

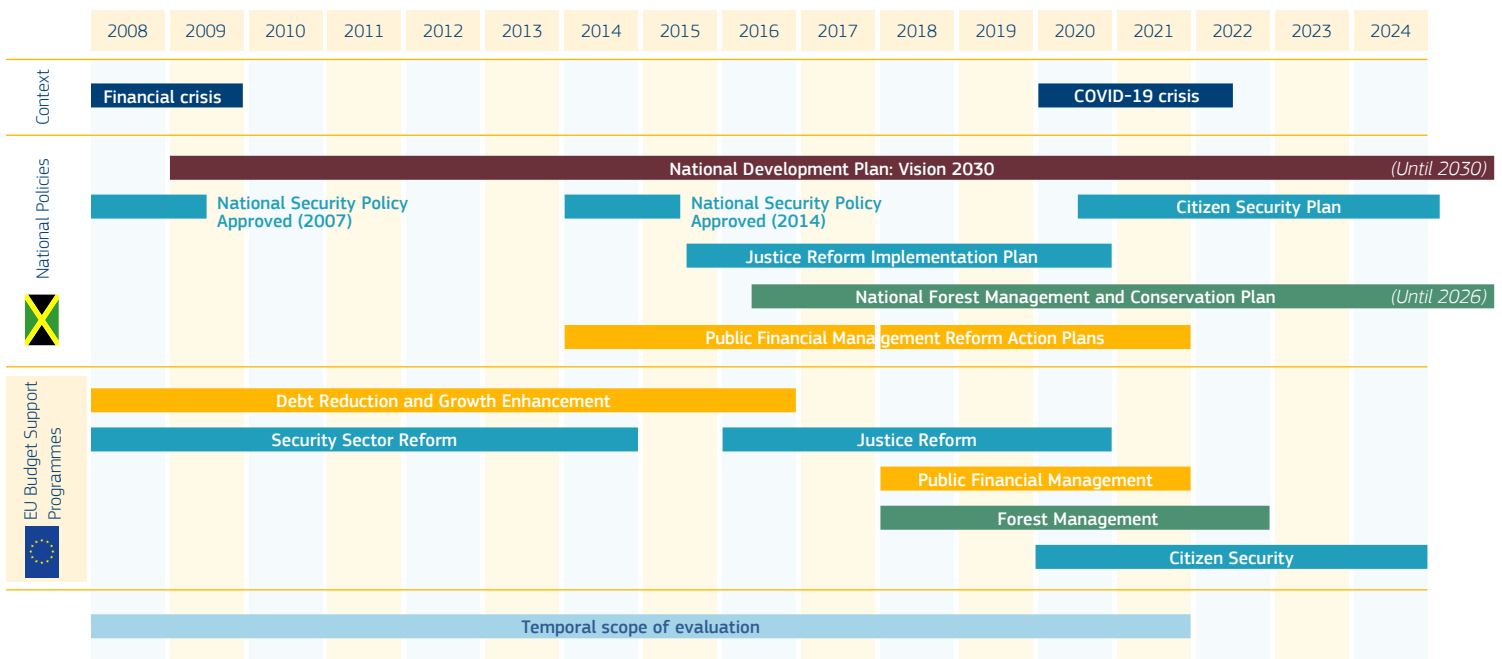


EVALUATION OF EU BUDGET SUPPORT IN JAMAICA (2008-2021)

Budget Support significantly contributed to reinforcing the EU-Jamaica partnership, promoted Government ownership and effectively supported the National Development Plan, and the economic, justice, security and forest sector reform strategies.

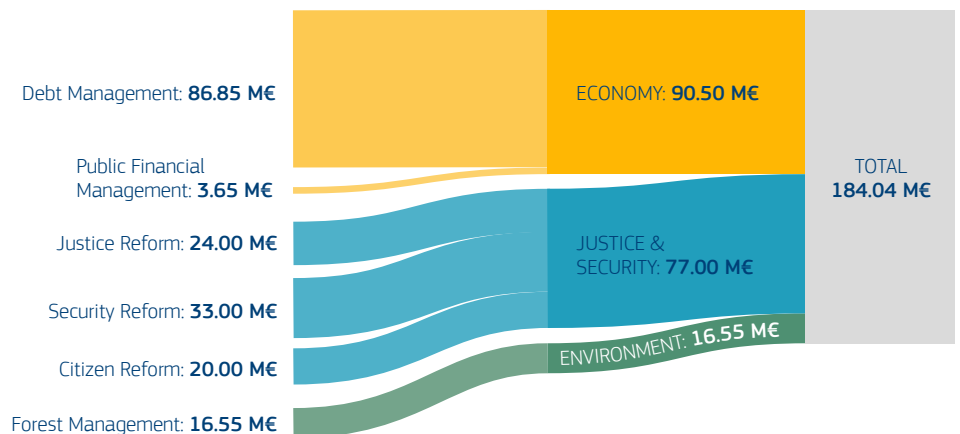
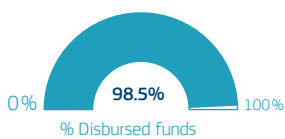
This strategic evaluation of the European Union's Budget Support in Jamaica aims to independently assess the programmes, extract lessons learnt, provide recommendations for future operations, and identify strategies to maximise their impact.

Timeline of main events, national policies, strategies and EU interventions in Jamaica since 2008



Allocation of funds, per programme (EUR millions)

2008 | Total funds: 157.55 M€
 2021 | Disbursed funds: 155.24 M€



Macroeconomic and Public Finance reforms

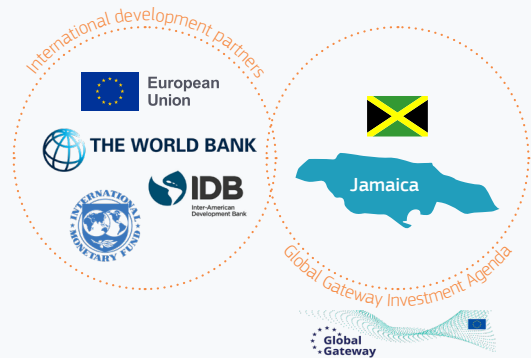
EU Budget Support helped Jamaica overcome key events and policy challenges. In coordination with other International Development Partners, EU programmes were instrumental in providing the Government of Jamaica with sufficient funds to overcome strong macroeconomic and fiscal policy challenges.

Jamaica's excellent performance with Budget Support conditionality led to EU disbursements that created fiscal space. The effective payment of a remarkable 98% of the allocated funds contributed to strengthening Jamaica's fiscal position and to the protection of expenditure, especially capital budgets.

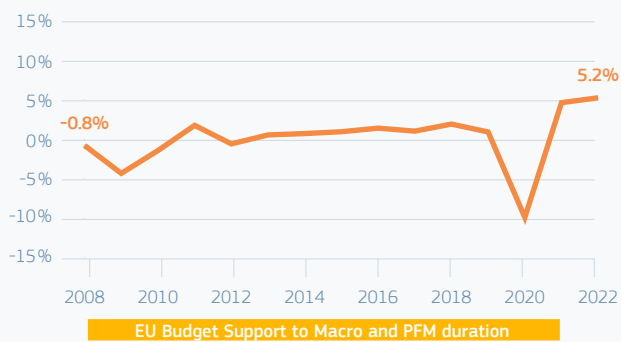
Promoting growth is the pending issue of EU-Jamaica cooperation. Investment and productivity remain low, held back by still cumbersome business procedures, insecurity, deficient infrastructure and poor education. EU sector-focused approach has only timidly pushed the growth agenda.



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GDP growth rate (annual %)



Source: World Bank (2023)

RECOMMENDATION

The EU should continue employing the Budget Support modality in Jamaica, while giving more weight to the incidence on growth, poverty and inequalities.

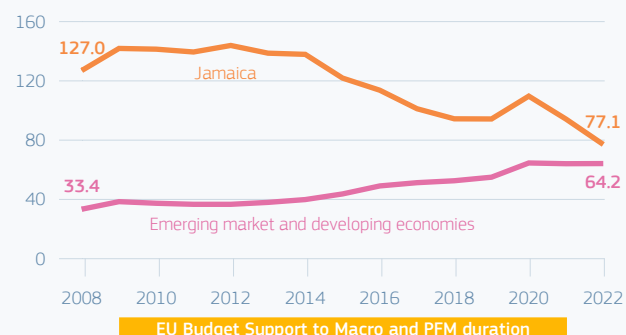
The EU, in cooperation with other partners, should increase its focus on helping the Jamaican Government address the obstacles that are limiting progress of Gross Domestic Product (GDP) growth and human development indicators. Budget Support remains a useful modality to pursue ambitious development objectives and advance towards meeting the targets of Jamaica Vision 2030 and the Sustainable Development Goals. With its strong policy focus, Budget Support can complement the Global Gateway Investment Agenda and contribute to the overall economic development of Jamaica and the well-being of its population.

Fiscal performance has been impressive. Jamaica became a world-wide reference, being able to run primary surpluses between 2008 and 2021.

EU Budget Support conditionality was key to support and include progress with public finance reform. PEFA exercises undertaken during the period of evaluation confirmed the not only good, but improving performance of Public Financial Management (PFM) in Jamaica.

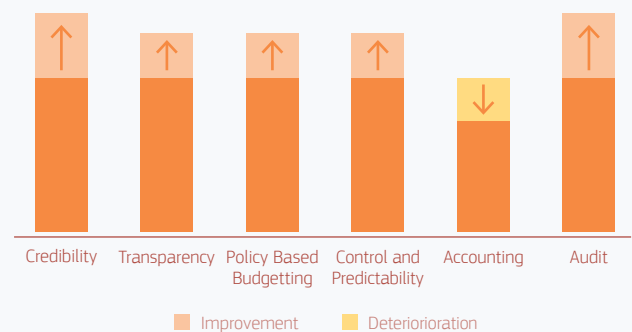
PFM continues to show some important weaknesses that require further attention, especially in areas that underpin the objectives of strategic allocation of resources and the efficient provision of public services.

General Government Gross Debt (% GDP USD)



Source: IMF WEO (2023)

Jamaica improved in 5 out of 6 PEFA pillars (2007-2017)



RECOMMENDATION

EU should continue to be involved in the enhancement of Jamaica's PFM system.

The EU should continue to collaborate with the Jamaican Ministry of Finance and the Public Service, and coordinate efforts with other partners to offer additional targeted technical assistance in developing and executing a new PFM reform strategy. This strategy should effectively target the current shortcomings within the system, addressing issues at both the overarching and sector-specific levels.

SDGS LEGEND

- Major challenges
- Significant challenges
- Challenges remain
- ↑ On track or maintaining SDG achievement
- ↓ Decreasing
- ↔ Stagnating
- ↗ Moderately improving
- Information unavailable

JUSTICE AND SECURITY

The continued support of the EU to justice and citizen reform has helped Jamaica to improve legal and policy frameworks, and to have a more capable and modern security forces. EU assistance between 2009 and 2020 for both sectors was well balanced and coherent.

The evaluation confirmed the important downward trend in the rates of some categories of crime, while others remain high. Homicide rates in Jamaica continue to be among the highest in the world.

Access to justice has recently improved, but remains a challenge, particularly among the most vulnerable, especially women and children. Judicial backlog has been reduced, but rehabilitation and reintegration of convicts still need improvement. EU Budget Support to this sector was not continued after the Justice intervention.



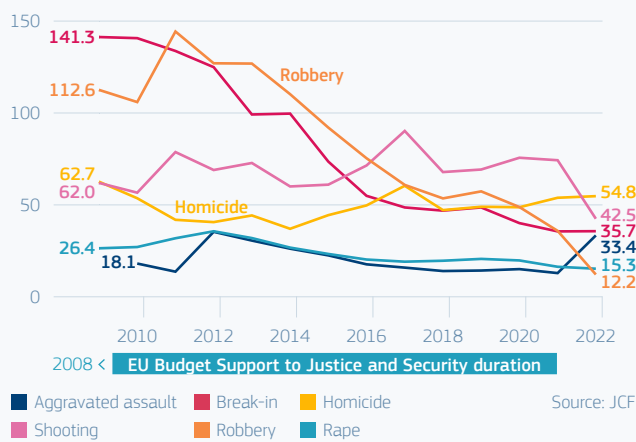
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children diverted to the Restorative Justice Programme between 2020 and 2021

Violent crime in Jamaica per 100,000 inhabitants 2009-2022



RECOMMENDATION

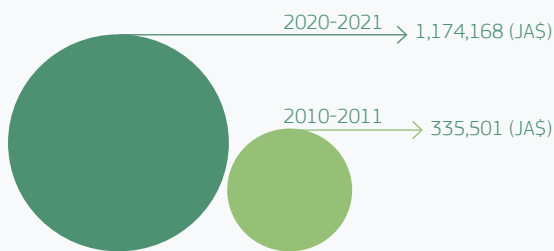
The EU should continue using Budget Support to benefit both justice and security reforms, drawing from global best practices.

The EU and the Government of Jamaica should undertake a thorough situational assessment to identify deficiencies and propose strategies for justice and security policies that can successfully further diminish recidivism and major criminal activities, while factoring in their effects on the social and economic landscape. This all-encompassing, multi-sector analysis should also consider the existing governmental sector strategies and policies.

FOREST MANAGEMENT

EU Budget Support was crucial to upgrade the importance of forest management within the Jamaican government. The Forestry Department tripled its budget in the last decade and it is now consolidated and performing its functions more effectively and efficiently.

Increase of the Forestry Department budget



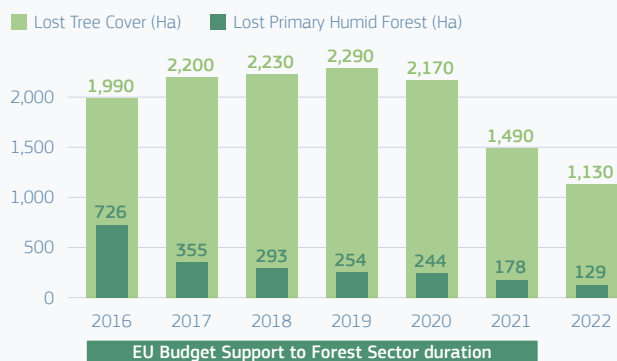
The effectiveness of Government action is mixed. While Forestry Department action has a positive impact on reducing deforestation, the main factor behind reforestation of land is natural growth, and agricultural expansion is not yet sufficiently addressed as the main cause of tree cover loss.



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Since 2016, the loss of primary forest is notably smaller and overall deforestation has stabilised, but nearly 30 hectares of forest are still lost every year.

Deforestation rate in Jamaica, hectares (2016-2022)



Source: Global Forest Watch

RECOMMENDATION

Improve stakeholder engagement in the development, execution, and oversight of Jamaica's National Forest and Conservation Management Plan.

Increase the participation of civil society organisations and private sector entities to promote a comprehensive approach to the forest product value chain and forest protection. This emphasizes the expansion of reforestation and restoration endeavors and the implementation of sustainable and alternative livelihood programmes, in partnership with non-governmental stakeholders.

Budget Support was a direct factor behind the clear improvement of Monitoring and Reporting in the targeted sectors. Monitoring and Reporting frameworks were designed or upgraded, and successfully implemented. Nevertheless, this referred mostly to EU programme conditionality, and Monitoring and Reporting has not yet escalated to inform a broader institutional decision-making process.

The compilation, analysis and public access to existing public sector statistics is still an important weakness. Data available on policy implementation and results are not yet comprehensive. It is still difficult for non-Government actors to access information on Jamaican policies, budgets that include some level of disaggregation and can be manipulated.

Evidence based policy-making



⇒ RECOMMENDATION

Amplify the assistance for the enhancement of data and statistical capabilities.

The EU should increase its support to evidence based policy-making, with specific emphasis on elevating the accuracy of sector-specific statistics and monitoring systems through cooperation with the Jamaican government.

This entails utilizing Budget Support and/or other complementary programmes to offer Technical Assistance, aimed at strengthening statistics within various sectors, increasing data accessibility, and guaranteeing comprehensive datasets are accessible to civil society, academia, and development partners. Collaboration with other donor organizations and parallel EU initiatives can further streamline these efforts.

EU-Jamaica dialogue was strong during the implementation of EU Budget Support programmes. Unfortunately, once these programmes ended policy dialogue was weakened and access to sector entities decreased.

Communication & Visibility (C&V) actions funded by EU Budget Support programmes have disseminated the benefits of reforms and the role of EU support, but with a rather narrow impact. In general terms, C&V actions have been limited to specific target groups and Jamaican institutions have not been able to communicate reform efforts effectively to the wider public.

The recognition of the role played by the EU does not currently correspond to the relevance of its contribution as a donor. The relevance and importance of EU aid and the contribution of Budget Support is not yet sufficiently acknowledged by Jamaican sector entities and non state actors, and other international development partners.



⇒ RECOMMENDATION

Enhance communication and visibility initiatives to disseminate public sector reforms and the EU support in Jamaica.

This involves crafting collaborative communication and dissemination strategies between the EU and Jamaica to effectively convey the goals, initiatives, and outcomes of reform plans targeted by Budget Support to government bodies, international development partners, civil society organizations, and the broader public.



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