

17 PARTNERSHIPS FOR THE GOALS



Means of Implementation

Strengthen the means of implementation and revitalise the global partnership for sustainable development

Context

SDG 17 – *Strengthen the means of implementation and revitalize the global partnership for sustainable development* is a multi-pronged approach by which developed countries in particular are called on to meet the commitments of funding/financing to developing countries to support their efforts to implement the SDGs. Jamaica's position as an open, SIDS places it in an even more vulnerable group of countries, susceptible to external economic and environmental shocks. With domestic resources balancing debt repayments and development needs, the space for support in areas beyond finance, including trade, technology, capacity building, data, and addressing systemic issues remains. The aim is to grow support and promote actions by governments, market regulators, and the private sector towards aligning financial markets with sustainable development. This would include advocating for capacity building for domestic resource mobilization (DRM), stronger cooperation on tax issues, and advocacy around capacity building support for data collection, particularly in developing countries.

The review for the period 2018-2022 summarizes key achievements, issues and challenges concerning partnerships to achieve the SDGs in Jamaica.

Partnerships for the Goals Highlights 2018-2022



Debt

Reduction in debt to GDP ratio from 135.3% in 2013 to 94.6% in 2019

FIGURE 90: HIGHLIGHTS MEANS OF IMPLEMENTATION (2018-2022)

Discussion

Target 17.1 Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

SIDS face the challenge of financing the SDGs whilst focussing on building competitive economies and emerging from debt. Jamaica is no exception to this with a historically high debt to GDP ratio, low tax compliance and weak economic growth. These challenges reinforce the need for the application of the Addis Ababa Action Agenda (AAAA), the framework for financing the 2030 Agenda.

Prior to the impact of the COVID-19 pandemic, the GOJ was in its third consecutive year of managing finances through a fiscal surplus which was largely financed by tax revenues; at an average of 89.1 per cent of total revenue and grants. Bilateral partners have been providing the bulk of grant funding at an average of 62 per cent of ODA.¹⁸⁸ Government revenues increased with the level of economic activity from 25.7 per cent of GDP in the financial year (FY) 2012/2013 to a high of 30.6 per cent in FY 2018/2019 and 2019/2020. The commitment to fiscal responsibility led to concurrent increases in capital projects from domestic resources and a lowering of the debt stock to 94.4 per cent in the fiscal year 2018/2019.

The impact of the pandemic interrupted the trend of gains from the surplus years through lower economic output which affected key ratios, increases in spending and an 11 per cent decline in revenues. As a result, the fiscal balance declined from 0.9 per cent in the financial year 2019/2020 to -3.1 per cent in 2020/2021; while total debt as a percentage of GDP increased to 109.7 per cent. Despite these negative indicators, the primary balance remained positive at 3.5 per cent for 2020/2021, ending over five years of surplus greater than six per cent.

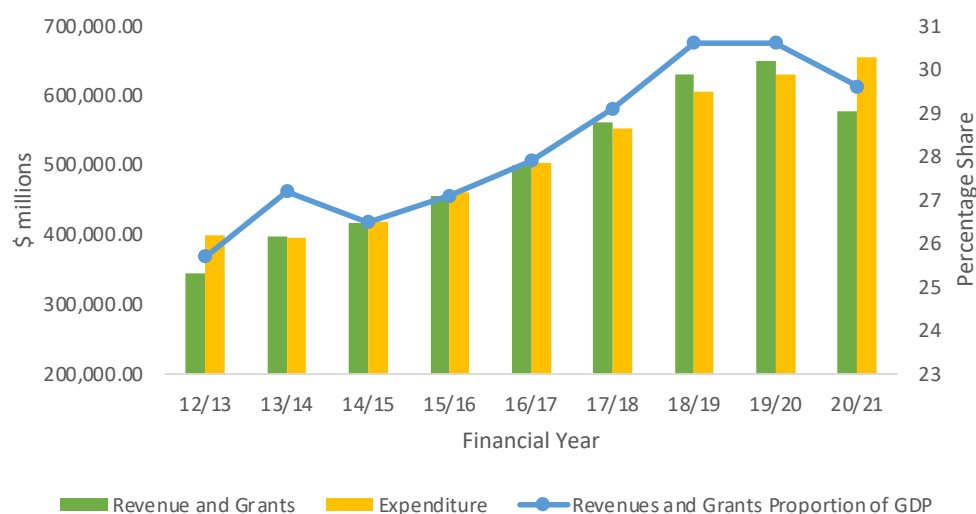


FIGURE 91: GOVERNMENT REVENUES, EXPENDITURE AND PROPORTION OF REVENUE TO GDP
SOURCE: MINISTRY OF FINANCE AND THE PUBLIC SERVICE

The increases in government revenues have come from reforms to the tax system that improves efficiency and promotes transparency at collectorates. Jamaica is ahead of the region in required payments per year (11 to 28.2 for Latin America and the Caribbean) and time taken to file taxes (268 hours to 3171 hours for Latin America and the Caribbean).¹⁸⁹ Moderate economic growth has spurred revenue increases from companies and individuals, despite an increase in the income tax threshold; job growth has led to greater personal income tax receipts.

Improvements in tax efficiency and recovery of the economy will prove paramount in providing resources for financing the SDGs from domestic sources. The gap in financing brought about by the pandemic will require further support from the international community, targeting health and education services that have been most affected.

The need to improve access to financing options continues to be a challenge for Jamaica, particularly due to its classification as an upper-middle-income country. Jamaica will need to intensify its efforts at identifying alternative and innovative sources of financing to bridge the development financing gap. Jamaica should also continue to stress the need for official development assistance (ODA) providers to strengthen their efforts to meet the commitments they have made—including by collectively redoubling their efforts—to ensure that ODA, as a critical source of development finance, can deliver on the transformational ambition of the 2030 Agenda.

Target 17.3 Mobilize additional financial resources for developing countries from multiple sources

IDPs continued to collaborate with Jamaica to advance the Vision 2030 Jamaica—National Development Plan and by extension, the SDGs, through the alignment of ODA to the GOJ's priorities articulated in the two successive MTFs, 2015–2018 and 2018–2021. ODA is provided in the form of budget support, investment loans, grants and technical assistance from multilateral and bilateral sources.

During the period 2015–2020, new ODA supported the national development goals (Figure 90) as follows:

- **Goal 1:** Jamaicans are Empowered to Achieve their Fullest Potential, US\$505.4 million
- **Goal 2:** The Jamaican Society is Secure, Cohesive and Just, US\$370.6 million
- **Goal 3:** Jamaica's Economy is Prosperous, US\$1.1 billion;
- **Goal 4:** Jamaica has a Healthy Natural Environment, US\$132.9 million.

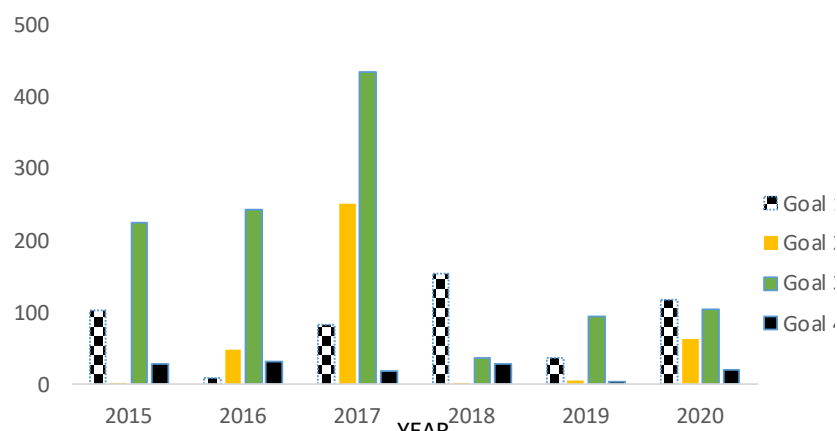


FIGURE 92: NEW ODA SUPPORT ALIGNED TO NATIONAL DEVELOPMENT GOALS (US\$ MILLION)

SOURCE: PLANNING INSTITUTE OF JAMAICA

By 2020, the overall value of new and ongoing projects funded by IDPs was US\$2.3 billion and targeted the economic and social infrastructure, environment and climate change, and productive sectors, as well as administrative areas, which included public sector reform and governance. The People's Republic of China has become the largest partner accounting for over 30 per cent of active cooperation programmes. The bulk of this support was from the China Export-Import Bank, financing in part by the GOJ, major construction in the island's road network. As the macroeconomy improves, the GOJ continues to deliberately pursue a strategy to build economic independence, by limiting the number of new investment loans and thereby reduce the country's debt to GDP ratio.

The declining trend in official development assistance can be seen in the five-period moving averages from 2006, observed at US\$736 million in 2010 and US\$357.9 million by the end of 2020. The average decline in new ODA is largely reflected by the decline in loans, which over the same period have fallen from US\$626.8 million (period average) to US\$253.8 million at the end of 2020. This reduction is reflective of the GOJ's commitment to financial independence and lowering the debt burden. Grant financing has had a smaller relative decline from US\$110.2 million to US\$104.02 million in 2020. This reduction in ODA grant financing is largely attributable to Jamaica's designation as an upper-middle-income country. While overall ODA is decreasing, the sustained inflow of grant financing across periods is still beneficial to a Small Island Developing State like Jamaica which depends on cheap concessional financing for development projects and other areas of technical cooperation.

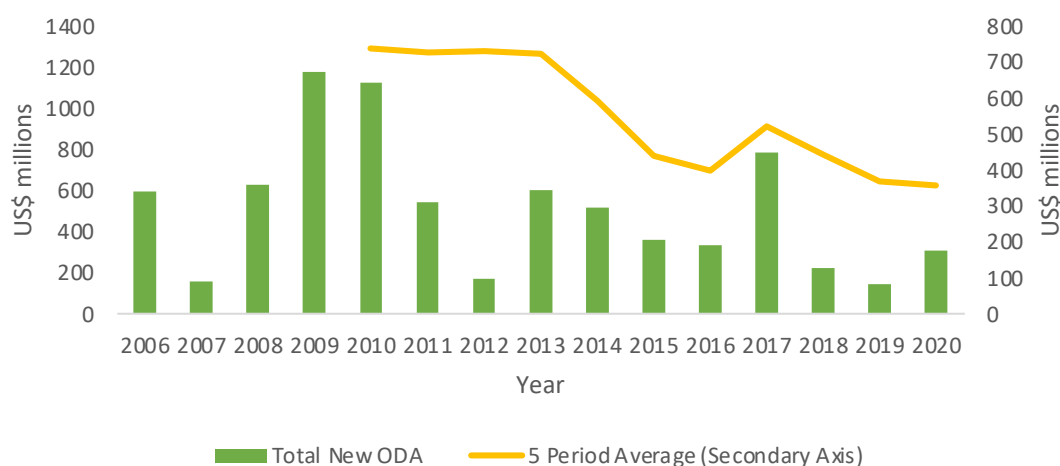


FIGURE 93: ANNUAL NEW OFFICIAL DEVELOPMENT ASSISTANCE
SOURCE: PLANNING INSTITUTE OF JAMAICA

Grant resources totalling \$2.7 billion (US\$18.6 million) were provided by several IDPs for the GOJ's response to the COVID-19 pandemic, of which \$2.5 billion (US\$17.3 million) was new resources while \$186.3 million (US\$1.3 million) was reprogrammed funds under on-going projects. These grant resources were concentrated in the areas of Health, Governance, Social Protection, Education and Research, as well as Agriculture. Additionally, loan resources to the tune of \$24.4 billion (US\$170.0 million) in budget support financing from the IDB and World Bank, were provided to assist the government as it sought to respond to the pandemic. In 2021, development partners continued to support the GOJ's response and recovery efforts in mitigating the effects of the pandemic.

In 2022, it is anticipated that the GOJ will bolster the country's collaboration with development partners through multilateral assistance that will support the areas of digitalization; education; social protection; data management; environment and climate change; citizen security and MSME start-ups, as well as bilateral partnerships, targeting the areas of violence prevention, social justice, youth empowerment and environmental protection, inter alia.

Overall, ODA will continue to identify strategic investments, especially technology-based ones, which can significantly propel Jamaica to meeting its SDG targets, as well as fill financing gaps related to the GOJs priorities in the medium-term, particularly in response to the effects of the COVID-19 pandemic.

In addition to ODA, other inflows into Jamaica that support key foreign exchange requirements are remittances. Remittances support the livelihoods for many of Jamaica's vulnerable groups and represents the second-largest source of foreign exchange, exceeding export earnings and below tourism and services earnings. Inflows as a proportion of GDP have been stable at approximately 15 per cent for the last decade. For 2020, total remittance inflow was 20.0 per cent higher than in 2019 and the percentage of GDP climbed due to the pandemic recession.

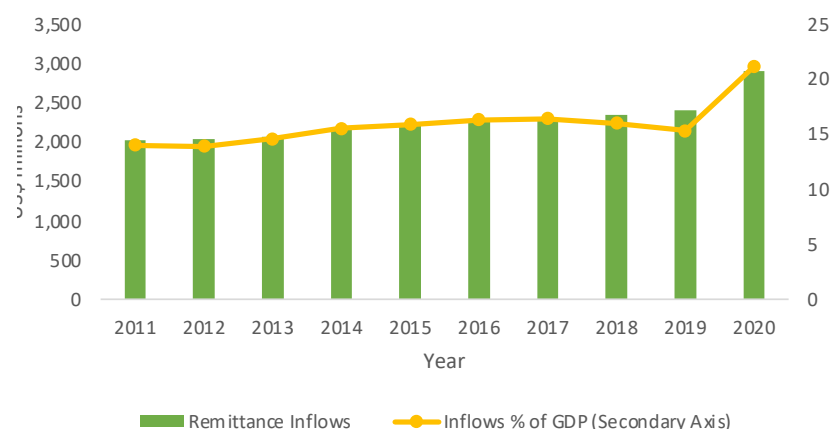


FIGURE 94: REMITTANCE INFLOWS TO JAMAICA
SOURCE: BANK OF JAMAICA

Target 17.4 Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress

UNCTAD in its 2019 Report on Current Challenges to Developing Country Debt Sustainability, assessed the issue of debt and debt sustainability and interrelated systemic issues and highlighted the impact debt levels continue to have on middle-income developing countries and small island developing states.¹⁹⁰ The rising debt vulnerabilities due to fast global financial integration and recurrent cycles of financial instability are generic to developing countries, independent of their average per capita income status. It further noted that middle-income developing countries “still face significant challenges to achieve sustainable development”. Explanations have ranged from structural factors that create developmental turning points; to more general considerations about the growing obstacles to continued economic diversification in the current volatile and slow-growth global economy. This is in combination with greater demands being placed on middle-income countries’ institutional and political capacities to respond to rising investment requirements associated with late industrialization pushes.

190 Current challenges to developing country debt sustainability, prepared by the United Nations Conference of Trade and Development (UNCTAD) (Geneva, 2019).

A stronger and more resilient economic growth is needed to eliminate poverty and boost shared prosperity. However, this will not be possible without the creation of an enabling environment that is conducive to development. Among these measures, the mobilization of domestic and international resources and the effective support given to developing countries in attaining long-term debt sustainability must be included.

To ensure that developing countries, particularly MICs and SIDs, have reliable access to financing for development, it is essential for the financing for development agenda to address/solve longstanding and emerging challenges to development. Solutions of importance to SIDs and MICs include addressing country eligibility for access to concessional financing, supporting universal social protection and decent work as well as investing in global digital cooperation and connectivity to close the digital divide.

Target 17.8 Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology

Technology transfer remains one of the areas of concern for developing countries that do not have the resources to build domestic infrastructure that supports the private sector and individual innovation. Leveraging science, technology and innovation for development is key on the agenda for Jamaica's planning through national and sector policies and projects that incorporate government spending on recurring and new initiatives, with technical assistance and grants from IDPs.

The role of global actors in this technology transfer is underpinned by the domestic telecommunications market where two major providers drive competition. These firms, with majority ownership in the UK and Ireland drive competition in the domestic market. While their performance has led to high connectivity for mobile subscribers (mobile phone penetration of 105 per cent and mobile broadband penetration of 63.7 per cent), fixed line broadband subscriptions remain relatively low at 14.1 per cent as at 2020, only surpassing the average for developing countries in 2019.¹⁹¹

One of the main concerns for households is the cost to access services and the availability of high-speed connections in rural and mountainous areas, creating a digital divide based on geography and affordability. The pandemic further exacerbated the digital divide during the lockdown periods where school and work activities moved online. Connectivity challenges affected over 85 per cent of remote classes across primary and secondary institutions.¹⁹² The learning loss through access to hardware and the connectivity to attend classes and tutorials will be felt in the short to medium term.

Jamaica has one of the largest digital divides in the Latin America and Caribbean region when measured against OECD countries. In both fixed and mobile broadband, based on the level of infrastructure domestically, the gap between Jamaica and OECD nations is at 24.0 per cent and 69.9 per cent for both fixed and mobile broadband connectivity respectively. Remedying this gap requires significant investment in infrastructure, which can have benefits of increased GDP and productivity of up to 11.8 per cent and 9.7 per cent respectively.¹⁹³

191 International Telecommunication Union ICT Indicators Database

192 UNDP, SALISES, CAPRI (2021). Socio-Economic Impact Assessment of Covid-19 and Policy Options in Jamaica. Kingston

193 Rosenblatt et al. Digital Infrastructure and Development in the Caribbean". *Caribbean Quarterly Economic Bulletin* Volume 10, Issue 3. (2021) <http://dx.doi.org/10.18235/0003914>

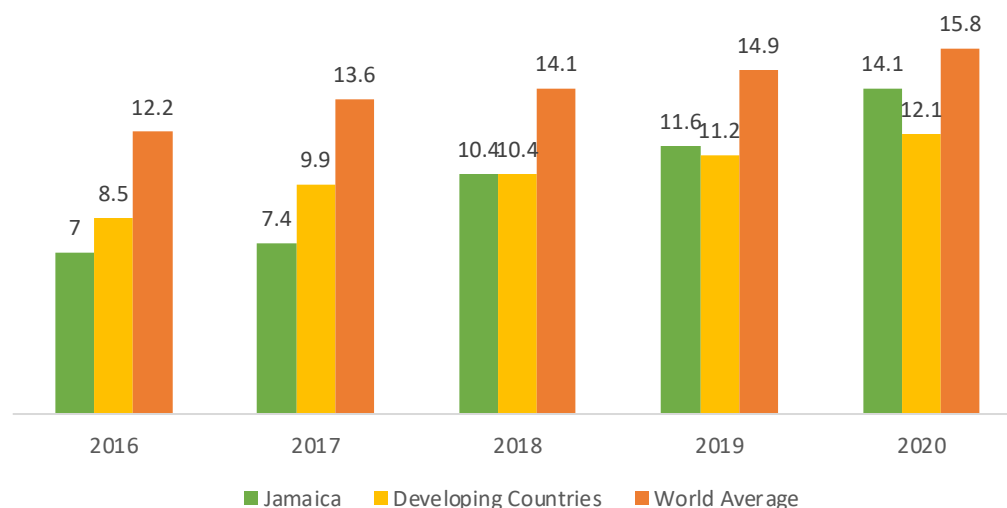


FIGURE 95: FIXED BROADBAND SUBSCRIPTIONS PER 100 INHABITANTS
SOURCE: INTERNATIONAL TELECOMMUNICATION UNION

Improving technology infrastructure is under the ambit of the National Broadband Initiative (NBI), led by the Ministry of Science, Energy and Technology. The national strategy seeks to improve inter-island connectivity through a multiphase approach. Part of this is addressed in the National Infrastructure Communication Backbone, a network that includes schools, ministries, departments and agencies of government and other public entities. The network will allow for greater use of applications, which improve GOJ service delivery, security, and transport. The role of international partners through FDI or ODA are incorporated in broader infrastructure plans that seek to ensure island-wide fibre-optic broadband and increased competition in the telecommunications market.¹⁹⁴ The GOJ is further rolling out community access points, having completed over 400 locations across the island and creating public Wi-Fi spots.

Target 17.11 Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

Jamaica continues to participate actively in key aspects of the work programme of the World Trade Organization (WTO), particularly in the areas of trade negotiations and consultations; administration and implementation of the existing WTO agreements; monitoring and transparency; dispute settlement; and supporting development and building trade capacity.

In the last few years, the attention of WTO Members has focused on concluding the negotiations on fisheries subsidies and advancing the negotiations on agriculture, two key legacy areas from the Doha Round. Members have committed themselves to conclude comprehensive and effective disciplines that prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing and eliminate subsidies that contribute to illegal, unreported, and unregulated (IUU) fishing while ensuring that appropriate and effective special and differential treatment for developing countries and LDCs is an integral part of the outcome of the negotiations. Work has advanced in the negotiations in recent years with the key objectives of developing countries, including Jamaica, being that an outcome on fisheries subsidies is balanced and equitable and takes into account the needs and concerns of developing countries and LDCs. An outcome

194 Hon. Daryl Vaz MP, "Science, Energy and Technology: Building a Brighter Future." (Sectoral presentation at Houses of Parliament, George William Gordon House, May 18, 2021)

on fisheries subsidies will result in the implementation of SDG target 14.6 as it relates to environmental sustainability and the use of marine resources for sustainable development.

Jamaica also remained actively engaged in work relating to the monitoring and transparency mandate of the WTO, particularly as it relates to the impact of the COVID-19 pandemic and the measures taken by Members in response to its effects. As a small, vulnerable economy and given the importance of trade to our economy, Jamaica, working with other WTO Members, underscored the importance of keeping international trade open and non-discriminatory and the need to avoid implementing trade-restrictive measures.

In international trade, Jamaica has not seen any significant increase in its merchandise exports since the SDGs were agreed upon in 2015. In the last five years, merchandise imports have increased steadily and exports, while reflecting some level of fluctuation, have remained fairly stable. The trade deficit remains in place with total imports almost four times greater than the level of exports. While the performance of services exports continues to be dominated by tourism earnings, increasingly marginally since 2015.

The forecast for trade growth for 2022 remains cautious with slow growth expected for international trade during the first quarter of 2022. Positive growth rates are expected for trade in both goods and services but only marginally keeping trade volumes at levels similar to the last quarter of 2021. The COVID-19 pandemic saw an acceleration in digitalization including concerning the international exchange of goods and services. This could create opportunities for MSMEs and women and have a positive impact on their ability to trade internationally as we seek to build a more inclusive multilateral trading system.

Improving market access remains a priority for Jamaica, as a SID and support has been given to decisions relating to the LDCs at the Ninth Ministerial Conference of the WTO 2013, comprising three applicable elements: (i) the implementation of duty-free and quota-free market access; (ii) preferential rules of origin; (iii) the operationalization of the services waiver. Combined, these decisions seek to facilitate and increase the participation of LDCs in the multilateral trading system by providing increased market access for the exports of goods and services from these countries; increasing LDC trade opportunities; and allowing them greater flexibility in implementing the WTO rules.

The decisions have been implemented by most developed countries and several developing countries, which are in a position to provide such preferential treatment to the LDCs, including through their respective preferential arrangements, such as GSP schemes. Jamaica continues to support and provide advocacy with other WTO Members for proposals submitted by LDCs for special dispensation and consideration of this group of countries in the WTO.

Target 17.18 By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts

Effective monitoring and evaluation of the 2030 Agenda require relevant, timely and quality data and statistics that will help a country to track progress and identify gaps. This allows decision-makers to track progress towards achieving the Sustainable Development Goals and promote accountability, particularly for communities at risk of being left behind. Official statistics in Jamaica are produced by the STATIN, the national statistics office, as well as by a number of GOJ MDAs.

To improve the coordination, production, and dissemination of official statistics, STATIN continues to undertake initiatives to strengthen the legislative framework that governs the Statistics Act. The proposed amendments to the

Statistics Act seek to encourage trust and reliability in statistics produced and modernise and improve the operation of Jamaica's statistical authority. Another proposed amendment to the Statistics Act is the establishment of the National Statistics System for the coordination, production, and dissemination of official statistics. However, efforts to move this activity forward were limited by competing priorities and resource constraints.

Technical assistance aimed at improving the quality of statistics in Jamaica was received from several international development partners such as the United Nations Economic Commission for Latin America and the Caribbean (UN ECLAC), Statistics Canada under the Programme for Regional Advancement of Statistics in CARICOM (PRASC), the United Nations Population Fund (UNFPA), and the Caribbean Regional Technical Assistance Centre (CARTAC).

To improve data dissemination for the SDGs, STATIN partnered with Mona School of Business & Management (MSBM) to develop Jamaica's National Reporting Platform (NRP) for the SDGs. This customized platform is expected to be launched in 2022 and will facilitate greater information sharing among MDAs and provide an Open Data portal of SDG statistical indicators, enhancing the country's ability to keep track of its progress and report on the SDGs. The platform will also promote awareness, access, and reuse of data by various stakeholders, policymakers, academia, media, civil society, and the general public.

Jamaica faces challenges in the production of data to monitor the SDGs. Data gaps and the unavailability of disaggregated data for some indicators continue to pose a challenge, impacting compliance with the principle of Leaving No One Behind. The onset of the COVID-19 pandemic has reiterated the need for coordination in the production of official statistics as well as the incorporation of non-traditional approaches to gathering data. STATIN continued to engage with other MDAs to improve the Institute's access to administrative data. The use of administrative data will reduce the response burden, lower survey costs, and improve the quality of the statistics.

Lessons Learnt and Best Practice

With less than a decade remaining to achieve the SDGs, partnerships and resourcefulness will be further tested at the domestic and international levels. The recovery from the pandemic has shown that sound economic management does provide a foundation for resilience and mitigation of shocks. However, persistent shocks to any economy, especially an already vulnerable small island intensify the need for additional support to achieving the development goals.

In the most recent report from the UNSG, outlined in Our Common Agenda, the SG outlines recommendations for the next 25 years of his vision on the future of global cooperation and reinvigorating inclusive, networked, and effective multilateralism, which is currently undergoing consultations by the Member States.¹⁹⁵ The recognition by the United Nations of the special considerations for developing countries, particularly in the context of how we measure progress beyond GDP, how we rationalize graduation criteria, how we allocate ODA and define access for SIDS to financing is encouraging. It goes further and involves how the international community treats small vulnerable economies within the context of a multilateral trade regime; how we approach debt sustainability for such economies; and, how we advance considerations of international tax cooperation, resilience and capacity building.

195 Our Common Agenda – Report of the Secretary General, prepared by the United Nations (New York, 2021) https://www.un.org/en/content/common-agenda-report/assets/pdf/Common_Agenda_Report_English.pdf

Way Forward

To better increase the representation in international fora, Jamaica will be part of the negotiating team within the negotiating bloc of the G77 and China (alongside Costa Rica, Morocco, Singapore, and Nigeria). These opportunities allow for an elevated voice and can garner support for common causes which affect small states related to development financing and climate change among others.

Concerning the Financing for Development in the Era of COVID-19 and Beyond Initiative, launched in May 2020, by the Prime Ministers of Jamaica, Canada and the United Nations Secretary-General (UNSG), work is ongoing within the dedicated clusters to bring the relevant policy options and recommendations to the national level to support COVID-19 response and recovery.

The following information assists in recalling the context and contribution of the Financing for Development Initiative (FFDI) thus far:

- The FFDI has propelled substantial work, particularly on debt, liquidity, and jobs and social protection
- The work of the Discussion groups launched in 2020 through to the present FfDI Clusters has had a major impact on agenda-setting. Results have included the extension of the Debt Service Suspension initiative (DSSI), the issuance of Special Drawing Rights (SDRs), and the creation of the Resilience and Sustainability Trust (RST). One noteworthy example lies in Cluster IV which continues to work on SDR reallocations, the Liquidity and Sustainability Facility (LSF), the Fund to Alleviate COVID-19 Economics (FACE), adopting long-termism into Credit Rating Agencies (CRAs), and incorporating SDGs and multidimensional vulnerability indices into debt restructuring assessments.

Corporate Social Responsibility¹⁹⁶

Corporate Social Responsibility (CSR) can support domestic resource mobilization for the SDGs through alignment with the Vision 2030 Jamaica—National Development Plan and the Sustainable Development Goals (SDGs). The drive toward CSR is based on the recognition that the environment of modern business is becoming increasingly complex, requiring innovative responses by corporate entities to ensure their competitiveness and long-term sustainability. An increasingly competitive global economy, rapid technological change, income inequalities, the plight of vulnerable populations, and concerns for the environment present evolving challenges as well as opportunities for the public and private sectors especially in Small Island Developing States like Jamaica that seeks to achieve sustainability in development while solving urgent national problems.

Increasingly, the interest and participation of the public in seeking solutions to social economic and environmental problems is a factor in the strategic decision-making of companies. In response, firms are adopting innovative approaches to business operations—technology, e-commerce, targeting diverse demographics with new services, and interest in more effective corporate governance, results-based performance management, and stakeholder networks. Some of the most successful firms create value by recognizing and addressing wider stakeholder interests— becoming more society-oriented— and placing value on “good corporate citizenship”.

¹⁹⁶ See thematic Report on CSR

This diagnosis provides a strong basis for support of the Sustainable Development Goals (SDGs) and a proactive role of the corporate sector, through corporate social responsibility. These considerations underpin the growing interest in and relevance of CSR.¹⁹⁷

Resource Requirements

The path to recovery will require further efforts at economic diversification, especially in the trade of goods and services. The dependence on mineral exports in merchandise goods trade and tourism in services trade results in vulnerability that needs to be offset by exploring other industries and products in new and existing markets. The existing business environment reform agenda is encouraged, to spur economic growth which can boost government revenues and increase the availability of funds for social projects, capital works and meeting debt reduction targets.

In the international arena, strengthening existing partnerships through coalition-building and lobbying with developed countries is needed. Improving access to concessional financing, technical cooperation and follow-through on commitments can support the resource gaps in mitigation of climate change-related events, data for monitoring and accountability and other areas hindering development such as security.

¹⁹⁷ See Thematic Report on Corporate Social Responsibility Annexed to this Main Document