

EXPORT & COVID-19

Jamaica's challenges and opportunities

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What will we explore?

To be discussed

- Jamaica's export and overall economic activity before COVID-19.
- COVID-19's impact globally and resulting export challenges.
- Jamaica's response to COVID-19.
- Export opportunities on the horizon.
- How can we support you? JAMPRO'S strategy for exporters.

A BURGEONING ECONOMY

How was Jamaica performing before the COVID-19 crisis?

Jamaica's economy has strengthened significantly

- Best Caribbean Country for Doing Business (Forbes).
- Highest Performing Stock Market (Bloomberg 2015 & 2018).
- From 30 outsourcing companies to over 60 in the last 10 years.
- 45% Increase in Tourist arrivals in last decade.
- 71 out of 190 countries, in the World Bank's 2020 DBR.



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JAMAICA'S EXPORT PERFORMANCE

Government on mission
to increase exports.

Jamaica has been working to diversify exports.

- Jamaica exports of goods and services more than 30% of GDP.
- Major export markets include the USA, Canada, and the U.K. .
- Manufacturing, Mining, and Agro-processing top three export sectors facilitated by JAMPRO.
- Strong performance by Fresh Produce.
- Non-traditional exports increased in 2019.



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A CHANGE IN TRADE

IMPACT OF COVID-19 ON EXPORTS AND GLOBAL ECONOMY

JAMAICA FLOUR MILLS LIMITED

COVID-19'S ECONOMIC IMPACT

Decline in movement of
goods and services predicted.

**COVID-19 has had significant impact on
the global economy.**

- The coronavirus shock is severe, even compared to the Great Financial Crisis in 2007-08.
- There is a loss in productivity as a result of lockdowns, illness, quarantine, and other conditions.
- Severe negative impact on sectors like tourism and other service-based industries.
- Trading powerhouses like China experiencing a decline.



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CHALLENGES AHEAD

Trends pointing to decline in certain exports and overall trade.

Exporters to feel impact of Coronavirus disease.

- Global decline of 2% expected in trade (UNCTAD).
- Negative impact expected on global value chains.
- International manufacturing materials/inputs may be harder for exporters to source.
- MSMEs may need support to offset decline in cash flow, based on the demand for their product/service.
- International Shipping and logistics services can be impacted, affecting overall exports.



THE WAY FORWARD

EXPORTING DURING AND AFTER THE COVID-19 CRISIS

JAMAICA'S RESPONSE

The island's government has reacted quickly to COVID-19.

Quick strategic action & close monitoring being used to protect economy .

- \$25-billion fiscal stimulus package outlined to cushion the impact of the virus on businesses and workers.
- \$1 billion MSME tax credit provides critical cash-flow support to MSME's.
- Covid Allocation of Resources for Employees (CARE) programme in effect.
- COVID-19 small business grants for small businesses with sales of \$50 million or less.



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MEASURES TO MAINTAIN EXPORTS

Exporters to remain a priority during the crisis.

Jamaica working to protect manufacturing and exports.

- Export fees cut by 50%.
- Stability maintained at Jamaica's port, which is a major facilitator for trade in the region.
- Government seeking new markets for Jamaican goods.
- Investment encouraged to expand agribusiness and manufacturing.
- Local bodies to continue with export boosting activities (EXIM Bank, FCJ, JAMPRO).



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LOCAL OPPORTUNITIES FOR EXPORTERS

IMPROVED LINKAGES

Agri-Linkages Exchange (ALEX) to be used to find local avenues for produce.

AGRICULTURE AND AGRIBUSINESS

More local demand for raw materials for finished goods (purees, liquids, etc)

GLOBAL SERVICES SECTOR

IT-enabled services will be needed to support local companies and e-commerce.

MANUFACTURING

Manufacturing of Healthcare related products will be a priority for local market,



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INTERNATIONAL EXPORT OPPORTUNITIES

HEALTHCARE AND WELLNESS

The global PPE market is expected to grow to USD 73.80 Billion by 2026. This must be explored.

AGRICULTURE/ AGRIBUSINESS

Agriculture's potential is still majorly untapped.

EXPORT OF SERVICES

Demand for IT enabled-services will grow, and opportunities for remote work should increase.





JAMPRO'S RENEWED FOCUS

OUR PLAN TO SUPPORT EXPORTERS

HIGH POTENTIAL FOR EXPORT GROWTH

UNTAPPED MARKETS

\$61.2 MN IN
UNTAPPED
EXPORT
POTENTIAL U.K,
U.S.A, & CANADA.

AGRICULTURE A PRIORITY

MARKET FOR
FRESH PRODUCE,
CRUSTACEANS,
COFFEE, ROOTS
& TUBERS.

CONSUMERS ABOUND

DIASPORA AND
REGIONAL
CONSUMERS
CRITICAL POST
COVID-19.

BRAND JAMAICA STRONG

JAMAICAN
BRANDS IN
EXPORT MARKETS
BENEFIT FROM
JAMAICA'S
PRESTIGE.

REALISING OUR POTENTIAL

JAMPRO'S Export strategy
during and after COVID-19

- We will work to find markets for raw materials, and to attract investment into agriculture & manufacturing.
- We will lobby for lands to be made available to farmers, and promote the use of agro-parks.
- Lobby for removal of duties and fees for e-commerce product sales, and Personal Protective Equipment (PPE).
- Focusing on the development of a National Digital Services Strategy.
- Increase business facilitation and matchmaking services with Buyers.



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