



**JAMPRO**  
TRADE & INVESTMENT JAMAICA



# 2021 - 2022 **ANNUAL**REPORT

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The purpose of this report is to provide the Houses of Parliament, partners, stakeholders and clients with information on the performance of the Jamaica Promotions Corporation (JAMPRO) for the 2021/2022 financial year and the prospects for the 2022/2023 financial year.

## OUR VISION

To be a world-class business enabler.

## OUR MISSION

Drive Jamaica's economic development through growth in investment and export.

## OUR CORE VALUES

Integrity • Respect • Innovation • Excellence





## ABOUT THE CORPORATION

JAMPRO is the premier export and investment promotions agency representing the Government of Jamaica. Established as a statutory body under the JAMPRO Act, 1990, we promote business opportunities in export and investment to the local and international private sector.

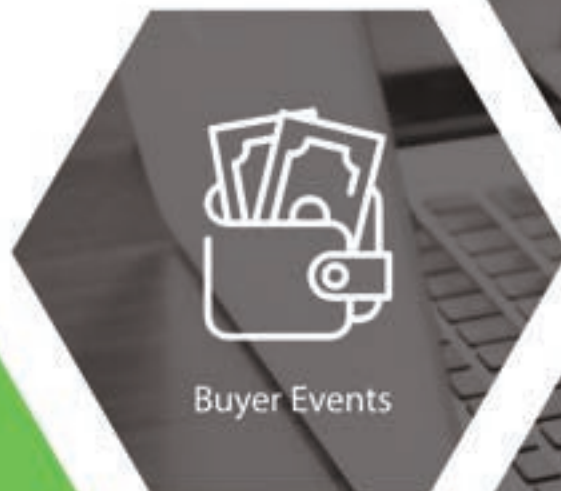
In addition to facilitating the implementation of investment and export projects, the organisation is a key policy advocate and advisor to the Government in matters pertaining to the improvements of Jamaica's business environment. Jamaica Promotions Corporation is currently operating under the Ministry of Industry, Investment and Commerce (MIIC). The impact of JAMPRO's work on economic development is measured by the:

- value of capital expenditure (of clients facilitated by JAMPRO)
- number of gross new jobs created (by clients facilitated by JAMPRO)
- value of export sales (by clients facilitated by JAMPRO)
- client satisfaction score; and the
- Brand Perception Score.<sup>1</sup>

JAMPRO achieves its corporate objectives through the provision of the following investor, exporter or buyer services to its clients:



Buyer  
Recruitment



Buyer Events



Product  
Sourcing



Market Intelligence  
Sharing



Business Advocacy

<sup>1</sup>This is a measure of the perception of Jamaica's business brand locally and globally which is scored in alternating years.





Site Selection  
Facilitation



Customized Market  
Information



Targeted Business  
Development  
Support



Exporter Directory



Business & Building  
Development  
and Approvals  
Facilitation



Business Facilitation  
Meetings



Outward Trade  
Missions



Inward Buyer  
Missions

Facilitation of Export  
Lead Conversion



Business  
Matchmaking





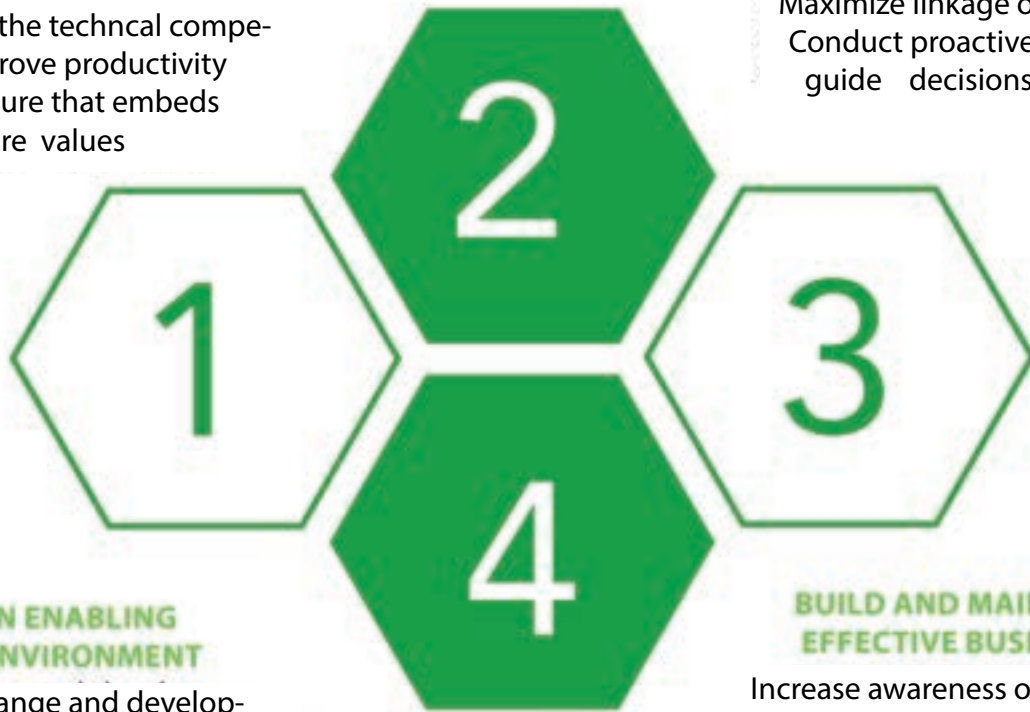
## OUR CORPORATE IMPERATIVES

### BUILD AN ENGAGED, HIGH PERFORMING, COLLABORATIVE TEAM

Create a caring and empowered environment that fosters a satisfied team  
Strengthen the technical competencies to improve productivity  
Nurture a culture that embeds the core values

### ACTIVELY PROMOTE AND ENABLE EXPORTS AND INVESTMENTS

Grow exports Grow investments  
Maximize linkage opportunities  
Conduct proactive research to guide decisions/strategies



### FOSTER AN ENABLING BUSINESS ENVIRONMENT

Drive policy change and development  
Deliver effective services that add value to our customers  
Accelerate business facilitation

### BUILD AND MAINTAIN EFFECTIVE BUSINESS

Increase awareness of Jamaica as a business destination  
Increase engagement with key and strategic stakeholders  
Increase awareness of JAMPRO





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## CHAIRMAN'S MESSAGE

*Don Wehby*

In the financial year 2021/22, amidst the ongoing global COVID-19 pandemic, the Jamaica Promotions Corporation (JAMPRO) remained committed to its goal of championing national economic recovery. At the end of the 2020 calendar year, global FDI had fallen by 42%, worldwide trade had fallen by 5% and global travel had declined by 87%. As a nation, we were not spared from these effects, and against this background, targets were revised, and strategic plans reviewed.

Remarkably, while navigating the uncertainties and the unique challenges presented by the COVID-19 pandemic, JAMPRO achieved 87% of its revised export sales target of US\$830,000,000 and was just short (93%) of its revised Capital Expenditure (CAPEX) target of US\$408,236,350. Even with a fairly ambitious revised target of 14,114 gross new jobs in the midst of a pandemic, the team was able to surpass this target, achieving an extraordinary 34,328 gross new jobs (243%) - the highest nominal figure ever recorded by the organisation. In addition, in a year of challenges, JAMPRO recorded a client satisfaction score of 86%, which is in line, or in many cases, above international benchmarks of 75-85% across a wide range of sectors and industries. These achievements demonstrate JAMPRO's commitment to providing first rate, premium service in the pursuit of its mandate.





The Corporation's achievements rests firmly on its ability to be inventive and innovative by adopting an agile approach to strategic planning and implementation throughout the year. One such strategic initiative employed to forge, and expand effective business relationships of international ilk, was a collaboration with the Ministry of Foreign Affairs and Foreign Trade (MFAFT) and the Consulate of Jamaica in Miami, to expand the newly launched Honorary Investment Advisor (HIA) programme under the organisation's Economic Diplomacy Programme in a bid to enhance Jamaica's international visibility as a destination for business. These HIAs have committed to propelling Jamaica's brand by driving JAMPRO's mandate of increasing investment and export opportunities for Jamaica.

It is recognised that the successful attraction and facilitation of investments in Jamaica rely primarily on the existence of an enabling environment for sustaining private investment inflows. The conversion of the Cabinet approved National Investment Policy (NIP) Green Paper to a White Paper was a major focus for the year, which resulted in the submission the Cabinet at the end of FY 2021/22. The Policy demonstrates the Government's commitment to investment promotion and positioning Jamaica as an attractive investment destination regionally and globally by eliminating bureaucracy and get the government to work closer together. In this vein, the team will continue efforts to secure Cabinet's approval for the Agribusiness Strategy which will encourage the use of modern best practices and improved skillset of workers within the sector; thereby reducing the cost of operating within the agribusiness sphere and creating an enabling environment for businesses.

I have long maintained that if we want to facilitate growth and economy development, we must roll out the red carpet and roll in the red tape and JAMPRO will continue to implement strategic initiatives that enables this.

JAMPRO's tactical approach is propelling the company and the nation in the right direction. Continuation on this data-driven, analytical approach will make the upcoming fiscal year one of continued and even greater accomplishments. As JAMPRO continues to transform our country's investment and export promotion landscape, I am confident in JAMPRO's ability to achieve its mandate while centring innovation, client experience and creativity. As such, on behalf of the Board of Directors, I would like to congratulate team JAMPRO for its accomplishments and acknowledge the Agency's persistence in working to build our nation, Jamaica. We also extend appreciation to our partners and clients for their consistent support during the year and look forward to even greater things ahead.

## BOARD OF DIRECTORS



**Sen. Don G. Wehby**  
CD (Chairman)  
Group Chief Executive Officer,  
GraceKennedy Ltd.



**Mr. Metry Seaga**  
CD (Deputy Chairman)  
Managing Director, Jamaica  
Fibreglass Products Ltd



**Ms. Jo-Anne Archibald**  
Ms. Jo-Anne Archibald  
Principal Director, Ministry of  
Culture, Gender,  
Entertainment & Sports



**Ms. Rochelle Cameron**  
Attorney at Law and CEO  
Prescient Consulting  
Services



**Mr. Yoni Epstein**  
Founder Chairman and  
CEO, Itel



**Mr. Zachary Harding**  
Group CEO, Stocks and  
Securities Limited



**Mrs. Rita Hilton**  
Chief Executive Officer,  
Carita Jamaica Limited



**Mr. Ian K. Levy**  
LOJ, OD, CD Chairman,  
Ian K. Agencies Limited



**Ms. Mina Robertson**  
Research Fellow,  
Centre for Leadership  
and Governance, The UWI



**Mr. Delano Seiveright**  
Senior Advisor & Strategist,  
Ministry of Tourism



**Mrs. Lisa Soares Lewis**  
Founder & CEO  
Great People Solutions



**Mrs. Jacqueline  
Stewart-Lechler, CD, JP**  
Director, Stewart Auto Sales



**Mr. Garth Walker**  
Executive Chairman,  
Adam and Eve Day Spa &  
Bumble Bee Digital Co. Ltd



**Mrs. Laura Heron**  
Chairman - North East Regional  
Health Authority and Audit/Risk  
Committee & Product Development  
Committee General Manager -  
Guardsman Hospitality





## EXECUTIVE MANAGEMENT TEAM

The President, supported by four Vice-Presidents, leads the Executive Team that governs the operations at JAMPRO. The structure and functions of the divisions are as follows:

- **President's Division.** Includes the President's Office, Corporate Planning, Corporate Initiatives, the Human Resources Department and the Legal and Audit functions with responsibility for guiding the overall strategic direction and operations of the organisation.
- **Sales and Promotions Division.** Led by the VP's office, the division focuses on promoting investment and export across sector teams, namely, Agribusiness, Global Digital Services (IT Enabled Services & Outsourcing), Tourism, Manufacturing and Mining; Logistics, Energy and Infrastructure; and Film, Animation and Music. The Sales and Promotions Support Unit completes the division.
- **Marketing Division.** With the VP's Office at the helm, this Division has responsibility for driving and developing key marketing channels including the Integrated Marketing Communications Department, Contact Management Centre, and four (4) Regional Offices focusing on Western Jamaica, Europe, North America (United States of America and Canada) and other New and Emerging Markets.
- **Research, Advocacy and Project Implementation Division (RAPID).** Plays a critical role in conducting research, implementing JAMPRO-assisted projects, and advocating for reforms to the business environment led by RAPID the VP's Office. These functions are executed by the Policy and Business Advocacy, Research and Business Opportunities, and Project Implementation Department.
- **Finance and Corporate Services Division.** Under the leadership of the VP's Office, the division manages the financial resources of the organisation, including the development and implementation of a sustainable plan for revenue generation, cost containment and budget optimization. The division is comprised of the Finance, Administration, Management Information Systems and Procurement Departments.

JAMPRO's divisions are each led by a member of the Executive Team, each of whom have had significant experience serving in their respective roles. The team leading the organisation for FY 2021/2022 was as follows



**Shullette Cox**  
Vice President  
Research Advocacy &  
Project Implementation

**Norman Naar**  
Vice President  
& Sales Promotion

**Diane Edwards**  
President

**Gabrielle Heron**  
Vice President  
Marketing

**Wendy Lyttle Pryce**  
Vice President Finance  
& Corporate Services



# PRESIDENT'S MESSAGE

*Diane Edwards*

In the 2021/22 financial year, the team at JAMPRO understood the volatile, uncertain, complex and ambiguous (VUCA) state of the global and local economies and responded accordingly by revising our operational plan to take account of the challenging circumstances. Promising improvements were observed in late 2020/2021, primarily due to the gradual reopening of the Hotels, Restaurants and Institutional (HRI) sector as tourist traffic recovered and the easing of quarantine restrictions and lockdowns by governments worldwide increased.

Even with these improvements, pre-COVID targets outlined in the Corporation's four-year Strategic Business plan were revised to reflect the global economic downturn resulting from the pandemic. The team once again proved their resilience as with hard work, JAMPRO clients reported Capital Expenditure (CAPEX) of US\$379,713,569.20 during the year, representing 93% of the Corporation's annual target and 34,328 gross new jobs (243% of target). A total of 42 (23 new and 19 expansion) projects contributed to this achievement.





We were forced to prioritize some key strategies and JAMPRO's Prime Account Management Strategy (PAMS) was one such with an aim to improve client engagement processes and increase investment leads, qualified export leads, orders, and re-orders. Sygnus and FirstRock Investment companies were two major PAMS clients. Some of the year's highlights include the conversion of two Sygnus projects, Sygnus Surreal Development and Sygnus Ocean Edge (Discovery Bay), the expansions of ibex with its sixth location opened in July 2021 and Iterum Connections opening its Jamaican branch in St. Catherine in September 2021. The team at JAMPRO was also instrumental in the opening of the long awaited PriceSmart branch in Portmore, St. Catherine and MegaMart's massive multi-faceted agro-industrial project - the Lakes Pen Jam-Agro Tech Farms, also in St. Catherine. Disruptions in production due to a fire at the Jamalco facility, and the subsequent closure of in August 2021, reduced the contribution of the mining sector to CAPEX, contributing to the overall CAPEX and jobs outcome.

On the export side, the Corporation continued its efforts at economic recovery and achieved 87% of the export sales target figure (US\$830,000.000) during the year. Our Export Max programme designed to enhance export readiness, market access and operational capacity of participating companies, continued into its final year (Export Max III). Several market penetration activations were undertaken resulting in an 18% increase in exports under the programme.

While the team was unable to physically execute calendared events such as the Jamaica Investment Forum (JIF), the use of technology, facilitated us hosting the inaugural "EXPLORE DoBusinessJamaica Virtual Investment Conference – 'Explore the Investment Opportunities to the Future'" on November 17-18, 2021, in its place, on the vFairs Virtual Platform. Not only was the DBJVIC a resounding success, with almost 9,000 participants streaming live and 750 actives within the conference's online platform.

As we celebrate the success of the year that was, we look toward the future with a keen eye. We have identified the Russia-Ukraine war as a continued threat to global supply chains which may trigger associated cost increases in the agricultural sector. It is in this vein that we see shortages and rising costs of key input materials already affecting domestic producers. Despite these challenges, new opportunities are being created as countries seek to shorten their supply chains (nearshoring).

We are aware that many projects were delayed this year due to the ongoing pandemic: not least three major agribusiness projects in St. Thomas, St. Elizabeth and Trelawny, as well as major hotel projects in Hanover, St. James and St. Ann. The team will continue to work with these clients to get these critical projects off the ground. We will build on the progress made so far on advancing the policy agenda- particularly in the export-related fields and continue to drive the success of our new initiatives such as the Honorary Investment Advisors and the burgeoning Economic Diplomacy Programme.

This year has been one of agility, pivoting and planning smarter. Using the lessons learnt in the last year, and building on the current successes, I am confident that the team at JAMPRO will continue to excel at its mandate of creating that ideal business environment to facilitate export, job creation and investment.





## CORPORATE PERFORMANCE & ACHIEVEMENT AGAINST TARGETS

### OVERVIEW

The COVID-19 pivot strategy approved in June 2020 was maintained to ensure continued increase in investment inflows and increased exports, as the country navigated this period of economic recovery. The financial year 2021-2022 signified the organisation's second year operating under the 4-year Strategic Plan that was developed for the 2020-2024 period.

The organisation set increased annual targets of US\$408,236,350 for capital expenditure (CAPEX) and 14,114 for jobs which took into consideration the prospects of national economic recovery and the expected rebound of key economic sectors that were forecasted by the Government. As seen in Figure 1, at the end of FY2021-2022, JAMPRO achieved 93% of its CAPEX target or US\$379,713,569.20. The organisation also achieved a remarkable 243% of the jobs target which represented 34,328 jobs created at the end of the financial period, and the highest jobs figure ever reported by the Corporation. (See Figure 2). Regarding export sales, the organisation generated a total of US\$725,301,461.58 which represented an achievement of 87% of the target of US\$830,000,000. As for client satisfaction, JAMPRO received a high rating of 96%.

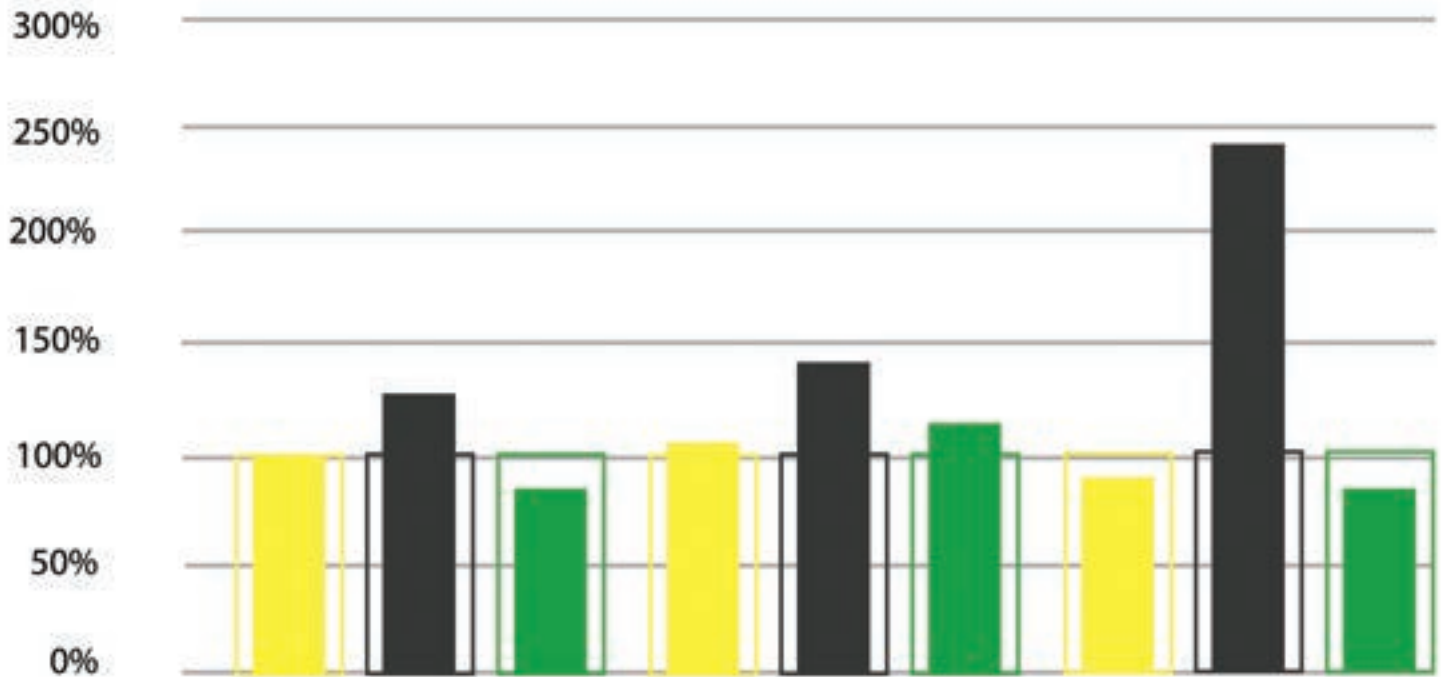


	Capital Expenditure	Gross New Jobs	Export Sales	Client Satisfaction
ACHIEVEMENT	\$397.7M	34,328	725.3	86%
TARGET	\$408.2M	14,114	830.0	90%

Figure 1. JAMPRO's Corporate Targets and Achievements for 2021/22



### 3 YEAR TREND IN CORPORATE ACHIEVEMENTS



YEAR	2019/20	2020/21	2021/22
Capital Expenditure	\$646.6M	\$659.2M	\$379.7M
Gross New Jobs	\$16,540	\$21,774	\$34,328
Export Sales	\$837.6M	\$797.4M	\$725.3M

**ACHIEVEMENTS** ■ ■ ■ **TARGET**

Figure 2. JAMPRO's Corporate Achievements 2019/20 to 2021/22

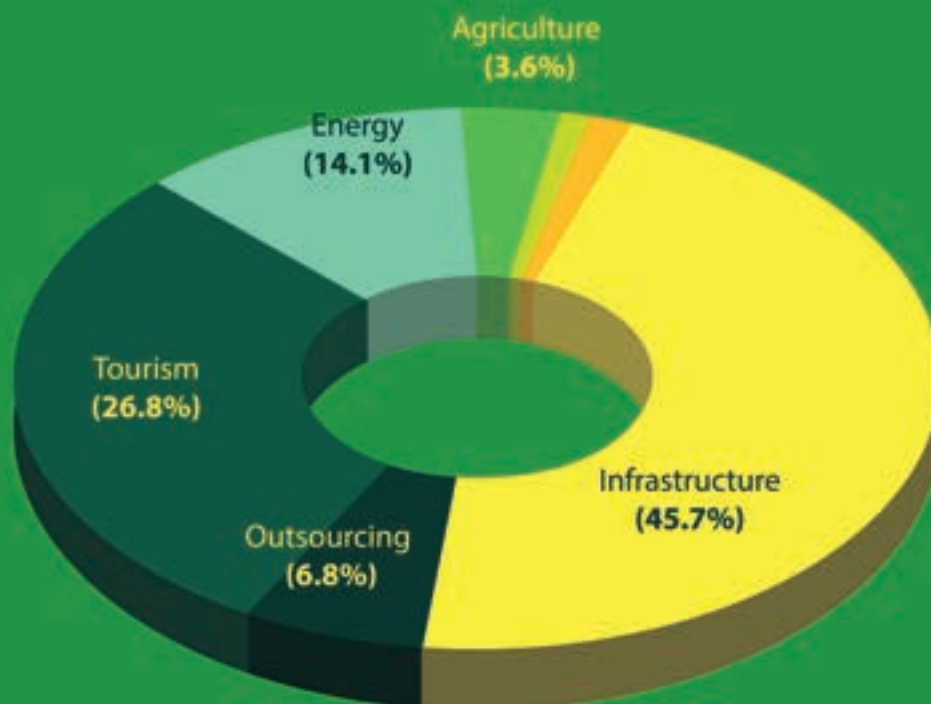
## CAPITAL EXPENDITURE BY SECTOR

During the period, as detailed in Figure 3, the top three performing sectors for CAPEX were Infrastructure, Tourism, and Energy, which reported 46%, 27%, and 14% of total capital expenditure recorded, respectively. Additionally, the Corporation added 167 qualified investment projects spanning over 7 sectors to the investment pipeline.

**GRAND TOTAL IN EXPENDITURE:**

**379,713,569.20**

*Figure 3. Capital Expenditure 2021/22 by Sector*



Infrastructure  
173,555,760 (45.7%)



Tourism  
101,669,975 (26.8%)



Film, Animation & Music  
3,934,099 (1.0%)



Energy  
53,640,790 (14.1%)



Agriculture  
13,615,276 (3.6%)



Manufacturing  
435,985 (0.1%)



Mining  
6,898,815 (1.8%)



Outsourcing  
25,962,869 (6.8%)



## INFRASTRUCTURE



The Infrastructure sector made the largest contribution to CAPEX, accounting for 46%. The sector's strong performance was primarily driven by telecommunications infrastructure upgrades. PriceSmart's second warehouse club, which is set to be launched in April 2022, also made a significant impact on sector achievements. The Sygnus Group continued to pursue its investment projects- Sygnus Surreal Development, Sygnus Ocean Edge, Sygnus Industrial Park, and Sygnus Belmont Office Building. Additionally, work on the departure terminal and the extension of the runway at the Sangster International Airport was ongoing during the fiscal year. Similarly, the Norman Manley International Airport (NMIA) Expansion project engaged in minor investments, though the project continued to be delayed due to the downturn in airport traffic arising from the pandemic.





## MINING

Three companies are behind the sector's 1.8% contribution to CAPEX. S&G Aggregates Limited, Lydford Mining and Hodges Aggregates & Powders all expanded their operations.



## AGRICULTURE SECTOR

The sector's contribution of 3.6% of recorded CAPEX was the result of the implementation of three projects, namely the Caribbean Broilers Processing Plant, the MegaMart - Jam AgroTech project, and the Moringa Group fertilizer manufacturing plant. The implementation of the processing plant by Caribbean Broilers accounted for the majority of the contribution to the total CAPEX figure. These three projects also contributed 91 jobs to the sector.



## MANUFACTURING

The Manufacturing sector registered an impact of less than 1%, accounted for by Blue Power's saponification plant. This investment though relatively small, will have an extended impact on export sales from the country.







## **TOURISM SECTOR**

The Tourism sector accounted for 27% of the CAPEX reported, with the ongoing construction of Princess Resorts and the ROK by Hilton, as well as the completion of Phase 2 of the HI O Ocean Coral Spring Adult Only Resort, Eden Bay, being the major drivers. During the period, the sector's performance continued to be impacted by COVID-19. As a result, a few priority and large-scale projects were delayed. These include Karisma Sugar Cane Bay Resort and the Amaterra Resort Development.

## **ENERGY SECTOR**

The Energy sector accounted for 14.1 % of the CAPEX reported. The performance in this sector was attributed to investments made by the maintenance and infrastructure work carried out by the Jamaica Public Service Company Limited (JPSCo.).

## **OUTSOURCING SECTOR**

The Outsourcing sector accounted for 6.8% of the reported CAPEX for the financial year. The sector's contribution to CAPEX resulted from reinvestments by Alorica, IBEX Global-Jamaica, Hingduja Global Solutions (HGS), Concentrix, Advantage Communications, VXi Jamaica, and itel.

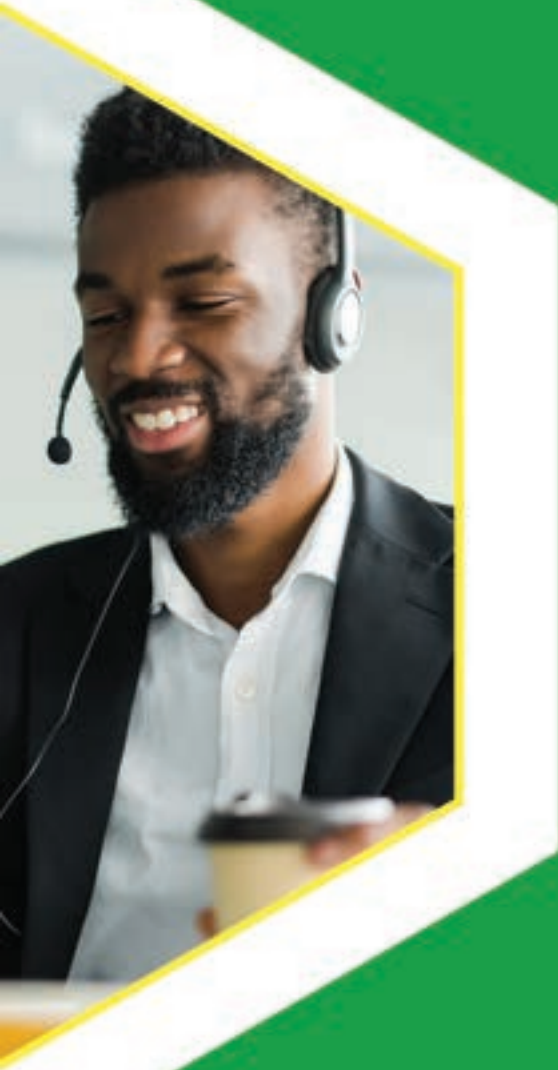
## OUTSOURCING

The Outsourcing sector was the most significant contributor to gross new job creation and accounted for 86% or 29,563 jobs. To optimize growth, especially during the COVID-19 pandemic, companies employed a hybrid model involving a combination of working from home and within the office.

This proved beneficial as it allowed companies to be more responsive to expansion opportunities without the constraint of waiting to find suitable and available accommodation. Alorica, through expansion, now occupies the full capacity of its 58-Half-Way-Tree Road location.

The company's expansion has positively impacted employment; with the full effects expected to be realised in the next fiscal year. IBEX also opened its sixth facility on South Camp Road in Kingston. Similarly, itel BPO expanded and launched its 80,000 sq. ft. Chalmers Avenue location. New employment opportunities were created by ongoing work at Teleperformance, Advantage Communication, Concentrix, and Sagility – a divestment from HGS.

This new company, Sagility, is responsible for 85% of new hires, as well as significant investments within the sector. Advantage also expanded to its second location in Portmore, and Iterum Connections, the first Latin American BPO operator, opened a contact centre facility in Jamaica, and welcomed new employees, thereby adding to the stock of gainfully employed Jamaicans.





## GROSS NEW JOBS CREATED BY SECTOR

Outsourcing, FAM and Infrastructure were the top three sectors that drove job creation during the period, and accounted for 86%, 8% and 3% of jobs recorded, respectively.

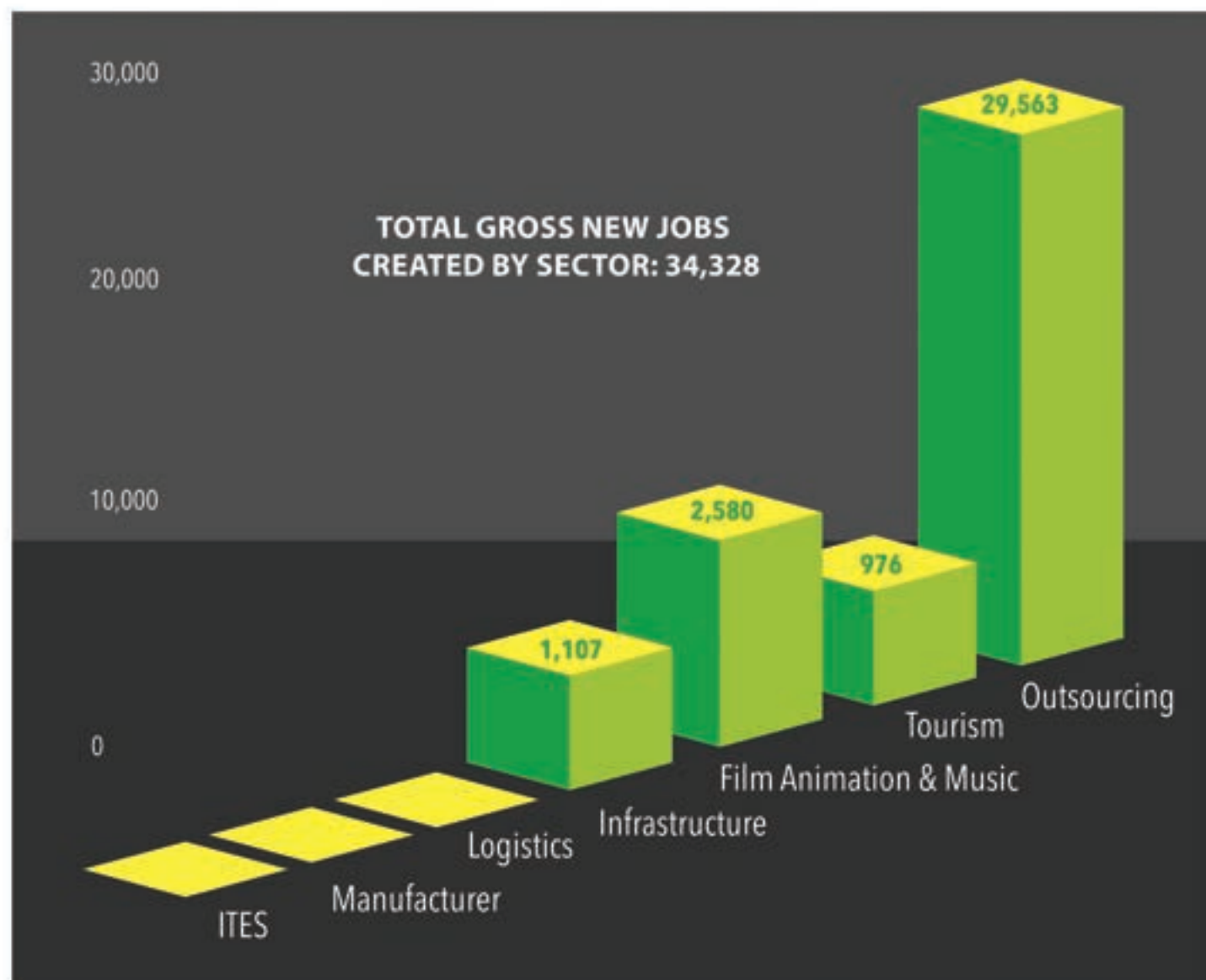


Figure 4. Gross New Jobs 2021/22 by Sector



## FILM, ANIMATION AND MUSIC

The Film, Animation and Music sector contributed 8% or 2,580 jobs to the overall jobs created. The jobs within the sector were generated from 58 international productions and 72 local productions registered. Of the 58 registered international productions, the top client productions for hiring local professionals included Martin Agency (USA - 120), Citizen Films (UK - 67) and Days Ferry Productions (USA - 67).

## INFRASTRUCTURE

The sector's strong showing for capital investment also had a spill over effect on creating new jobs where the sector contributed 1,107 jobs or 3% of the total jobs generated.

## TOURISM

The Tourism sector accounted for the creation of 988 jobs or 3% of total job creation for the period. The construction of Princess Resorts and the ROK Hotel Kingston by Hilton projects, and the completion of Phase 2 of the H10 Ocean Coral Spring Resort generated these jobs.

## OTHER SECTORS

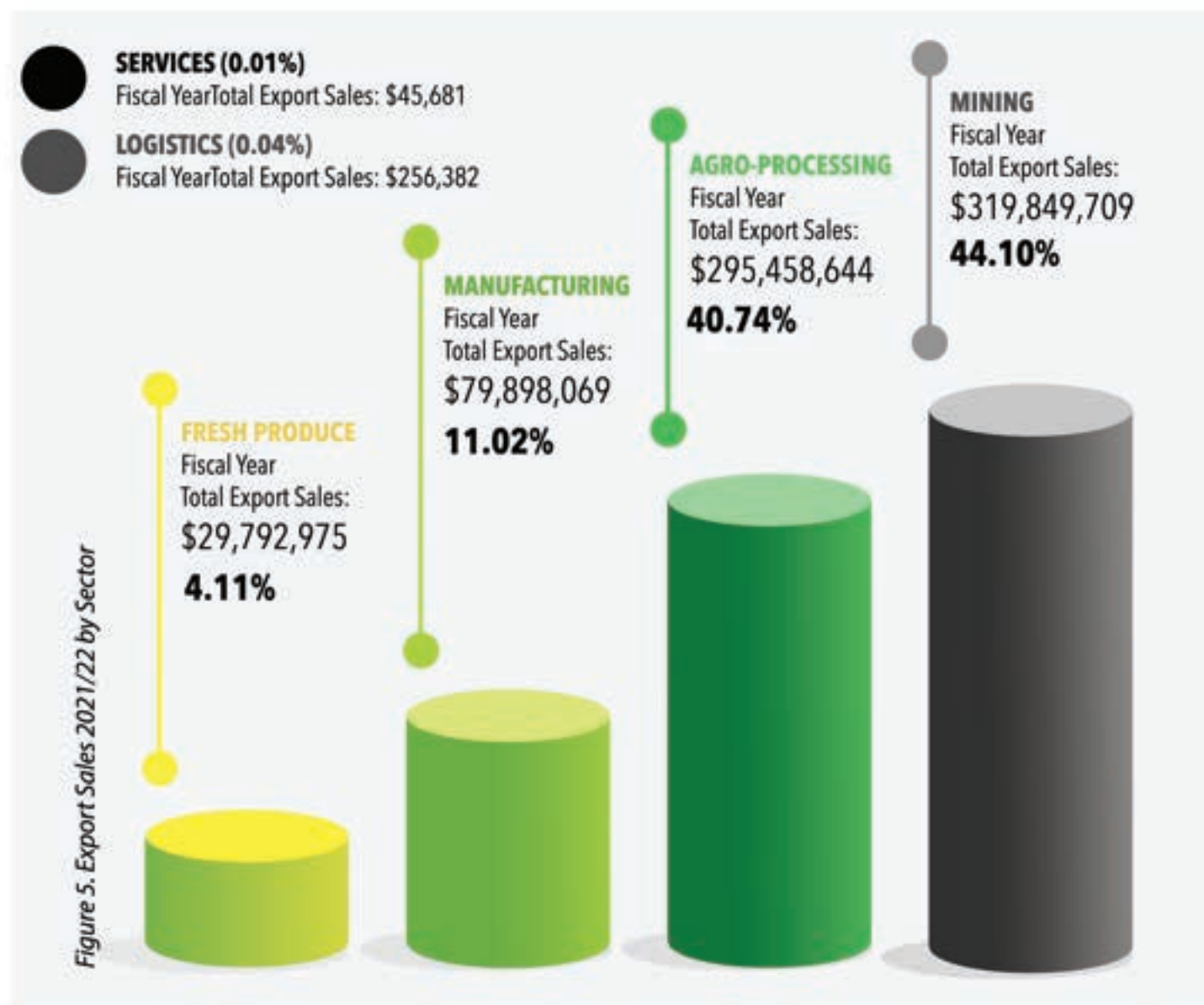
The Agribusiness sector contributed 91 jobs via the Megamart - Jam AgroTech project and the Moringa Group fertilizer manufacturing company projects. For the Mining sector, the expansion of Lydford Mining company generated 11 jobs.



## EXPORT SALES BY SECTORS

JAMPRO worked relentlessly to counter the prevailing economic challenges in pursuit of its export sales target of US\$830,000,000. Although those efforts were fruitful, a fire at the Jamalco Alumina Refinery in August 2021, significantly diminished the usual impact of the mining sector on export sales. This resulted in the Corporation achieving 87% of the target.

### TOTAL EXPORT SALES BY SECTORS



### CONTRIBUTING SECTORS

Manufacturing and Mining recorded US\$400M in export sales, representing an achievement of 55% of the full year's target. The Agro-processing sector contributed 41% or US\$325.2M to export sales, which was recorded from ninety-five (95) export clients. Other contributing sectors include fresh produce, services and logistics. Also, at the end of the period, the Manufacturing, Agro-Processing and Fresh Produce sectors produced the highest numbers of new buyer orders, representing 177, 50 and 21 orders, respectively. These same three sectors also produced the highest number of repeat orders with 282, 62 and 38 orders, respectively.



## CLIENT SATISFACTION SURVEY

JAMPRO conducted its client satisfaction survey between May and June 2021, assessing the FY2020/21. It should be noted that this survey returned having missed a year due to the impact of the COVID-19 pandemic. The survey aimed to determine the level of satisfaction among JAMPRO's clients receiving value-added services and yielded a client satisfaction rating of 96%. JAMPRO continues to perform well as the Corporation remains focused on being deliberate in its sales orientation approach, thus resulting in sustained improvement in the delivery of services to clients and key stakeholders.



### SECTOR HIGHLIGHTS

#### AGRIBUSINESS

The Agribusiness sector rebounded in FY2021/22, with food exports increasing by 20.5% compared to the previous year. Food exports added J\$63B (US\$412M) to the country's coffers. The main products exported from Jamaica were yam, fruits, coffee, sauces, ackee, fish and fish products. North America and Europe continue to be critical markets for Jamaican food exports.

Given the high international demand for yam and coffee, JAMPRO has been collaborating with various stakeholders to reap even greater rewards from these commodities. Two initiatives being spearheaded by the Agency are the National Yam Strategy and the Coffee Marketing Strategy. JAMPRO is working with local farmers and other stakeholders, such as the Food Agriculture Organisation FAO to develop a national strategy to boost the yam supply and improve its value chain. The agency also secured funding to procure a consultant for the Coffee Export Marketing strategy. The consultant has been selected and is expected to begin work in the 2022/2023 financial year. The main goals of the strategy are to effectively position Jamaica Blue Mountain and Jamaican High Mountain brands and address supply chain issues affecting them

JAMPRO is also focused on boosting exports of agro-processed goods. A noteworthy initiative facilitated by the Agribusiness team was the planting of 5,000 ackee seedlings to improve ackee production locally, thereby meeting the high demand of this product on the international market. This initiative commenced in the last quarter of the financial year with technical support provided by the Rural Agricultural Development Authority (RADA). JAMPRO also worked closely with the International Trade Council (ITC) to prepare local specialty foods suppliers to access markets in the United Kingdom and the European Union. This was done through the ITC-led UK Trade Partnerships Programme. Under the programme, 11 Jamaican companies were selected to participate in capacity building and market penetration activities.

During the fiscal year in review, JAMPRO supported Seprod Group of Companies and Jamaica Broilers Group Limited with their expansion projects. Seprod expanded its distribution facility and fleet, while Jamaica Broilers expanded its loading bay.

JAMPRO has been leading the conversation on the importance of infusing technology in the agriculture sector in Jamaica. The Agency hosted a roundtable discussion on the de-risking of agriculture, bringing together ag-tech investors and executives in the domestic financial sector. Following the roundtable discussion, negotiations have commenced on some major pipeline projects. The Agency also hosted a webinar to educate local farmers on the technologies they can implement to improve yields and protect their investments.



## FILM, ANIMATION & MUSIC

The performance of the Film, Animation and Music sectors showed signs of recovery in the 2021-2022 financial year. Collectively, these sectors added over 2,500 temporary gross new jobs to the economy, contributing over J\$740 million to the country's revenue through film production expenditure (FPE) and generated US\$3.9 million in capital expenditure. These key performance indicators are on par with pre-pandemic levels.

Local firms played a crucial role in bolstering the film industry, as 55% of the productions registered by the Film Commission were local productions. Some of the significant local productions were TV commercials from Campari and JMMB, which resulted in J\$20 million in FPE. Additionally, productions from international companies remained strong, as the top three productions overall were generated through companies from the UK and the United States of America (USA). The top three productions were television commercials for Epson, CarMax, and Puma. The Commission registered 130 unique productions overall.

The Film Commission continues to pursue initiatives to grow the capacity and competitiveness of companies in the Film and Animation sectors in Jamaica. Some signature programmes include the Feature Film Lab Programme (Film Lab) and JAFTA Propella. Notably, in the 2021-2022 financial year, nine participants were chosen for cohort 3 of the Film Lab. These firms will undergo training in script development for feature films, preparing them to produce films longer than 40 minutes that can be pitched and further developed. The Film Lab is a partnership with the British Council, Jamaica Film and Television Association (JAFTA) and JAMPRO.

The Commission also completed the Caribbean Animation Business Model (CABM) in this financial year. The CABM is intended to increase collaboration among Caribbean studios, improving their chances of fulfilling scaled international and regional contracts. It also aims to establish a Caribbean hub for the outsourcing of 2D and 3D animation and visual effects (VFX) projects. The Model outlines incentives that the companies can access, a blueprint for managing projects, and how firms can expand their talent pool by hiring professionals from across the Caribbean. The project scope includes Jamaica, Trinidad and Tobago and Barbados.

A notable achievement in the Animation space was Liquid Light's contract to produce the "A is for Astronaut" animated segment for Sesame Street, which premiered on HBO Max. This was a significant outcome of the KingstOON Virtual Animation Festival held in 2021. Liquid Light is not only a client of JAMPRO, but also a participant in Export Max III, JAMPRO's signature programme for MSMEs seeking to export products or services.

The music industry received a boost during the financial year through investments by Tuff Gong and All Mighty Studios, which the Film Commission facilitated. Tuff Gong completed the refurbishment of its vinyl factory in 2021. The factory has also filled an order for 60,000 units manufactured for export to the USA. All Mighty Studios, a state-of-the-art recording and rehearsal studio for gospel music and other local and international music genres, broke ground in 2021. The studio is equipped with modern high-tech recording capabilities, two studio rooms for recording and rehearsals, and an expert production team.



## GLOBAL DIGITAL SERVICES

The stellar performance of the Global Digital Services sector during the COVID-19 pandemic has positioned Jamaica as a model country for Outsourcing. This is mainly due to the advocacy work in relation to work from home arrangements undertaken by the Global Services Association of Jamaica (GSAJ) in partnership with JAMPRO.

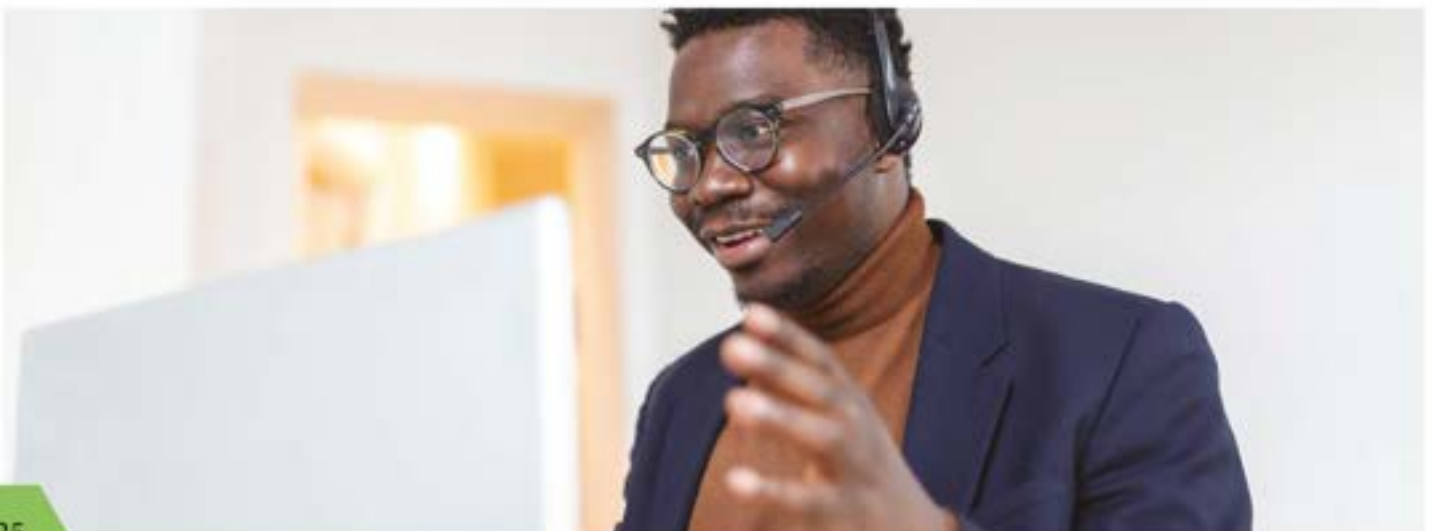
The sector continues to be a main driver of employment in Jamaica, employing approximately 50,000 people in the 2021-2022 financial year. The growth in employment numbers was fueled by expansions of existing players, including, but not limited to, Ibex Global and Itel. These two expansion projects added close to 3,000 jobs to the sector. Additionally, Itel, a Jamaican-founded company, won the 2022 Customer Value Leadership Award from Frost & Sullivan, following an assessment of the nearshore (Americas) customer experience (CX) outsourcing services market.

Additionally, growth in the sector resulted from new entrants such as Transparent BPO, which is headquartered in the US. JAMPRO played a significant role in supporting these new and existing clients through site selection, provision of market intelligence and business matchmaking. At the end of the financial year, over 70 companies were operating in the industry.

JAMPRO continues to work closely with its stakeholders to future-proof Jamaica's position as a leading destination for digital services. Some of its key activities and partnerships include:

- A Fintech Investment Acceleration Campaign hosted in partnership with Nearshore Americas to position Jamaica as a leading hub for Fintech Services.
- Participation in the Outsource to Jamaica Conference hosted by the GSAJ. The event engaged local and international firms online to highlight the advantages of Jamaica as an outsourcing destination.
- Collaboration with the Jamaica Computer Society (JCS), now the Digitaland Technology Alliance.
- Participation in Shared Services Outsourcing Week (SSOW) events. SSOW is one of North America's largest events for global sourcing executives. These events allow JAMPRO to showcase Jamaica's capability for higher-level business support services such as finance and accounting, and market research, among others.

Work on upskilling the workforce continues with the Global Services Sector (GSS) project team. One signature initiative overseen by the GSS project team in 2021 was the train-the-trainer programme executed by the Vocational Training Development Institute (VTDI). The programme trained 500 instructors who will support HEART/NSTA Trust in delivering training on job readiness and digital skills to thousands of new employees in the Outsourcing sector.







## TOURISM

Consistent with the gradual re-opening of the economy, Jamaica recorded among the highest post-pandemic arrival figures reported by Caribbean destinations, with over 1.54 million overnight visitors in 2021. This, however, represents a steep decline from the country's pre-pandemic record of 2.7 million overnight/land-based visitors in 2019. Predictions are for visitor arrivals to top 4 million in 2023, (1.6 million cruise passengers and 2.5 million stopover arrivals) with the country projected to earn US\$4.2 billion from the industry.

Estimated gross earnings for fiscal year are projected at US\$1.87 billion. As worldwide travel returned to a sense of normalcy, Jamaica's airlift capacity was bolstered with the US-based Frontier Airlines increasing the number of weekly flights to Jamaica, effective November 1, 2021. American Airlines also announced plans to launch two weekly non-stop flights between the Miami International Airport and the Ian Fleming International Airport in Ocho Rios. This is expected to begin in 2023.

These include H10's Eden Resort (Adults only), which opened in December 2021 with an additional complement of 444 rooms, RIU Hotels, Sandals International and Bahia Principe. Of note are plans to develop St. Thomas as a new resort area. During the period, the sector's performance continued to be impacted by COVID-19. As a result, a few priority and large-scale projects were placed on hold and their start dates pushed back, namely, Karisma Sugar Cane Bay Resort and the Amaterra Resort Development.

## LOGISTICS, ENERGY AND INFRASTRUCTURE

Through the Economic Diplomacy Programme (EDP), several presentations, webinars, and live fireside chats were arranged with Honorary Counsels, potential investors and investment advisors in the North American, European, and Asian markets. These creative activations were executed to bolster the country's ability to attract foreign direct investment (FDI), in light of several projects in the Logistics and Infrastructure sector being paused and, in some cases, shelved.

During the fiscal year, emphasis was placed on local direct investment (LDI) with specific focus on Infrastructure and expansion projects. The Sygnus Group continued to pursue its investment projects- Sygnus Surreal Development, Sygnus Ocean Edge, Sygnus Industrial Park, and Sygnus Belmont Office Building. In addition, work on the departure terminal and the extension of the runway at the Sangster International Airport was ongoing during the fiscal year. Similarly, the NMIA Expansion project engaged in some minor investments, though the project continued to be delayed due to the downturn in airport traffic arising from the pandemic.

JAMPRO also sought to strengthen strategic partnerships with several government and private sector stakeholders to promote large infrastructure, energy, and logistics-related opportunities. Some of these are the Development Bank of Jamaica (DBJ), JPSCo, Jamaica Special Economic Zone Authority (JSEZA), Port Authority of Jamaica (PAJ), Maritime Authority of Jamaica, Kingston Wharves Limited, Urban Development Corporation (UDC), MJB Airports Limited, PAC Kingston Airport Limited, CMA CGM, Airports Authority of Jamaica, and the Ministry of Science, Energy and Technology.

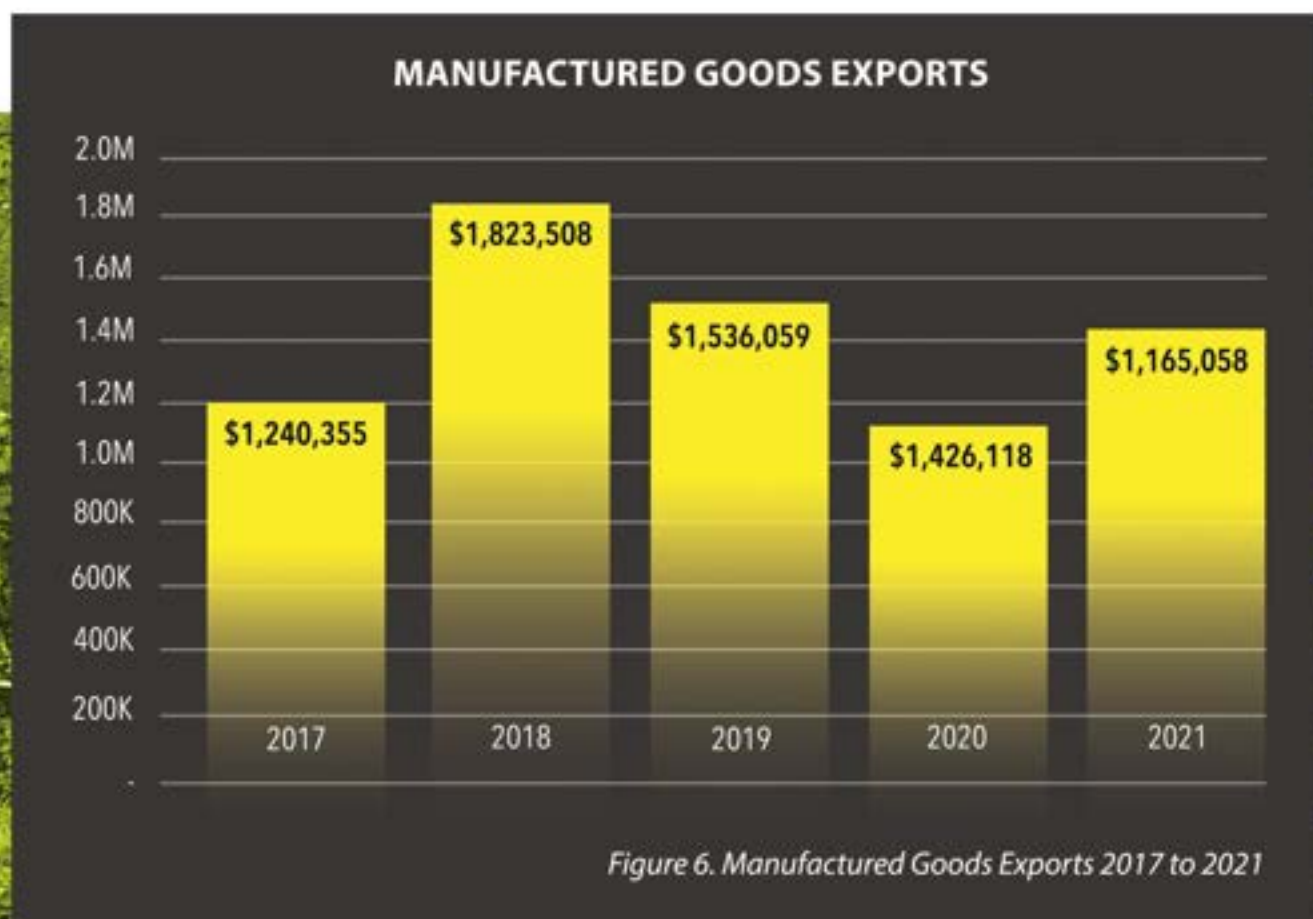


## MANUFACTURING

In the 2021 calendar year, the Manufacturing Sector's value-added contribution to GDP was J\$65,680 million (or 8.9%), representing a 2.95% increase from 2020, in which it was J\$63,792 million. In 2021, the dynamism of the sector was highlighted with entry into new export markets in North America and the Caribbean. Locally, new linkages were established between manufacturers and companies in the service sectors such as Tourism and Outsourcing. In fact, in the last three years, the Manufacturing industry's contribution to domestic exports moved from 30.8% in 2018 to 56.3% in 2021.

The increase in Jamaica's export for 2021 to just over US\$1.4 billion (See Figure 6) was predominantly as a result of Refined Petroleum Products and Food, Beverage & Tobacco. Real Value Added (RVA) is expected to grow for 2022 based on the premise of greater local and international demands. Manufacturers also increased production and the sale of products such as rubbing alcohol, hydrogen peroxide, pharmaceuticals, masks, paper towels and household and industrial cleaning chemicals. Additionally, during the pandemic, cottage industries have advanced and are being encouraged to formalize in order to benefit from more targeted interventions or incentives.

To continue this export growth trajectory, MIIC has spearheaded the establishment of a Manufacturing and Export Growth Team geared toward the implementation of strategies to increase and diversify export products and markets.





## MINING

It is forecasted that in the medium term, the mining industry should experience growth. This is primarily based on the successful implementation of a proposed National Minerals Policy, which positions mining to be a primary contributor to sustainability in Jamaica. Additionally, the increased momentum surrounding limestone as Jamaica seeks to capitalize on growing exports, has been a welcomed boost to the mining sector.

The Government of Jamaica has also expressed its desire to rejuvenate the bauxite industry to boost FDI in the sector. The improvement in the capacity utilization at the Jamalco plant which also encompasses the upgrade of equipment, is key to achieving this goal.<sup>3</sup>

Throughout the pandemic, the Jamaica Bauxite Mining Limited (JBM) reported that Jamaica maintained its usual shipment of limestone notwithstanding the halt of cruise vessels. In the 2021 calendar year, Jamaica produced 2,711,000 tonnes of limestone. The country has also seen progress in its export of the product. In fact, a new level has been unlocked as Jamaica secured its first shipment of construction grade limestone to the United States. The St. Ann based Lydford Mining Company to export 36,000 tonnes of limestone that will be used in the production of concrete aggregates in Savannah, Georgia.<sup>4</sup>

## CANNABIS

Jamaica is poised to become a major legal transshipment hub for medical cannabis, as the product continues to gain significant traction internationally. Globally, the demand for medicinal and therapeutic cannabis continues to soar, as a result, the Cannabis Licensing Authority (CLA) is projecting an increase in exports of cannabis during 2022 and 2023. Two significant developments in the local market are outlined below:



Since the inception of issuing export authorizations in 2018 by the Cannabis Licensing Authority (CLA), of the 156 approvals, 107 were granted during 2021, indicative of rapid growth in the sector<sup>5</sup>.

The export and import regulations are in the advanced stages of being finalized which will be geared toward strengthening the legal trade of cannabis between Jamaica and countries globally.

The Government will continue the process of revamping the legislation to facilitate greater investment. Also, there are expectations of supportive legislative changes at the Federal level in the USA, to facilitate greater access to financial and legal banking options to operators.

<sup>3</sup> Bank of Jamaica: Quarterly Monetary Policy Report, August 2022.

<sup>4</sup> <https://www.jamaicaobserver.com/latest-news/jamaica-secures-first-shipment-of-construction-grade-limestone-to-us/>

<sup>5</sup> <https://jis.gov.jm/cla-projects-increase-in-cannabis-exports/>





## IMPROVING JAMAICA'S COMPETITIVENESS

### SECTOR STRATEGIES & INITIATIVES

#### AGRIBUSINESS STRATEGY:

The Agribusiness Strategy seeks to grow Jamaica's agricultural sector by using modern best practices as well as improving the skill set of workers within the space, thereby, reducing the cost of operating within the agribusiness sphere and creating an enabling environment for businesses. Given the effects of climate change and the COVID-19 pandemic, greater emphasis has been placed on the sector and its ability to supply the population with healthy, nutritious food in adequate quantities and at affordable prices. Governance of the Strategy was transferred to the Ministry of Agriculture and Fisheries (MOAF). Attempts to secure Cabinet's approval during the period did not yield the desired results and the process has been protracted.

#### GLOBAL DIGITAL SERVICES GAP ANALYSIS & STRATEGY:

The 5-year Global Digital Services Sector Strategy is designed to position Jamaica as a high value-added services destination with 70,383 employees at a cost of US\$7.5 million, largely financed through the Global Services Sector Project. This Strategy was approved by Cabinet in February 2022 and will be tabled in Parliament prior to its implementation.

#### MANUFACTURING STRATEGY:

The National Five-Year Manufacturing Strategy has been developed to focus attention on the environment necessary to grow and expand Jamaica's manufacturing industry and increase the industry's contribution to the country's economy. Approved and tabled in Parliament, the Strategy is still pending implementation due to insufficient funds.

#### YAM STRATEGY & YAM ASSOCIATION:

The National Yam Oversight Committee (NYOC) was established to capitalize on untapped market opportunities locally and internationally within the yam industry.

With a vision to chart the future of yam production island-wide via the development of a National Yam Strategy and to spearhead the establishment of a National Yam Association, the NYOC have achieved key milestones this financial year, including:

- Submission of a proposal for funding to the Jamaica Social Investment Fund (JSIF) Rural Enterprise Development Initiative (REDI) II Programme,
- Commitment from the Food Agriculture Organisation (FAO) to undertake the mapping of the yam value chain and establishment of a working group by the FAO to lead the implementation of the project,
- Formation of a committee to lead the establishment of a National Yam Association,
- Development of a draft constitution and work plans for the registration and marketing of the association.

#### JAMAICA COFFEE INDUSTRY SUPPORT INITIATIVE: COFFEE VALIDATION RESEARCH & MARKET STRATEGY PROGRAMME:

The Coffee Validation Research & Market Strategy Project is geared towards determining the demand trends and production analysis for Jamaica Blue Mountain (JBM) Coffee and Jamaica High Mountain Coffee (JHM). The Strategy will also inform the development of a branding strategy for the coffee, as premium/luxury brands in select markets in North America (USA); Europe (UK); Asia (China and Japan) and Caribbean cruise tourists. Financed through the second Rural Enterprise Development Initiative (REDI-II), being executed by the Jamaica Social Investment Fund (JSIF), this project is being managed by JAMPRO in partnership with the Jamaica Agricultural Commodities Regulatory Authority (JACRA) and is expected to be completed by mid-FY 2022-23.

### BUSINESS ENVIRONMENT INITIATIVES

#### NATIONAL INVESTMENT POLICY (NIP):

The National Investment Policy (NIP) demonstrates the government's commitment to promoting investments within a clear, transparent and predictable framework.



It seeks to position Jamaica as an attractive investment destination regionally and globally, whilst driving economic growth through sustainable development. Following public consultations, the Policy was converted from a Green Paper to a White Paper and approved by Cabinet in July 2022 and received no objections from key government stakeholders.

Whilst this conversion took place, several other policy strategies from the NIP were developed and where separate approval by Cabinet was required, same was sought. To this end, the following were approved during the period:

**Defining Priority Projects** – The definition and designation of a priority project is an expansion of one of the strategies of the NIP intended to increase the levels of investment, job creation and knowledge/ technology transfer through increased investments. This is a game-changer in Jamaica's doing business landscape as it signals the Government of Jamaica's commitment to facilitating large-scale investments. Following Cabinet's approval in June 2021, it is anticipated that this position will significantly reduce the time it will take for these projects to obtain GOJ approvals.

**National Sourcing Policy** – Further to Cabinet's approval in July 2021, this Policy, now redefined and re-scoped as the National Linkages Strategy, is expected to create an enabling framework to strengthen and sustain the nation's economic growth and development through strategic and focused initiatives that encourage and incentivize the use of local inputs in key industries.

**Jamaica Economic Residency Programme (JERP)** - Effected through the revision of the National Visa Policy, this programme seeks to attract foreign investors who directly invest at least J\$100 million in a new business or create a business that directly employs at least 100 Jamaican residents. Upon its approval in July 2021 by Cabinet, it is noteworthy to mention that JERP is focused on economic residency which will neither result in citizenship for applicants, nor will those industries with a citizenship-to-invest requirement, such as Cannabis, be covered under this initiative.

## NATIONAL COMPETITIVENESS COUNCIL (NCC):

The National Competitiveness Council (NCC) was established in 2010 to advance policy advocacy, research and public awareness of reform initiatives that facilitate the creation of an enabling businesses environment. Having recognised issue surrounding levels of competitiveness within the county, the Council was established as a public-private partnership that focuses on the identification, monitoring and driving of reforms being implemented by various ministries, departments and agencies (MDAs). During this fiscal year, the following are the main highlights of the NCC:

- Senator, the Hon. Aubyn Hill, Minister of MIIIC, assumed Chairmanship of the NCC in January 2022.
- Project Management Offices (PMOs) have been established for the NCC Technical Secretariat. The PMOs are staffed with Project Managers, Project Assistants and Project Officers. The PMO within JAMPRO has been established for discrete technical areas, while the Trade Facilitation PMO is based at the MIIIC, and the Dealing with Construction Permits PMO is housed in the Ministry of Local Government and Rural Development.
- During the period, the number of planned reform activities increased from 64 to 66; with Investment Facilitation and Market Penetration added as new reform areas.
- For FY2021/22, reform activities successfully implemented include:
  - a). The operationalization of the Government Electrical Regulator with responsibilities for, inter alia, facilitating inspections and investigations, and registering and training electricians and inspectors,
  - b). The e-titling regime which has reduced the cost of land transfers for government by addressing the storage of the original hard copies, and has yielded improved transparency by introducing online tracking,
  - c). Amendments to the Companies Act, permitting hybrid and electronic AGM, particularly given the increased use of digital media to conduct business during the COVID-19.



## NATIONAL BUSINESS PORTAL (NBP)

The establishment of the National Business Portal (NBP) aligns with the Government's thrust to modernize Jamaica's Information and Communication Technology infrastructure to support the effective and efficient delivery of government services. The value of the NBP lies in its ability to provide a one-stop-shop experience to investors, as well as to facilitate discussions amongst all relevant government stakeholders at the earliest stages of the investment process. The development of the NBP continued apace with notable advancements, namely:

### PHASE 1:

The buildout of the informational portal and investment registration engine was completed and launched in the previous fiscal year. The content on sections of the portal continues to be reviewed and updated to reflect the changes within the relevant Ministries, Departments and Agencies (MDAs). The National Business Portal can be accessed by visiting the web address [www.dobusiness.gov.jm](http://www.dobusiness.gov.jm).

### PHASE 2:

In June 2020, nine processes were reengineered/digitalized, namely the productive input relief (PIR) for health, tourism, manufacturing, agribusiness and the creative industries; film licence registration, cannabis licensing, divestment of crown lands and registering pharmaceutical products. A second element, Phase 2b, was conceptualized in FY2021-22, in an effort to offer more business to government (B2G) services and will include the reengineering of applications for:

- attraction licences
- accommodation licences
- other licences issued by the Tourism Product Development Company (TPDCo.)
- mining licences
- quarry licences
- water and sewage
- licences to abstract and use water
- registration of medical facilities
- registration of factories and
- consent to access wells.

This consultancy is expected to be completed January 2024.

### PHASE 3:

This Phase will realize the transactional build-out of the nine processes highlighted in Phase 2. It is anticipated that this build out will be completed in January 2023. Similarly, with the sub-phasing, there will be a Phase 3b, where the re-engineered processes from Phase 2b will be built out as transactional. Whilst Phase 2c and Phase 3c will include the following processes being reengineered and built out for:

- Registration of building practitioners
- Accreditation for laboratories
- Accreditation for certifying and inspecting bodies
- FDA accreditation
- Trustee licences
- Certificates of assignments
- trade remedies and product certification

Finally, Phase 3c will realize the build out of fire permits, occupancy permits, criminal background checks, SEZ: occupant licence and SEZ: developer licence.

## GREEN ECONOMY INVESTMENT STRATEGY

The Green Economy Investment Strategy (GEIS) was developed through the then Ministry of Housing, Urban Renewal, Environment & Climate Change and the National Environment and Planning Agency (NEPA) under the Plastic Minimization and Renewal Project. With a goal to "shift the investment process to support a greater percentage of investment flows to the greening of the economy", the Strategy aims to drive economic sustainability through the integration of the environment in investment decisions. JAMPRO supports the Strategy, particularly given its strong alignment to the National Investment Policy.





## SIGNATURE PROGRAMMES

### EXPORT MAX

Export Max continues to support the journey of over 40 MSME's from the Manufacturing (food and non-food sectors), Services and Creative sectors. The programme is designed to provide capacity building, market penetration, advocacy, and mentorship support, geared toward establishing sustainable and competitively positioned exporters. Export Max supports the varied needs of these enterprises and provides a nuanced approach to unlock and maximize Jamaica's export potential. This JAMPRO-led initiative, which is in its third iteration, is executed in conjunction with the Jamaica Business Development Corporation (JBDC) and the Jamaica Manufacturers and Exporters Association (JMEA). The programme also utilizes partnerships with other sponsors and stakeholders from the public and private sectors to provide the delivery of key resources and support to the participating companies.

The third cohort which comes to an end in December 31, 2022, delivered strong export sales and market penetration performance over the period. As seen in Figure 6, the programme has achieved over 30% sales growth (CAGR) and an impressive 268.15% aggregate sales over baseline and is on track to exceeding its sales KPIs.

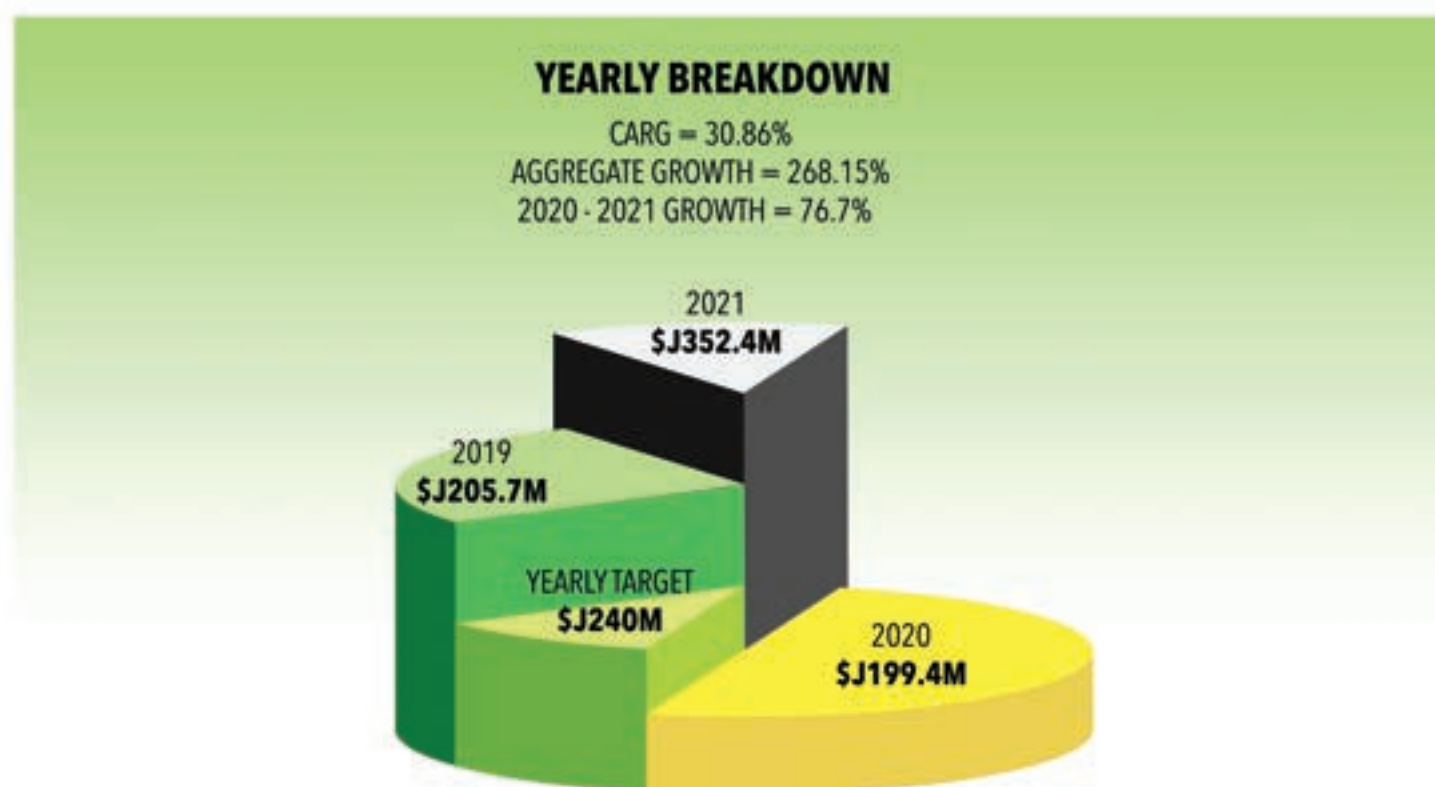


Figure 7. Export Max Yearly Sales Breakdown

These achievements have occurred despite the crippling effects of the COVID-19 pandemic restrictions on the local and export trade of these enterprises. The programme also celebrated being able to penetrate 13 new markets- USA, Canada, UK, Trinidad and Tobago, Panama, Japan, Brazil, Grenada, Barbados, Bahamas, Cayman, Antigua and Martinique. Even within larger territories such as the USA, Export Max clients were able to penetrate five new states/markets- New York, California, Florida, Texas and Illinois.

## FOSRICH

The following are highlights of the programme's achievement over the period: In FY2021/22 Fosrich made its first export, shipping PVC pipes and fittings to Barbados. This represents the first export of PVC pipes and fittings from Jamaica in 15 years.



*Mr. Ricardo Durrant (L)- Manager of the Export Max Project at JAMPRO, in dialogue with Mr. Cecil Foster, Founder and Managing Director of Fosrich, as PVC pipes are loaded into a trailer, in preparation for export.*

## SPRING GARDENS PROCESSORS

Through access to financing provided by Export Max, Spring Gardens Processors ships the first of six containers of ackee to Canada. The company recently secured a distributor for the Canadian and USA markets with support from the Export Max III programme and Carbyne Capital Investments. The JAMPRO team was on site to witness this historic event.



*The Honourable Audley Shaw, Minister of Industry, Investment and Commerce (centre right) speaks to (L-R) Martin Nesbeth, Co-Founder of Carbyne Capital; Ricardo Durrant, Manager, Sales and Promotion Support Unit and Norman Naar, Vice President of Sales and Promotion, JAMPRO; Sophia Pearce, Spring Gardens CEO; and Rajiv Ebanks, Co-Founder of Carbyne Capital.*



## PROGRAMME IMPACT

The initiatives undertaken and advocacy support provided by Export Max have led to positive economic, social, and environmental changes, significantly benefitting the members of the cohort and the wider export community, producing stronger and more competitively positioned companies. The programme has also seen an increase in the number of female-led enterprises receiving support, that is, 33% of the cohort. There have also been significant increases in employment opportunities in depressed communities and the number of sustainable micro enterprises. In its partnership with its stakeholders and public and private sector sponsors, the programme has provided economic relief to its MSME's and the wider export community through negotiations and advocacy interventions, such as:

- Reduction in shipping costs (50% rate reduction for FedEx, and 10% rate reduction for Caribbean Airlines benefitting Micro and Small Enterprises).
- Increase in the Customs Administrative Fees (CAF) de minimis value for imports and exports from US\$500 to US\$1000 – significant cost relief and
- Reduction of administrative processing for Micro and Small business enterprises.
- COVID-19 pivot and recover for the cohort was achieved through specially designed strategies which were instrumental in mitigating the impact of COVID-19 restrictions by providing support and information to assist manufacturers with implementing business continuity measures and pivoting to new product/revenue streams.
- The cohort and wider MSME export community benefited from loans/grants/working capital support specially negotiated for the programme, as well as preparation for accessing the facilities.

## REMOVAL OF TRADE BARRIERS

During the financial year, the Export Max Programme made representation on behalf of the cohort on a number of trade barrier related issues, including:

- Advocating on behalf of the cohort with the Jamaica Post to alleviate issues impacting exports for micro businesses, thereby boosting international e-commerce within the cohort.
- Advocating against the suspension of the Common External Tariff for a list of basic food and sanitation items as brought to CARICOM. This gave way for sourcing these products from local MSMEs, yielding increased sales within the Caribbean.
- Making representation to MIIIC to remove the threat of substandard importation of sanitizers, which protected the local industry.





## LINKAGES

The cohort recorded \$48.6 million in sales revenue via linkages. Seventy-three percent of the total Linkages sales was supplied to the hotel sector in the form of furniture, fittings and food and beverages. While the twenty-seven percent was earned from sales to the airport gift shops. See Figure 8 for additional details.





## GLOBAL SERVICES SECTOR PROJECT

The National Global Digital Services (GOS) Strategy 2021-25 and the related GOS Strategy Taskforce approved by Cabinet on February 28, 2022, is scheduled to be tabled in the Houses of Parliament in the 2022/23 financial year. The Strategy outlined the commitments by the Government of Jamaica to grow a more skilled labour force for the industry, market business opportunities and create a legislative environment that can attract and expand local businesses in the sector. The Strategy was funded by the Inter-American Development Bank's Global Services Sector Project (GSSP) being executed by the Jamaica Promotions Corporation and which is scheduled to end this year.

This targeted focus on the sector has borne fruit with the establishment of three new companies established this year, including our first outsourcing company out of the African continent, while another four having pursued or are currently pursuing expansion opportunities which have contributed to the GOS sector's creation of 29,563 gross new jobs for the fiscal year.

One of the main objectives of the Strategy is to have more Jamaicans fill Supervisory Management and Leadership roles within the sector. As such, to date under the GSSP 665 persons have been trained as apprentices to meet the supervisory level requirements of the Global Digital Services Sector. Under the finishing school model, GSS employees ascertained training in the following areas: Business Technology Management, Leadership & Emotional Intelligence, ICPM Certified Supervisor Professional Certificate, Communication Strategies for a Virtual Age, Managing Remote Contact Centre Teams, Business Analytics, Cyber Security, and more. Additionally, 500 instructors were trained under the Enhanced Job Readiness Curriculum by Vocational Training Development Institute (VTDI). This initiative supports the wider aim to prepare 24,000 youths for entry-level work in the GSS.

## HONORARY INVESTMENT ADVISORS

The appointment of Honorary Investment Advisors (HIA) is an initiative JAMPRO is keen on sustaining, with a view to propel Jamaica within range of fruitful associations. HIAs are influential figures who possess strong ties to Jamaica and a strong presence in targeted markets. The initiative took roots in 2018, with the appointment of the first HIA, Dr. Murthy Devarabhotla, Managing Director of Tudor Management Consultants, aimed at increasing business between Jamaica and India and promoting Jamaica's export and investment opportunities. For the 2021/22 Fiscal Year, joint efforts between JAMPRO and the Ministry of Foreign Affairs and Foreign Trade (MFAFT) with the support of the Consulate of Jamaica in Miami, appointed Mr. Anthony Barbar, founder of Barbar and Associates, as the Honorary Investment Advisor of Jamaica and Florida. With this initiative, JAMPRO aims to continue carrying the mantle of carving out new opportunities for Jamaica in the international market.

## TERRITORY SALES PLAN

The Territory Sales Plan initiative has also yielded great opportunities for JAMPRO and Jamaica. JAMPRO was able to generate new leads, connect/reconnect with key clients, collect market intelligence on traditional regions and tap into areas yet to be explored by JAMPRO.

Through this effort, the Corporation also sought to expand its reach beyond the traditional Greater Toronto Area and stepped into new regions such as Montreal, Vancouver, Washington D.C., Pennsylvania, and Chicago. In-market missions were organized, and great strides were made in reconnecting with major distributors of Caribbean produce and connecting with new clients interested in Jamaican products. Additionally, relationships were established with critical stakeholders, who provided insight into the business landscape and varying nuances in those regions. The Jamaican Diaspora showed great interest in the Agribusiness exports and investments, and boutique hotel investments.





## MAJOR EVENTS

### BLOOMBERG INVESTMENT CONFERENCE

JAMPRO's participation in the Bloomberg Invest Global Virtual Conference in October 2021 was a teaser for the approaching Explore: Do Business Virtual Investment Conference (DBJVIC), held later in the year. Working alongside Bloomberg and coupled with the support of the National Commercial Bank of Jamaica (NCBJ), who partnered with JAMPRO on this endeavour, an opportunity was created for the expansion of global awareness of Jamaica as an investment destination and further promulgated the promotion of DBJVIC in the ensuing month. President of JAMPRO, Diane Edwards and Septimus "Bob" Blake, Managing Director of NCBJ were key speakers at the virtual event.

### EXPLORE: DO BUSINESS VIRTUAL INVESTMENT CONFERENCE (DBJVIC)

As the COVID-19 pandemic persisted, JAMPRO significantly changed the way in which the Corporation executed on its mandate of promoting investment and trade. As such the organisation undertook a virtual execution of its flagship investment conference, which is held triennially.

In 2021, instead of the Jamaica Investment Forum (JIF), the Corporation under the auspices of the Most Honourable Andrew Holness, Prime Minister of Jamaica, held the Explore: Do Business Virtual Investment Conference (DBJVIC) November 17-18, 2021. The conference highlighted Jamaica's key priority sectors to investors from the world at the click of a button. Highlights from pre to post event include:



20 Leads Generated consisting of US \$111 million capex of potential projects, 12 targeted venture capital funds/companies and US \$106 billion value of funds under management by companies being targeted.





## MARKETING INITIATIVES

### JAMPRO CORPORATE WEBSITE REDEVELOPMENT - DOBUSINESSJAMAICA.COM

The second component of the corporate website - the redesigned Resource/Information Centre - was officially commissioned during this fiscal year. This came on the heels of the corporate website being developed by international web developer, WeUsThem, and operationalized in the financial year 2020/2021.

Tremendous effort was expended throughout the reviewed period to ensure that the content on the website is current and relevant, to drive traffic and stimulate interests in doing business in Jamaica. Other improvements during the year included providing target audiences with a seamless user experience, and improving the site's loading time, while allowing for critical lead generation for the Agency.

During the 2021/22 period, and as seen in Figure 9, there was a decline in the user rate as compared to the similar period for the last financial year; however, the website bounce rate<sup>1</sup> was 6.15% compared to 46.65% in the previous year. See Figure 9. This decline in the user rate could be attributed to the re-direction of users to the EXPLORE DoBusiness landing page during the period of the marketing campaign, which was September – November 2022. The graphs below highlight the key website analytics for the organisation financial year.

#### KEY WEBSITE ANALYTICS

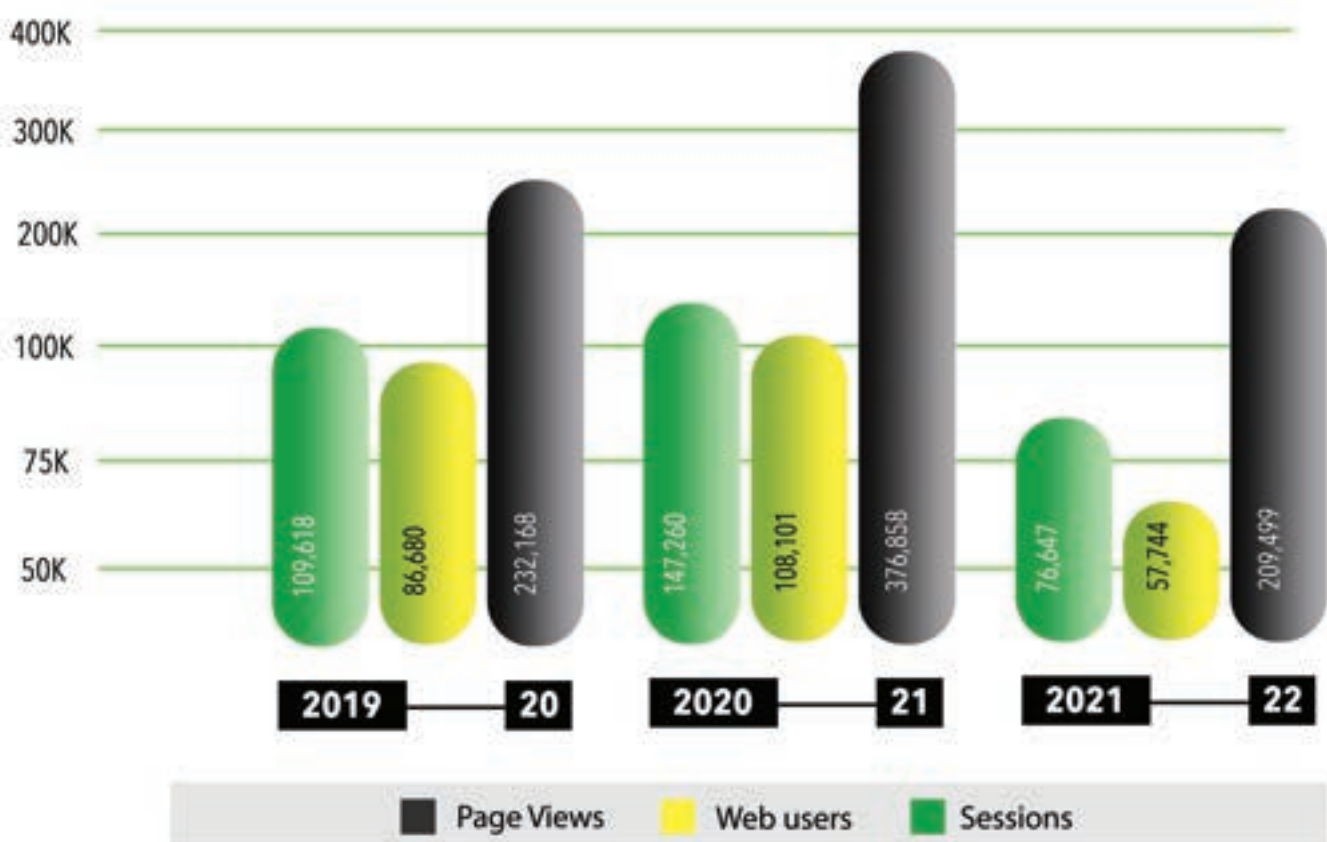
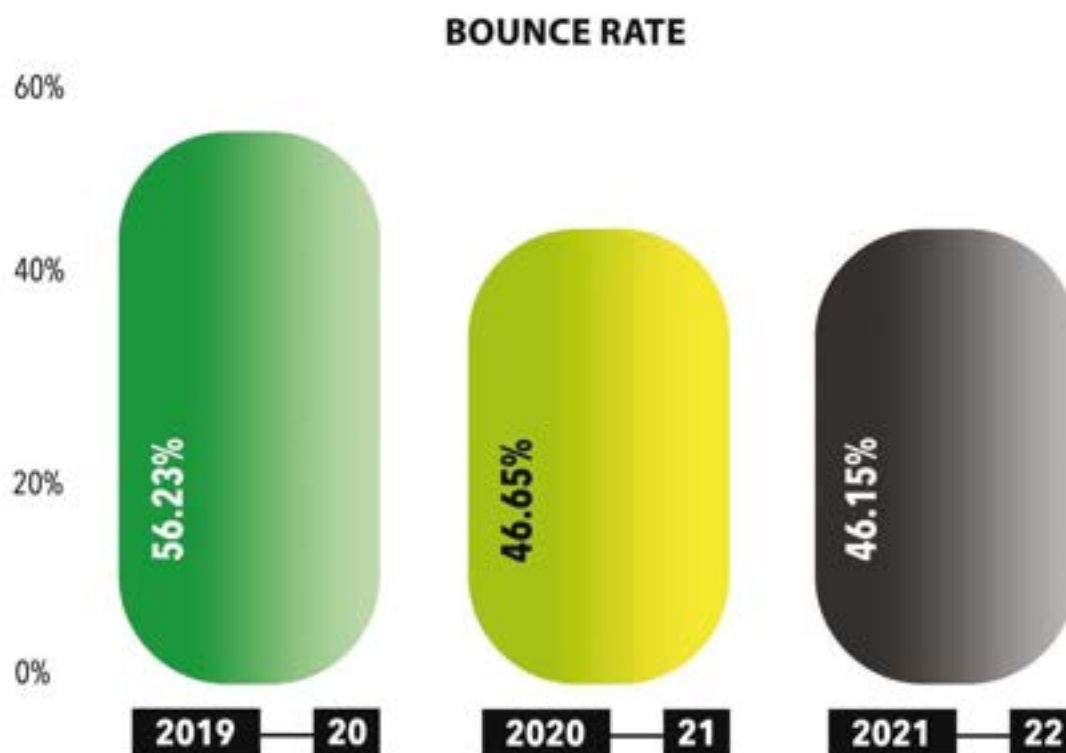


Figure 9. Key Website Analytics

[1] Bounce rate: the percentage of visitors to a particular website who navigate away from the site after viewing only one page





*Figure 10. Website Bounce Rate*

## INTERNATIONAL PR INITIATIVES

JAMPRO continues to raise the profile of the corporation globally, as well as spread awareness of its services and various business opportunities in Jamaica, through several international PR initiatives. During the period under review, the following activities were undertaken to further the effort:

- Development and update of global content calendar and execution of a content strategy.
- Generation of 178 pieces of content including article, press releases and briefs.
- Titans of Business: A digital video series highlighting successful local investors, which is published via the corporation's social media platforms.
- Sponsorship of Do Business Jamaica segment on the popular local radio show 'Hotline' on Radio Jamaica FM.
- Continued sponsorship of The Gleaner's 'Growth and Jobs' column.

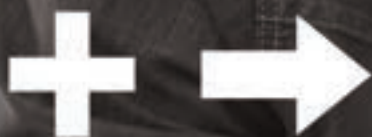




## MARKET ACTIVATIONS

The Corporation engaged in 41 missions across 15 countries.

**25**  
OUTWARD



**16**  
INWARD

**41**  
OVERALL



COUNTRIES	INWARD MISSION	OUTWARD MISSION	OVERALL
Bahamas		1	1
Belize	1		1
Canada	4	4	8
Dominican Republic		1	1
France	1		1
Japan	2		2
Netherlands		1	1
South Korea (jointly with a Canadian delegation)	1		1
St. Vincent		1	1
Turks & Caicos		1	1
United Arab Emirates (Dubai)		2	2
United Kingdom	4	5	9
United States of America	2	8	10
OTHER			
Virtual Mission: Bahamas, Belize, St. Lucia	1		1
Virtual Mission: Asian Countries		1	1
TOTAL	16	25	41





## ORGANISATIONAL DEVELOPMENT

### COVID-19 PROTOCOLS

Based on the lifting of the GoJ's mandatory work-from-home order, MIIC agencies were urged to return to office. In February 2021/22 JAMPRO staff returned to the office for the first time since the beginning of the pandemic. During this transition period, the corporation strived to increase the organization's productivity while being mindful of the needs of and effects on staff. To aid the process a Back to Office Checklist was developed, which fed into the development of the Corporation's COVID-19 Return to Office Guidelines policy document.

The Return to Office Guidelines included details on arrangements such as remote work, communication, return to office, workplace safety and the application for voluntary work-from-home (only accommodated for specific reasons).

The corporation was focused on the safety of staff members in the office environment during the pandemic where several initiatives were taken to bolster this focus, ensuring that all COVID-19 protocols were observed, and substantial efforts were taken to reduce any possible spread of the disease within the body.

### HUMAN RESOURCE DEVELOPMENT

This year's Staff Development initiatives were focused on employee development and promoting team synergy. One of the key initiatives implemented to achieve this focus was training and development, to ensure continuous upskilling and reskilling of several team members. These trainings included:

- Marketing for Investment
- Maximising new productivity tools -Zoom/Teams
- Managing for High Performance
- Change Management certification - Prosci
- Project Management
- Public Speaking/Presentation skills

Several virtual and hybrid presentations were hosted with a view to keep employees engaged and connected. Topic covered include physiotherapy, sexual harassment, men's health, healthy cooking, eye health and financial planning.



### REFURBISHING AT HEADQUARTERS

During the year, the Corporation refurbished the Ground Floor and Disabled restrooms. Work was also completed on the floors in the Training Room. The new floor solution converted the venue into a multipurpose space in which refreshments can now be accommodated and spillage can be easily removed. Additionally, because of the removal of the stage, seating capacity has been increased, increasing JAMPRO's potential earning capacity from rental of the space.





## BOARD OF DIRECTORS' REPORT

### OVERVIEW

The Corporation is governed by a Board of Directors appointed by the Portfolio Minister. There were notable changes in the composition of the Board with Directors Metry Seaga, Rochelle Cameron and Garth Walker leaving the Board. New appointments, Directors Deveta McLaren, Christopher McPherson, Opal White and Melanie Subratie, joined the Board of Directors in February 2022.

With the continued impact of the COVID-19 pandemic in the FY 2021/2022, Board of Directors was tasked with providing strategic leadership as JAMPRO navigated the new landscape, while it executed the Corporation's 4-year Strategic Business plan for the FY 2020/21-FY 2023/24. The Directors were able to provide this support, partly through the Board's Sub-committees, each comprised of at least three Directors.

To this end, the Board of Directors, through its Marketing and Projects Sub-Committee (MPSC) provided its guidance to the Marketing Division on a number of initiatives including the Nation Branding Initiative, Digital Marketing Strategy, Global Services Sector activations and in its development of the first ever virtual investment conference.

One of the key areas of focus for the Finance and Procurement Sub-Committee (FPSC) in 2021-2022 was refining the procurement process to ensure that the best value for the expenditure was obtained and the Service Providers. In this vein, the Audit Sub-Committee also ensured operational initiatives were pursued to ensure the optimal functionality and the overall integrity of the internal procurement systems.

The Human Resource Sub-Committee (HRSC) spearheaded the incorporation of certain aspects of corporate governance in the Terms of Reference for its Sub-committee, while continuing its strategic oversight of the Corporation's Succession Plan.

The Tourism Linkages Sub-Committee (TLSC) through its network was able to stimulate interest in Non-Governmental Organisations in growing ackee seedlings for development of ackee orchards and was the chief driver in the launch of an Ackee Seedling Pilot Project.





## AUDIT SUB-COMMITTEE

The Audit Sub-Committee ("ASC") of the Board of Directors gives direct oversight to the auditing functions of the Agency and assists the Board of Directors in fulfilling its oversight responsibilities in areas such as the integrity of financial reporting, achievement of corporate targets, the effectiveness of the risk management and internal control system, the Client Relationship Management System financial governance, IT governance and compliance matters. The Sub-Committee also has the responsibility for making a recommendation to the Board on the appointment of the external auditor.



The Sub-Committee continued to monitor the developments with the Agency's new initiatives, through the quarterly reports presented to it by the Internal Auditor. The new initiatives included the automation of the Agency's Purchase Requisition ("PR") and Purchase Order ("PO") system to ensure its optimal functionality and the overall integrity, the Orange HR automated system to ensure the accuracy of the information generated for vacation balances and that the alerts to staff on their documentation for motor vehicle allowances payable to relevant officers were duly sent from the automated system making that process more efficient and the JAMPRO [dobusinessjamaica.com](http://dobusinessjamaica.com) website to ensure it contained relevant and up to date statistics and data.

Key priority areas for the ASC continued to be: (i) the critical review of the audited figures relating to the Agency's achievements of its Corporate and Divisional targets. The ASC assessed the actual achievements against the Board's established Corporate and Divisional targets for FY 2020-2021 in its four KPI categories, namely CAPEX, Export Sales, Jobs and Client Satisfaction and (ii) the detailed review and assessment of the Agency's Financial Statements as a part of the annual external audit exercise.

The Sub-Committee was also responsible for ensuring the Agency's compliance with the various Laws, Regulations and Internal Policies relating to the areas of Compliance, Procurement, Collections, Bank Reconciliations, Exporter Registration and Disbursements. The oversight also extended to the timely and efficient management of staff remuneration, incremental movements, seniority allowances and benefits. For the review period, JAMPRO was largely compliant with all statutory and regulatory requirements and ended the financial year with an achievement of all corporate targets.



The membership for the Audit Sub-Committee for FY 2021-2022 were as follows: Yoni Epstein (Chairperson), Ian K. Levy, O.J., C.D., O.D (Director), Jo-Anne Archibald (Director), Rochelle Cameron (Director, appointed July 2021) Christopher Williams (Director). Non-Voting Members included Diane Edwards (President), Wendy Lyttle Pryce (Vice President - Finance and Corporate Services Division), Audrey Mattis (Financial Controller), Dianne Graveney (Internal Auditor) and Arlyn Gordon (Corporate Secretary).

## FINANCE AND PROCUREMENT SUB-COMMITTEE

The Finance and Procurement Sub-Committee of the Board of Directors ("FPSC") supports the Board in the oversight of the Finance and Procurement functions of the Corporation. The FPSC monitors JAMPRO's Fiduciary and Treasury functions, Budgeting, Optimization of Assets, Procurement, Cost Containment, Internal Control and Risk Management. The FPSC also ensures that the Corporation operates within established financial regulations.

During FY 2021-2022, the FPSC continued to monitor JAMPRO's expenditure to ensure that there was alignment with the Corporation's budget allocation and mandate for the promotion of investment, exports and other facilitation to achieve economic growth for Jamaica. Key for the FPSC, was the timeliness of the GOJ Subvention receipts to ensure that that Corporation was adequately funded monthly, and any shortfall was recovered.



The FPSC maintained its focus and ensured that during the FY 2021-2022:

- The Corporation's financial system was adequately monitored.
- The budget reports and any significant variances were thoroughly reviewed and analysed.
- The procurement processes were in line with GOJ Procurement Policy and Procedures.
- The Corporation's Budget with approved Estimates of Expenditure was optimized.
- The most strategic application of the Corporation's Treasury and Cash Management activities (especially funds held on Fixed Deposits) were undertaken.

One of the key areas of focus for the FPSC in 2021-2022 was refining the procurement process, including the criteria, for the Corporation to ensure that the best value for the expenditure was obtained and the Service Providers to be engaged were suitably qualified for JAMPRO based on their past experience and referrals. In keeping with this approach, the FPSC required, to the extent permissible that past experience was accounted for in the evaluation of tenders. The FPSC further required that in the contracts to be developed that reference was made to the ability of the Corporation to disqualify Service Providers in keeping with the Procurement legislative framework.

The active voting members of the FPSC for FY 2021-2022 term were Metry Seaga (Chairperson), Jacqueline Stewart-Lechler (Director), Lisa Soares Lewis (Director) and Garth Walker (Director). Non-Voting Members for FY 2021-2022 included President Diane Edwards, Wendy Lyttle Pryce (Vice President- Finance and Corporate Services) and Arlyn Gordon (Corporate Secretary).

## **HUMAN RESOURCE SUB-COMMITTEE**

During the 2021-2022 fiscal year, the Human Resources Sub-Committee ("HRSC") of the Board of Directors of Jamaica Promotions Corporation (JAMPRO) continued to provide insight and strategic direction to the Human Resource portfolio at JAMPRO. New, for the term, was the incorporation of certain aspects of corporate governance in the Terms of Reference for the HRSC. As such, the HRSC was integral in the review of the JAMPRO Board of Directors' Charter, the Declarations of Interest and the Declaration of Confidentiality.



The HRSC continued its strategic oversight of the Succession Plan and its commentary was vital in informing JAMPRO's approach to Succession Planning and addressing any developmental gaps for its Executive Management and Managers. The HRSC reviewed the level of readiness of each potential candidate in the internal talent pool and suggested ways to improve so the candidates. The HRSC provided guidance as to the reassessment of the level of readiness based on their observations of the candidates and assessed any retention risk. In keeping with the HRSC's aggressive approach the development plans address the skills gap in potential in an effective way, JAMPRO initiated its CEO Job Shadowing Programme which enabled executive managers to Job Shadow Chief Executive Officers in the Private Sector of Jamaica. The first ever Job Shadowing was a success with candidates enhancing the managerial skill set, and observation of efficient Private Sector operations. The HRSC continued to provide valuable direction in enabling the Agency to further its roll out to achieve human resources medium and long-term development goals.

The active voting members of the Human Resources Sub-Committee for FY 2021-2022 were Lisa Soares Lewis (Chairperson), Rochelle Cameron (Director), Rita Hilton (Director) and Diane Edwards (President) Non-Voting members were Jennifer Williams (Manager, Human Resources Department) and Arlyn Gordon (Corporate Secretary).



## MARKETING AND PROJECTS SUB-COMMITTEE

The Marketing and Projects Sub-Committee ("MPSC") of the Board of Directors is responsible for providing strategic oversight in the area of marketing, corporate communications, sales and promotions to support the Corporation's Strategic Plan. The committee's main activities were driven by these key strategic objectives:

- to build global business relationships
- to build Jamaica's business brand through a global nation branding
- to create greater awareness for the Corporation both locally and internationally.

The MPSC continued to support the efforts of the Corporation and built its corporate awareness both locally and globally and pursued the GSS Local Awareness Marketing Campaign to promote Jamaica as a premier destination to do global service business and to improve the perception of the sector amongst local outsourcing stakeholders.

With the continuing impact of the COVID-19 pandemic in the FY 2021/2022, the MPSC provided its guidance to the Marketing Division Team in its development of the first ever virtual investment conference which was held in November 2021, EXPLORE, DoBusinessJamaica Virtual Investment Conference ("DBJVIC") and the associated sponsorship activities. Not only was the DBJVIC a resounding success, with almost 9,000 participants streaming live and 750 actives within the conference's online platform, but also the Corporation's sponsorship and participation in the Bloomberg Invest Jamaica, 2021. The DBJVIC was the virtual substitute for the flagship Jamaican Investment Forum which the Corporation hosted every three (3) years.

The MPSC continued to monitor and evaluate the performance of the website <https://dobusinessjamaica.com/> and the viewership on the Corporation's social media channels. The Sub-Committee members proposed ways to leverage the content on the LinkedIn channel to keep JAMPRO top-of-mind. In addition, the MPSC provided general guidance to the Marketing Division on its notable initiatives, namely:

- Nation Branding Initiative
- Digital Marketing Strategy
- Global Services Sector activations

The MPSC, equally provided general guidance to the Sales and Promotions Division on its rollout of its Prime Account Management Strategy ("PAMS") and the Bankable Projects Initiatives. The Marketing and Projects Sub-Committee consists of four (4) voting members: Zachary Harding, (Chairperson), Jo-Anne Archibald (Director) Mina Robertson (Director), Garth Walker (Director). Non-Voting members of the Committee are Diane Edwards (President), Gabriel Heron, (Vice President – Marketing Division), Norman Naar (Vice President, Sales and Promotions Division), Charlene Wong, (Manager – Integrated Marketing Communications Dept) and Arlyn Gordon (Corporate Secretary).





## TOURISM LINKAGES SUB-COMMITTEE

The Tourism Linkages Sub-Committee ("TLSC") continued with its pursuit of its focus areas, namely (i) fostering greater linkages between the hospitality industry and Jamaican manufacturers and agricultural producers; (ii) assessing the status of linkages between investors and the local Micro, Small and Medium-sized Enterprises ("MSMEs"); (iii) identifying ways in which Jamaica can derive greater benefit from tax incentives offered to hotel investments; (iv) developing a strategy to increase the volume of linkages by identifying, leveraging and promoting the opportunities that exist; (v) consultation with and the engagement of partners in the development and implementation of the strategy and (vi) oversight of the implementation of the strategy in JAMPRO and (vii) to stimulate and spearhead Jamaica's entry into orchard crop development namely, (i) ackee; (ii) avocado; (iii) breadfruit and (iv) mangoes.

The activities of the TLSC for FY 2021-2022 gaining greater buy-in of the industry players in creating meaningful linkages between suppliers and purchasers. Key for the Sub-Committee was to engage the players in the hospitality industry to understand from their perspective, their demand requirements.

In relation to the orchard crops, the TLSC maintained its perspective on the export value of such crops and the ability for Jamaica to gain a greater share of the global market to earn potentially over US\$1bn. The TLSC through its network was able to stimulate interest in Non-Governmental Organisations in growing ackee seedlings for development of ackee orchards and was the chief driver in the launch of an Ackee Seedling Pilot Project. Meetings were had with Honourable Audley Shaw, CD, MP, Minister of Industry, Investment and Commerce and Honourable Floyd Green, Minister of Agriculture and Fisheries to gauge the level of seedlings to be produced and the lands available for orchard development.

The membership of the TLSC comprised Honourable Ian Levy, O.J., C.D., O.D (Chairperson), Metry Seaga (Deputy Chairman), Rita Hilton (Director), Laura Heron (Director) and Delano Seiveright (Director), Diane Edwards (President), Shullette Cox (Vice President, Research, Advocacy and Project Implementation Division ("RAPID"), and Arlyn Gordon (Corporate Secretary).





## BOARD OF DIRECTORS' COMPENSATION TABLE

NAME	POSITION	TYPE OF DIRECTOR	LENGTH OF SERVICE
Senator Don G. Wehby, C.D.	Chairman	Non-Executive	5Y & 10M
Metry Seaga, C.D.	Deputy Chairman, Chairperson of Finance and Procurement Sub-Committee, Member of Tourism Linkages Sub-Committee	Non-Executive	5Y & 8M
Jo-Anne Archibald	Director, Member of the Marketing and Projects Sub-Committee and the Audit Sub-Committee	Non-Executive	1Y & 4M
Rochelle Cameron	Director, Member of the Human Resources Sub-Committee and Audit Sub-Committee	Non-Executive	1Y & 3W
Yoni Epstein	Director, Chairperson of the Audit Sub-Committee	Non-Executive	5Y & 10M
Zachary Harding	Director, Chairperson of the Marketing & Projects Sub-Committee	Non-Executive	5Y & 10M
Rita Hilton	Director, Member of the Human Resources Sub-Committee and the Tourism Linkages Sub-Committee	Non-Executive	1Y & 4M
Laura Heron	Director, Member of the Tourism Linkages Sub-Committee	Non-Executive	1Y & 6W
Jacqueline Stewart-Lechler, C.D., J.P.	Director, Member of the Finance and Procurement Sub-Committee	Non-Executive	1Y & 4M
Hon. Ian K. Levy, O.J, C.D, O.D.	Director, Chairperson of the Tourism Linkages Sub-Committee and Member of the Audit Sub-Committee	Non-Executive	5Y & 10M
Lisa Soares Lewis	Director, Chairperson of the Human Resources Sub-Committee and Member of the Finance and Procurement Sub-Committee.	Non-Executive	5Y & 10M
Mina Robertson	Director, Member of the Marketing and Projects Sub-Committee	Non-Executive	1Y & 4M
Delano Seiveright	Director, Member of the Tourism Linkages Sub-Committee	Non-Executive	4Y
Garth Walker	Director, Member of the Finance and Procurement Sub-Committee and the Marketing and Projects Sub-Committee.	Non-Executive	1Y & 2M



In February 2022, the following Directors were appointed to JAMPRO's Board of Directors and will serve for the 2023/23 Financial Year: Deveta McLaren, Christopher McPherson, Melanie Subratie Opal White and Christopher Williams.

AREA OF EXPERTISE	BOARD MEETING ATTENDANCE	SUB-COMMITTEE ATTENDANCE	COMPENSATION (NET (J\$))
Corporate Governance, Finance, Financial Services, Manufacturing & Agri-Processing	5/5		\$48,225.00
Manufacturing	4/5	8/8	\$57,675.00
Legal, Culture & Entertainment	2/5	3/5	\$18,750.00
Corporate Governance, Legal, Human Resources and Entrepreneurship	5/5	3/3	\$36,750.00
Global Services Sector	3/5	2/2	\$26,625.00
Financial Services, Marketing, Entrepreneurship	4/5	3/3	\$34,050.00
Agriculture	5/5	5/5	\$46,500.00
Tourism and Hospitality Services	5/5	3/4	\$31,875.00
Global Services Sector	5/5	4/4	\$36,750.00
Entrepreneurship	5/5	5/6	\$55,950.00
Human Resources & Coaching	5/5	5/5	\$44,775.00
Textiles & Fashion Design	4/5	3/3	\$36,750.00
Tourism	3/5	1/4	\$27,750.00
Entrepreneurship	3/5	5/7	\$27,750.00
			<b>\$562,050.00</b>



## EXECUTIVE MANAGEMENT TEAM COMPENSATION TABLE (202

POSITION OF SENIOR EXECUTIVE	BASIC SALARY (\$)	GRATUITY & PERFORMANCE INCENTIVE (\$)	TRAVELLING ALLOWANCE/ ASSIGNED MOTOR VEHICLE (\$)
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President Ms. Diane Edwards	10,450,178	3,657,562	1,806,492
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VP - Finance & Corporate Services Mrs. Wendy Lyttle Pryce	7,550,043	3,020,017	1,372,320
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VP - Research Advocacy & Project Implementation Mrs. Shullette Cox	7,550,043	2,642,515	811,926
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VP - Sales and Promotion Mr. Norman Naar	7,550,043	2,642,515	811,926
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VP - Marketing Mr. Gabriel Heron	7,185,636	2,514,973	811,926
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<b>TOTAL</b>	<b>40,285,943</b>	<b>14,477,582</b>	<b>5,614,590</b>
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1-22)

RETIREMENT BENEFITS (\$)	OTHER ALLOWANCES & PAYMENTS (\$)	HEALTH & GROUP LIFE INSURANCE (\$)	TOTAL (\$)
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150,000	622,034	321,756	17,008,023
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150,000	1,457,628	253,986	13,803,994
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150,000	364,407	324,937	11,843,828
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150,000	60,735	324,937	11,540,155
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150,000	504,908	315,064	11,482,506
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750,000	3,009,711	1,540,679	65,678,505
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## STRATEGIC FOCUS FY 2022-2023

As the world slowly emerges from the global pandemic, JAMPRO's operational focus for FY2022-23 will be increasing capital expenditure towards pre-pandemic levels and maintaining levels of employment among JAMPRO clients, especially in the context of a recent uptick in global FDI. Given the limited face-to-face events during the current year, the team will have to re-establish Jamaica's presence in many markets and in the minds of many potential investors. An adjusted Strategic Business Plan will provide the clear direction needed to achieve this mandate.

According to the PIOJ's Economic and Social Survey of Jamaica (2021) exports as a percentage of GDP has been on a steady decline since 2019. JAMPRO anticipates that without targeted intervention, this decline will continue. As such, revamped export strategies, such as outward trade missions and the expansion of the Export Max Programme will be key to achieving success.

During the FY2022-23 the Corporation will seek to:

### **Develop and Execute Differentiated Client Engagement Strategy**

Including the implementation of the new initiatives, the Prime Account Management Strategy and the Economic Diplomacy Programme. The project-focused approach will also be adopted in order to appropriately allocate resources and effort.

### **Implement Targeted Innovative Marketing**

Through a Nation Branding Campaign, the Territory Sales Plan, sector-based marketing promotional plans and by maintaining a strong currency of digital channels. Investment and export conferences will also be prioritised to drive traffic back to Jamaica.

### **Research, Develop and Package Business Opportunities and Projects**

Particularly the Shovel-Ready Investment Programme with a specific focus on Jamaica's current strengths– Agriculture and Technology. Work will continue to identify new and emerging sectors for pursuit and promotion.

### **Advance the Implementation of Export and Investment Regimes**

Through continued work on improving the ease of doing business with the Government of Jamaica. Work on the Global Services Sector, the Linkages Policy, the National Investment Policy and the National Business Portal are some of the avenues identified to secure this improvement. JAMPRO will continue efforts at operationalising the National Manufacturing and Agriculture strategy to address production capacity issues currently hindering the country's export potential.

Additionally, JAMPRO will strive to increase levels of efficiency by deepening critical private- and public-sector partnerships and by advancing internal productivity tools. An agile approach to what has become an increasingly agile global space will be adopted by the Corporation even as Jamaica employs these and other strategies towards economic recovery.



## FINANCIAL PERFORMANCE & AUDITED FINANCIAL

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Jamaica Promotions Corporation**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of Jamaica Promotions Corporation (the "Corporation"), which comprise the statement of financial position as at 31 March 2022 and the statements of (deficit)/surplus and other comprehensive income, changes in accumulated fund and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Corporation as at 31 March 2022, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") and the Jamaica Promotions Corporation Act.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the International Ethics Standards Board for Accountants' ("IESBA") International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Responsibilities of Management and the Board of Directors for the Financial Statements**

Management and the Board of Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS, and for such internal control as Management and the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and the Board of Directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management and the Board of Directors either intend to liquidate the Corporation or to cease operations, or have no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the financial reporting process.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **To the Members of Jamaica Promotions Corporation (Continued)**

#### **Report on the Audit of the Financial Statements (Continued)**

##### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.



## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**To the Members of Jamaica Promotions Corporation (Continued)**

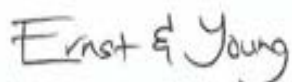
**Report on the Audit of the Financial Statements (Continued)**

### **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Additional Matters as required by the Jamaica Promotions Corporation Act**

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaica Promotions Corporation Act, in the manner so required.



Chartered Accountants  
Kingston, Jamaica

27 July 2022

## JAMAICA PROMOTIONS CORPORATION

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2022 \$	Restated 2021 \$	Restated 2020 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	84,469,607	66,348,921	112,743,734
Securities purchased under resale agreements	3	224,660,727	232,234,605	141,173,359
Trade and other receivables	4	15,087,112	18,892,733	23,440,607
		<u>324,217,446</u>	<u>317,476,259</u>	<u>277,357,700</u>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	5,15	285,331,376	250,984,367	225,408,397
Grant received in advance	6	-	9,383,689	9,203,019
		<u>285,331,376</u>	<u>260,368,056</u>	<u>234,611,416</u>
<b>NET CURRENT ASSETS</b>		<u>38,886,070</u>	<u>57,108,203</u>	<u>42,735,284</u>
<b>NON-CURRENT ASSETS</b>				
Property and equipment	7	165,890,755	174,182,486	176,423,632
Employee benefit asset	8	559,777,000	508,453,000	403,770,000
		<u>725,667,755</u>	<u>682,635,486</u>	<u>580,193,632</u>
		<u>764,553,825</u>	<u>739,743,689</u>	<u>622,928,916</u>
<b>FINANCED BY: ACCUMULATED FUND</b>				
Accumulated surplus	15	566,924,139	542,114,003	425,299,230
Capital reserves	9	197,629,686	197,629,686	197,629,686
		<u>764,553,825</u>	<u>739,743,689</u>	<u>622,928,916</u>

The accompanying notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 27 July 2022 and signed on its behalf by:

.....  
Christopher Williams - Director

.....  
Zachary Harding - Director



## JAMAICA PROMOTIONS CORPORATION

STATEMENT OF (DEFICIT)/SURPLUS AND OTHER COMPREHENSIVE INCOME  
YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2022 \$	Restated 2021 \$
Gross operating revenue	10	<u>826,641,652</u>	<u>767,417,514</u>
Operating expenses:			
Promotional	11(i)	152,982,845	88,596,797
Staff-related	11(ii), 15	574,690,943	561,663,786
General and administrative	11(iii)	<u>120,894,748</u>	<u>108,555,604</u>
		<u>848,568,536</u>	<u>758,816,187</u>
Operating (deficit)/surplus for the year		(21,926,884)	8,601,327
Other income:			
Interest income		6,393,290	4,930,446
Miscellaneous income		<u>656,730</u>	<u>9,000</u>
<b>(Deficit)/Surplus for the year</b>		(14,876,864)	13,540,773
<b>Other comprehensive income</b>			
Items that will never be reclassified to (deficit)/surplus:			
Re-measurement gain on defined benefit plan	8(iv)	<u>39,687,000</u>	<u>103,274,000</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>24,810,136</u></u>	<u><u>116,814,773</u></u>

The accompanying notes form an integral part of these financial statements.

## JAMAICA PROMOTIONS CORPORATION

**STATEMENT OF CHANGES IN ACCUMULATED FUND**  
**YEAR ENDED 31 MARCH 2022**  
**(Expressed in Jamaica dollars unless otherwise indicated)**

	<b>Note</b>	<b>Accumulated surplus \$</b>	<b>Capital Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 April 2020, as previously reported</b>		394,018,709	197,629,686	591,648,395
Adjustment in respect of gratuity and incentive accrual	15	31,280,521	-	31,280,521
<b>Balances at 1 April 2020, as restated</b>		425,299,230	197,629,686	622,928,916
Surplus for the year, as restated	15	13,540,773	-	13,540,773
Other comprehensive income		103,274,000	-	103,274,000
Total comprehensive income for the year, as restated		116,814,773	-	116,814,773
<b>Balances at 31 March 2021, as restated</b>	15	542,114,003	197,629,686	739,743,689
Deficit for the year		(14,876,864)	-	(14,876,864)
Other comprehensive income		39,687,000	-	39,687,000
Total comprehensive income for the year		24,810,136	-	24,810,136
<b>Balances at 31 March 2022</b>		566,924,139	197,629,686	764,553,825

The accompanying notes form an integral part of these financial statements.



## JAMAICA PROMOTIONS CORPORATION

## STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaica dollars unless otherwise indicated)

	Notes	2022 \$	Restated 2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Deficit)/Surplus for the year		(14,876,864)	13,540,773
Adjustments for:			
Depreciation	7, 11(iii)	20,528,950	22,059,035
Gain on disposal of property and equipment		(804,551)	-
Employee benefits	8(i)	(10,837,000)	(665,000)
Interest income		(6,393,290)	(4,930,446)
Foreign exchange gains (net)		(6,144,775)	(188,719)
		(18,527,530)	29,815,643
Decrease in trade and other receivables		3,805,621	4,547,874
Increase in trade and other payables and grants received in advance		24,963,320	25,756,640
Employee benefit - contributions paid	8(i)	(800,000)	(744,000)
Net cash provided by operating activities		9,441,411	59,376,157
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	7	(15,887,219)	(19,817,889)
Proceed from disposal of property and equipment		4,454,551	-
Interest received		6,224,119	4,858,183
Securities purchased under resale agreements (net)		7,743,049	(90,988,983)
Net cash provided by/(used in) investing activities		2,534,500	(105,948,689)
<b>Net increase/(decrease) in cash and cash equivalents</b>		11,975,911	(46,572,532)
<b>Cash and cash equivalents at beginning of year</b>		66,348,921	112,732,734
Effect of foreign exchange rates changes		6,144,775	188,719
<b>CASH AND CASH EQUIVLENTS AT END OF YEAR</b>	3	84,469,607	66,348,921

The accompanying notes form an integral part of these financial statements.

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**1. IDENTIFICATION AND PRINCIPAL ACTIVITY**

Jamaica Promotions Corporation (the "Corporation") was established on 26 April 1990 as a Statutory Corporation under the Jamaica Promotions Corporation Act ("the Act") with the objectives of stimulating, facilitating and promoting the development of trade and industry, export trade and investment activities in all sectors of the Jamaican economy. The Corporation is incorporated and domiciled in Jamaica with its registered office located at 18 Trafalgar Road, Kingston 10, Jamaica.

The Corporation is exempted from income tax, customs duty, stamp duties and transfer taxes under the provision of the Jamaica Promotions Corporation Act 1990.

**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES****(a) Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

**(b) Basis of preparation**

The financial statements are presented in Jamaican dollars and are prepared on the historical cost basis. Historical cost is generally based on fair value of the consideration given in exchange for assets.

**New, revised and amended standards and interpretations that became effective during the year but are not applicable to the Corporation**

The Corporation applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2021. The Corporation has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Although these new standards, amendments and interpretations are applied for the first time in 2021/2022, they did not have a material impact on the financial statements of the Corporation. The nature and the impact of these new changes are described below:

- Amendments to IFRS 16 COVID-19 Related Rent Concessions**

On 28 May 2020, the IASB issued COVID-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16 if the change were not a lease modification. This amendment had no impact on the financial statements of the Corporation.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**New, revised and amended standards and interpretations that became effective during the year but are not applicable to the Corporation (continued)**

- ***Interest Rate Benchmark Reform – Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16***

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. Inherent in allowing the use of this practical expedient is the requirement that the transition from an IBOR benchmark rate to an RFR takes place on an economically equivalent basis with no value transfer having occurred. Any other changes made at the same time, such as a change in the credit spread or maturity date, are assessed. If they are substantial, the instrument is derecognised. If they are not substantial, the updated effective interest rate (EIR) is used to recalculate the carrying amount of the financial instrument, with any modification gain or loss recognised in profit or loss. The practical expedient is required for entities applying IFRS 4 that are using the exemption from IFRS 9 (and, therefore, apply IAS 39) and for IFRS 16 Leases, to lease modifications required by IBOR reform.

The amendments also include temporary relief from discontinuing hedging relationships and temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

The amendments are mandatory, with earlier application permitted. Hedging relationships must be reinstated if the hedging relationship was discontinued solely due to changes required by IBOR reform and it would not have been discontinued if the phase two amendments had been applied at that time. While application is retrospective, an entity is not required to restate prior periods.

The amendments had no impact on the Corporation's financial statements.

- ***COVID-19-Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16***

In March 2021, the IASB amended IFRS 16 to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. The amendment does not apply to lessors.

As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**New, revised and amended standards and interpretations that became effective during the year but are not applicable to the Corporation (continued)**

- **COVID-19-Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16 (continued)**

Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. This amendment had no impact on the financial statements of the Corporation.

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Corporation's financial statements are disclosed below. The Corporation intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- ***Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures***

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint ventures, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint ventures. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The Corporation will apply these amendments when they become effective, but they are not expected to have an impact on the Corporation's financial statements.

- ***IFRS 17 Insurance Contracts***

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation (continued)**

- ***IFRS 17 Insurance Contracts (continued)***

The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Corporation.

- ***Amendments to IAS 1: Classification of Liabilities as Current or Non-current***

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Management has not yet assessed the impact of these amendments on the Corporation's financial statements.

- ***Reference to the Conceptual Framework – Amendments to IFRS 3***

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation (continued)**

- ***Reference to the Conceptual Framework – Amendments to IFRS 3 (continued)***  
The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively. Management has not yet assessed the impact of these amendments on the Corporation's financial statements.

- ***Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16***

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendment is not expected to have an impact on the financial statements of the Corporation.

- ***Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37***  
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Corporation will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation (continued)**

- ***Annual Improvements 2018-2020 Cycle (issued May 2020)***

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to:

- ***IFRS 1 First-time Adoption of International Financial Reporting Standards.***

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The amendments are not applicable to the financial statements of the Corporation.

- ***IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities***

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Corporation will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to impact the financial statements of the Corporation.

- ***IAS 41 Agriculture – Taxation in fair value measurements***

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted. The amendments are not applicable to the financial statements of the Corporation.

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation (continued)**

- ***Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2***

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

In the absence of a definition of the term 'significant' in IFRS, the IASB decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the IASB.

In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them.

Although standardised information is less useful to users than entity-specific accounting policy information, the IASB agreed that, in some circumstances, standardised accounting policy information may be needed for users to understand other material information in the financial statements. In those situations, standardised accounting policy information is material, and should be disclosed.

The amendments to the PS also provide examples of situations when generic or standardised information summarising or duplicating the requirements of IFRS may be considered material accounting policy information.

The amendments may impact the accounting policy disclosures of entities. Determining whether accounting policies are material or not requires use of judgement. Therefore, entities are encouraged to revisit their accounting policy information disclosures to ensure consistency with the amended standard.

Entities should carefully consider whether 'standardised information, or information that only duplicates or summarises the requirements of the IFRS' is material information and, if not, whether it should be removed from the accounting policy disclosures to enhance the usefulness of the financial statements.

These amendments are effective for annual periods beginning on or after 1 January 2023. Management has not yet assessed the impact of these amendments on the financial statements of the Corporation.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (b) Basis of preparation (continued)

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation (continued)**

- ***Definition of Accounting Estimates - Amendments to IAS 8***

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'.

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the IASB. The amendments are intended to provide preparers of financial statements with greater clarity as to the definition of accounting estimates, particularly in terms of the difference between accounting estimates and accounting policies. Although the amendments are not expected to have a material impact on entities' financial statements, they should provide helpful guidance for entities in determining whether changes are to be treated as changes in estimates, changes in policies, or errors.

These amendments are effective for annual periods beginning on or after 1 January 2023. Management has not yet assessed the impact of these amendments on the financial statements of the Corporation.

- ***Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendments to IAS 12***

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Basis of preparation (continued)**

**Standards, interpretations and amendments to existing standards that are not yet effective and have not yet been early adopted by the Corporation (continued)**

- ***Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendments to IAS 12 (continued)***

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

These amendments are effective for annual periods beginning on or after 1 January 2023. These amendments are not applicable the financial statements of the Corporation.

**(c) Estimates and judgements**

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. A revision to accounting estimate is recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimate with a significant risk of material adjustment in the next financial year are discussed below:



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(c) Estimates and judgements (Continued)***Post-employment pension*

As disclosed in Note 8, the Corporation operates a defined benefit pension plan. The asset shown in the statement of financial position of approximately \$559.777 million (2021: \$508.453 million) are subject to estimates in respect of periodic costs, which costs are dependent on future returns on assets, future discount rates, rates of salary increases and the inflation rate. External actuaries are contracted by the Corporation in this regard.

The estimated return on pension assets assumption is determined by considering long-term historical returns, asset allocation and future estimates of long-term investment returns. The Corporation estimates the appropriate discount rate annually, which rate is used to determine the present value of estimated cash outflows expected to be required to settle the pension and post-retirement medical benefit obligation.

To determine the appropriate discount rate in the absence of high quality corporate bonds, the interest rates on government bonds that have maturities approximating the related pension liabilities were considered.

Note 8(viii) details some sensitivity analyses in respect of this defined benefit pension plan.

**(d) Current versus non-current classification**

The Corporation presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Corporation classifies all other liabilities as non-current.

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(e) Fair value measurement**

Fair values of financial instruments measured at amortised cost are disclosed in Note 13.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Corporation.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Corporation uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Corporation determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Corporation becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities (other than financial assets and liabilities at fair value through profit or loss, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in operating surplus.

### **Financial assets**

#### (i) *Classification and measurement*

Financial assets are classified, at initial recognition at fair value, and subsequently measured at amortised cost. This classification depends on the financial assets contractual cash flow characteristics and the Corporation's business model of managing them. Except for trade receivables that do not contain a significant financing component or for which the Corporation has applied the practical expedient, the Corporation initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This is referred to as the SPPI test and is performed at an instrument level.

The Corporation's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace and are recognised on the trade date.

Financial assets are subsequently measured at amortised cost if both of the following conditions are met:

- The financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (f) Financial instruments (continued)

*Financial assets (continued)*(i) *Classification and measurement (continued)*

Financial assets at amortised costs are subsequently measured using the effective interest method and are subject to impairment. Gains or losses are recognised in operating surplus when the asset is recognised or impaired.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees or points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial assets, or where appropriate, a shorter period to the net carrying amount on initial recognition. Interest income is recognised on an effective interest basis for debt instruments.

The Corporation's portfolio of financial assets at amortised cost comprise cash and cash equivalents, securities purchased under resale agreements and trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and other highly liquid bank deposits with financial institutions with an original maturing of 3 months or less from date of acquisition and are held to meet cash requirement rather than for investment purposes.

Securities purchased under resale agreements (resale agreements)

Securities purchased under resale agreements are short-term transactions in which the Corporation makes funds available to other parties and in turn receives securities which it agrees to resell on a specified date at a specified price. Resale agreements are accounted for as short-term collateralised lending. The difference between the purchase and resale price is treated as interest and accrued over the lives of the agreements.

(ii) *Impairment of financial assets*

The Corporation recognises an allowance for expected credit losses (ECLs) for all its debt instruments held at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Corporation expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (f) Financial instruments (continued)

*Financial assets (continued)*(ii) *Impairment of financial assets (continued)*

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Corporation applies a simplified approach in calculating ECLs. Therefore, the Corporation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Corporation has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Corporation considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Corporation may also consider a financial asset to be in default when internal or external information indicates that the Corporation is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Corporation. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iii) *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Corporation's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or;
- The Corporation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Corporation has transferred substantially all the risks and rewards of the asset, or (b) the Corporation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (f) Financial instruments (continued)

*Financial assets (continued)*(iii) *Derecognition (continued)*

When the Corporation has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Corporation continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Corporation also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Corporation has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Corporation could be required to repay.

*Financial liabilities and equity instruments*Classification as debt or equity

Debt and equity instruments issued by the Corporation are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement, and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities are classified as other financial liabilities.

*Effective interest rate method (EIR)*

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(i) *Recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities and initially measured at fair value, net of transactions costs (where applicable). They are subsequently measured at amortised costs using the effective interest rate method, with interest expense recognised on an effective yield basis except for short term liabilities when the recognition of interest would be immaterial.

The Corporation's financial liabilities comprise trade and other payables.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Jamaican dollars unless otherwise stated)

## 2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

## (f) Financial instruments (continued)

*Financial liabilities and equity instruments (continued)**(ii) Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of (deficit)/surplus and other comprehensive loss.

*(iii) Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## (g) Related party transactions and balances

A party is related to the Corporation if:

- (i) directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with, the Corporation (this includes parent, subsidiaries and fellow subsidiaries);
  - has an interest in the entity that gives it significant influence over the Corporation; or
  - has joint control over the Corporation;
- (ii) the party is an associate of the Corporation;
- (iii) the party is a joint venture in which the Corporation is a venturer;
- (iv) the party is a member of the key management personnel of the Corporation or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Corporation, or of any entity that is a related party of the Corporation.

Related party transactions and balances are recognised and disclosed in the financial statements. A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. Transactions with related parties are accounted for in accordance with the normal policies of the Corporation.

## (h) Deferred income

Deferred income is recognised when there is reasonable assurance that the amounts will be received, and all attached conditions will be met. When the amounts received relate to an asset, it is recognised in operating surplus in equal amounts over the expected useful life of the related asset.

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(i) Property and equipment**

All property held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at historical cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Land is not depreciated.

Depreciation is recognised so as to write off the cost of assets (other than land and works in progress) less their residual values, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in operating surplus.

**(j) Impairment of intangible and tangible assets**

At the end of each reporting period, the Corporation reviews the carrying amounts of its intangible and tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in operating surplus.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in operating surplus.



**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(k) Employee benefits**

Employee benefits comprise all forms of consideration given by the Corporation in exchange for service rendered by employees. These include current or short-term benefits such as salaries, National Insurance Scheme contributions paid, annual unused vacation, and non-monetary benefits, such as medical care; post-employment benefits, such as pension; other long-term employee benefits such as long service awards; and termination benefits.

Defined benefit pension plan

In respect of defined-benefit arrangements, employee benefits, comprising pensions and other post-employment assets, and obligations included in the financial statements are determined by a qualified independent actuary, appointed by Management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the Corporation's post-employment benefit assets and obligations as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary's report.

The cost of providing benefits is determined using the Projected Unit Credit Method with external actuarial valuations being carried out at the end of each reporting period.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to (deficit)/surplus in subsequent periods.

Past service costs are recognised in (deficit)/surplus on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Corporation recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Corporation recognises the following changes in the net defined benefit obligation under employee benefit costs in the statement of income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income.

General benefits

Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and are expensed as the related service is provided.

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(k) Employee benefits (continued)**General benefits (continued)

The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave other long-term benefits, including termination benefits, which arise when either: (1) the employer decides to terminate an employee's employment before the normal retirement date; or (2) an employee decides to accept voluntary redundancy in exchange for termination benefits, are accrued as they are earned and charged as an expense, unless not considered material, in which case they are charged when the payment is made.

**(l) Provisions**

Provisions are recognised when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Corporation will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**(m) Revenue recognition**Government subventions and other grants (including sponsorship income)

These are recognised when there is reasonable assurance that the Corporation will comply with the conditions attached to the grants and that the grants will be received.

Grants are recognised in (deficit)/surplus on a systematic basis over the periods in which the Corporation recognises the related costs for which the grants are intended to compensate. Specifically, grants whose primary condition is that the Corporation should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to operating surplus on a systematic and rational basis over the useful lives of the related assets.

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Corporation with no future related costs are recognised in operating surplus in the period in which they become receivable or on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expired.

Grants related to income are reported separately as income or deducted from related expenses.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(m) Revenue recognition (continued)**Certification fees

These are recognised on an accrual basis.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Corporation and the amount of the income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Rental income

The Corporation's policy for recognition of revenues from operating leases is described under "leases" below.

**(n) Leases**

The Corporation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Corporation as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**(o) Foreign currencies**

The financial statements are presented in Jamaican dollars, the currency of the primary economic environment in which the Corporation operates (its functional currency).

In preparing the financial statements of the Corporation, transactions in currencies other than the Corporation's functional currency, are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of a non-monetary item measured in fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e. translation differences on items whose fair values gain is recognised in other comprehensive income or operating surplus are also recognised in other comprehensive income or operating surplus, respectively). Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. All other exchange differences are recognised in operating surplus in the period in which they arise.

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

**2. STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(p) Restatement of comparative information**

Arising from a comprehensive exercise during the year, certain prior year figures, as detailed in Note 15, have been restated to correct a net overstatement of the gratuity and incentive accruals.

**3. CASH AND CASH EQUIVALENTS AND SECURITIES PURCHASED UNDER RESALE AGREEMENTS****(a) Cash and cash equivalents**

	<b>2022</b> \$	<b>2021</b> \$
Cash at bank	83,777,732	65,891,087
Cash on hand	691,875	457,834
	<u>84,469,607</u>	<u>66,348,921</u>

Interest is earned on Euro dollar bank balances totaling €1,250 (2021: €3,534) at an interest rate of 0.03% (2021: 0.05%) per annum and on United States dollar bank balances totaling US\$42,830 (2021: US\$99,288) at an interest rate of 0.004% (2021: 0.15%) per annum.

Bank balances held in United States dollars, Pound Sterling, Euro and Canadian dollars respectively as at 31 March 2022 are as follows: US\$64,901, £34,542, €1,645 and CAD7,481 (2021: US\$117,419, £24,761, €3,534 and CAD4,079).

**(b) Securities purchased under resale agreements**

	<b>2022</b> \$	<b>2021</b> \$
Jamaican dollars	109,437,473	126,554,811
United States dollars	115,223,254	105,679,794
	<u>224,660,727</u>	<u>232,234,605</u>

Interest is earned on Jamaican dollar securities purchased under lease agreements at interest rates of 2.50% - 4.00% (2021: 2.00% - 2.75%) per annum and for United States dollar securities purchased under lease agreements at interest rates of 1.90% - 3.00% (2021: 1.90% - 2.90%) per annum, maturing one to two months (2021: one to two months) after year end.

Securities purchased under lease agreements held in United States dollars for the year ended 31 March 2022 amount to US\$753,048 (2021: US\$738,145).

Underlying securities such as Government of Jamaica, Bank of Jamaica and Corporate bonds are held as collateral for securities purchased under resale agreements as at 31 March 2022 amounting to US\$333,938 and J\$177,969,000 (2021: US\$818,746 and J\$132,313,000).

Interest receivable at 31 March 2022 amounted to \$424,857 (2021: \$255,686).



**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****3. CASH AND CASH EQUIVALENTS AND SECURITIES PURCHASED UNDER RESALE AGREEMENTS (CONTINUED)****(b) Securities purchased under resale agreements (continued)**

Included in securities purchased under resale agreements are the following amounts that were received in respect of specific projects:

- (i) \$39,815,579 (2021: \$24,435,963) received for specified investment promotion activities, for The Jamaica International Financial Services Authority (JIFSA), formerly International Financial Services Centre Project (IFSC) (see Note 5 (i)). This amount is only to be used to carry out this project.
- (ii) \$4,381,306 (2021: \$4,381,306) received for specified investment promotion activities (see Note 5(iv)). This amount is only to be used to carry out this project.
- (iii) As at 31 March 2021, \$9,383,689 placed on deposit in the name of the Corporation, related to amounts received from the Ministry of Industry, Investment and Commerce (MIIC) for aiding in the development of cultural art (see Note 6). Unutilised amounts including interest were repaid to the Accountant General Department during the year.
- (iv) \$34,210,800 (2021: \$24,307,363) received from Sponsors (Export Max III Project) - with respect to providing capacity building and export promotion support to 50 participating companies (see Note 5(ii)). This amount is only to be used to carry out this project.

**4. TRADE AND OTHER RECEIVABLES**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Prepaid expenses	5,026,110	3,346,562
Global Services Sector Project (GSSP) (Note 4(i))	5,232,987	5,356,320
Other receivables (Note 4(ii))	4,828,015	10,189,851
	<u>15,087,112</u>	<u>18,892,733</u>

- (i) These represent amounts due from the Global Services Sector Project (GSSP), for advanced payments made on behalf of the project as the Executing Agency for the Skills Development for Global Services, funded by the IDB loan.
- (ii) This includes an amount of \$Nil (2021: \$800,314) recoverable from the Government of Jamaica relating to statutory deductions recoverable (Accountant General).

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****5. TRADE AND OTHER PAYABLES**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Jamaica International Financial Services Authority (Note 5(i))	39,815,579	24,435,963
Trade Payables	43,807,831	39,785,659
Export Max III Sponsorship (Note 5(ii))	34,210,800	24,307,363
Garth Solutions Inc.	15,378,010	14,658,130
Syncon Technologies	4,727,834	-
Business Wire (News Aggregators)	-	2,931,626
Accrued Expenses (Others)	6,762,437	10,261,372
Software Solutions	1,328,070	-
OMG	4,173,922	-
Fitch Solution	3,044,846	-
Next Coast Media	1,307,131	-
Maintenance Due to Tenants	-	174,899
Jamaica High Commission London	2,332,651	2,721,152
Staff Costs Payable	56,384,334	52,576,733
Incentives and Gratuities	40,578,243	40,849,956
CART Fund (Note 5(iii))	2,697,133	5,758,300
General Consumption Tax Payable	21,448,588	24,612,688
Other Payables (Note 5(iv))	7,333,967	7,910,526
	<u>285,331,376</u>	<u>250,984,367</u>

- (i) This represents unspent accumulated amounts in respect of funds received from the Government of Jamaica and various sponsors to fund the Jamaica International Financial Services Authority (JIFSA) project.
- (ii) This represents balance remaining from sponsorship funds received to date to provide capacity building and export promotion support to 50 participating companies.
- (iii) The Corporation advanced funds on behalf of the CART Fund for specified investment promotion activities. This amount is reimbursed by the CART Fund for expenditure incurred on behalf of the project. Since March 2020 amounts reimbursed by the Caribbean Development Bank (CDB) was in excess of the amount owed.
- (iv) This includes \$4,381,306 (2021: \$4,381,306) received in advance for specific investment promotions activities (see Note 3(b)(ii)).

**6. GRANTS RECEIVED IN ADVANCE**

This represented unspent funds received from the Ministry of Industry, Investment and Commerce for aiding in the development of cultural art which was returned to Accountant General during the year upon request (see Note 3(b)(iii)).



**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****7. PROPERTY AND EQUIPMENT**

	Land and buildings \$	Furniture equipment and computers \$	Motor vehicles \$	Total \$
<b>At cost or deemed cost:</b>				
1 April 2020	212,458,214	162,140,714	33,785,281	408,384,209
Additions	6,115,187	2,934,806	10,767,896	19,817,889
31 March 2021	218,573,401	165,075,520	44,553,177	428,202,098
Additions	11,047,309	4,839,910	-	15,887,219
Disposals	-	(56,642)	(10,950,000)	(11,006,642)
31 March 2022	229,620,710	169,858,788	33,603,177	433,082,675
<b>Depreciation:</b>				
1 April 2020	90,901,733	125,431,472	15,627,372	231,960,577
Charge for the year	5,239,985	8,361,634	8,457,416	22,059,035
31 March 2021	96,141,718	133,793,106	24,084,788	254,019,612
Charge for the year	5,239,985	8,842,084	6,446,881	20,528,950
Relieved on disposals	-	(56,642)	(7,300,000)	(7,356,642)
31 March 2022	101,381,703	142,578,548	23,231,669	267,191,920
<b>Net book values:</b>				
31 March 2022	128,239,007	27,280,240	10,371,508	165,890,755
31 March 2021	122,431,683	31,282,414	20,468,389	174,182,486

The depreciation rates are as follows:

Buildings	2½%
Furniture and equipment	10%
Computers	20%
Motor vehicles	20%

**8 EMPLOYEE BENEFIT ASSET**

The Corporation operates a defined benefit pension plan for all permanent employees. The plan is funded by employee contributions of 5% of pensionable earnings, and employer contributions as recommended by independent actuaries. The plan allows all permanent employees to make voluntary contributions of up to 10% of annual pensionable earnings. Annual pension at retirement is based on the average annual rate of pensionable earnings for the last three years prior to retirement.

The Board of Trustees of the pension fund is comprised of representatives selected by the employer and members of the plan. The Board of Trustees of the pension fund is required by law to act in the interest of the fund and all relevant stakeholders.

The plan's investment portfolio is managed by Sagicor Life Jamaica Limited and the fund administrator is Employee Benefits Administrator Limited. The valuation of the plan was conducted by Ravi Rambarran, external actuary of Rambarran & Associates Limited on 20 May 2022 (2021: 25 May 2021) using the Projected Unit Credit Method.

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****8 EMPLOYEE BENEFIT ASSET (CONTINUED)**

Amounts recognized in the financial statements in respect of post-employment employee benefits comprise the following:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Pension asset:		
Fair value of plan assets	2,149,095,000	2,083,738,000
Present value of defined benefit obligation	<u>(646,434,000)</u>	<u>(609,257,000)</u>
Net assets	1,502,661,000	1,474,481,000
Asset not recognized due to limitation in economic benefits	<u>(942,884,000)</u>	<u>(966,028,000)</u>
Asset recognised in the statement of financial position	<u><u>559,777,000</u></u>	<u><u>508,453,000</u></u>

Plan assets consist of the following:

	<b>2022</b>		<b>2021</b>	
	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>
CPI Indexed Fund	10	223,791,000	-	3,789,000
equity Fund	17	360,129,000	17	361,580,000
Fixed Income Fund	5	106,164,000	6	120,539,000
Foreign Currency Fund	6	128,545,000	6	125,787,000
Mortgage and Real Estate Fund	-	290,000	-	-
Diversified Investment Fund	57	1,225,831,000	67	1,390,076,000
Ordinary shares	-	7,626,000	-	9,247,000
Purchased annuities	5	102,444,000	5	95,948,000
Net benefit adjustments	<u>-</u>	<u>(5,725,000)</u>	<u>(1)</u>	<u>(23,228,000)</u>
	<u>100</u>	<u>2,149,095,000</u>	<u>100</u>	<u>2,083,738,000</u>

The expected contributions to the plan for the twelve months ending 31 March 2023 amount to \$12,099,000 (2021: twelve months ended 31 March 2022 - \$10,846,000).

Weighted average duration of obligation is approximately 32 years (2021: 31 years).

(i) Movements in the net asset recognised in the statement of financial position:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of year	508,453,000	403,770,000
Employer's contributions	800,000	744,000
Change recognised in operating (deficit)/surplus	10,837,000	665,000
Remeasurements gain recognised in OCI	<u>39,687,000</u>	<u>103,274,000</u>
Balance at end of year	<u><u>559,777,000</u></u>	<u><u>508,453,000</u></u>



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 8. EMPLOYEE BENEFIT ASSET (CONTINUED)

## (ii) Movement in plan assets:

	2022 \$	2021 \$
Fair value of plan assets as at beginning of year	2,083,738,000	1,959,089,000
Contributions paid into the plan	11,110,000	10,243,000
Benefits paid by the plan	(33,399,000)	(94,826,000)
Interest income on plan assets	176,444,000	126,809,000
Value of annuities purchased	6,105,000	67,973,000
Remeasurement - changes in financial assumptions	2,925,000	(6,877,000)
Remeasurement - experience adjustments	(97,828,000)	21,327,000
Fair value of plan assets as at end of year	<u>2,149,095,000</u>	<u>2,083,738,000</u>
Actual return on plan assets	4%	7%

## (iii) Change recognised in operating surplus:

	2022 \$	2021 \$
Current service costs	32,844,000	25,908,000
Interest on obligations	50,651,000	28,462,000
Expected return on plan assets	(176,444,000)	(126,809,000)
Interest on effect of the asset ceiling	82,112,000	71,774,000
(Note 11(ii))	<u>(10,837,000)</u>	<u>(665,000)</u>

## (iv) Items in other comprehensive income:

	2022 \$	2021 \$
Change in financial assumptions	58,057,000	(122,729,000)
Experience adjustments	(97,744,000)	19,455,000
	<u>(39,687,000)</u>	<u>(103,274,000)</u>

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 8. EMPLOYEE BENEFIT ASSET (CONTINUED)

v) Present value funded obligation:

	2022 \$	2021 \$
Present value of funded obligation at beginning of year	609,257,000	451,097,000
Current service cost	32,844,000	25,908,000
Interest cost on defined benefit obligation	50,651,000	28,462,000
Members' contributions	10,310,000	9,499,000
Benefits paid	(33,399,000)	(94,826,000)
Value of annuities purchased	6,105,000	67,973,000
Remeasurement-changes in assumptions	60,982,000	(129,606,000)
Remeasurement-experience adjustments	(90,316,000)	250,750,000
	<u>646,434,000</u>	<u>609,257,000</u>
Present value of defined benefit obligation at end of year		

(vi) Movement in effect of asset ceiling:

	2022 \$	2021 \$
Effect of asset ceiling at beginning of year	966,028,000	1,104,222,000
Interest on asset	82,112,000	71,774,000
Remeasurement effect	(105,256,000)	(209,968,000)
	<u>942,884,000</u>	<u>966,028,000</u>
Effect of asset ceiling at end of year		

(vii) Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2022	2021
Discount rate	8.0%	8.5%
Pay growth	6.0%	6.5%
Pension increases	5.0%	5.5%
Administrative expenses (% of salary)	2.0%	2.0%
Inflation	5.0%	5.5%
Minimum funding rate	<u>0.25%</u>	<u>0.25%</u>



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 8. EMPLOYEE BENEFIT ASSET (CONTINUED)

## (viii) Sensitivity analysis:

The calculation of the projected obligation is sensitive to the assumptions used. The table below summaries how the defined benefit obligation measured at the end of the reporting period would have increased/decreased) as a result of a change in the assumptions by one percentage point. In preparing the analysis for each assumption, all other were held constant.

	2022		2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
	\$	\$	\$	\$
Discount rate	(97,761,000)	132,020,000	(90,369,000)	121,678,000
Salary growth	54,432,000	(45,397,000)	49,606,000	(41,593,000)
Pension increase	76,566,000	(64,886,000)	69,967,000	(59,362,000)
	1 year increase	1 year Decrease	1 year increase	1 year decrease
Life expectancy	13,388,000	(13,401,000)	12,443,000	(12,452,000)

The five-year trend for the fair value of plan assets, the defined benefit obligation, the surplus in the plan and experience adjustments for the plan asset and liabilities is as follows:

	2022	2021	2020	2019	2018
	\$	\$	\$	\$	\$
Fair value of plan assets	2,149,095,000	2,083,738,000	1,959,089,000	2,096,448,000	2,093,369,000
Assets not recognised due to limitation in economic benefits	(942,884,000)	(966,028,000)	(1,104,222,000)	(1,544,974,000)	(1,415,333,000)
Defined benefit obligations	(646,434,000)	(609,257,000)	(451,097,000)	(339,408,000)	(378,425,000)
Surplus	559,777,000	508,453,000	403,770,000	212,066,000	299,611,000
Experience adjustments:					
Fair value of plan assets	(97,828,000)	21,327,000	(266,389,000)	(149,579,000)	217,145,000
Defined benefit obligations	(90,316,000)	250,750,000	59,020,000	(120,052,000)	(108,465,000)

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****8. EMPLOYEE BENEFIT ASSET (CONTINUED)****Risks associated with pension plans and other employee benefit plans**

Through its defined benefit pension plan, the Corporation is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility**

The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields. If plan assets underperform this yield, this will create a deficit.

As the plan matures, the Corporation intends to reduce the level of investment risk by investing more in assets that better match the liabilities. This process includes monitoring and rebalancing the asset classes and the maturity profile of assets within these classes. The Government bonds largely represent investments in Government of Jamaica securities.

However, the Corporation believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Corporation's long-term strategy to manage the plans efficiently.

**Changes in bond yields**

A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the Plan's bond holdings.

**Inflation risk**

Higher inflation will lead to higher liabilities in the event that discretionary pension increases are granted. This risk is managed by the plan not having significant investment in fixed rate securities.

**9. CAPITAL RESERVES**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Gain on disposal of land and building	16,420,395	16,420,395
Surplus on disposal of real estate	80,215,145	80,215,145
Excess of the value of assets over liabilities vested in the Corporation	1,675,556	1,675,556
Realised surplus on disposal of buildings	86,002,348	86,002,348
Realised surplus on disposal of equipment	591,000	591,000
Realised surplus on revaluation of furniture and fixtures	9,656,146	9,656,146
Realised surplus on revaluation of computers	3,069,096	3,069,096
	<u>197,629,686</u>	<u>197,629,686</u>



**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****10. GROSS OPERATING REVENUE**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Government grants	733,705,903	727,224,663
Certification fees	2,047,271	1,918,306
Rental income	32,020,996	27,404,964
Sponsorship income (Note 10(a))	48,204,470	-
Other income	10,663,012	10,869,581
	<u>826,641,652</u>	<u>767,417,514</u>

(a) Sponsorship Income represents gross amounts received as contribution towards the DoBusiness Jamaica Virtual Investment Conference 2021 held 17-18 November 2021.

**11. DISCLOSURE OF EXPENSES****(i) Promotional**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Advertising and Promotion (Others) (Note 11(i)(a))	18,367,693	36,763,740
Business Wire	3,937,500	2,931,600
DoBusiness Jamaica Virtual Investment Conference 2021 (Note 11(i)(b))	38,985,051	-
ECRM Virtual Trade Shows	4,988,121	-
Exhibitions & Fairs (Others)	10,652,220	-
Foreign and Local Travel and Subsistence (Note 11(i)(c))	13,470,598	2,326,235
Professional Fees (Others)	12,051,280	4,884,264
In-Market Brokers Services	-	17,400
ICT/BPO Industry Coordinator	-	2,859,998
Contract Manufacturing Videos Development	-	2,900,000
National Export Strategy Coordinator	-	1,500,000
Digital Marketing Services	1,417,500	2,042,880
National Business Portal	1,796,250	3,441,090
Export Max III Coordinator	6,066,667	6,066,667
Mailing and Shipping	329,560	171,448
Entertainment	2,719,738	323,142
Books, Subscription & Printed Materials	8,472,573	8,068,764
Fitch Solutions	3,082,254	-
Office 365 Licences	4,605,952	4,171,569
CRM Integration: eValue Prompter	3,032,226	-
CRM Software & Customization (Note 11(i)(d))	9,678,880	7,047,000
ZoomInfo	3,198,000	1,950,000
OrangeHRM Inc.	1,210,433	-
Cial Dun & Bradstreet Due Diligence Reports	1,166,100	1,131,000
A-Z Information Ltd	2,300,000	-
General Consumption Tax (Other)	1,454,249	-
	<u>152,982,845</u>	<u>88,596,797</u>

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)****11. DISCLOSURE OF EXPENSES (CONTINUED)****(i) Promotional (continued)**

- (a) The amounts spent on hosting webinars and social media advertisements were reduced following the relaxation of the COVID-19 restrictions and the consequent resumption of international travel.
- (b) This represents expenses incurred to host the Explore/Do Business Jamaica Virtual Investment Conference which was held on 17-18 November 2021. These expenses were fully covered by sponsorship funds received.
- (c) The restriction on international travel was relaxed in the last quarter of the financial year and consequently various overseas missions resumed.
- (d) This represents the renewal of licenses and additional configuration of CRM Software.

**(ii) Staff-related**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Salaries, statutory payments and gratuities	463,697,648	442,964,506
Staff benefits	116,646,416	95,901,328
Pension benefit, net (Note 8)	(10,837,000)	(665,000)
Unused vacation leave	2,939,011	20,184,637
Staff training	2,244,868	3,278,315
	<u>574,690,943</u>	<u>561,663,786</u>

The average number of persons employed by the Corporation during the year was 100 (2021: 96).

**(iii) General and administrative**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Utilities	29,573,055	28,846,563
General Consumption Tax expense	14,592,846	14,934,790
Depreciation, net of allocation to tenants	20,528,950	22,059,035
Repairs and maintenance	25,018,202	17,550,439
Office supplies and other operating expenses	4,058,207	5,518,245
Other expenses	2,557,373	1,140,328
Foreign exchange gains (net)	(5,243,317)	(6,811,213)
Insurance	6,010,010	5,810,346
Security	2,863,500	2,981,728
Motor vehicle and travelling	2,753,098	1,571,226
Office rental	8,790,990	8,349,840
Professional fees	2,621,274	1,071,580
Stationery	1,611,260	826,254
Audit fees	2,487,000	2,357,000
Bank charges	1,922,900	1,304,243
Directors' fees	749,400	1,045,200
	<u>120,894,748</u>	<u>108,555,604</u>
Total expenses	<u>848,568,536</u>	<u>758,816,187</u>



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

**12. RELATED PARTY BALANCES AND TRANSACTIONS**

- (i) The statement of financial position includes balances arising in the ordinary course of business with related parties as follows:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Trade and other receivables:		
Government of Jamaica	-	800,314
	<u>-</u>	<u>800,314</u>
Trade and other payables:		
Government of Jamaica	21,805,534	25,673,120
	<u>21,805,534</u>	<u>25,673,120</u>

- (ii) Transactions with related parties are disclosed in the relevant notes to the financial statements.

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Compensation of key management personnel	62,782,615	59,295,303
	<u>62,782,615</u>	<u>59,295,303</u>

**13. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES**

The Corporation has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about the Corporation's exposure to each of the above risks, the Corporation's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**(i) Credit risk**

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's other receivables, cash and cash equivalents and securities purchased under agreements to resell.

The maximum exposure to credit risk at the reporting date is represented by the carrying value of its financial assets in the statement of financial position.

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Trade and other receivables	10,061,002	15,546,171
Cash and cash equivalents (excluding cash in hand)	83,777,732	65,891,087
Securities purchased under resale agreements	224,660,727	232,234,605
	<u>318,499,461</u>	<u>313,671,863</u>

**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**13. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)****(i) Credit risk (Continued)***Trade and other receivables*

Management establishes an allowance for impairment that represents its estimate of losses in respect of other receivables. Management's policy is to provide for balances based on past default experience, current economic conditions and expected recovery.

*Cash and cash equivalents and securities purchased under resale agreements*

These are placed with financial institutions with high credit ratings for short-term periods and management believes these institutions have minimal risk of default.

The Corporation's financial assets subject to the expected credit loss model within IFRS 9 are cash and other receivables. Based on management's assessment the impact of the impairment was considered immaterial. There were no financial assets that are considered past due and impaired. There is no concentration of credit risk within these assets. None of these assets are considered impaired and no amounts have been written off in the period.

These financial assets are expected to be received in three months or less. An amount is considered to be in default if it has not been received 90 days after it is due.

**(ii) Liquidity risk**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

The Corporation manages this risk by maintaining an adequate level of liquid funds and relies on the Government of Jamaica for financial support, if needed.

The contractual outflows as at 31 March 2022 and 2021, for trade and other payables (excluding accruals and provisions) are represented by their statement of financial position carrying amount and require settlement within 12 months at the reporting date amounting to \$175,740,378 (2021: \$144,488,985).

**(iii) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange and interest rates, will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage market risk exposures within acceptable parameters while optimising the return on risk.



## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 13. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

## (iii) Market risk (Continued)

## (a) Foreign currency risk:

The Corporation's exposure to foreign currency risk is as follows:

	2022				2021			
	US\$	£	€	CAD\$	US\$	£	€	CAD\$
Cash and cash equivalents	64,901	34,542	1,645	7,481	117,419	24,761	3,534	4,079
Securities purchases under resale agreements	753,048	-	-	-	738,145	-	-	-
Trade and other receivables	-	-	-	-	15,028	-	-	-
Trade and other payables	(128,510)	(19,013)	-	-	(133,570)	(13,466)	(1,250)	-
Net exposure	684,664	15,529	1,645	7,481	737,022	11,295	2,284	4,079

Exchange rates, in terms of Jamaica dollars, were as follows:

	US\$	£	€	CAD\$
31 March 2022	152.97	198.22	162.38	123.06
31 March 2021	143.17	195.16	167.07	116.59

*Sensitivity analysis*

A 2% (2021: 2%) strengthening of the Jamaica dollar against the United States dollar, Pound Sterling, Euro and Canadian dollar against the Jamaica dollar at 31 March, would have increased the deficit for the year by \$2,192,656 (2021: decreased the surplus for the year by \$2,171,664).

A 8% (2021: 6%) weakening of the Jamaica dollar against the United States dollar, Pound Sterling, Euro and Canadian dollar against the Jamaica dollar at March 31, would have decreased the deficit for the year by \$8,770,623 (2021: increased the surplus for the year by \$6,514,993). This analysis assumes that all other variables, in particular interest rates, remain constant.

## (b) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Financial assets which are subject to fixed interest are as follows:

	2022 \$	2021 \$
Financial assets:		
Cash and cash equivalents	5,407,649	13,593,962
Securities purchased under resale agreements	224,660,727	232,234,605
	<u>230,068,376</u>	<u>245,828,567</u>

## JAMAICA PROMOTIONS CORPORATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 13. FINANCIAL AND CAPITAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(iii) **Market risk (Continued)**

## (b) Interest rate risk continued:

Generally, the Corporation's financial instruments are at fixed rates, therefore a change in interest rates would not affect its cash flows.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is done on the same basis as in 2021.

(iv) **Accumulated fund management**

For the purpose of the Corporation's accumulated fund management, accumulated fund includes accumulated surplus and capital reserves. The Corporation's objectives when managing accumulated fund are to safeguard the Corporation's ability to continue as a going concern to enable the Corporation to continue to carry out its mandate as defined by the Government of Jamaica of stimulating, facilitating and promoting the development of trade and industry, export trade and investment activities in all sectors of the Jamaican economy. No changes were made in the objectives, policies or processes for managing accumulated fund during the years ended 31 March 2022 and 2021.

(v) **Fair values**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where quoted market prices are not available, the fair values of these instruments have been determined using a generally accepted alternative method.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate the value.

<u>Financial Instruments</u>	<u>Method</u>
Cash and cash equivalents, securities purchased under resale agreements, trade and other receivables and trade and other payables	Assumed to approximate their carrying values, due to their short-term nature

Fair value measurement recognised on the statement of financial position

There are no financial instruments included in the statement of financial position that are measured subsequent to initial recognition at fair value.



**JAMAICA PROMOTIONS CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2022****(Expressed in Jamaican dollars unless otherwise stated)**

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**14. CORONAVIRUS (COVID – 19) UPDATE**

On January 30, 2020, The World Health Organization declared the outbreak of a novel strain of Coronavirus (COVID-19) constituted a 'Public Health Emergency of International Concern'. This global outbreak and the response of governments worldwide to it, has disrupted economic activities across a wide range of industries.

The duration and extent of the COVID-19 pandemic and related financial, social and public health impacts of the pandemic remain uncertain. As such, the actual economic events and conditions in the future may be materially different from those estimated by the Corporation at the reporting date. No matters have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Corporation. For more than a year, personnel worked remotely where possible. However, since February 2022, personnel returned to the physical workspace. Also, with the restriction on official travel overseas being relaxed, staff resumed overseas travel in the last quarter of the financial year. There has been no direct impact on the Corporation's operating performance although there was a shortfall of approximately \$56 million in the approval budget for Government Grant funding for the year.

**15. FINANCIAL EFFECT OF THE FINANCIAL STATEMENTS RESTATEMENT**

During the year, a comprehensive exercise was conducted in respect of the gratuity and incentive accruals resulting in consequent restatement adjustments to correct a net overstatement of the liabilities.

Detailed below are the reconciliations of the Statement of Financial Position as at 31 March 2021 and 1 April 2020 and the Statement of (Deficit)/Surplus and Other Comprehensive Income for the year ended 31 March 2021 and 1 April 2020.

## JAMAICA PROMOTIONS CORPORATION

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 15. FINANCIAL EFFECT OF THE FINANCIAL STATEMENTS RESTATEMENT (CONTINUED)

## a) Impact on the Statement of Financial Position as at 31 March 2021 and 1 April 2020

	As Previously Reported 2021 \$'000	Adjustments \$'000	Restated 2021 \$'000	As Previously Reported 2020 \$'000	Adjustments \$'000	Restated 2020 \$'000
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	66,348,921	-	66,348,921	112,732,734	-	112,732,734
Securities purchased under resale agreements	232,234,605	-	232,234,605	141,173,359	-	141,173,359
Trade and other receivables	18,892,733	-	18,892,733	23,440,607	-	23,440,607
	<u>317,476,259</u>	<u>-</u>	<u>317,476,259</u>	<u>277,346,700</u>	<u>-</u>	<u>277,346,700</u>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	287,827,156	(36,842,789)	250,984,367	256,688,918	(31,280,521)	225,408,397
Grant received in advance	9,383,689	-	9,383,689	9,203,019	-	9,203,019
	<u>297,210,845</u>	<u>(36,842,789)</u>	<u>260,368,056</u>	<u>265,891,937</u>	<u>(31,280,521)</u>	<u>234,611,416</u>
<b>NET CURRENT ASSETS</b>	<u>20,265,414</u>	<u>36,842,789</u>	<u>57,108,203</u>	<u>11,454,763</u>	<u>31,280,521</u>	<u>42,735,284</u>
<b>NON-CURRENT ASSETS</b>						
Property and equipment	174,182,486	-	174,182,486	176,423,632	-	176,423,632
Employee benefit asset	508,453,000	-	508,453,000	403,770,000	-	403,770,000
	<u>682,635,486</u>	<u>-</u>	<u>682,635,486</u>	<u>580,193,632</u>	<u>-</u>	<u>580,193,632</u>
	<u>702,900,900</u>	<u>36,842,789</u>	<u>739,743,689</u>	<u>591,648,395</u>	<u>31,280,521</u>	<u>622,928,916</u>
<b>FINANCED BY:</b>						
<b>ACCUMULATED SURPLUS</b>	505,271,214	36,842,789	542,114,003	394,018,709	31,280,521	425,299,230
<b>CAPITAL RESERVES</b>	197,629,686	-	197,629,686	197,629,686	-	197,629,686
	<u>702,900,900</u>	<u>36,842,789</u>	<u>739,743,689</u>	<u>591,648,395</u>	<u>31,280,521</u>	<u>622,928,916</u>



## JAMAICA PROMOTIONS CORPORATION

NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2022

(Expressed in Jamaican dollars unless otherwise stated)

## 15. FINANCIAL EFFECT OF THE FINANCIAL STATEMENTS RESTATEMENT (CONTINUED)

## b) Impact on the Statement of (Deficit)/Surplus and Other Comprehensive Income

	As Previously Reported 2021 \$'000	Adjustment \$'000	Restated 2021 \$'000	As Previously Reported 2020 \$'000	Adjustment \$'000	Restated 2020 \$'000
Gross operating revenue	767,417,514	-	767,417,514	913,943,184	-	913,943,184
Operating expenses:						
Promotional	88,596,797	-	88,596,797	224,898,524	-	224,898,524
Staff-related	567,226,054	(5,562,268)	561,663,786	532,378,703	(31,280,521)	501,098,182
General and administrative	108,555,604	-	108,555,604	119,278,448	-	119,278,448
	764,378,455	(5,562,268)	758,816,187	876,555,675	(31,280,521)	845,275,154
Operating surplus for the year	3,039,059	5,562,268	8,601,327	37,387,509	31,280,521	68,668,030
Other income:						
Interest income	4,930,446	-	4,930,446	1,168,833	-	1,168,833
Miscellaneous income	9,000	-	9,000	1,698,450	-	1,698,450
<b>Surplus for the year</b>	7,978,505	5,562,268	13,540,773	40,254,792	31,280,521	71,535,313
<b>Other comprehensive income</b>						
Items that will never be reclassified to (deficit)/surplus:						
Re-measurement gain on defined benefit plan	103,274,000	-	103,274,000	191,333,000	-	191,333,000
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	111,252,505	5,562,268	116,814,773	231,587,792	31,280,521	262,868,313



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