydro-meteorological disasters and the effects of climate change in particularly with increasing frequency of adverse weather events such as hurricanes, high intensity rainfall and droughts. Over the period from 2001 to 2010 alone, the country dealt with four major hurricanes, two tropical storms, one tropical depression and other weather systems as well as two years of drought and fire. It is estimated that approximately 2-4% of GDP is lost annually due to natural disasters.

Jamaica's economic and social sustainability is dependent on its natural resources and the health of its ecosystems, which support the two major economic sectors: Tourism and Agriculture, provide natural resources for the livelihood for a considerable, often very poor and marginalized, part of the society. Two-thirds of the population living in coastal areas and it is estimated that 75% of Jamaica's industries and services, generating some 90% of GDP are located within 2 km of the coast. This highlights the importance of coastal and coral reef ecosystems not only for the formal economy but also for a significant part of the Jamaican population, which depend, in the absence of alternatives, on artisanal fishery for their livelihood. Their importance for protecting beaches and shorelines renders coastal and reef ecosystems an essential element for disaster risk reduction and adaptation to Climate Change. The health of Jamaica's ecosystems is critical for the delivery of a range of environmental services in particular fresh water supply, for which Jamaica’s forests play a vital role through protecting and conserving water, soils and biological diversity.

However, these economic, social and environmental services of ecosystems, whilst recognized as crucial to national development are often underappreciated in policy, planning and investment decisions. This is also reflected in low levels of awareness on environmental and climate change issues. Coastal and near shore marine ecosystems are at risks from poor development planning, watershed-based and marine-based pollution as well as unsustainable fishing practises. Many of Jamaica's watersheds have as topology of steep slopes with thin or erosive soils and are exposed to high intensity rains, which makes them susceptible to landslides and slope failures. These natural conditions of instability are aggravated by a number of human activities including unsuitable farming practises and deforestation.

These negative trends have contributed to a decline of Jamaica's score on the Environmental Performance Index (EPI) from 58.0 in 2010 to 54.4 in 2012. The localised threats to marine, coastal and terrestrial ecosystems are compounded by the growing number of threats from climate change such as warming seas, ocean acidification and increased frequency and intensity of adverse weather (hurricane, rainfall and droughts). Consequently, poor environmental management and governance, as well as environmental degradation and the vulnerability to disasters and the impact of climate change are amongst the main challenges affecting sustainable development as well as the livelihood of coastal and inland communities.

One of the four National Goal of "*Vision 2030*", the country's long-term strategic development plan, is that "*Jamaica has a healthy natural environment*", which is implemented through the *Medium Term Socio-Economic Policy Framework 2012-2015* (MTF) and its Theme of "*Environmental Resilience and Climate Change Response*". Priority areas include Sustainable Management and use of Environmental and Natural Resources, Hazard Risk Reduction and Climate Change adaptation and Mitigation. The MTF promotes an ecosystem management approach, seeks to reverse the loss of environmental resources and emphasize the need to strengthen environmental governance structure. The status Disaster Risk Reduction has been in-depth analysed, in the Jamaica Country Document on Disaster Risk Reduction: An initiative developed with the support of the European Union (through the Commission's Directorate-General for Humanitarian Aid and Civil Protection) and the Jamaica's Office of the Disaster Preparedness and Emergency Management. The document provides a comprehensive overview of DRR in Jamaica, any progress made in reducing risk, definitions of priorities and strategies, major challenges tackled in reducing not only loss of lives, but also the economic, social and environmental impacts associated with risks.

Whilst there has been great focus on climate change adaptation globally, there is also a need to reverse environmental losses and degradation, reduce hazard risk, and promote environmental resilience and sustainable planning which are critical to maximising Jamaica's environmental opportunities in the context of sustainable development. It is therefore proposed that the Environment and Climate Change is prioritized as a focal area for support under the 11<sup>th</sup> EDF, with a particular emphasis on enhancing environmental resilience and sustainability in the context of inclusive and sustainable growth for human development and improving the resilience to climate change and natural disasters.

## 2. FINANCIAL OVERVIEW (INDICATIVE AMOUNTS)

Focal sector	Amount (EUR)	Share
1: Justice	23.00 million	50%
2: Environment and Climate Change	15.25 million	33%
3: Public Financial Management	3.65 million	8%
Cross-cutting: Support to civil society <sup>3</sup>	2.30 million	5%
Cross-cutting: Support measures	1.80 million	4%
<b>Total</b>	<b>46.00 million</b>	<b>100%</b>

## 3. EU SUPPORT PER SECTOR

### 3.1 Sector 1: Justice

Indicative amount EUR 23 million (50% of allocation)

#### 3.1.1 The following overall and specific objectives will be pursued:

<b>Overall Objective:</b>	<b>THE JAMAICAN SOCIETY IS SECURE, COHESIVE AND JUST</b>
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<b>Specific Objective 1:</b>	Increased access to gender-responsive, accountable and effective justice services, especially for the vulnerable
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<b>Specific Objective 2:</b>	Improved treatment of children in the responsibility of the criminal justice system
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#### 3.1.2 For each of the specific objectives the main expected results are

**Expected Result 1.1** Conditions of detention have been improved;

**Expected Result 1.2** Better access to justice services at community level;

**Expected Result 1.3** Efficiency of justice processes enhanced through improved technology and infrastructure;

**Expected Result 2.1** Children in conflict with the law treated in accordance with international conventions;

**Expected Result 2.2** Rehabilitation programme for children in conflict with the law mainstreamed in the criminal justice system;

#### 3.1.3 The main indicators

<sup>3</sup> See Section 4, Measures in Favour of Civil Society - support to NSAs provided as dedicated components under the programmes to be identified.

for measuring the aforementioned results are contained in the sector intervention framework attached in Annex 3.

#### **3.1.4 Donor coordination and policy dialogue:**

The EU has been supporting governance, security and justice in Jamaica through the Security Sector Reform (budget support) Programme and successive phases of the Poverty Reduction Programme as well as support to civil society under the European Instrument for Democracy and Human Rights. A new phase of the PRP as well as a new programme entitled Justice, Security, Accountability and Transparency will start being implemented in early 2014. The Project aims to improve the capacity of agencies responsible for the fight against organised crime, corruption and money laundering. The project will also provide support to improving the efficiencies in the Justice Sector through infrastructure rehabilitation, improvement of video evidence capabilities and case management.

The Government has been giving on-going support to the reform actions, but the pace has been severely hampered by the on-going fiscal challenges. Further support under the 11<sup>th</sup> EDF and the Justice, Security, Accountability and Transparency Project will significantly address the identified gaps and will make important and sustainable impacts.

Donor coordination in the Security and Justice Sectors has been robust in the past years and should continue with regular meetings between the main donors in the sectors as well as with relevant Government Agencies and Civil Society Organisations. New programmes and activities are discussed to ensure complementarity and best use of resources. Policy dialogue is usually facilitated at different levels and there will be renewed efforts to ensure that dialogue is timely in order to evaluate policy implementation and impact especially in the justice sector. The Annual IDP Retreat will also offer an important opportunity for donor coordination and policy dialogue.

The main programmes of relevant international development partners are as follows: **CIDA:** The *Justice Undertakings for Social Transformation (JUST) Programme* CDN\$18.5 M (2012-2016) seeks to inter alia strengthen the key justice sector institutions; **IDB, CIDA and DFID:** The *Citizen Security and Justice Programme III* USD 55.0 million (2014-2017) contributes to the reduction of crime in 50 high crime communities; **DFID:** 1. The *Jamaica Constabulary Force Accountability Programme* USD 12.1 million (2012-2015) to inter alia, enhance internal accountability of the JCF, strengthen oversight and accountability, and build capacity to fight organized crime; 2. *Caribbean Criminal Asset Recovery Programme* USD 2.4 million (2012-2014) under which technical assistance and capacity building is provided to the Financial Investigations Division; **British High Commission:** Technical Assistance under the *Friends of Jamaica Initiative* USD 3.2M (2014-2016) to support security reform; **USAID:** The *Caribbean Basin Security Initiative (2014-2018)* has supported inter alia, Community Based Policing, implementation of the Community Renewal Program, and provision of equipment to the Forensic Lab (4 microscopes) and the Western office of the Jamaican Constabulary Force – Anti Corruption Branch

#### **3.1.5 Government's financial and policy commitments:**

Jamaica's overarching development objectives are outlined in the Vision 2030 Jamaica – National Development Plan and its consecutive Medium-Term Socio-Economic Policy Frameworks (MTF). The 2012-2015 MTF, identifies National Security and Justice as one of four Medium Term Themes with prioritized actions (see section 1.2 above). The national outcomes are supported by the draft National Security Policy 2012 and the Jamaica Justice System Reform Policy Agenda Framework (JJSRPAF). The draft NSP 2012 identifies 5 priority reform areas, among them, reforming the justice system, while the JJSRPAF identifies 7 priorities for justice reform. The policy commitment to addressing the challenges faced by the justice sector is reflected in the following prioritized actions: Cabinet approval for the final phase of the expansion of the Supreme Court; establishment of a satellite civil registry to be operational by end-2013; plans to establish a new traffic court by end-2015 (responsible for a large percentage of backlog cases), with demolition started and design underway; finalization of a new Road Traffic Bill to inter alia, divert matters from the Court; extensive consultations on a Child Diversion Policy which is at an advanced stage and will be submitted to Cabinet presently; the recent launch of Child Justice Guidelines for the Courts; the recent approval for an increase in Judicial Clerks; adjustments to allow the Legal Aid Counsel to now represent children

brought before the Court; and legislative amendments to inter alia: (i) Amend the Jury Act to reduce the jury size, widen the pool of potential jurors and reduce the types of cases requiring juries – the Policy Paper is under review prior to its submission to Cabinet; (ii) improve probate administration – the Bill is being finalized for tabling in Parliament; (iii) introduction of the use of video and live links – the law has been passed and Regulations and Rules of Court are being drafted, and some equipment has already been installed; strengthen the evidence act to make the use of computer evidence easier and allow witness anonymity; (v) Cabinet approval for amendments to the Child Care and Protection Act to better protect children; and (vi) introduce a Single Anti-Corruption Agency – the Bill is being reviewed by Cabinet’s legislative committee.

The Government has commenced medium term expenditure planning (with support under the DRGEP) which is aligned to the MTF. Further, the Government has commenced under the EFF arrangement with the IMF, a Public Sector Investment Programme (PSIP) through which all commitments for priority capital investments are captured and budgeted. The already identified pipeline projects are reflected in the PSIP and new identified projects will be included, including any necessary Government counterpart financing. There is therefore strong financial and policy commitment to the proposed actions in the focal area.

In the context of the 11th EDF the main focus will be on improving access to justice services and on the administration of justice. This will be achieved i.e. through targeted support to the involved ministries and institutions, through capacity building and technical assistance, upgrading of essential court infrastructure, but also through activities aimed at strengthening civil society organisations active in the justice sector (i.e through calls for proposals and training) and enhancing their role in advocacy and public education. Further it is intended to raise awareness and provide training to the judiciary on issues such as environmental crimes, wildlife trafficking and the potential link with organized crime. The specific objectives of the programmes, including implementation modalities, are to be determined as part of the formulation exercise. However, should budget support eligibility be maintained, at least part of the resources can be envisaged to be implemented through a Sector Reform Contract.

**3.1.6 Environmental assessment**

(Strategic Environmental and Climate Assessment or Environmental Impact Assessment) will be carried out.

**3.1.7 The overall risk assessment of the sector intervention**

<b>Possible major risks</b>	<b>Possible mitigating measures</b>
<ul style="list-style-type: none"> <li>· Deteriorating economic conditions seriously hamper financing for the justice system</li> <li>· Weak data collection and storage processes may affect data management</li> <li>· Insufficient implementation capacity at the Ministry of Justice, Correctional Services and the Judiciary</li> </ul>	<ul style="list-style-type: none"> <li>· Ensure regular strong policy dialogue at local and international stakeholder level</li> <li>· Independently establish baseline and institute dedicated monitoring processes and capacity</li> </ul>

**3.2 Sector 2: Environment and Climate Change**

Indicative amount EUR 15.25 million (33% of allocation)

### 3.2.1 The following overall and specific objectives will be pursued:

In line with National Goal 4 of the long term National Development Plan "Vision 2030" The overall objective is

<b>Overall Objective:</b> Jamaica has a healthy natural environment to ensure inclusive and sustainable growth for human development
--

In line with *Medium Term Socio-Economic Policy Framework (MTF) 2012-2015*, which constitutes the medium term strategic programme to implement the *National Development Plan*, the specific objectives are:

<b>Specific Objective 1:</b> Enhance environmental resilience and sustainability
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<b>Specific Objective 2:</b> Improve resilience to climate change and natural hazards
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Growth in Jamaica has come largely at the expenses of the environment resulting in environmental degradation, a deterioration of the environmental health situation and an increase vulnerability to environmental threats including climate change, which impact on growth prospects and social progress. Jamaica's need for sustained robust growth and social progress needs to be reconciled with the need to ensure economic, social and environmental sustainable patterns.

The two mutually reinforcing specific objectives will promote the integration of sustainable use of environment, biodiversity and ecosystem services and of climate change and disaster risk management at national, sector and local levels.

The Strategic approach of the intervention will build on the inter-relationship between Climate Change, Environment and Disaster Risk Reduction as well as the importance to transcend national and local levels. It will promote the strengthening of governance structures and cross sector approach as well as investing in improving social, economic and environmental sustainability of communities whilst reducing their disaster risk and facilitating their adaptation to climate change.

At national level, activities will focus on strengthening the existing framework and governance structures to better mainstream Climate Change, Environment and Disaster Risk Reduction into planning, policy, regulatory and institutional systems as well as budgeting/public financial management and monitoring. The work will also make the link with key sectors with a strong inclusive green economy potential like agriculture, fishery and tourism.

At the local level, work will concentrate on strengthening the capacity of local authorities and local communities to address the challenges, with a particular focus on ecosystem based approaches. The intervention will promote environmental governance at the level of local communities through supporting the establishment and building capacity of suitable institutional configurations such as Local Forestry Management Committees and Community Based Fishery Management Structures as well as to reinforce the partnership between Communities, NGOS, government and private sector. Further it is proposed to mitigate localized environmental hazards such as lack of sanitation, waste management, deforestation and unsustainable land use practices to reduce environmental degradation.

In order to realize sustainable results, the programme will recognize the need to address the underlying social problems of the progressive environmental degradation such as poverty and lack of economic alternatives to unsustainable use of natural resources. Thus a key component will be support to vulnerable, environmental dependent communities such as small rural farmers and coastal communities to diversify their livelihood. In light of the climate sensitivity of communities that depend on the environment for their livelihoods (agriculture and fishery) and their particular exposure to climate and disaster risks, emphasis will be given to an ecosystem based approach to Climate Change adaptation.

The intervention will capitalize from the capacity built under the EU-Global Climate Change Alliance (GCCA) "Climate Change Adaptation and Disaster Risk Reduction Project" and consolidate its results



in areas such as watershed and forest management as well as coastline protection emphasizing sound governance, fostering local ownership and promoting the mainstreaming of climate change and environment in development planning. Jamaica will further capitalize on the Regional Support to the Global Climate Change Alliance programme, which encourages forward-looking policy at regional and national levels to reduce the effects of climate change. The community based approach and the discrete nature of the proposed activities suggest a project type approach as the appropriate implementation modality. The focus on policy issues may also lend itself to the use of budget support.

### **3.2.2 For each of the specific objectives the main expected results are:**

#### ***Specific Objective 1: Enhance environmental resilience and sustainability***

- |                     |  |
|---------------------|--|
| Expected Result 1.1 | Enhanced mainstreaming of environment in development planning, budgeting and monitoring at national, sector and local levels         |
| Expected Result 1.2 | Strengthened environmental governance, awareness and management of natural terrestrial, coastal and marine resources                 |
| Expected Result 1.3 | More inclusive social, economic and environmentally sustainable development which benefit the most vulnerable groups and communities |
| Expected Result 1.4 | Reduced environmental and ecosystem degradation  |

#### ***Specific Objective 2: Improve resilience to climate change and natural hazards***

- |                     |  |
|---------------------|--|
| Expected Result 2.1 | Enhanced mainstreaming of climate change and disaster risk reduction in development planning, budgeting and monitoring at national, sector and local level |
| Expected Result 2.2 | Reduced damage and loss due to climate-related hazards   |

### **3.2.3 The main indicators**

for measuring the aforementioned results are contained in the sector intervention framework attached in Annex 3.

### **3.2.4 Donor coordination and policy dialogue**

The Medium Terms Socio-economic Policy Framework (MTF) is the main mechanism to implement the *Vision 2030 Jamaica – National Development Plan*. Within this framework, Thematic Working Groups (TWGs) have been established to coordinate, monitor and evaluate the implementation of the MTF and progress towards the goals of the national development plan. The Thematic Working Groups are a multi-stakeholder forum including public and private sector entities, civil society organizations, academia and the international development donor partners. As such they will serve as the main high level platform for donor coordination and policy dialogue. In the area of "Environment and Climate Change" the following Thematic Working Groups (TWG) will be utilized:

1. TWG: *Environment and Natural Resources Management/Sustainable Urban & Rural Development* – chaired by the National Environment and Planning Agency (NEPA)
2. TWG: *Hazard Risk Reduction and Adaptation to Climate Change* – chaired by the Office of Disaster Preparedness and Emergency Management and co-chaired by the Meteorological Service

Currently, the TWGs convene meetings once per quarter, with extra-ordinary/special sessions held as the need arises. As it relates to the implementation, monitoring and evaluation of the MIP, the TWGs will undertake the following tasks: identification and development of projects/programmes, provide

general strategic oversight, and monitoring and participate in the evaluation of the relevant MIP components. The Vision 2030 Jamaica Secretariat, which resides within the PIOJ, will support this process and the respective TWGs. Additional coordination will take place at the level of individual project steering committees

The main programmes of relevant international development partners include:

- Climate Investment Fund: *Pilot Programme for Climate Resilience* USD 25.0 million 2013-2017, which focusses on improving climate data and information management, applied adaptation, Climate Financing for Adaptation;
- DfID<sup>4</sup>: *Comprehensive Disaster Management Programme – Regional* (2008-2014 ) to reduce vulnerability to disasters; *Support for the implementation plan for climate resilient development in the Caribbean – Regional* (2011-2016); *Smart Health Care Facilities in the Caribbean* (2012-2013 ) for climate proofing of health facilities; *Improving Climate resilience in Caribbean communities* ( 2011-2013) for community climate change resilience;
- DfID/CDB: *Community Disaster Risk Reduction Fund* (2012-2014) for community climate change and disaster risk resilience;
- Adaptation Fund Board: *To protect livelihoods and food security by improving land and water management for the agricultural sector, strengthening coastal protection, and building institutional capacity for CCA Project* US\$9.97 M (2012-2015);
- EU/Global Climate Change Alliance: *Climate Change Adaptation and Disaster Risk Reduction* USD6.1M (2011-2013), toward increasing resilience to natural hazards through ecosystem restoration and degradation; and public awareness & education;
- UNDP: *Strengthening the Operational and Financial Sustainability of the National Protected Area System Project* USD 7.8M (2010-2016 );
- UNEP: *Sustainable management of shared marine resources of the Caribbean Large Marine Ecosystems and Adjacent Regions* USD 0.4M (2010-2013);
- USAID: *Ecosystems to the Impacts of Global Climate Change (JA REEACH) Reduced Project* USD14.0 M (2012-2014);
- Japan/WB: *Community Based Landslide Risk Management* USD 2.5M (2010-2014) to introduce a community based risk reduction strategy which has proven to be successful in other parts of the Caribbean;
- Strategic Climate Fund/WB: *Project Preparation for Improving Climate Data and Information Management Project* USD 0.3 M (2013-2014) to support the preparation of the proposed project to ensure improved quality of climate information for effective planning and action at local and national levels.

### **3.2.5 Government's financial and policy commitments:**

The 2012-2015 MTF, identifies Hazard Risk Reduction; Environmental Resilience and Sustainable Planning; Climate Change Adaptation and Mitigation as one of four Medium Term Themes with prioritized actions (see section 1.2 above). The national outcomes are supported by policies/strategies in various stages of approval for climate change; disaster risk reduction; improving long-term access to land; agriculture risk management; improved agricultural extension; and watershed management. In addition, the Forestry Policy is being updated and there is now a dedicated climate change department.

The Government has commenced medium term expenditure planning (with support under the DRGEP) which is aligned to the MTF. Further, the Government has commenced under the Extended Fund Facility arrangement with the IMF, a Public Sector Investment Programme (PSIP) through which all commitments for priority capital investments are captured and budgeted.

### **3.2.6 Environmental assessment**

As required, Strategic Environmental and Climate Assessment or Environmental Impact Assessment will be carried out.

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<sup>4</sup> These projects are funded under the DfID Regional Programme and national allocations are not known.

### 3.2.7 The overall risk assessment of the sector intervention:

Possible major risks	Possible mitigating measures
R1: Increased poverty causing more rural settlers to engage in activities that continue to degrade the natural environment	M1.1: Targeted poverty reduction strategies in key sectors; Education, technical training, agro processing, SMSEs assistance M1.2: Local and international stakeholder engagement M1.3: Expansion in sustainable economic activities
R2: Natural disasters striking Jamaica resulting in increased social vulnerability through further destruction of key economic assets, housing, communication, water supply, energy, agriculture	M2.1: Establishment of disaster mitigation plans as part of the intervention
R3: Worsening of Macroeconomic Situation endangers the implementation of MTF	
R4: Change in Government policy and commitment to continue the support to established protected areas;	M4: Policy Dialogue

### 3.3 Sector 3: Public Financial Management

Indicative amount EUR 3.65 million (8% of allocation)

#### 3.3.1 The following overall and specific objectives will be pursued:

<b>Overall Objective:</b> Improved public governance, accountability and delivery of public services
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<b>Specific Objective 1:</b> Strengthened fiscal discipline
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On the basis of the 2012 Public Expenditure and Financial Accountability (PEFA) recommendations and of the PFM RAP adopted in October 2013, the Government is committed to achieve compliance and fiscal/financial control in order to realize macroeconomic/fiscal stability and sustainability, so that public services can be provided in the most efficient and effective way. In the context of the 11th EDF, the EU will assist the Jamaican Government i.e. through targeted support to the involved ministries and institutions, with various implementation modalities, possibly budget support when feasible and eligible, and/or project approach.

#### 3.3.2 For the specific objective the main expected results are:

**Expected Result 1.1** Budget accounts accurate, comprehensive, and harmonized throughout budget process

**Expected Result 1.2** Increased internal and external value-for-money audits

**Expected Result 1.3** Fiscal discipline enhanced by enforcement of fiscal rule

**Expected Result 1.4:** Increased efficiency in domestic revenue mobilization in line with principles of good governance in the tax area, including through environmental fiscal reform where applicable

**Expected Result 1.5:** Increased competition and transparency in public procurement

### 3.3.3 The main indicators

for measuring the aforementioned results are contained in the sector intervention framework attached in Annex 3.

### 3.3.4 Donor coordination and policy dialogue

The EU has been supporting Public Financial Management Sector Reform through successive budget support programmes for a number of years. The on-going Debt Reduction and Growth Enhancement Programme is one such programme which aims to improve transparency and accountability in the management of public resources. The EU has just finalised the design of a new programme which will support the implementation of the new PFM Reform Action Plan. The aim of this programme is to strengthen the Internal and external control systems and strengthen the control environment for public procurement.

Donor coordination on public financial management sector reform is active and the main donors meet on a regular basis to discuss activities, programmes and progress. The EU has regular meetings with the Ministry of Finance & Planning (MoFP) and other stakeholders in the context of the on-going Debt Reduction and Growth Enhancement Programme. Policy dialogue has been done on an ad hoc basis however this should be greatly improved with the appointment of the PFM Oversight Committee which will hold quarterly meetings with the main IDPs chaired by the Financial Secretary (MoFP), with the first meeting held in November 2013.

Main IDP interventions in the sector are: **IDB:** *Fiscal Administration and Modernization Program*, USD 65 million (2011-2016), which targets modernization of tax administration and strengthening customs control and security, strengthening debt management, central treasury management system; **EU:** *Public Financial Management Reform Programme* €5 M (2014-2018), which will target strengthening of control systems and accountability mechanism, internal and external audit capacity, procurement processes and parliamentary oversight of the budget; **WB:** *Development Policy Loan* USD 250 M (2013-2017) supporting improved budget management including adopting a budget calendar, completing interim CTMS implementation and improved management of the PSIP; **WB/DFID:** *Enhancing Institutional Capacity and Communication* USD 1.9 M (2010-2014) to strengthen the capacity of key institutions such as the Debt Management Unit and Parliamentary Committees; **DFID:** *Grant for Public Debt Management* USD 2.3M (2010-2013) which supports reforms in debt management; **CIDA** (2011-2014): *Supporting Economic Management in the Caribbean (SEMCAR) Regional Program* in 12 Caribbean countries for more efficient, effective, accountable, and regionally integrated Tax, Customs and PFM institutions, policies, processes and ICT systems.

There is also ongoing technical assistance for the IMF through its headquarters as well as the Caribbean Regional Technical Assistance Centre (CARTAC) for inter alia, development of a legally binding fiscal rule and monitoring and evaluation of PFM reform.

### 3.3.5 Government's financial and policy commitments

The 2012-2015 MTF, identifies Economic Stability, Competitiveness and Employment as one of four Medium Term Themes with prioritized actions (see section 1.2 above). The national outcomes are

supported by the Memorandum of Economic and Financial Policies underpinning the EFF arrangement and the PFM Reform Action Plan.

The Government has commenced medium term expenditure planning (with support under the DRGEP) which is aligned to the MTF. Further, the Government has commenced under the EFF arrangement with the IMF, a Public Sector Investment Programme (PSIP) through which all commitments for priority capital investments are captured and budgeted. Under the 10<sup>th</sup> EDF a Public finance Management Reform Programme (EUR 13.0 million) will be implemented as from early 2014. Cooperation under the 11<sup>th</sup> EDF will build on and complement the ongoing programmes in this sector, benefitting from existing financial and policy commitment to the proposed actions in this sector.

**3.3.6 Environmental assessment**

When needed, the appropriate type of assessment (Strategic Environmental Assessment or Environmental Impact Assessment) will be carried out.

**3.3.7 The overall risk assessment of the sector intervention:**

<b>Possible major risks</b>	<b>Possible mitigating measures</b>
<ul style="list-style-type: none"> <li>· Insufficient political support to the PFM RAP’s coordination function (Technical Secretariat)</li> <li>· Social instability due to rising cost of living, unemployment, and increasing poverty</li> </ul>	<ul style="list-style-type: none"> <li>· Intensified political dialogue between IDPs and the Government on Economic governance and PFM reforms;</li> <li>· Stepped-up and better-targeted social networks enhancing measures</li> </ul>

**4. MEASURES IN FAVOUR OF CIVIL SOCIETY**

In line with the Cotonou Agreement and its Annex IV, an indicative amount of maximum 5% of funds will be set aside for support to civil society organizations. This will take the form of dedicated components under the projects to be identified and will be administered notably through Calls for Proposals. This support will complement support provided with funds of other EU instruments such as the EIDHR or within ongoing EU programmes such Poverty Reduction Programme (PRP), Programme for the Reduction of Maternal and Child Mortality (PROMA) and the Justice, Security Accountability and Transparency Project (JSAT).

**5. B-ALLOCATION**

A B-allocation may be included in the MIP for unforeseen needs. This allocation is at EUR 0 until a need arises. In case of necessity, a Financing Decision to meet an unforeseen or urgent need can always be taken notwithstanding the status of the indicative B-allocation mentioned in the MIP.

**6. SUPPORT MEASURES**

Measures to support or accompany the programming, preparation or implementation of actions will be supported. An indicative amount of maximum 4% of total funds is foreseen.

**6.1 Technical Cooperation Facility**

One cost-effective means of knowledge transfer is attending conferences/seminars which have the benefit of transferring best practices and acquiring new skills. Similarly, the ability to carry out scenario planning, research, advocate, implement relevant pilot projects, hold stakeholder meetings; gather, disseminate information to stakeholders are activities that will be funded under the Technical Cooperation Facility (TCF).

**6.2 Support to the National Authorizing Officer**

An indicative amount of maximum EUR 700,000 may be foreseen for support to the National Authorising Officer.

## ANNEXES

### Annex 1a: Country at a Glance: Key Macro-Economic Indicators

Years	Indicators	2007	2008	2009	2010	2011	2012
1	Population (in 1000)	2,662.5	2,672.2	2,681.4	2,690.8	2,699.8	2,707.8
	- annual change in %	0.36	0.36	0.34	0.35	0.33	0.30
2a	Nominal GDP (in billion J\$)	885.4	997.6	1,068.0	1,153.6	1,266.4	1,320.6
2b	Average yearly exchange rate €/J\$	94.496	106.959	122.972	115.736	119.587	114.190
2c	Nominal GDP (in million €)	9,369.7	9,326.9	8,684.9	9,967.5	10,589.8	11,564.9
2d	Nominal GDP per capita (in €)	3,519.1	3,490.3	3,238.9	3,704.3	3,922.4	4,271.0
2e	(Annual change in %)	-1.47	-0.82	-7.17	14.52	5.89	8.89
3	Real GDP (annual change in %, 2007 prices)	1.4	-0.8	-3.5	-1.5	1.3	-0.3
4	Gross Fixed Capital Formation (% of GDP)	26.5	24.3	21.0	19.7	22.9	NA
<b>Balance of Payments</b>							
5	Exports of goods (% of GDP)	18.0	19.6	10.9	10.1	11.0	11.5
	- of which: alumina & bauxite (in %)	56.7	50.1	34.3	39.8	44.5	37.3
	- of which: share of regional trade (in %)	2.4	2.4	4.8	4.6	5.5	5.3
5a	Trade balance (% of GDP)	-35.8	-41.5	-31.0	-30.2	-32.7	-32.9
	- of which: share of EU imports (in %)	6.2	6.1	7.3	6.8	5.7	3.7
6	Exports of services (% of GDP, net)	3.3	3.1	6.2	6.1	4.6	4.3
	- of which: tourism (in % of GDP)	14.9	14.4	16.0	15.2	13.7	13.8
6a	Current account balance (in % of GDP)	-15.9	-20.4	-7.6	-7.1	-14.4	-12.8
7	Private remittances inflows (in % of GDP)	15.3	14.8	14.9	14.4	13.7	13.7
8	Net Foreign Direct Investment (in % of GDP)	10.9	6.5	4.4	1.7	0.2	NA
8a	Capital & Financial Account Balance (% of GDP)	15.9	20.4	7.6	7.1	14.4	12.8
9	External Debt (in % of GDP)	47.84	53.59	61.10	63.79	57.73	59.49
10	Service of External Debt (in % of G&S exports)	18.1	13.9	18.7	16.6	11.8	NA
11	Net Foreign Exchange Reserves (in months of goods imports)	2.52	1.91	3.22	3.91	2.77	1.59
12	Average cost to export (USD)	1,750	1,750	1,410	1,410	1,410	1,410
13	Global Competitiveness Index	78	86	91	95	107	107
<b>Government Budget (by Financial Year)</b>							
14	Revenues (in % of GDP)	27.6	27.0	27.1	26.4	25.5	25.7
	- of which: grants (in % of GDP)	0.17	0.76	0.59	0.88	0.27	0.24
	- of which: international-trade taxes (in % of GDP)	6.88	6.74	6.97	8.16	7.62	7.24
15	Expenditure (in % of GDP)	32.2	34.3	38.1	32.6	31.9	30.4
	- of which: capital expenditure (in % of GDP)	4.68	4.15	3.22	4.82	3.89	1.90
16a	Deficit (in % of GDP) <i>including</i> grants	-4.6	-7.4	-11.0	-6.2	-6.4	-4.7
16b	Deficit (in % of GDP) <i>excluding</i> grants	-4.77	-8.16	-11.58	-7.08	-6.67	-4.94
17	Total Debt (in % of GDP)	109.16	117.25	129.68	131.63	128.02	134.07
17a	Debt Servicing (in % of GDP)	22.7	26.8	32.4	19.3	19.7	16.7
<b>Monetary Policy</b>							
18	Consumer Price Inflation (average in %)	9.3	22.0	9.6	12.6	7.5	6.9
19	Interest Rate (average rate in %, commercial loans)	17.11	16.78	23.45	20.40	18.03	18.44
20	Change in Implicit Deflator (in %)	10.8	13.9	11.3	8.0	9.0	3.8
21	Money Supply (M2, % change)	17.1	4.3	6.0	1.7	4.1	6.6

## Annex 1b: Key MDG and Development Indicators

These indicators are harmonized between the EC, The WB and the AfDB for measuring performance at the country level. Indicators 1-10 are core MDG indicators, indicators 11-16 provide additional information on the development and economic growth process, indicators 17-18 refer to the employment situation.

Key indicators	1990	2000	2008	2009	2010	2011	2015 Goals
1. % population below 1\$/day in PPP <sup>5</sup>	28.4	18.7	12.3	16.5	17.6	n/a	50%
2. Prevalence of underweight children <sup>6</sup>	25	20	n/a	n/a	n/a	16	1990
3. Under 5 child mortality <sup>7</sup>	29.5	25.4	25.7	n/a	22.0	n/a	1/3 1990
4. % HIV prevalence in population aged 15-24 <sup>8</sup>	0.3	1.4	n/a	n/a	n/a	0.8	≤
5. % births attended by skilled health personnel <sup>9</sup>	95	n/a	n/a	n/a	n/a	97	100%
6. % 1 year old children immunised against measles	74	88	n/a	n/a	n/a	88	100%
7. Net enrolment ratio in primary education	n/a	93.8	92.8	99.7	90.8	91	100%
8. Ratio girls/boys							1:1
- in primary education	0.99	0.96	0.97	0.97	0.96	0.95	
- in secondary education	1.07	1.03	1.02	0.98	1.00	1.03	
- in tertiary education	1.26	2.06	2.18	2.14	2.18	2.09	
9. Primary school completion rate	n/a	88.3	94.9	98.7	98.3	n/a	
10. % population with sustainable access to improved water source	91.7	91.5	93	92.4	91.3	n/a	½*(10 0%- 1990)
11. Fixed lines and mobile telephone per 1000 inhabitants	8	19	1129	1207	1282	1222	
12. Formal cost required for business start up <sup>10</sup>	n/a	n/a	7.9	5.3	5.2	7.2	
13. Time required for business start up	n/a	n/a	8	8	7	7	
14. Real GDP per capita (in purchasing power parity, in USD) <sup>11</sup>	4095	508 4	n/a	n/a	n/a	9527	
15. Access of rural population to an all season road	n/a	n/a	n/a	n/a	n/a	n/a	
16. Household electrification rate <sup>12</sup>	n/a	n/a	94	95	98	99	
17. Unemployment (in % of labour force, ILO def.) <sup>13</sup>	22.5	22.3	10.6	11.4	12.4	12.6	
18. Employment in agriculture (in % of total employment)	26.7	21.8	18.7	20.2	20.2	17.6	
19. Environmental Performance Index Score	n/a	58	79.1	n/a	58.8	54.5 (2012)	≥82.2

<sup>5</sup> PIOJ data

<sup>6</sup> World Bank MDG data

<sup>7</sup> PIOJ data

<sup>8</sup> World Bank MDG data

<sup>9</sup> PIOJ data for indicators 5 to 11

<sup>10</sup> World Bank Doing Business Reports data for indicators 6&7

<sup>11</sup> World Bank MDG data

<sup>12</sup> Rural Electrification Program(Jamaica)LTD. data

<sup>13</sup> PIOJ Economic and Social Survey (ESSJ) data for indicators 17&18.



## Annex 2: Donor Matrix

IDP	Project/ Programme	2014	2015	2016	2017	2018	2019	2020	Amount
<b>JUSTICE</b>									
<b>CIDA</b>	Justice Undertakings for Social Transformation (JUST) Programme								CDN\$18.5M
<b>CIDA, DFID &amp; IDB</b>	Citizen Security and Justice Programme III								USD55.0M
<b>DFID</b>	Jamaica Constabulary Force Accountability Programme								USD 12.1 M
<b>DFID</b>	Caribbean Criminal Asset Recovery Programme								USD 2.4 M
<b>British High Commission</b>	Friends of Jamaica Initiative								USD 3.2M
<b>EU</b>	Security Sector Reform Programme (SSRP)								€ 11.734M
<b>EU</b>	Justice, Security, Accountability and Transparency Programme (JSAT)								€ 12.6M
<b>USAID</b>	Caribbean Basin Security Initiative								
<b>ENVIRONMENT</b>									
<b>Climate Investment Fund</b>	Pilot Programme for Climate Resilience								USD 25.0 M
<b>DFID</b>	Comprehensive Disaster Management Programme - Regional								
<b>DFID</b>	Support for the implementation plan for climate resilient development in the Caribbean – Regional								
<b>DFID &amp; CDB</b>	Community Disaster Risk Reduction Fund - Regional								
<b>Adaptation Fund Board</b>	To protect livelihoods and food security by improving land and water management for the agricultural sector, strengthening coastal protection, and building institutional capacity for CCA Project								US\$9.97 M
<b>UNDP</b>	Strengthening the Operational and Financial Sustainability of the National Protected Area System Project								USD 7.8M
<b>USAID</b>	Ecosystems to the Impacts of Global Climate Change (JA REEACH) Reduced Project								USD14.0 M
<b>Japan/WB</b>	Community Based Landslide Risk Management								USD 2.5M
<b>Strategic Climate Fund/WB</b>	Project Preparation for Improving Climate Data and Information Management Project								USD 0.3 M
<b>PUBLIC FINANCIAL MANAGEMENT</b>									
<b>IDB</b>	Fiscal Administration and Modernization Program								USD 65 M
<b>EU</b>	Debt Reduction and Growth Enhancement Programme (DRGEP)								€21.7M
<b>EU</b>	Public Financial Management Support Programme								€5 M
<b>WB</b>	Development Policy Loan								USD 250 M
<b>WB/DFID</b>	Enhancing Institutional Capacity and Communication								USD 1.9 M
<b>CIDA</b>	Supporting Economic Management in the Caribbean (SEMCAR) Regional Program								

### Annex 3. Sector Intervention Framework and Performance Indicators<sup>14</sup>

Expected Results	Indicators	Means of verification
<b>Expected Result 1.1</b> – Conditions of detention have been improved	<p><b>Indicator 1.1.1</b> % of prisoners who receive sufficient<sup>15</sup> caloric intake as part of the prison meal plan (disaggregated by sex and age)</p> <p><b>Indicator 1.1.2</b> % of new admissions (men, women and children) receiving a medical examination at time of admission<sup>16</sup></p> <p><b>Indicator 1.1.3</b> % of inmates who receive annual medical examinations and % of inmates who receive follow-up treatment for identified medical issues (men, women and children)<sup>17</sup></p>	<p>Reports from the Department of Correctional Services</p> <p>Boards of Visitors</p> <p>Civil Society oversight</p> <p>Civil Society Organizations</p> <p>Public Health / Ministry of Health</p>
<b>Expected Result 1.2</b> – Strengthened justice services at the community level	<p><b>Indicator 1.2.1</b> number of operational restorative justice centres (baseline January 2014: 7)</p> <p><b>Indicator 1.2.2</b> % of men, women, and children in need of free legal assistance who access same<sup>18</sup></p>	<p>Reports of the Ministry of Justice</p> <p>Project Reports – (1)EU (2) UNICEF (restorative justice)</p>
<b>Expected Result 1.3</b> – Efficiency of justice processes enhanced through improved technology and infrastructure;	<p><b>Indicator 1.3.1</b> length of time a case takes from filing to disposition in civil and criminal courts (2009 baseline: Supreme Court – violent matters<sup>19</sup> – 2 years; Supreme Court property offences – 1 year; Supreme Court Gun Court<sup>20</sup> – 2 years; Resident Magistrate Court Property Offences<sup>21</sup> – 4 months; RM Court Drug Offences<sup>22</sup> – 1.5 months)</p> <p><b>Indicator 1.3.2</b> number of courts renovated/constructed and equipped with video-link, audio recording and case management technology (baseline January 2014: 0)</p>	<p>Reports of the Ministry of Justice/Court Management Services</p> <p>Project Reports</p>
<b>Expected Result 2.1</b> – Children in conflict with the law treated in accordance with international conventions	<p><b>Indicator 2.1.1</b> % of children in the responsibility of the criminal justice system placed in child appropriate facilities<sup>23</sup> (baseline required<sup>24</sup>)</p> <p><b>Indicator 2.1.2</b> % of children held in police lock up for longer than 24hours before court appearance (disaggregated male and female - baseline required)</p> <p><b>Indicator 2.1.3</b> time spent in detention at police lock ups/remand centres by children after</p>	<p>Reports of the Department of Correctional Services, Ministry of Justice, Courts of Jamaica, Jamaica Constabulary Force, Ministry of National Security</p> <p>Project Reports</p> <p>Operational codes of conduct /protocols</p>

<sup>14</sup> "Baselines will be included in the Action documents at the latest".

<sup>15</sup> Sufficient calories (by sex and age) will be defined in the latter part of 2014

<sup>16</sup> Currently, 100% of male and female juveniles and 100% of males at the St. Catherine Adult Correctional Centre receive a medical examination. A questionnaire is completed at the Tower Street Correctional Facility but not all are seen by a physician. This information is not yet available for the other correctional institutions.

<sup>17</sup> Inmates/wards are seen as needed by a visiting physician or are referred - physicians make visits 3 times per week to the larger facilities (Tower Street, Horizon, Fort Augusta and St. Catherine) and once per week at other institutions.

<sup>18</sup> 3726 persons were represented by the Legal Aid Counsel in 2013.

<sup>19</sup> Murder, rape and carnal abuse

<sup>20</sup> Wounding, shooting with intent etc.

<sup>21</sup> Fraud, break-in, larceny

<sup>22</sup> Possession of illegal substances – mainly marijuana

<sup>23</sup> Definition to be provided by UNICEF

<sup>24</sup> 100% in dedicated juvenile facilities

	sentencing (disaggregated by male and female) – baseline: average of 5 days in remand facilities after sentencing  <b>Indicator 2.1.4</b> Number of complaints received by the OCA detailing breach of approved codes of conduct/protocols by staff members of correctional and remand facilities, staff and officers of the court including JCF (2013 baseline: 73)	OCA reports
<b>Expected Result 2.2</b> – Rehabilitation programme for children in conflict with the law mainstreamed in the criminal justice system	<b>Indicator 2.2.1</b> Approved, structured rehabilitation programme for children in conflict with the law (baseline required) <b>Indicator 2.2.2</b> increased # of children appearing in court directed to non-custodial rehabilitation programmes by gender/age/and type of offence (2007-2011 <sup>25</sup> Baseline - Department of Correctional Services: 3045 males and 518 females; January 2014 Baseline - Dispute Resolution Foundation: 848 males and 515 females) <b>Indicator 2.2.3</b> % reduction in the number of boys and girls placed in juvenile correctional centres by the court system (2013 baseline: 124 Correctional Orders) <b>Indicator 2.2.4</b> % increase in the number of children within the responsibility of the criminal justice system who have access to expanded and upgraded mental health services and psychosocial support and educational rehabilitative services (baseline required)	Reports of the Department of Correctional Services, Ministry of Justice, Courts of Jamaica, Jamaica Constabulary Force, Ministry of National Security  Project Reports

## Sector 2 – The Environment and Climate Change

### Overall Objective:

Jamaica has a healthy natural environment to ensure inclusive and sustainable growth for human development

### Specific Objectives:

1. Enhance environmental resilience and sustainability
2. Improve resilience to climate change and natural hazards

Expected Results	Indicators	Means of verification
Expected Result 1.1 Enhanced mainstreaming of environment in development planning, budgeting and monitoring at national, sector and local levels	<b>Indicator 1.1.1</b> Ratio of environment relevant public expenditure to overall budget (baseline to be collated)  <b>Indicator 1.1.2</b> Extent of integration of environment into key economic sectors like agriculture and tourism (formal and informal; cross-sector) (baseline to be collated)  <b>Indicator 1.1.3</b> Extent of integration of environment into local development processes (formal and informal; cross-sector) (baseline to be collated)	Reports of relevant MDA's  Public expenditure  Reports of MDA's  Project Reports from CSO's, CBOs and NGO's  Reports from the PIOJ

<sup>25</sup> Community service, Probation, Suspended Sentence Supervision Order, Voluntary Supervision Order and other orders.

<p>Expected Result 1.2 Strengthened environmental governance, awareness and management of natural terrestrial, coastal and marine resources</p>	<p><b>Indicator 1.2.1:</b> Extent to which national commitments, policy goals and targets are adhered to (covering key issues such as forests, waste management, sanitation, land and water use, protected areas, and pollution) (baseline to be established)</p> <p><b>Indicator 1.2.2:</b> Extent of integration of environment into education system (formal and informal; cross-sector<sup>26</sup>)</p> <p><b>Indicator 1.2.3:</b> Status of the legislative framework</p> <p>Indicator 1.2.4: Extent to which multi-actor partnerships (Government, NGOs, Private Sector) are involved in enhancing environmental resilience and sustainability<sup>27</sup></p>	<p>Reports of relevant MDA's)</p> <p>Reports of MDA's</p> <p>Project Reports from CSO's, CBOs and NGO's</p> <p>Reports from the PIOJ</p>
<p>Expected Result 1.3 More inclusive social, economic and environmentally sustainable development of vulnerable communities</p>	<p><b>Indicator 1.3.1:</b> Number of persons benefitting from measures to enhance sustainable management of natural resources and ecosystems (baseline to be established)</p> <p><b>Indicator 1.3.2:</b> Number of persons who have taken up alternative livelihoods options (baseline to be established)</p>	<p>Project Reports</p>
<p>Expected Result 1.4 Reduced environmental degradation</p>	<p><b>Indicator 1.4.1</b> Hectares of ecosystems restored or preserved and sustainably managed (baseline to be collated)</p> <p><b>Indicator 1.4.2</b> Environmental Performance Index (2014 baseline: 58.26)</p>	<p>Repeat National Survey</p> <p>Reports from PIOJ/ Ministry of Water, Land, Environment and Climate Change</p>
<p>Expected Result 2.1 Enhanced mainstreaming, climate change and disaster risk reduction in development planning budgeting and monitoring at national, sector and local level</p>	<p><b>Indicator 2.1.1</b> Extent of integration climate change into education system (formal and informal; cross-sector) (baseline to be determined)</p> <p><b>Indicator 2.1.2</b> Extent of integration and enforcement of climate change adaptation and disaster risk reduction into key sector policies (Agriculture, Water, Health, Coastal zone management and human settlement) (baseline to be determined)</p>	<p>Reports from PIOJ and the Ministry of Water, Land, Environment and Climate Change (Climate Change Department)</p> <p>Project Reports</p>
<p>Expected Result 2.2 Reduced damage and loss due to climate-related hazards</p>	<p><b>Indicator 2.2.1</b> Human and financial losses due to climate related hazards (2001-2012 average baseline financial losses 2% of GDP<sup>28</sup>; baseline for human losses 7 persons)</p> <p><b>Indicator 2.2.2</b> World Bank Disaster Risk Reduction progress indicator (<i>Baseline: 3.8 (2011)</i>)</p>	<p>Reports from the Ministry of Water, Land, Environment and Climate Change as well as civil protection agencies and actors</p> <p>Project Reports</p>

<sup>26</sup> Environmental issues formally included in the primary curriculum

<sup>27</sup> Thematic Working Group under Vision 2030 functioning; private sector and NSAs sit on Boards of public bodies; NGOs sit on the Climate Change Advisory Committee

<sup>28</sup> Using ECLAC Damage and Loss Assessment Methodology

### Sector 3 – Public Financial Management

#### Overall Objective:

Improved public governance, accountability and delivery of public services

#### Specific Objectives:

1. Strengthened fiscal discipline

<i>Expected Results</i>	<b>Indicators</b>	<b>Means of verification</b>
<b>Expected Result 1.1</b> – Budget accounts accurate, comprehensive, and harmonized throughout budget process	<p><b>Indicator 1.1.1</b> Frequency of in-year reports (baseline available) and timeliness of appropriation accounts; (FY 2013/2014 baseline: 70% of Appropriations Accounts submitted on time; Budget Execution Reports are produced on a monthly basis for the whole of Central Government and a Fiscal Policy Paper interim report is tabled in Parliament after mid-fiscal year);</p> <p><b>Indicator 1.1.2</b> Degree of Transparency and Consolidation of in-year Fiscal Accounts (FY 2013/2014 baseline: In-year fiscal and fiscal policy reports only cover whole of government expenditure figures by economic classifications (no breakdown by MDAs or by essential public services, no detail on climate-relevant expenditure).</p> <p><b>Indicator 1.1.3</b> Internal control rules and procedures established and adhered to (PEFA 2012 score was D+ for performance indicator #20)</p>	<p>Reports of the Ministry of Finance and Planning</p> <p>Reports of the Accountant General's Department</p>
<b>Expected Result 1.2</b> – Increased internal and external value-for-money audits	<p><b>Indicator 1.2.1</b> number of external and internal "value for money" reports (FY 2012/2013 baseline: 117 pre-audits, 8 planned and 2 special audits were conducted by the Internal Audit Unit)</p> <p><b>Indicator 1.2.2</b> Timeline for addressing/responding to audit findings (FAA Act and Regulations do not impose a time-bound framework to undertake corrective measures however in practice, it is usually 4-6 weeks)</p>	<p>Reports of the Ministry of Finance and Planning</p>
<b>Expected Result 1.3</b> – Fiscal discipline enhanced by enforcement of fiscal rule	<p><b>Indicator 1.3.1</b> Percentage of enforced /implemented PEFA recommendations included in the PFM reform programme (baseline: 19 out of 101, approximately 18.8%);</p> <p><b>Indicator 1.3.2</b> Declining trends in fiscal deficits and nominal debt stock figures (baseline FY 2013/2014 (April to October) fiscal deficit – J\$-19,546.1 Million; Debt/GDP at end March 2013 – 135.6%)</p>	<p>Reports of the Ministry of Finance and Planning</p>
<b>Expected Result 1.4</b> – Increased efficiency in domestic revenue mobilisation	<p><b>Indicator 1.4.1</b> Ratio of actual tax revenue/ budgeted tax revenue (FY 2012/2013 baseline: 93.9%<sup>29</sup>)</p> <p><b>Indicator 1.4.2</b> Fiscal pressure (tax revenue/GDP) (baseline FY 2012/2013: 23.9%);</p>	<p>Reports of the Ministry of Finance and Planning</p>

<sup>29</sup> PEFA Score 2012 for Performance Indicator #3 was D)

<p><b>Expected Result 1.5</b> – Increase competition and transparency in public procurement</p>	<p><b>Indicator 1.5.1</b> Number and value of public contracts awarded through competitive methods (2011 baseline: 82.1% of NCC endorsed contracts awarded through competitive methods, valued at J\$24,634.7 Million);</p> <p><b>Indicator 1.5.2</b> Number and value of public contracts awarded to non-NCC registered contractors (2011 baseline: 28.0% of all awarded contracts (3,106) and 29.3% of their combined value (J\$4,738.2 Million)</p>	<p>OCG quarterly reports</p>

The results, indicators and means of verification specified in the present annex may need to evolve to take into account changes intervening during the programming period.

#### ANNEX 4: INDICATIVE TIMETABLE FOR COMMITMENTS

	<b>Indicative Allocation</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
SECTOR 1 – Justice	23		23				
SECTOR 2 – The Environment	15.25			15.25			
SECTOR 3 - Public Financial Management	3.65			3.65			
B-allocation	0						
Support Measures	4.1						
• <i>Support to civil society</i>	2.3				2.3		
• <i>Support measures</i>	1.8		1.8				
<b>Total Commitments</b>	<b>46</b>						

All allocations in M EUR