



JAMPRO
TRADE & INVESTMENT JAMAICA

INVEST IN **JAMAICA'S** MANUFACTURING INDUSTRIES



JAMPRO Manufacturing, Energy &
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Why Jamaica...

Jamaica provides the ideal platform for companies seeking a cost-effective manufacturing hub to supply the CARICOM, Latin American or North American markets, companies pursuing a postponement strategy of finishing goods/adding value closer to end markets or companies seeking new production points within their manufacturing value chain. As the Caribbean's leading transshipment port, Jamaica's clear advantages include strategic access and proximity to desirable consumer markets, labour capacity, a facilitative manufacturing ecosystem and planned developments under Jamaica's Logistics hub initiative.

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Jamaica: Prime Destination for Manufacturing

The table below illustrates the four pillars of Jamaica's manufacturing value proposition. The natural strength of proximity and remarkable labour combine with supportive agencies and incentive framework to create the ideal Manufacturing Ecosystem. The prosperity of Jamaica and investors alike are determined and assured by the strength and interactions of these four pillars.

Strategic Access & Proximity

- Significant Maritime Capability
- Significant Air Connectivity
- Strategic Trade and Bi-lateral Agreements

Skilled and Scalable Labour

- Qualified and Available Labour Pool
- Substantive Training Infrastructure
- Competitive Labour Costs

Enabling Infrastructure

- Comprehensive and Attractive Incentives framework
- Track Record in Manufacturing
- Supportive Ecosystem
- Site Selection Flexibility

Logistics Hub Initiatives

- Ability to dock Post-Panamax ships
- Expansion and new build out of Economic Zones
- Enhanced Port and Customs efficiencies
- Enhanced Maritime and Air Connectivity

Manufacturing Opportunities

While there are a myriad of opportunities which can benefit from Jamaica's strategic access and proximity to desirable consumer markets, adaptive labour capacity, facilitative manufacturing ecosystem and planned developments under Jamaica's Logistics hub initiative. Key opportunity areas that have been identified include

- Light manufacturing
- Assembly Manufacturing
- Fabrication
- Food processing
- Limestone based industries
- Contract Manufacturing

“2.7 million population with a labour force of 1.3 million”



About Jamaica

With a population estimated at 2.7 million people, the island of Jamaica is the third largest natively English-speaking population in the Americas. With an area of 10,911 km² (4,213 sq mi), Jamaica is the largest island of the Commonwealth Caribbean. At its greatest extent, Jamaica is 235 km (146 mi) long, and its width varies between 34 and 84 km (21 and 52 mi).

Jamaica has a long tradition of equality based on a stable parliamentary democracy, where national elections are held every five years. Major foreign currencies such as US, Canadian and Pound can be bought and sold at commercial banks and other

authorized dealers. Investors face no restrictions on the repatriation of profits.

Jamaica's National Export Strategy (NES) published in 2009 identified the Manufacturing industry as one of the pillars of growth for the Jamaican economy. There is much room for growth within the manufacturing sector as Jamaican products continue to be in high demand globally in the premium category.



Strategic Access & Proximity

Jamaica is blessed to be at the central point of trade within the western hemisphere. The country's proximity to the United States, Latin American and Caribbean markets provides enviable air and maritime access in moving goods and services between these markets. This connectivity coupled with similar time zones provides numerous efficiencies in establishing new manufacturing sites, contracting with existing operations and engaging partners on an ongoing basis through easily arranged face-to-face meetings and facility visits.

Significant Maritime Capability

Jamaica's maritime infrastructure is well-developed with focused plans for further modernization. Currently, the maritime network consists of fourteen (14) seaports which in 2013 accommodated 3,572 vessels and 1.2 million passengers. While in 2011 over 30.5 million tons of cargo was transshipped. It is expected that there will be a tremendous increase

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Strategic Access & Proximity

in transshipment traffic through the Caribbean when the Panama Canal opens its new channels in 2015. Under Jamaica's logistics' hub initiative, Jamaica will have the capability to dock the larger Post-Panamax ships passing through the newly opened canals.

The Port of Kingston, which has International Ship and Port Facility Security (ISPS) certification, is well served by a comprehensive network of shipping lines that offer a wide range of routing. The Port of Kingston lies along main shipping lanes from the Panama Canal which makes the Port of Kingston even more attractive to international shipping companies. Over 30 shipping lines have operations in Jamaica covering all major routes to North and South America, Europe and the Far East.

Key Statistics

- **The Kingston Container Terminal (KCT) has a total capacity of 3.2 million Twenty-foot Equivalent Units (TEUs)**
- **Jamaica is ranked number four among the best-connected ports of the 180 within the region, after Cartagena (Columbia), Miami, and Savannah, GA (USA)**
- **Kingston Harbour is the 37th most connected container port in the world**
- **The KCT is the 16th most centrally located container port in the world**
- **Jamaica Possesses complementary major port facilities along the North and South Coast of the island**
- **On the basis of container traffic, the KCT is ranked among the best top 100 ports in the world.**

Strategic Access & Proximity

Air Connectivity

Complementing our maritime capability, Jamaica has exceptional air network providing both international and domestic air travel. There are three international airports: Sangster International Airport in Montego Bay, Norman Manley International Airport in Kingston, and the Ian Fleming International Airport in Ocho Rios.

The Sangster International Airport (SIA), the largest of three international airports boasts over forty (40) airlines and averages more than 380 flights per week. The airlines include British Airways, United, West Jet and Sunwing. The Norman Manley International Airport (NMIA) has thirteen (13) scheduled airlines such as Jet Blue, American Airlines, Caribbean Airlines, to name a few, and handles over 196 international flights per week. Major international destinations are New York, London, Toronto, Miami, Panama, Atlanta and the Caribbean.

Key Statistics

- NMIA total Passenger movement in 2013 was 1,372,602
- NMIA Averages 196 flights per week
- Cargo Movement - 9,684,947 kilograms
- SIA's total Passenger movement in 2013 was 3,502,283
- SIA Averages 380 flights per week
- Cargo Movement - 5,567,939 kilograms



Skilled and Scalable Labour

English Language remains the most essential language for global business success and therefore investors can benefit greatly from Jamaica's natively English speaking labour force. The workforce is comprised of high school, vocational, college and university graduates.

Qualified and Available Labour Pool

Jamaica boasts the third largest English-speaking population in the Americas and has an estimated workforce of 1.3 million persons. Annual University enrollment (including technical institutions) totals 55,000 persons while Secondary enrollment amounts to approximately 230,000 annually. With unemployment currently standing at 11.3% skilled and cost effective labour is widely available.

Substantive Training Infrastructure

Nineteen (19) universities and numerous work study programmes prepare workers in several disciplines including: Computer Science, Finance and Accounting, Management, Mechanical Engineering, Architectural Science and the Social Sciences. At the secondary level, Jamaica has a significant cohort of technical high schools, which specializes in disciplines such as Food and Nutrition, Building Technology, Mechanical Engineering, and Electrical and



Electronic Technology. Jamaican students have a strong reputation of being among the top 10 achievers in technical areas at both the Caribbean Secondary Education Certificate (CSEC) and the Caribbean Advanced Proficiency Exams (CAPE).

In addition to the private training institutions, The HEART Trust NTA- a government funded and operated training agency- currently has 28 institutions that are charged with providing employer-specific training. With increased focus now being placed on Manufacturing, new training programmes have been developed to support the industry.

Competitive Labour Costs

Jamaican labour costs 40-60% less than North America and Europe. Costs are kept stable due to low wage inflation and currency depreciation against the dollar.

Enabling Infrastructure

The manufacturing sector continues to play a key role in the economic and social development of Jamaica. The government continues to enhance the policy ecosystem around manufacturing and drive infrastructure development to ensure the effective and efficient functioning of the industry. The Logistics hub initiative which will position the island as a major logistics hub in the region will further improve the environment for both local and foreign manufacturers.

Comprehensive and Attractive Incentives Framework

The Government of Jamaica's commitment to creating an enabling and efficient business environment has resulted in a more comprehensive and transparent incentives act which is accessible to all investors. This recently implemented Act, known as the Omnibus Incentive legislation, provides for varying levels of relief in respect of customs duties, employment tax credits, stamp duties and corporate income tax.

In addition to the Omni-bus incentives, there are the Urban Renewal Act and Factory incentives Act for companies that are refurbishing or building new factory spaces. These acts also provides for relief from income tax, stamp duty and transfer tax.

Track Record in Manufacturing

Jamaica's manufacturing sector plays a key role in Jamaica's economic and social development. The sector currently accounts for 19% of total employment, US\$ 723 million in exports and contributes 8.3% of GDP. The country boasts a competitive and diverse array of manufacturing enterprises. The industry comprises over 300 companies, ranging from agro-processing, bedding and leather to stone and clay products. Many of Jamaica's manufactured brands are internationally recognized and have become synonymous with excellence. In the spirits category, products such as Red Stripe beer and Appleton Estate Rum have rivaled our athletes in prominence and recognition.

A lesser known fact, however, is the electronics assembly and fabrication manufacturing entities which are beginning to emerge in Jamaica's manufacturing sector and provides testimony to the capability of Jamaica as viable destination for adding value in TNC's global supply chains.

Enabling Infrastructure

Supportive Ecosystem of Industry Associations and Companies

The National Certification Body of Jamaica (NCBJ), a Unit of BSJ, was the first body in the Caribbean region to be accredited to offer ISO 9001 certification to the manufacturing and service industries. Being one of the more sophisticated economies in the region, investors will benefit from a plethora of services and support provided by

- Public agencies such as the Jamaica Promotions Corporation (JAMPRO), Scientific Research Council (SRC), Bureau of Standards of Jamaica (BSJ), Development Bank of Jamaica and the Export Import (EXIM) Bank.
- Private sector associations such as Jamaica Manufacturers' Association (JMA), Jamaica Exporters Association (JEA), Private Sector Organization of Jamaica (PSOJ) and the Jamaica Chamber of Commerce (JCC)

The aforementioned services are complemented by a portfolio of local and international private sector companies' providing the range of services, such as accounting, banking and technology, typically required by investors. Multinational players operating in these areas include

- Banking and Financial services - Citibank, Bank of Nova Scotia and First Caribbean Bank
- Accounting and consulting services - Price

Waterhouse Coopers (PWC), Ernst and Young and Deloitte Touché

- Technology products and services: IBM, Fujitsu, Digicel, Columbus Communications and Cable Wireless

Site Selection Flexibility

Companies can operate in any of the four designated free zones or operate outside of a designated free zone through the use of a Single Entity Free Zone status. The four physical free zones are noted below:

- GARMEX
- Kingston Free zone
- Hayes Free Zone
- Montego Bay Free zone

Outside of the designated free zones and with the build out of the country's highway network large tracts of land are available for further development. In the past couple of years, Jamaica has invested heavily in its road network to create the north and south coast highways which traverse the width of the island. Currently, US\$600M is being invested to connect both the North and South coast legs of the highways and thus provide greatly enhanced efficiencies in moving people and goods across Jamaica.



Logistics Hub Initiatives

Recognizing the opportunities that will arise due to the opening of the new locks within the Panama Canal in 2015, the Jamaican government Logistics Hub Initiative involves providing world class facilities, creating the conditions for attracting global businesses as well as the conditions conducive to the operation of these businesses. This will allow the products and services they produce to seamlessly access global markets. The completed project will include clusters of global businesses operating from special economic zones, technology parks, logistics parks and industrial parks.

Logistics Hub Initiatives



For investors focused on manufacturing, key developments under this initiative include :

- Ability to dock Post Panamax Ships - Through the dredging of the Kingston harbor Jamaica will be one of the few ports capable of docking the post panamax ships which will be traversing the region when the new Panama Canal channels open in 2015
- Expansion and Build Out of Special Economic Zones - In addition to the four existing free zones, another 16 Special Economic zones are planned for development.
- Enhanced Ports and Customs Efficiencies – The government is in the process of implementing the Port Community System which will provide greater efficiencies in the movement of products through air and sea ports.
- Enhanced Air and Maritime Connectivity – The government is in the process of rationalizing its air assets and divesting the Norman Manley International Airport (NMIA) to increase the islands cargo capacity and capability.



JAMPRO
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Facilitating Investment in Jamaica

Jamaica is the place to do business on a global scale, and JAMPRO – the national investment and export promotion agency - is the gateway that connects the world to Jamaica. In extending Jamaica’s image beyond that of a tourist destination, the agency works closely with entrepreneurs from around the globe to enable them to tap into the wealth of investment and trade opportunities available in the country.

Operating under the direction of the Ministry of Industry, Investment and Commerce (MIIC), JAMPRO promotes investments in a number of targeted sectors, which include the creative industries (film, music and entertainment), manufacturing, tourism, agri-business, information and communication technology, mining and professional services. In facilitating both local and foreign direct investment, JAMPRO guides investors through the necessary processes to ensure expedient and successful start-up. The agency also offers development support services after an investment project becomes operational. This serves to encourage continued growth and maximise the contribution of the investment to the national economy.

In order to ensure the smooth implementation of investment projects, JAMPRO offers a suite of services in partnership with key government agencies and ministries. These services include securing work

permits, non-tourist visas, duty waiver concessions, incentives, appropriate permits/licences, customs clearances, fiscal incentives, and building and development approvals.

In this regard, JAMPRO collaborates with the National Environment and Planning Agency (NEPA), Jamaica Customs Department, the ministries of Industry, Investment & Commerce, Finance, Labour and Tourism, and the various Parish Councils. These entities are guided by the mandate to simplify and harmonise the processes, procedures and documentation related to getting an investment off the ground.

The agency’s cadre of knowledgeable and professional business facilitators are ready to assist all potential investors, who can also access pertinent information on Jamaica and investment prospects through JAMPRO’s website at www.tradeandinvestjamaica.org.

JAMPRO remains committed to improving, promoting, stimulating and facilitating the development of industry and trade, improving the nation’s business climate, and fostering economic relationships with key players in international markets.



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