



**EVALUATION OF THE EUROPEAN UNION EXTERNAL ACTION**  
**BUDGET SUPPORT EVALUATION**

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# **EVALUATION OF EU BUDGET SUPPORT IN JAMAICA**

## **(2008 – 2021)**

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*February 2024*

**Main Report**

**EVIDENCE  
MATTERS**

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# Evaluation Of EU Budget Support in Jamaica (2008 – 2021)

## VOLUME I: MAIN REPORT

0. Executive Summary
1. Introduction
2. Key methodological elements
3. Appropriateness of the Design and the Preparation Process of the Budget Support Programmes for the Political Context and the Policies Supported (Level 1 – Inputs
4. Opportunities Created by Budget Support Direct Outputs (Level 2)
5. Macroeconomic Management and PFM: Policy development and Outcomes
6. Justice and Security: Policy Developments and Outcomes
7. Forest Management: Policy Developments and Outcomes
8. Trends in impact indicators (Level 5) and determining factors (Step 2)
9. Other Important Criteria for the Evaluation
10. Overall Assessment
11. Conclusions
12. Recommendations

## VOLUME II ANNEXES (ELECTRONIC DATA)

- Annex 1: Terms of reference 1
- Annex 2: Methodology
- Annex 3: Evaluation Matrix
- Annex 4: Allocation and disbursement of EU Budget Support Funds
- Annex 5: Analysis of external support to Jamaica
- Annex 6: Economy Cluster Note And Intervention Logic
- Annex 7: Justice & Security Cluster Note And Intervention Logics
- Annex 8: Achievement of Justice and Security Cluster outcomes
- Annex 9: Forest Management Cluster Note And Intervention Logics
- Annex 10: Quantitative Analysis
- Annex 11: Analysis of the effect of Budget Support disbursements on GoJ spending
- Annex 12: List of Institutions met.
- Annex 13: List of Documents Consulted

## VOLUME III EVIDENCE MATRIX (ELECTRONIC DATA)

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## Table of contents

<b>Executive Summary</b> .....	<b>X</b>
<b>1. Introduction</b> .....	<b>1</b>
1.1. Context and background of EU Budget Support in Jamaica .....	1
1.2. Objectives and Scope of the strategic evaluation .....	4
<b>2. Key methodological elements</b> .....	<b>5</b>
2.1. Overall evaluation approach .....	5
2.2. Challenges and limitations .....	7
<b>3. Appropriateness of the Design and the Preparation Process of the Budget Support Programmes for the Political Context and the Policies Supported (Level 1 – Inputs)</b> .....	<b>9</b>
3.1. Relevance and coherence of the design of the Budget Support programmes with the objectives of the Government and the EU MIPs and RIPs.....	9
3.2. Conditionality and Disbursement Indicators .....	14
3.3. Complementarity with other actions from the EU and other Development Partners .....	16
<b>4. Opportunities Created by Budget Support Direct Outputs (Level 2)</b> .....	<b>18</b>
4.1. Disbursement of funds .....	18
4.1.1. Effects on fiscal space and the composition of expenditure .....	18
4.1.2. Predictability of aid .....	20
4.2. Policy Dialogue .....	22
4.2.1. EU-Jamaica dialogue (aligned and harmonised performance framework and other effects) .....	22
4.2.2. Better coordination within the Jamaican government and among donors.....	23
4.3. Complementary Support .....	25
4.3.1. Capacity building actions in favour of Government entities .....	25
4.3.2. Support to Non-State Actors and beneficiaries.....	26
4.3.3. Communication and Visibility .....	27
<b>5. Macroeconomic Management and PFM: Policy development and Outcomes</b> .....	<b>28</b>
5.1. Policy Milestones and Main Outputs (Level 3).....	28
5.1.1. Macroeconomic and fiscal policies .....	28
5.1.2. Public Financial Management reform .....	31
5.1.3. Improvements in budget transparency and participation .....	37
5.1.4. Reforms for the improvement of the business climate .....	38
5.2. Economic Policy Outcomes (Levels 4) and Determining Factors (Step 2) .....	40
5.2.1. Macroeconomic and fiscal stability .....	40
5.2.2. Private sector development and employment.....	43
<b>6. Justice and Security: Policy Developments and Outcomes</b> .....	<b>47</b>
6.1. Policy Milestones and Main Outputs (Level 3).....	47
6.1.1. Legal, policy and budgetary frameworks .....	47
6.1.2. Policy monitoring and implementation and service delivery .....	51
6.2. Justice & Security Policy Outcomes (Levels 4) and Determining Factors (Step 2).....	54
6.2.1. Access to Justice .....	54
6.2.2. Incidence and vulnerability to violence and crime .....	56
6.2.3. Social inclusion of children, youth, and women .....	58
6.2.4. Satisfaction, trust and confidence in the Justice and Security systems .....	59
<b>7. Forest Management: Policy Developments and Outcomes</b> .....	<b>62</b>

<b>7.1. Policy Milestones and Main Outputs (Level 3)</b> .....	<b>62</b>
7.1.1. Legal, policy and budgetary frameworks .....	62
7.1.2. Policy monitoring and implementation and service delivery .....	64
<b>7.2. Forest Policy Outcomes (Levels 4) and Determining Factors (Step 2)</b> .....	<b>67</b>
7.2.1. Forest degradation, deforestation and loss of biodiversity .....	67
7.2.2. Social and economic benefits of forests .....	70
7.2.3. Climate resilience and CO2 and GHG emissions.....	72
7.2.4. Population awareness and participation .....	73
<b>8. Trends in impact indicators (Level 5) and determining factors (Step 2)</b> .....	<b>74</b>
8.1. Economic growth and sustainable economic development .....	74
8.2. Reduction of poverty and inequalities.....	78
<b>9. Other Important Criteria for the Evaluation .....</b>	<b>81</b>
9.1. Cross-Cutting Issues: Human Rights, Gender and Climate Change.....	81
9.2. The Added Value of Member States Development Cooperation.....	83
<b>10. Overall Assessment.....</b>	<b>84</b>
10.1. Summary of Step 1 findings.....	84
10.2. Summary of Step 2 findings.....	86
10.3. Step 3: Overall synthesis and contribution analysis.....	88
<b>11. Conclusions .....</b>	<b>91</b>
11.1. Brief intro presenting the conclusions.....	91
11.2. Conclusions on the relevance and quality of design of EU Budget Support and its effects on the Jamaican institutional framework and capacities .....	93
11.3. Conclusions on the contribution of Budget Support to policy outcomes and impacts in Jamaica .....	97
<b>12. Recommendations.....</b>	<b>101</b>
12.1. Transversal and Strategic Recommendations.....	102
12.2. Thematic cluster-specific recommendations.....	106

## List of figures

Figure 1: Timeline of main events, strategies and EU interventions in Jamaica since 2008 .....	3
Figure 2: The 3-step approach .....	5
Figure 3: Allocation of funds to BS inputs, per programme (Millions) .....	11
Figure 4: Trends in overall composition of spending (% of GDP) and sources of financing ordered by level of discretion .....	18
Figure 5: Timeliness Of Disbursements .....	20
Figure 6: Programmed vs Actual Annual Disbursements (EUR Million) .....	20
Figure 7 Predicted disbursements, total and per programme (2008-2025) .....	21
Figure 8 Actual Disbursements, total and per programme (2008-2022) (in Million EUR) .....	21
Figure 9: PEFA Jamaica 2017 - Results by high level indicators .....	32
Figure 10: PEFA Jamaica – Performance over time .....	32
Figure 11: Budget reliability in Jamaica .....	35
Figure 12: General Government Gross Debt (%GDP) .....	40
Figure 13: Fiscal Balances (%GDP) .....	41
Figure 14: Composition of Government Spending (% total budget) .....	42
Figure 15: Jamaica's Tax Structure .....	42
Figure 16: Total investment as a percentage of GDP .....	43
Figure 17: Trade and Remittances (% of GDP) .....	44
Figure 18: Business Confidence Index .....	44
Figure 19: Ease of Doing Business – Global Score for Jamaica .....	45
Figure 20: Unemployment rate by Gender .....	46
Figure 21: Justice sector's participation in the overall budget (executed) as a % .....	49
Figure 22: Development of the security sector participation in the overall budget (executed) as a % .....	50
Figure 23: Legal Aid Services Provided by Type for Select Years .....	55
Figure 24: Violent Crime in Jamaica per 100,000 inhabitants 2009-2021 .....	56
Figure 25: Youth on Employment internship or Receiving Permanent Employment through the Citizen Security and Justice Programme .....	58
Figure 26: Trust in the national police (%) .....	60
Figure 27: Executed Budget (JA\$'000) Forestry Department (Recurrent) (2016-2023) .....	62
Figure 28: Tree cover loss in Jamaica (2001-2021) .....	68
Figure 29: Deforestation rate in Jamaica, Hectares (2016-2021) .....	69
Figure 30: Real GDP growth in Jamaica 2005-2022 (annual percent change) .....	74
Figure 31: Real GDP growth and total investment .....	75
Figure 32: Total Factor Productivity growth (percentage points) .....	75
Figure 33: Potential Increase of annual economic growth rate for Caribbean Countries from reducing the homicide rate to the global average, 1995-2011 .....	76
Figure 34: Incidence of Poverty in Kingston, other urban areas, and rural areas .....	78
Figure 35: progress with most relevant SDGs in BS Intervention Logics .....	80
Figure 36: Overall contribution of EU Budget Support Operations in Jamaica .....	90
Figure 37: Major links between EQs, conclusions and recommendations .....	92

## List of tables

Table 1: Scope of the Evaluation .....	4
Table 2: Overview of the Evaluation Questions .....	6
Table 3: Number of BS performance Indicators by BS programme, 2009-2024 .....	14
Table 4: Distribution of Jamaica BS Indicators by type, 2009-2024 .....	15
Table 5: Priority areas and expected results of PFM-RAP 2017-2021 .....	34
Table 6: Data for selected indicators for court efficiency data series (2017-2016) (as a Percentage) .....	55
Table 7: IFMJ's schools visits programme results .....	66
Table 8: Summary of recommendations .....	101

## Acronyms/Abbreviations

<b>BPMS</b>	Budget Preparation Management System
<b>BS</b>	Budget Support
<b>CSO</b>	Civil Society Organisation
<b>CSP</b>	Citizen Security Programme
<b>CTMS</b>	Central Treasury Management System
<b>DRGEP</b>	Debt Reduction and Growth Enhancement Programme
<b>EDF</b>	European Development Fund
<b>EFJ</b>	Environmental Foundation of Jamaica
<b>EPOC</b>	Economic Programme Oversight Committee
<b>EQ</b>	Evaluation Question
<b>EU</b>	European Union
<b>EUD</b>	European Union Delegation
<b>EUR</b>	Euro
<b>FD</b>	Forestry Department
<b>FRF</b>	Fiscal Responsibility Framework
<b>FY</b>	Fiscal Year
<b>GDP</b>	Gross Domestic Product
<b>GHG</b>	Greenhouse Gases
<b>IADB</b>	Inter-American Development Bank
<b>IDP</b>	International Development Partner
<b>IFMJ</b>	Improved Forest Management in Jamaica Programme
<b>IMF</b>	International Monetary Fund
<b>INDECOM</b>	Independent Commission for the Investigation of Excess and Abuse by Agents of the State
<b>INTPA</b>	DG International Partnerships
<b>JC</b>	Judgement Criteria
<b>JCF</b>	Jamaican Constabulary Force
<b>JIFMIS</b>	Jamaica Integrated Financial Management Information System
<b>JRIP</b>	Justice Reform Implementation Programme
<b>JSRP</b>	Justice Sector Reform Programme
<b>LFMC</b>	Local Forest Management Committees
<b>MOFPS</b>	Ministry of Finance and Public Service
<b>MTF</b>	Medium Term Socio-Economic Policy Framework
<b>NFMCP</b>	National Forest Management and Conservation Plan
<b>OBI</b>	Open Budget Index
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PEFA</b>	Public Expenditure and Financial Accountability
<b>PFM</b>	Public Financial Management
<b>PIOJ</b>	Planning Institute of Jamaica
<b>SDG</b>	Sustainable Development Goals
<b>SSRP</b>	Security Sector Reform Programme
<b>TA</b>	Technical Assistance
<b>TAC</b>	Technical Advisory Committee
<b>WB</b>	World Bank



## Executive Summary

*The evaluation assessed the EU's Budget Support programmes implemented in Jamaica from 2008 to 2021 in support of the country's National Development Plan (Vision 2030) and the economic, justice & security and forest management sector reform strategies.*

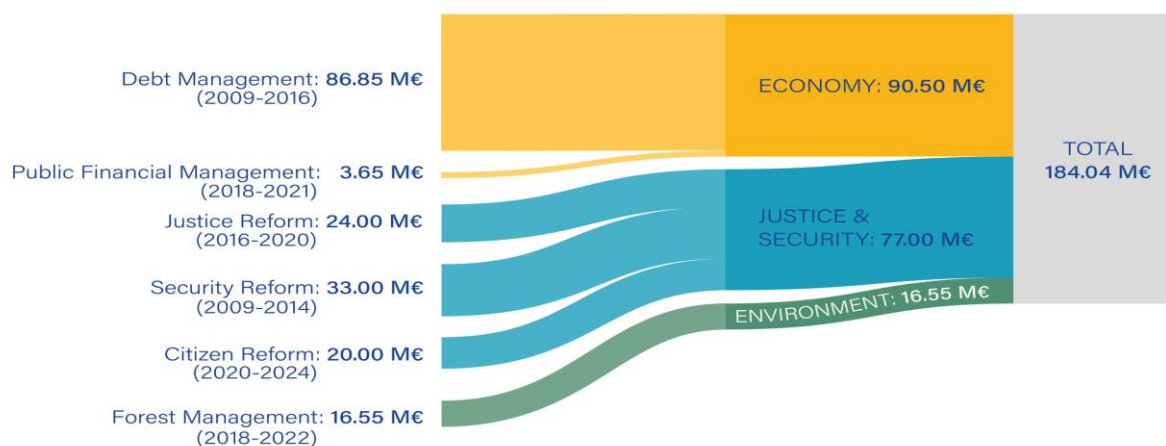
This evaluation was mandated by the European Commission's Directorate-General for International Partnerships and aimed at accomplishing a set of objectives: conducting an independent and thorough assessment of the EU's Budget Support programmes; extracting lessons learnt from these initiatives with an emphasis on deriving actionable recommendations that could enhance both the design and implementation of future programmes; and identifying strategies to maximize the impact of ongoing and future Budget Support operations, particularly in terms of improving synergies with other aid modalities and contributing more effectively to the Sustainable Development Goals.

### Background and methodology

The evaluation focused primarily on assessing the extent and quality of the contribution of EU Budget Support to enhancing the formulation and implementation of the Jamaican government's policies and strategies, in a context of political stability and a complex social and economic background. EU Budget Support programmes were designed to assist the implementation of Jamaica's National Development Plan, Vision 2030, and its four associated Medium Term Socio-Economic Policy Frameworks prepared during the evaluated period.

Six Budget Support Programmes were formulated under the 2008-2014 and 2014-2021 EU-Jamaica Indicative Strategy Papers. Because of the comprehensive and integrated approach of the evaluation, these programmes were categorized into three distinctive thematic clusters, according to their main sectors of intervention: economic policy, justice & security, and environment.

#### EU BUDGET SUPPORT PROGRAMMES IN JAMAICA 2008-2021, ORGANISED PER THEMATIC CLUSTERS



Source: Evaluation Team, EU

The evaluators followed the OECD-DAC methodological approach for Budget Support evaluation, known as the 3-Step approach. This comprehensive evaluation framework places a significant emphasis on the roles of the government and non-State actors, as well as the impact of the context in which public policies are

implemented. Additionally, the evaluation methodology emphasises the importance of cross-cutting issues such as human rights, gender equality, vulnerable populations, and climate change. This approach ensured that the evaluation adequately covered the complex nature of the Budget Support initiatives in Jamaica.

## Findings

***Budget Support was relevant to the objectives of the EU-Jamaica partnership and promoted Government leadership.***

**Each programme was carefully and collaboratively designed to address key challenges of Jamaican selected macroeconomic and sector policies and to contribute to Jamaica's long-term developmental goals, as outlined in Vision 2030 Jamaica.** The formulation of these interventions involved the active engagement of EU officials with Jamaican government institutions, fostering collaborative programme design and ensuring government ownership of their implementation. This engagement was evident in the strong government involvement in programme formulation, for instance in the case of the justice and security programmes, where the Ministry of Justice played a pivotal role. Another example is the forest management programme, which was closely aligned with the National Forest Management and Conservation Plan and was designed to contribute to public efforts to improve forest management and combat climate change.

**The Government of Jamaica and the EU preferred the Budget Support modality over project support** in the analysed sectors, as it is more suited for alignment with national strategies and more conducive to the promotion of government ownership, results-oriented reforms, and potential for greater efficiency and lower transaction costs.

**Budget Support programmes also demonstrated strong harmonisation with EU and international frameworks, strategies and guidelines.** The programmes reflected the EU's broader values and priorities, as reflected in the Indicative Strategy Papers and other key documents, such as the Budget Support Guidelines. Budget Support inputs were gradually fine-tuned, as the quality of design and the balance between conditionality, the allocation of disbursements, the nature of policy dialogue, and the use of complementary measures improved throughout the evaluation period.

***Budget Support resources positively contributed to successful legal, policy and institutional reforms in Jamaica, and to strengthen the capacities of Non-State Actors.***

**The funds disbursed by EU Budget Support interventions allowed the Government of Jamaica to maintain primary surpluses and support critical sectors like security, justice, and forestry.** These contributions were essential for ensuring financial stability and increasing discretionary spending in priority areas. Moreover, the disbursement of funds was predictable and timely, with a remarkable disbursement rate of 98% of the allocated funds. This high predictability enhanced the effectiveness of the financial support provided to the Government of Jamaica.

**Complementary support was useful to support civil society organisations but played a small role in supporting Jamaican public sector institutions.** EU programmes efficiently used grants to support Non-State Actors and beneficiaries, for example in forest conservation activities and in participatory budgeting. In

contrast, only a reduced part of EU resources were directed to capacity building through Technical Assistance. This is mostly explained by the fact that the Jamaican government prioritised EU financial contributions over other mechanisms of support. Another reason is that other donors already provided resources for capacity building in those areas. Albeit small, in most cases, EU Technical Assistance was delivered efficiently and strategically, although with different levels of ownership by Jamaican institutions, and overall low impact.

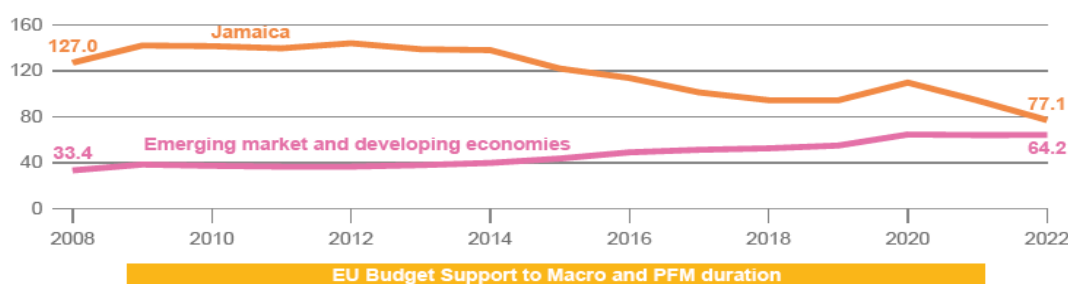
**Policy dialogue between the EU and Jamaica was comprehensive, evolving over time from a rather restricted and operational approach towards more strategic and high-level discussions.** These interactions promoted and facilitated significant reforms in all the sectors supported. Legislative and policy frameworks strengthening was particularly encouraged by the EU through policy dialogue.

**The Government of Jamaica showed effective leadership in coordinating with development partners and aligning international support with Jamaica's national development priorities.** Additionally, collaboration among donors was notable, especially in key sectors like public financial management and justice, contributing to the overall effectiveness of the Budget Support approach. However, a noticeable lack of detailed documentation on dialogue between the EU, Jamaica and other partners limited the understanding and learning opportunities from these interactions.

***Remarkable achievements were made in reducing debt and achieving fiscal consolidation.***

Reforms implemented by the Government of Jamaica have very positively resulted in a reduced debt burden and improved fiscal discipline, which allowed for a gradual, but significant shift in expenditure towards the provision of goods and services. Jamaica's performance in fiscal and macroeconomic policy has been outstanding.

**GENERAL GOVERNMENT GROSS DEBT (%GDP) 2008-2022**



Source: IMF WEO (2023)

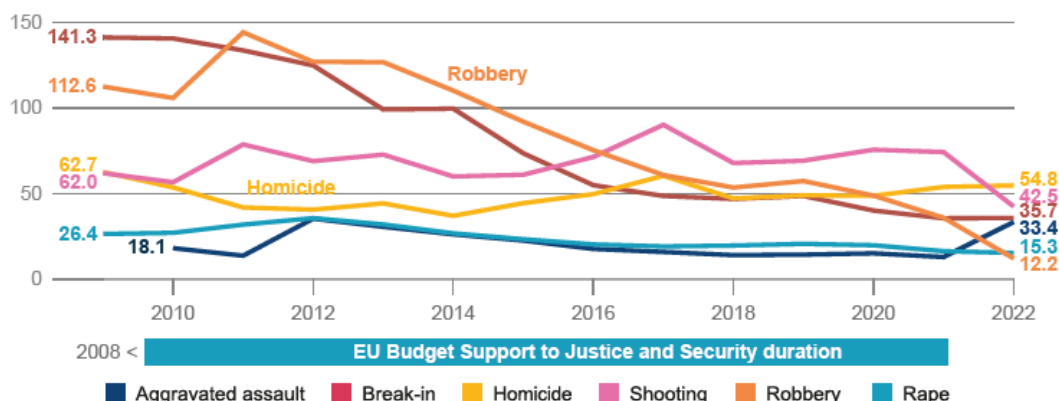
**However, economic growth has been limited** by low productivity, high homicide rates, poor education, deficient infrastructure, and a still burdensome business environment, as well as the weak competitiveness of the Jamaican economy. Real GDP growth in the 2008-2021 period was negative (-0,6%).

***Sector policy reforms were successful and moderately improved the well-being of the population.***

**The Government of Jamaica's prioritization of spending on justice & security has resulted in a moderate reduction of citizen exposure to crime.** Government initiatives like the Zones of Special Operations (ZOSO) and the Citizen Security and Justice Programme have improved safety and employment opportunities in communities. Robberies and aggravated assaults have been sharply reduced, and recidivism

is lower. However, serious offenses like homicides remain high, restraining public confidence in the police. The judicial system struggled with persistent backlog of cases, though notable reduction is seen since 2021.

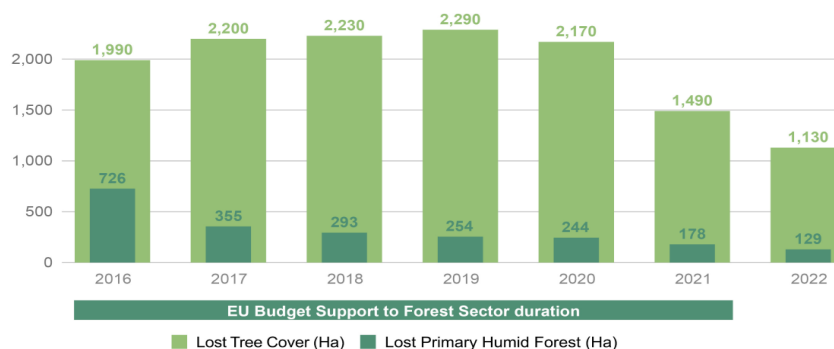
### VIOLENT CRIME IN JAMAICA PER 100,000 INHABITANTS 2009-2021



Source: JCF

By international standards, Jamaica’s environment is relatively unspoiled, and deforestation is not a particularly severe problem. Deforestation has been driven by agricultural expansion, partially offset by natural forest growth and reforestation efforts. The loss of primary forest has remarkably decreased in recent years.

### DEFORESTATION RATE IN JAMAICA, HECTARES 2016-2021



Source: Global Forest Watch

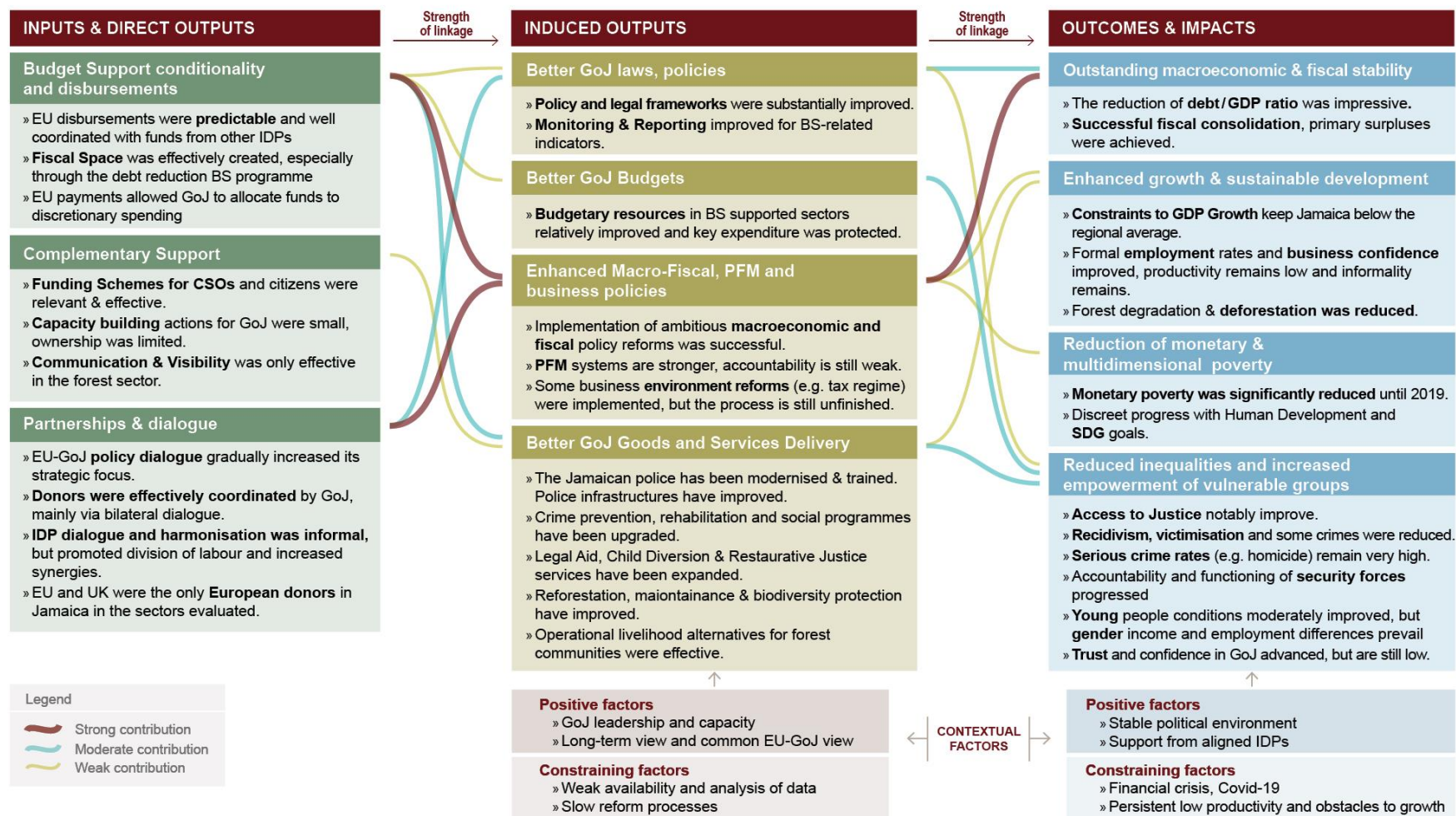
While some progress with SDG achievements is observed, targets for several goals most concerned by the scope of this evaluation are still behind schedule.

### PROGRESS AS OF 2022 WITH MOST RELEVANT SDGS IN BUDGET SUPPORT INTERVENTION LOGICS



Source: UN

## OVERALL CONTRIBUTION OF EU BUDGET SUPPORT OPERATIONS IN JAMAICA



*The analyses revealed a strong contribution of EU Budget Support funds and policy dialogue towards improved macroeconomic and fiscal performance, some moderate contributions towards improvements in service delivery, and moderate to weak contributions towards growth and sustainable development, and the reduction of poverty and inequalities.*

## Conclusions

*Four conclusions were reached on the relevance and quality of design of EU Budget Support and its effects on the Jamaican institutional framework and capacities...*

1. **EU Budget Support in Jamaica was highly relevant and well-integrated with support from other international development partners, particularly during the 2008 financial crisis and subsequent reforms.** The EU played a pivotal role in addressing Jamaica's debt crisis and collaborated with organizations like the IMF, WB, and IADB to support fiscal stability. Additionally, the EU partnered with major donors in sectors like citizen security, justice, and environmental protection.
2. **Budget Support in Jamaica has proven to be effective in improving institutional frameworks and capacities in government entities.** The combination of Budget Support inputs, especially disbursement conditionality and policy dialogue, facilitated reforms in the public sector and government institutions. EU funds created fiscal space, strengthened Jamaica's fiscal position, and helped to protect vital expenditures immediately after the financial crisis. Technical Assistance was relatively small and, overall, of limited impact.
3. **The use of Budget Support helped to make EU-Jamaica policy dialogue more strategic.** Initially, discussions were centred around programme performance indicators and programme implementation activities, but more recent programmes included more strategic consultations, addressing medium and long-term priorities. While the dialogue remained stable during Budget Support programme implementation, it weakened after EU interventions ended, resulting in reduced access of EU officials to Government of Jamaica sector entities.
4. **Budget Support has contributed to improving the Monitoring and Reporting (M&R) systems of Jamaican sector entities, but data management and availability is still weak.** M&R frameworks in targeted sectors have improved, although primarily focused on Budget Support performance indicators. Nonetheless, the accessibility and consistency of data at sector level remains limited, hindering public access and evidence-based policymaking and accountability. Efforts to compile and aggregate performance information are hampered by human and technological resource limitations of the entities.

*...completed with three conclusions on the contribution of Budget Support to policy outcomes and impacts in Jamaica.*

5. **The EU and other donors played a crucial role in supporting Jamaica's impressive fiscal consolidation efforts, especially through the two Budget Support programmes that were focused on debt reduction and PFM.** Timely and substantial disbursements from the EU shortly after the global financial crisis helped to stabilise the macroeconomic framework and supported critical reforms. While the government's efforts focused on fiscal

discipline, economic growth promotion has been only a secondary consideration, which has limited the potential of EU Budget Support to contribute towards economic progress.

6. **The implementation of security, justice, and environmental sector reforms in Jamaica, accompanied by EU Budget Support, has brought about some improvement in the well-being of Jamaicans.** Some encouraging results were observed in the reduction of crime and deforestation, but the actual outcomes of government policies did not always meet expectations. While economic inequality has seen a notable reduction, and poverty reduction trends were moderately positive until COVID-19, progress towards Vision 2030 and SDG targets was mixed. Overall, the effectiveness of EU Budget Support programmes has been confirmed, but was also limited by the constraints of the context and the modest results of Jamaican policies.
7. **Despite the Jamaican government's efforts and the European Union's support, there hasn't been a significant improvement in civil society's awareness and trust.** A considerable portion of the Jamaican population remains sceptical about reforms and government institutions, particularly in areas like citizen security and justice. The EU's communication and visibility efforts have had limited impact, often targeting specific groups rather than the broader public. Additionally, the EU's prominence as a donor is recognised, but overall less visible compared to other international partners, except in the field of forest management.

## Recommendations

*Four general recommendations are made focusing on transversal and strategic aspects...*

1. **Continue using the Budget Support modality in Jamaica while intensifying efforts to prioritize and stimulate sustainable economic growth.** The EU, in collaboration with other major international development partners, should encourage the Jamaican Government to take urgent and necessary measures to address factors hindering economic growth. EU aid, including through the Global Gateway initiative, should continue using the Budget Support modality to promote the fine-tuning of public policy strategies and to work toward ambitious development goals.
2. **Increase the support to improving data and statistics,** focusing on enhancing the quality of sector statistics and monitoring systems in collaboration with the Jamaican government. This involves using Budget Support to provide help, including Technical Assistance, to enhance data collection and analysis in the sectors, improve data availability and access to comprehensive information for civil society, academia, and donors. Coordination with other donors and parallel EU projects can also facilitate this effort.
3. **Encourage a more comprehensive development approach that focuses on higher-level policy effects.** Budget Support can facilitate closer collaboration among government entities to achieve the goals outlined in Jamaica Vision 2030 and the SDGs. Future Budget Support

programmes should consider how sector outcomes can impact on broader objectives and work towards reducing poverty, promoting economic development, and addressing strategic cooperation frameworks.

4. **Enhance EU communication and visibility efforts in Jamaica.** This includes developing joint EU-Jamaica communication and dissemination strategies to convey the objectives, actions, and results of reform plans being supported by Budget Support, among government entities, international development partners, civil society organizations, and the general public.

*...completed by three recommendations on how to improve EU assistance in each of the thematic areas that have been supported by Budget Support in Jamaica.*

5. **Continue supporting the strengthening of Jamaica's PFM.** Together with the Jamaican Ministry of Finance and Public Service, and in coordination with other donors, the EU should provide specific assistance to formulate and implement a new PFM reform strategy that can address existing weaknesses in the system at both the general and sector levels.
6. **Formulate a comprehensive programme in the areas of Justice and Security based on best international practices.** EU should recuperate justice as a focal sector. A situation analysis should be conducted to identify gaps and recommend approaches for justice and security policies that can effectively continue to reduce recidivism and serious crimes while considering their impact on the social and economic context. Existing government sector strategies and policies should also be taken into account in this overall multi-sector analysis.
7. **Improve stakeholder participation in the planning, implementation, and monitoring of the National Forest and Management Conservation Plan (NFMCP) in Jamaica.** Increase the involvement of civil society organizations and private sector entities to advance a value chain approach for forest products. This recommendation prioritizes expanding reforestation and restoration efforts, along with sustainable and alternative livelihood initiatives, in collaboration with non-State stakeholders. Key actions can include engaging Civil Society Organisations in NFMCP planning, assessing and reorienting reforestation strategies, developing an investment plan for livelihood initiatives, and designing incentive schemes to encourage community and private sector involvement in forest management.



# 1. Introduction

## 1.1. Context and background of EU Budget Support in Jamaica

The context for the EU Budget support in Jamaica is briefly described herein. For a more detailed and complete analysis please refer to the Cluster Notes in Volume 2, Annexes 8 to 12 of the report.

### **Political Context:**

Jamaica is a consolidated parliamentary democracy and a constitutional monarchy. Jamaica gained political independence in 1962 and enacted its current Constitution, which includes constitutional safeguards for various freedoms, including speech, press, worship, movement, and association. The Government of Jamaica (GoJ) is divided into three branches: Executive, Legislative, and Judiciary. The Cabinet of Ministers, led by the Prime Minister, holds executive power, while legislative power lies with the Government and Parliament. Mr. Andrew Holness leader of the Jamaica Labour Party is the Prime Minister since 2016. The House of Representatives is made up of 63 Members of Parliament. The Senate is formed by 21 senators. The Judiciary operates independently, following British Common Law. The Bank of Jamaica (BoJ), established in 1961, regulates the financial structure and promotes development.

### **Social Context:**

Jamaica is characterized by a demographic transition with a declining proportion of children and an expanding working-age population. The country experiences high intra-island migration from rural to urban areas, with Kingston being the primary hub for economic activities and services. Despite ranking high on the Human Development Index (HDI) since 2008, poverty and inequality remain deeply ingrained, as a result of limited access to good public health, education, and affordable housing for the majority of the population. Covid-19 exacerbated this situation, particularly evident in widespread squatter communities. Jamaica has made commendable progress in reducing gender gaps in economic and social indicators in the last years, but there is still a significant wage gap between men and women and a general lack of appropriate working conditions for women. Female-headed households, particularly those with numerous children and no male presence, experience the highest levels of poverty. The country was hard-hit by the pandemic, both in terms of number of cases and reported deaths. The government implemented social and fiscal measures to support vulnerable segments of the population during this challenging period, more specifically, spending was reallocated to healthcare and temporary support to workers, grants to businesses and social assistance..

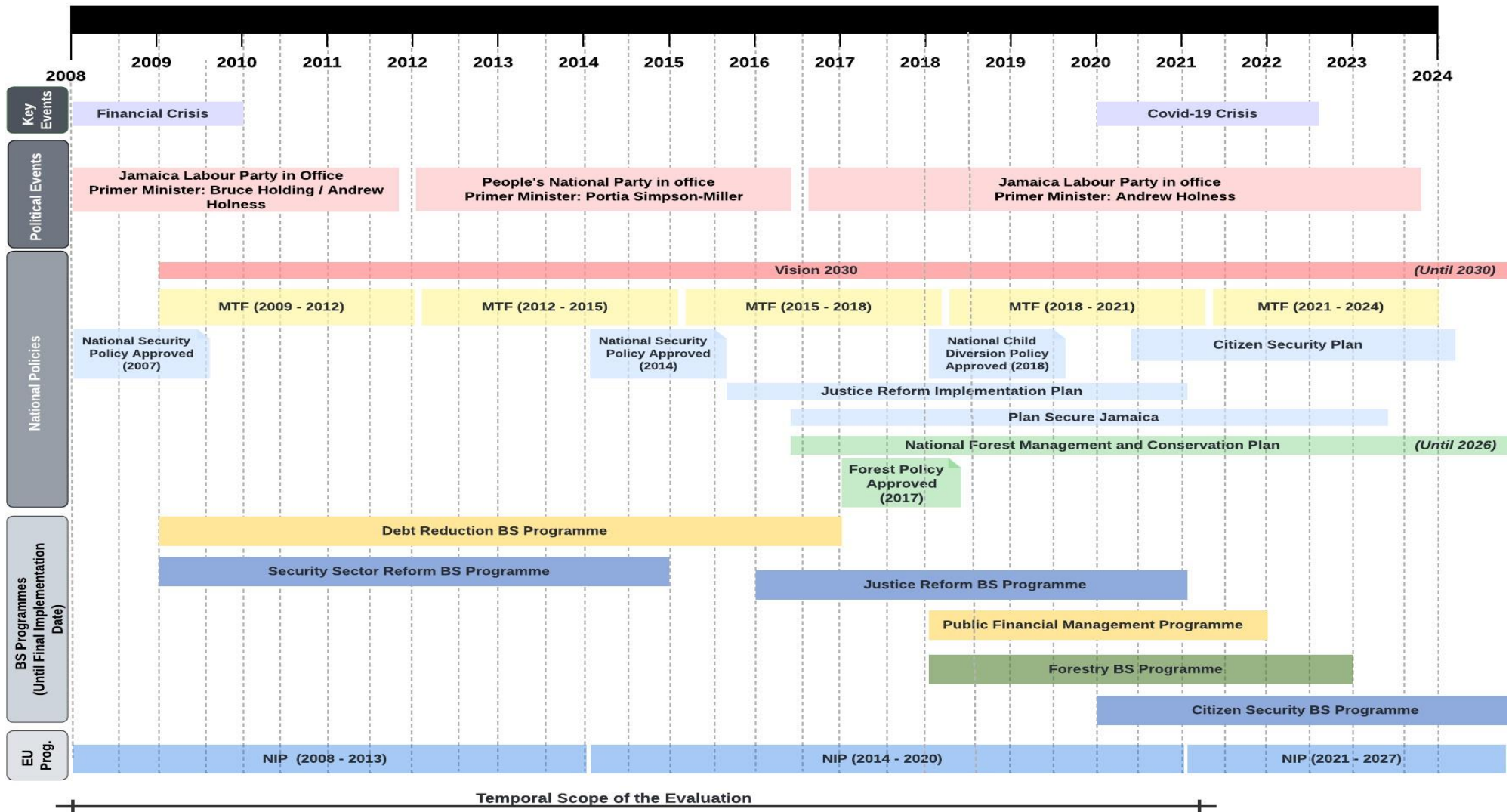
### **Economic Context:**

Despite a difficult economic history, a significant public sector reform effort was undertaken since the financial crisis of 2008 to improve macroeconomic stability and reduced an onerous debt burden. However, economic growth has been very slow, with GDP growing on average by less than 1% a year for the last 20 years. Inflation has also been a concern. The country faces many other

challenges, including high unemployment and crime rates, but engagement with the IMF, the EU and other international partners helped to stabilize the economy. Changes in political administration have not derailed Jamaica's economic reform programme and GoJ's hold on fiscal discipline and the general macroeconomic framework has been strong, despite faltering slightly during the pandemic years. Overall, the country has improved its international standing, and it is now well regarded as a model for responsible macroeconomic and fiscal management.

The timeline below presents the main political and economic events occurred in Jamaica during the period under evaluation, which includes the presentation and implementation of national and sector strategies. The timeline is completed with the EU programming periods and the Budget Support programmes implementation periods.

**FIGURE 1: TIMELINE OF MAIN EVENTS, STRATEGIES AND EU INTERVENTIONS IN JAMAICA SINCE 2008**



Source: Mancala Consultores based on EU and GoJ information

## 1.2. Objectives and Scope of the strategic evaluation

The evaluation, in accordance with its Terms of Reference (ToR), has the following objectives: i) to independently assess the European Union's Budget Support (BS) initiatives in Jamaica from 2008 to 2021, ii) extract key lessons and provide recommendations to enhance their design and implementation. Additionally, it, iii) aims to maximize the impact of both current and future BS operations, iv) improve synergies with other aid modalities and increase the efficiency of BS operations in contributing to the Sustainable Development Goals (SDGs).

The scope of the evaluation includes six programmes, as summarised in the table below:

**TABLE 1: SCOPE OF THE EVALUATION**

SECTOR	TITLE (AND ACRONYM)	TIMEFRAME	ALLOCATION (EUR)	STATUS
Macroeconomic Support	Debt Reduction and Growth Enhancement Programme (DRGEP) (FED/2008/021-024)	2009 - 2016	86,350,000	Closed
Security, Peace, and Justice	Security Sector Reform Programme (SSRP) (FED/2008/021-025)	2009 - 2014	32,500,000	Closed
Justice	Jamaica Justice Sector Reform Programme (JSRP) (FED/2015/038-731)	2016 - 2020	22,000,000	Closed
Public Financial Management	Supporting the Public Financial Reform sector in Jamaica (PFM) (FED2017/039-229)	2018 - 2021	2,950,000	Closed
Environment and Climate Change (Forest Management)	Addressing Environmental and Climate Change challenges through Improved Forest Management in Jamaica (IFMJ) (FED2017/039-228)	2018 - 2022	14,000,000	Ongoing
Citizen Security	Support to Citizen Security in Jamaica (CSP) (FED/2019/042-051)	2020-2024	15,700,000	Ongoing

Source: EU

The evaluation report is organised as follows:

**Volume 1, the Main Report**, which is this document, summarizes the evaluation results, highlighting key messages. The report structure broadly follows the order of the Evaluation Questions (EQs), with section 3 covering EQ 1, section 4 covering EQ 2, and sections 5 to 8 covering EQs 3 and 4 for each of the evaluation clusters. Section 9 provides an analysis of other important criteria for the evaluation, including *inter alia* cross-cutting issues and level 5 effects (impacts). Section 10 brings it all together to provide an overall assessment of the findings of the evaluation. Finally, sections 11 and 12 present the conclusions and recommendations. **Volume 2 contains the Annexes to the report**, where the reader will be able to access the additional information referenced throughout this report. **Volume 3 is the Evidence Matrix**, which provides the sources of information used per indicator of the Evaluation Matrix, as well as the main evidence supporting the findings in this report.

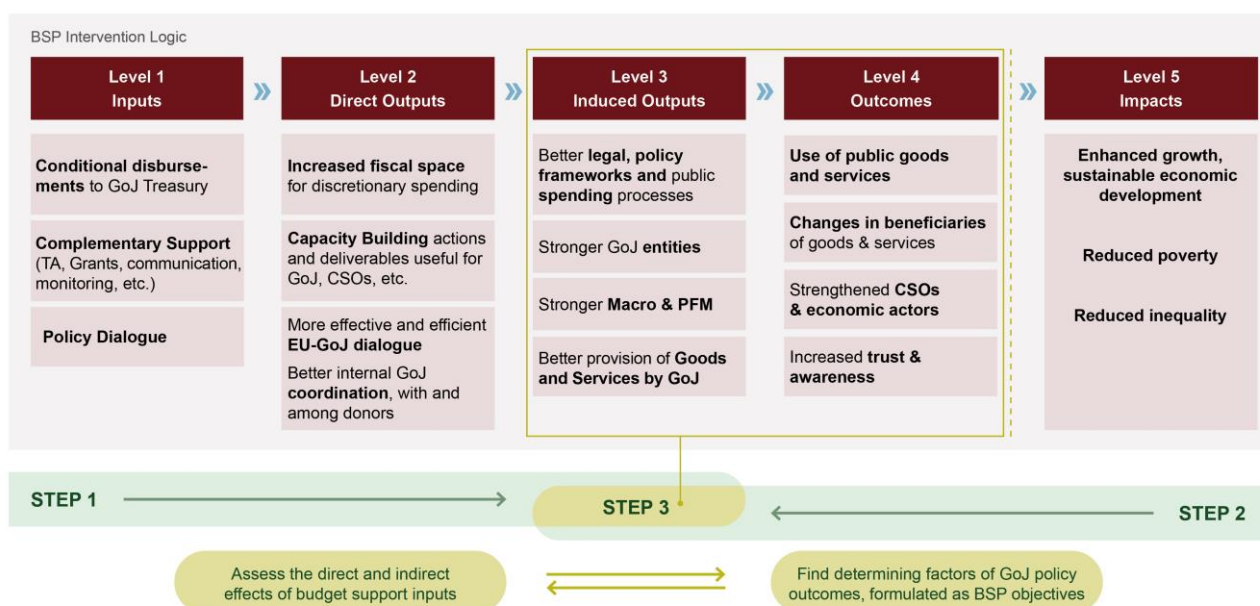
## 2. Key methodological elements

### 2.1. Overall evaluation approach

The OECD-DAC methodological approach for Budget Support evaluations is referred to as the 3-Step approach and is based on a Comprehensive Evaluation Framework that emphasises the responsibility of the government, the role of civil society and the influence of the context in public policy implementation. The evaluation followed this methodology, which includes:

- **Step 1: An assessment of the quality of the BS aimed at identifying the specific contribution of the BS operations to the improvement of the formulation and implementation of government policies and strategies**, in their interaction with other government, non-government and donor funded programmes and the relevant context (levels 1, 2 and 3 of the Budget Support Intervention Logic), aligned to Jamaica’s National Development Programme (NDP) - Vision 2030 and its corresponding three-years Medium Term Socio-Economic Policy Framework (MTFs).
- **Step 2: An assessment of the actual achievements in terms of policy outcomes and impacts** (levels 4 and 5 of the Intervention Logic) in the sectors supported by BS and organised in clusters for the purpose of this evaluation, and the policy and non-policy factors that have determined such achievements.
- **Step 3: A synthesis exercise that brings together the results of the two assessments**, aimed at identifying to what extent the policies supported by the different BS components (as shown by Step 1) contributed to the achievements at outcome and impact level (as shown by Step 2). Such synthesis will allow to establish the contribution of BS to the results of GoJ policies at the cluster level. The bulk of this analysis usually relates to the interaction between Levels 3 and 4 of the Intervention Logic of BS in Jamaica.

**FIGURE 2: THE 3-STEP APPROACH**



Source: Evaluation Team (based on OECD/DAC and BS programmes documentation)

The OECD/DAC methodology for evaluating Budget Support explicitly states that it is not feasible to directly attribute policy outcomes to BS interventions. Consequently, the evaluation should focus on assessing how BS contributes as a method to the implementation of GoJ sector strategies and the ensuing outcomes and effects.





The six interventions being assessed in this evaluation cannot be examined independently due to significant interconnections between them. To facilitate a cohesive analysis and adopt an integrated approach, the evaluation has organized the programmes into three distinct clusters:





- **Cluster 1: *Economy cluster***, which includes the debt reduction-oriented DRGEP and the PFM Reform BS programmes;
- **Cluster 2: *Justice & security cluster***, with three programmes. JSRP focused on justice and SSRP and the CSP BS focused mostly on citizen security;
- **Cluster 3: *Environment*** cluster, with only IFMJ, a forest management-focused BS operation.

Furthermore, the analysis puts emphasis on cross-cutting issues such as human rights, gender equality, vulnerable populations (particularly focusing on youth) and climate change.

The evaluation framework was structured around 9 Evaluation Questions (EQs), each of them accompanied by a limited number of Judgement Criteria (JC) and Indicators.

**TABLE 2: OVERVIEW OF THE EVALUATION QUESTIONS**

<b>Levels 1 and 2 of the Intervention Logic: Design, implementation and first level of effects</b>		
	EQ 1 <i>To what extent has the design of the budget support operations adequately responded to the specificities of the country context (incl. evolution in country needs and government's policies) and the evolution of the EU priorities within the aid framework at country and global level?</i>	<b>Level 1 (Inputs)</b>
	EQ 2 <i>To what extent have the financial and non-financial inputs of Budget Support contributed to creating new opportunities for GoJ and improved the aid framework at national level?</i>	<b>Level 2 (Direct Outputs)</b>
<b>Level 3: Effects on public policy formulation and implementation</b>		
	EQ3.1: <i>To what extent has Budget Support contributed to improvements in the quality of GoJ's overall macroeconomic management, public financial management, domestic revenue mobilisation and budget transparency since 2008?</i>	<b>Level 3 (Induced Outputs)</b>
	EQs 3.2: <i>To what extent has BS contributed to improvements in policy formulation and implementation and related accountability mechanisms in the justice and citizen security sectors since 2009?</i>	<b>Level 3 (Induced Outputs)</b>
	EQ 3.3 <i>To what extent has Budget Support contributed since 2018 to improvements in policy formulation and implementation and related accountability mechanisms in the Forest Management sector?</i>	<b>Level 3 (Induced Outputs)</b>

Levels 4 and 5: Effects on public policies' sector outcomes		
	EQ4.1 To what extent have outcomes been (or are being) achieved in macroeconomic policy, public financial management and budget transparency?	Level 4 (Outcomes)
	EQ4.2 To what extent, in the Justice & Citizen Security sectors have outcomes been (or are being) achieved? What are the determining factors?	Level 4 (Outcomes)
	EQ4.3 To what extent, in the Forest Management sector have outcomes been (or are being) achieved? What are the determining factors?	Level 4 (Outcomes)
	EQ5 What have been the trends in indicators at the impact level and how can they be related to EU Budget Support operations in Jamaica?	Level 5 (Impacts)

## 2.2. Challenges and limitations

**Despite an unusually long inception phase and the collaboration of the Planning Institute of Jamaica (PIOJ), the EU Delegation (EUD) and INTPA, evidence has not been easy to obtain.**

The requests to GoJ for information and data has been made through PIOJ as a member of the Management Group and the Jamaican focal point for the evaluation. Overall, the information received has included varied and reliable sources, although, in several cases with delays and with important gaps. In most cases stakeholders have been willing to share information with the evaluation team, but administrative issues during the processes of identifying, requesting, and obtaining information took more time than expected and, in some case, was never completed.

**The evaluation team had therefore to expand the use of secondary sources**, such as *inter alia* BS programmes Compliance Review reports; Technical Assistance reports and deliverables; IMF, IADB and WB websites and publications; International entities such as Global Forest Watch and Transparency International, academic sources, thematic evaluations and evaluations of BS programmes, among other sources.

More specifically, two kind of data were particularly difficult to obtain:

- **The evaluation team faced particular challenges when it came to tracing and acquiring primary source data** required to gauge progress in the indicators specified within the Evaluation Matrix (EM). In some cases, it was challenging to locate data from the specified main sources that were indicated in the BS programmes' Results Matrices. Information was unavailable due to discontinued data collection, insufficient disaggregation, and/or the production of data was pending. The absence of a comprehensive and detailed hard data set constrained our capacity to perform a complete econometric analysis on selected outcome indicators, as was initially intended for the quantitative component of the evaluation. Available data allowed only to run statistical analyses of a reduced number of selected indicators at the outcomes and impact level.

We tried to compensate for the absence of econometric analysis by conducting an expanded statistical examination and targeted qualitative analysis of key outcome indicators.

- **Another very relevant gap in the current situation is that very little usable Jamaican government budget information was received.** Budgetary information is available online at MOFPS's website, but only in PDF files and not in user-friendly or actionable formats. The request for detailed and disaggregated budget data for the 2008-2021 period was not completely satisfied. An additional factor that has affected this is the impossibility to obtain any feedback from MOFPS between the months of January and April 2023, when officials were extremely busy with the preparation of GoJ's budget. To partially overcome this, the evaluation team extracted partial data from PDF files of budgets and converted it into Excel spreadsheets in order to be able to do a basic analysis of budgetary composition and trends. The depth of level 2 analysis of fiscal space and, particularly, of level 3, sector budgets was nevertheless constrained. Consequently, the analysis of trends in budgetary allocation and execution could only be partially undertaken.

Please refer to Annex 2: Methodology (volume 2) for a more detailed description of the methodology employed in this evaluation and the challenges and limitations that the team faced. Please also refer to the Evidence Matrix (Annex 3) for a detailed list of sources used by the evaluators.



### **3. Appropriateness of the Design and the Preparation Process of the Budget Support Programmes for the Political Context and the Policies Supported (Level 1 – Inputs)**

#### **3.1. Relevance and coherence of the design of the Budget Support programmes with the objectives of the Government and the EU MIPs and RIPs.**

*The design of Budget Support has adequately responded to the needs of Jamaica's governmental policies and strategies.*

**EU Budget Support has demonstrated a robust alignment with Jamaican national priorities by strategically addressing key challenges outlined in the government's reform agenda.**

These designs of BS programmes underscore the relevance of the modality to address national and sector priorities and provide resources to propel Jamaica towards its long-term developmental objectives. The debt reduction and the PFM programmes both strategically aligned with Vision 2030 Jamaica, addressed the urgent and critical issues of reducing public debt, promote economic growth and strengthen PFM. The first security sector programme (SSRP) tackled vital issues such as police force effectiveness, court backlogs and anti-corruption measures, directly aimed at addressing the nation's concerns about law enforcement and governance. Similarly, the Justice operation (JSRP) that followed focused on enhancing the justice system, aligning with the government's commitment to improve legal processes and reduce court delays. The most recent citizen security BS (CSP) was particularly meticulously designed to align with a wider set of national priorities, addressing social and economic development while tackling citizen security concerns. Finally, the forest management programme (IFMJ) aligns seamlessly with the National Forest Management and Conservation Plan, aiming at contributing to the attainment of Sustainable Development Goals (SDGs) and reflecting GoJ's commitment to environmental stewardship.

**The formulation of Budget Support interventions in Jamaica actively engaged government institutions, fostering a collaborative approach towards programme design and ensuring government ownership of BS implementation.** Notably, the security sector programme saw strong government involvement with the programme building upon analytical work by the Jamaican government. Despite initial shortcomings, it was complemented by parallel support from the Ministry of Finance and Public Service (MOFPS), highlighting coordinated efforts within government entities. Similarly, the justice programme demonstrated collaboration by aligning with the Jamaican government's situation analysis and reform plan, with the Ministry of Justice (MOJ) playing a pivotal role. The CSP showcased a well-defined and properly costed plan with significant government ownership, particularly under the leadership of the PIOJ. In the environmental sector, the forest BS programme saw effective coordination with the Forest Department (FD) in its design and implementation. The involvement of PIOJ and FD, underscores the commitment of the GoJ in driving the success of Budget Support programmes in Jamaica.

***The design of the Budget Support operations has been coherent with the evolution of the EU's aid framework and its priorities at country and global level***

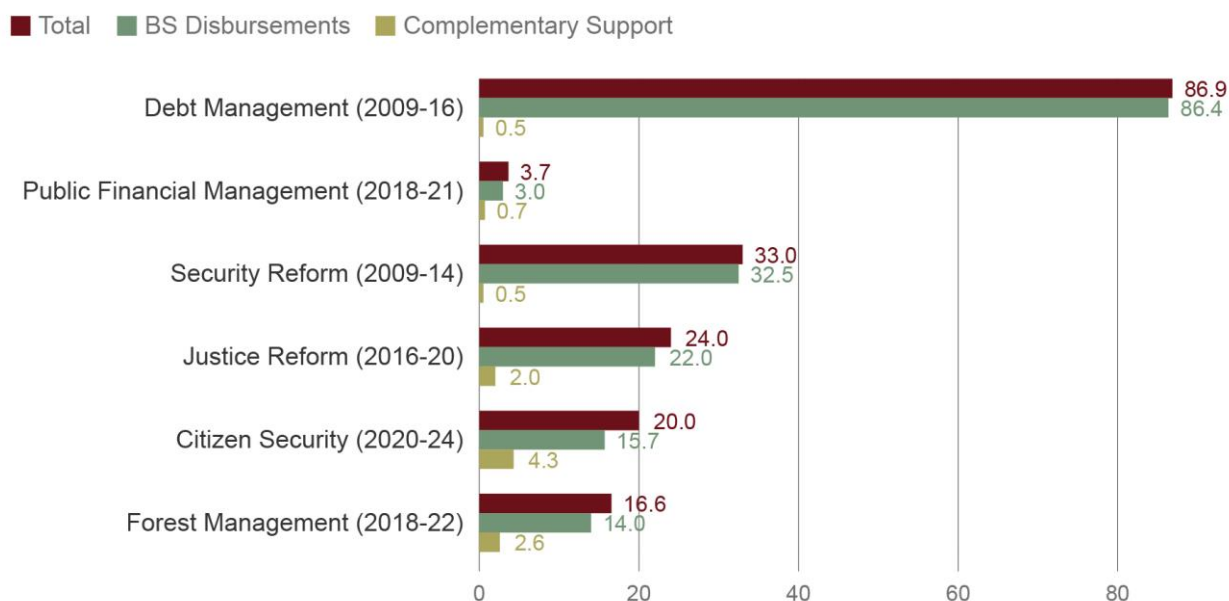
**The Budget Support programmes in Jamaica exhibited a strong coordination with international frameworks and goals, particularly those set by the EU and broader global agendas.**

For instance, the forest sector BS (IFMJ) was meticulously crafted to align with the EU-Jamaica bilateral programming objectives and the SDGs. This programme specifically contributes to SDG 15 by promoting sustainable forest management and combating deforestation, aligning with the broader EU Agenda for Change and the 11th European Development Fund (EDF) National Indicative Programme. Additionally, the programme also supports progress towards SDG 13, emphasizing the urgent need to combat climate change. The alignment is further exemplified by the inclusion of complementary support, such as grants for Civil Society Organizations (CSOs) and gender-sensitive awareness programmes, reflecting a commitment to broader European values. The debt reduction operation, while serving national goals, reflected one of the basics of EU-Jamaica cooperation through BS by addressing macroeconomic stability and responsible fiscal policy. The international efforts to address macroeconomic stability and reduce public debt, are also outlined in agreements with the International Monetary Fund (IMF) and other multilateral institutions. Moreover, the PFM Reform BS strategically echoed EU priorities by enhancing governance, transparency and accountability in public services, aligning with EU-Jamaica National Indicative Programmes for 2014-2020. These examples illustrate how the Budget Support programmes not only catered to Jamaican national priorities but were also strategically integrated with global frameworks and objectives. They also helped to underscore the meticulous design of BS programmes to align with EU programming objectives and MIPs, ensuring a harmonized approach towards achieving shared developmental goals.

***BS financial inputs have been generally well defined and formulated, with a lot of weight being put on disbursements to the Jamaican Treasury, substantial allocations given to grant schemes and relatively small amounts allocated for capacity building of GoJ.***

**Almost 95% of the total budget of BS operations was allocated to disbursements that, in some cases, were expected to be crucial incentives for GoJ (see chapter 4). In three cases (PFM Reform, forest, and citizen security), the proportion of complementary support in relation to financial disbursements was balanced. In several other operations it was absent (debt), or it was small and not particularly focused on having substantial capacity building effects on GoJ (the first security and the justice operations, and the PFM Reform BS). On the contrary, considerable funds (40% of complementary support) were allocated to supporting civil society and local beneficiaries.**

**FIGURE 3: ALLOCATION OF FUNDS TO BS INPUTS, PER PROGRAMME (EUR MILLION)**



Source: Evaluation Team, with EU documentation

**The design and balance of BS inputs in the Jamaican context demonstrated a thoughtful and evolving approach, embedded within coherent Intervention Logics.** There was a gradual improvement of the balance in the allocation of conditional fund disbursements, policy dialogue, and complementary measures. As policy dialogue and strategically-oriented TA was included in the more recent programmes adapted and improved over time.

For instance, the forest programme showcased a well-considered allocation, with Technical Assistance (TA) aimed at developing the Business Plan of the FD, and grants for CSOs to promote participation and gender empowerment. This balance was not only suitable for the objectives of the programme but also evolved in response to the needs identified during implementation. The DRGEP disbursements were designed and reflected the urgency to address the pressing issue of reducing Jamaica's high public debt, aligning with national priorities and international commitments. The balance between financial contributions and policy dialogue aimed at fostering macroeconomic stability was adequate and satisfactory. Sufficient TA resources were provided by other donors. Furthermore, the PFM Reform BS demonstrated a coherent Intervention Logic by providing both financial and technical assistance to strengthen Jamaica's PFM system. An important aspect to note from the preparation of this PFM Reform programme was that it took into account a number of elements/actions that had not been included in the debt reduction BS, because of the timeframe involved, and introduced them as part of its performance framework to provide continuity of support to the GoJ reform strategy. In fact, the PFM Reform programme, in spite of its slightly different objective and scope, can be considered a continuation of the

In the Justice & Security cluster, a gradual improvement in the quality of Intervention Logics and the balance of inputs can be observed. The Action Document (AD) for the first Security BS programme did not contain an IL, the Justice programme had a basic IL without overall indicators and targets

(except BS disbursement indicators and targets), and the more recent Citizen Security Programme (CSP) had a state-of-the-art IL with log frame, and indicators. In terms of balanced inputs, financial support was always an important input, although the earlier programmes did not include an exact calculation of funding gap for the reform taking into account contributions from other external sources. The earlier security sector BS and the justice programme only contained small budgets for complementary measures, given that the sectors already had TA support from other programmes. As for the latest CSP, it contains an adequate budget and mix of complementary support.

This multifaceted approach reflected a nuanced understanding of the challenges faced by the government and ensured comprehensive support for sustained reform efforts. The complementarity of these inputs evolved over time, responding to the changing needs of the Jamaican context, thereby enhancing the coherence and effectiveness of the overall intervention logic. This evolution in the design and balance of BS inputs underscores a dynamic and responsive approach, ensuring alignment with the overarching Intervention Logic for sustained impact and effectiveness.

***Contractual arrangements for complementary support were appropriate.***

**The diversification of complementary support strategies as part of the Budget Support programmes was also key.**

The use of TA tailored to specific needs, exemplified by the demand-driven TA for the Forest Department, showcases a strategic approach to addressing specific needs. This ensured that support is precisely aligned with the department's requirements. Furthermore, the inclusion of grant schemes for CSOs demonstrates a commitment to inclusivity. The focus on local communities and gender empowerment within the grant criteria reflects a nuanced understanding of the diverse needs within the targeted sectors. Moreover, the presence of TA teams across sectors signalled a commitment to adaptive management. This proactive approach indicates a willingness to learn from challenges encountered during implementation, fostering continuous improvement in understanding and applying the BS methodology.

For instance, in the case of the justice BS and the CSP, the TA provided monitoring the achievement of indicators, while also providing guidance to the collection of key data points. In the PFM Reform programme, the TA team engaged with relevant authorities to provide expertise with a very pressing issue identified by the GoJ in their PFM reform strategy, which was the design, development and implementation of the Jamaica Integrated Financial Management Information System (JIFMIS), which in itself was not part of the programme's performance indicators.

***The Budget Support programmes in Jamaica displayed varying degrees of performance management and risk mitigation strategies.***

The extent of risk mitigation and performance management details varied among the programmes, with the forest programme showcasing a more comprehensive approach. This intervention not only aligned its performance indicators with the goals of the National Forest Management and

Conservation Plan but also employed a demand-driven Technical Assistance strategy to develop the Business Plan of the Forestry Department, addressing financial risks and ensuring sustained progress.

The first security sector BS (SSRP), while it initially lacked detailed performance indicators and a risk management framework, was amended during implementation. However, due to its limited TA component, it had to receive assistance related to the Budget Support modality from an EU parallel TA team in MOFPS at the time. It later received additional assistance from the EU's Justice, Security, Accountability and Transparency (JSAT) project, which provided targeted TA, equipment and construction and building rehabilitations, e.g., for the police academy and the courts, indicating a responsiveness to identified risks and a commitment to enhancing performance over time. Similarly, the justice reform programme started with rudimentary frameworks but evolved to develop a good quality performance management framework supported by Canadian-funded advice in the Justice Reform Implementation Unit (JRIU). This transformation reflected an active response to the need for more sophisticated performance indicators. While the ongoing TA from Canada was mentioned in the AD, the overall set up with parallel support via other EU projects and other International Development Partner (IDP) projects was not described.

The debt reduction BS (DRGEP) incorporated a performance framework that outlined clear objectives related to reducing Jamaica's public debt and enhancing macroeconomic stability. While it initially did not include a detailed risk framework, the programme's overarching goals were well-defined. The risk mitigation strategies of this first programme inspired conditionalities and performance indicators set by the IMF and other multilateral institutions. The conditionalities acted as measures to monitor progress and mitigate unwanted effects associated with the government's debt reduction strategy. The PFM Reform BS was designed with a more explicit and consistent intervention logic. The mitigation measures in this PFM BS were, however, less detailed, with a general risk matrix included in the programme documentation. Despite this, the programme addressed identified weaknesses in the Jamaican PFM system, responding to the findings of the Public Expenditure and Financial Accountability (PEFA) assessment.

***In the Jamaican context, the BS modality brings clear advantages, compared to other modalities.***

**BS was the preferred aid modality for GoJ.** Both the MOFPS and PIOJ were of the opinion that that BS aid modality was chosen because it enabled the government to focus on its own reform effort without having to coordinate individual IDP projects with different and often conflicting objectives. Distinctive and expected features of the design of BS were observed in the formulation of the programmes such as, *inter alia*, the promotion of GoJ ownership, the alignment with national strategies, the results-orientation of reforms, and the potential greater efficiency and lower transaction cost.

### 3.2. Conditionality and Disbursement Indicators

*Eligibility criteria and performance-based indicators made direct reference to key elements of GoJ reform strategies and were particularly focused on conditioning Budget Support disbursements to GoJ securing the economic stability, effectively improving sector policy frameworks, supporting policy implementation and improving service delivery.*

Detailed analyses of the eligibility criteria of Budget Support were implemented and clearly referenced in the Action Documents during programme formulation. The analysis of the criteria that refer to macroeconomic stability and PFM reforms (including budget transparency) were particularly solid, in part because of the attention brought to these topics, first by the debt reduction programme and later by the PFM intervention. For the different sector programmes, the criterion that referred to the existence of a solid sector policy was overall well formulated too.

Table 3: below provides a visualization of the distribution of the performance indicators that were included to assess the payment of variable tranches of each of the programmes during 2009-2024. Evidence shows that as experience was gained with the use of the BS modality, less indicators were assigned to the majority of most recent programmes, helping to ensure a correct understanding from all involved stakeholders and making it more likely for indicators to be achieved.

**TABLE 3: NUMBER OF BS PERFORMANCE INDICATORS BY BS PROGRAMME, 2009-2024**

Programme	2009	2010	2011	2018	2019	2020	2021	2022	2023	2024
Debt Reduction (DRGEP)	9	9	9							
Security Sector (SSRP)	12	12	12							
Justice (JSRP)				6	6					
PFM Reform					4	4				
Forest Management(IFMJ)						8	8	8		
Citizen Security (CSP)								5	6	7
<b>TOTAL</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>6</b>	<b>10</b>	<b>12</b>	<b>8</b>	<b>13</b>	<b>6</b>	<b>7</b>

Source: Financial Agreements

Below, in Table 4: , one can observe a breakdown of the type of indicators used per programme<sup>1</sup>. Out of 47 indicators, 37 belonged to the induced output category (legal, policy and budgetary frameworks, institutional capacities and service delivery), followed by 8 that fall into the outcome category (effects on the users of services). Rightly, no indicators linked to disbursement were input or impact indicators, and only one was a direct output (increased budgetary allocation).

<sup>1</sup> The indicators have been classified on the basis of the Intervention Logics (ILs) as reconstructed by the evaluation team. These ILs can be found in the Cluster Notes which are provided in Volume 2 of the report.

**TABLE 4: DISTRIBUTION OF JAMAICA BS INDICATORS BY TYPE, 2009-2024**

	Input	Process (Direct Output)	Outputs (induced Output)	Outcomes	Impacts
Debt Reduction (DRGEP)	0	0	8	1	0
Security Sector (SSRP)	0	0	11	1	0
Justice (JSRP)	0	1	2	3	0
PFM Reform	0	0	3	1	0
Forest Management(IFMJ)	0	0	8	0	0
Citizen Security (CSP)	0	0	5	2	0
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>37</b>	<b>8</b>	<b>0</b>

Source: Financial Agreements

*The definition of achievement levels for indicators was challenging for some sectors.*

The difficulties with the clear identification of achievement levels for indicators is particularly evident in the Justice and Security Cluster, where a complex set of achievement practices and varying interpretation standards posed implementation challenges. For instance, in the case of the security sector programme it faced challenges with a high number of indicators (12), surpassing the usual standards for BS programmes. This complexity led to difficulties in monitoring and evaluation. Moreover, such a high number of indicators became a challenge for sector institutions which were unfamiliar with the BS modality to actively participate in the definition and tracking of these indicators. It is fair to point out that when this operation was formulated the tendency was to include a large number of indicators in BS programmes, and that tendency was reversed in the 2010s. In the case of the justice intervention, challenges existed in defining the level to be achieved for full or partial compliance with an indicator. For instance, the FA fixed varying levels of targets for indicator completion (from 75 to 100%). These series of challenges underlined the importance of clarity in assessment criteria and how establishing clear and consistent achievement levels is crucial for effective implementation and disbursement.

**The disbursement processes demonstrated a learning curve.** The process of reporting and validating the content of GoJ requests for disbursement became more efficient, especially in the Security and Justice sectors, as the BS modality was fine tuned. The complexity in disbursement arrangements and the naturally restrictive nature of EU's interpretation of achievement levels underline the importance of refining disbursement mechanisms for clarity and efficiency.

### 3.3. Complementarity with other actions from the EU and other Development Partners

*The formulation of EU BS programmes was coherent with previous EU and other donor interventions and approaches and took into account previous achievements of externally-funded operations. Moreover, dialogue and coordination with other IDPs were important during the drafting of BS operations.*

While each cluster remains largely independent in its overall objectives, there is a common thread of reference to Macroeconomic policy, PFM, and transparency, as standard BS eligibility criteria.

**Across different sectors, the BS programmes demonstrate coherence with other past and present EU interventions.** The PFM Reform programme is a natural continuation of the debt reduction operation. The forest programme builds on a previous EU project, and it also links to the PFM programme as it incorporates a grant for participatory budgeting in the forest sector. Similarly, the three BS programmes in Rule of Law have been complementary, beginning with the security sector programme (SSRP) that was a continuation of the Rule of Law-focused parts of the Poverty Reduction Programme (PRP) and addressed both Justice and Security policies. Support to justice reform was continued by the justice BS (JSRP) and the security component evolved into the newest programme, the CSP BS, a community-oriented programme. Justice and security (J&S) interventions were also complemented by non-BS interventions like JSAT, show a concerted effort to improve security and justice systems. Despite these positive aspects, challenges are acknowledged in achieving complementarity between national, regional, and thematic instruments, due to differing programming cycles.




**Analysis has shown that there was a notable level of synergy between International Development Partners (IDPs) in Jamaica**, marked by coordinated responses to challenges at key points throughout the period, regular meetings, particularly in sectors such as Justice and Citizen Security, and collaborative policy dialogue like in the Forestry and in the Macro/PFM sectors.

**The EU was part of a joint effort from IDPs, especially the IMF, WB, and IADB, in addressing the challenges posed by the 2008 economic crisis** in the country, as well as their joint support to structural reforms, highlighting intentional cooperation. Positive trends in coordination can be observed, especially in macroeconomic policy (especially debt reduction), as well as with PFM or Justice BS which showcase effective joint efforts to monitor progress, such as the work done alongside the JIRU coordinated by Canada or the programmes implemented by UK/DFID.



**The Inter-American Development Bank (IDB) and the World Bank (WB) are the two biggest IDPs in the country aside from the EU.** The United States Agency for International Development (USAID) and Department for International Development (DFID) are also key players in the fields covered by EU Budget Support. Other actors are: IMF, The Global Environment Facility (GEF), Canada's Department of Foreign Affairs, Trade and Development (DFATD), United Nations Development Programme (UNDP) and UNICEF.

**FIGURE 4: IDPs INVOLVED IN THE SECTORS SUPPORTED BY BS**

						
	Debt Management	Public Financial Management	Security Reform	Justice Reform	Citizen Security	Forest Management
IDB	●	●	●	●	●	●
WORLD BANK	●	●			●	●
USAID				●	●	●
DFID			●	●	●	
IMF	●	●				
GEF						●
DFTATD				●		
UNDP						●
UNICEF				●		

Source: Evaluation Team

## 4. Opportunities Created by Budget Support Direct Outputs (Level 2)

### 4.1. Disbursement of funds

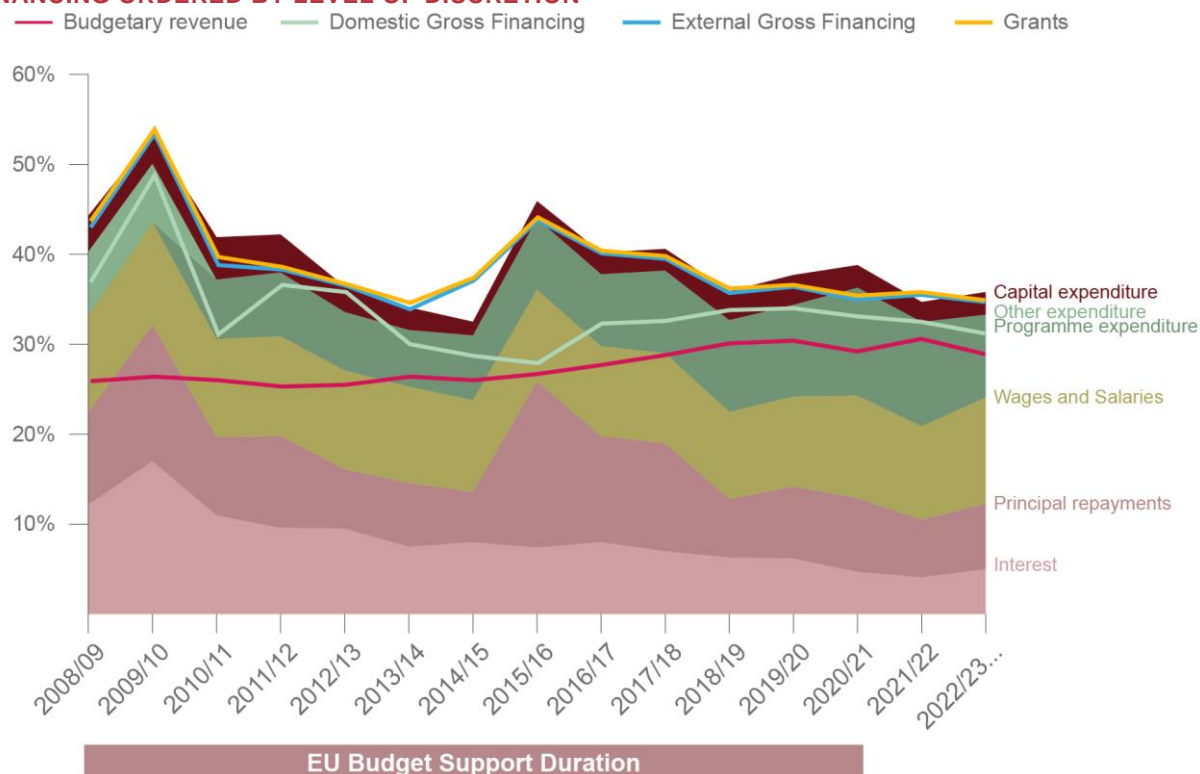
#### 4.1.1. Effects on fiscal space and the composition of expenditure

**EU Budget Support financial contributions allowed GoJ to generate primary surpluses and support priority sector budgets**

**EU BS contributions, in combination with other IDP funds, provided substantial support to the GOJ's economic reform effort.** EU Budget support, which on average represented around 0.1% of GDP (0.2% of total budget and 1.1% of total capital budget) for the whole period of analysis, but 0.5% of GDP and around 1.3% of total budget at the start of this period (2008-2011), was part of a 5.1% of GDP average contribution made by all IDP between 2008 and 2021 to support Jamaica with its economic reform effort. This contribution was substantially higher than the 3.3% of GDP which was the average level of central government funds allocated to capital expenditure during the same period.

**BS also contributed resources to ensure that GOJ maintained primary surpluses.** The analysis undertaken shows evidence that EU BS, in combination with other international financial institutions, contributed to GOJ's efforts to maintain primary surpluses.

**FIGURE 5: TRENDS IN OVERALL COMPOSITION OF SPENDING (% OF GDP) AND SOURCES OF FINANCING ORDERED BY LEVEL OF DISCRETION**



Source: Article IV consultation for each year. Summary of Central Government Operations. Sources of financing shown are cumulative.

This is particularly evident at the beginning of the period of analysis, when IDP funds helped to cover capital outlays and some programme spending<sup>2</sup> or the provision of goods and services (see Figure 5), but that was in fact prevalent throughout the entire period of analysis. If externally financed flows had not been forthcoming between 2008 and 2021, but especially up to FY 2016/17, GoJ would have had difficulties to finance discretionary spending, being forced to cover first non-discretionary items such as debt servicing and wages and salaries. Figure 5, which is organised around budget items classified according to their discretionary level, shows how important external funds have been to ensure that GoJ could build primary surpluses.

**BS had a generally positive effect on each prioritised sector.** In spite of quite strong budget data limitations<sup>3</sup>, it has been possible to establish that if expenditure in each sector of interest - Security, Justice and Forestry - had been kept at pre-budget support levels, all three sectors would have had insufficient resources to finance discretionary expenditure (in all cases mainly capital expenditure). Also, there is some evidence that in all three sectors, BS positively contributed at some point during the period of programme support, to expand its share of primary budget allocations relative to other sectors.

**The effect was greatest in the Forestry sector** (or more precisely Forestry Department), where participation in the budget more than doubled between 2008 and 2021, albeit at levels that still represent less than 0.25% of primary expenditure. This growth has been sustained and accelerated towards the later years of the period under consideration coinciding with BS programme disbursements.

**The Justice sector budget share also increased by around 20% during the evaluation period**, up to levels that are slightly more significant – just above 2% of primary expenditure – but still relatively small. However, this sector's budget share grew substantially during the first year of operation of the justice BS programme, but experienced a gradual downward slide from its peak, achieved in FY 2017/18, to its pre-BS level in 2021.

**Finally, the Security sector represented around 20% of total primary expenditure throughout the evaluation period**, a significant budget allocation that signals its relative priority amongst all other sectors. This share increased marginally during the first half of the budget support period, but fell – also marginally - during the later years, rendering its overall performance effectively unchanged or constant over the whole evaluation period. Nonetheless, maintaining a constant level of participation in primary expenditure during a period of strong fiscal consolidation is an achievement in itself, especially as other relevant sectors were experiencing substantial share loss in primary expenditure at the very same time.

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<sup>2</sup> Programme expenditure is understood as the resources that GoJ uses directly to deliver its policy objectives and, in this figure, it excludes wages. It gives an indication of what part of the budget is actually used to deliver goods and services to the population.

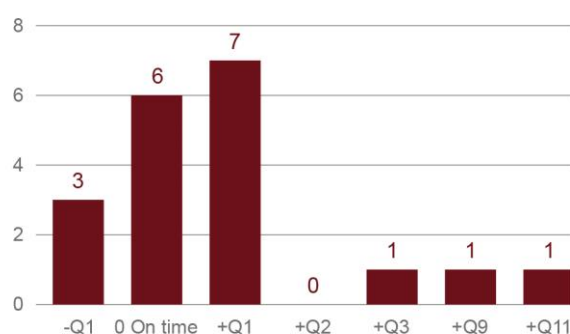
<sup>3</sup> See Annex 2 on budget data limitations.

Please refer to Annex 11 for a detailed analysis of fiscal space and trends in GoJ budgetary allocations to the sectors covered by EU Budget Support.

#### 4.1.2. Predictability of aid

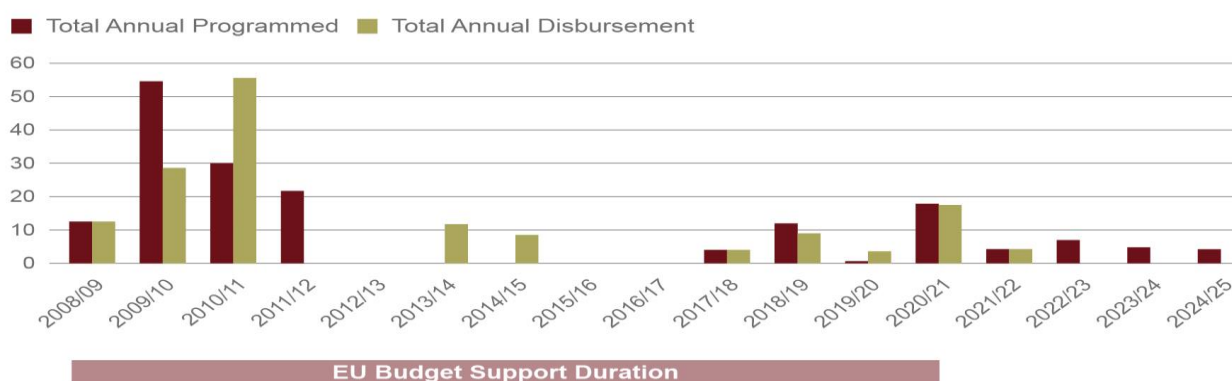
The predictability of disbursements of the BS operations has been very high. Disbursement rates for all programmes have been exceptionally high and, also, punctual, with all programmes that are closed having disbursed over 98% of total funds programmed (after addenda). The timeliness of disbursements are not reflected in Figure 6 due to the fact that a small number of disbursements went through with a one quarter delay, which meant it being paid early the following fiscal year.

**FIGURE 6: TIMELINESS OF DISBURSEMENTS**



Source: Evaluation team, with data from EU

**FIGURE 7: PROGRAMMED VS ACTUAL ANNUAL DISBURSEMENTS (EUR MILLION)**

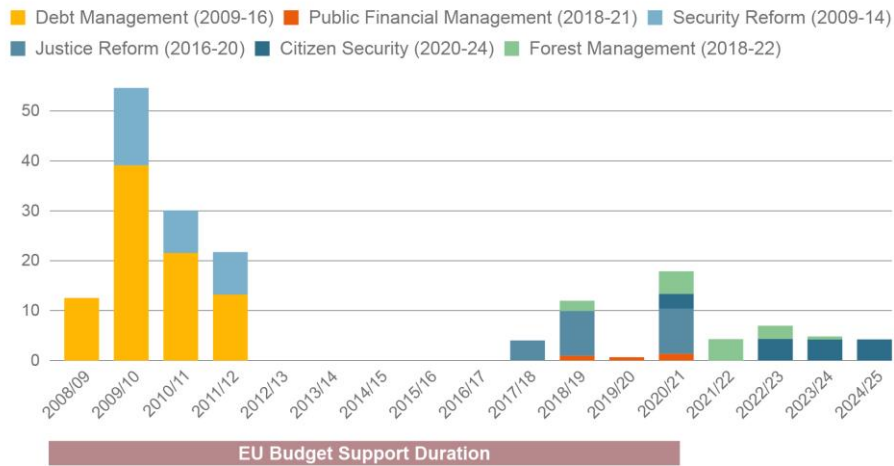


Source: Evaluation team, with data from EU

Most EU disbursements were done as expected in the programme documents, only two programmes had severe delays with the very late disbursement of one tranche each (SSRP and DRGEP). The first fixed tranche of the PFM BS was disbursed three quarters late.

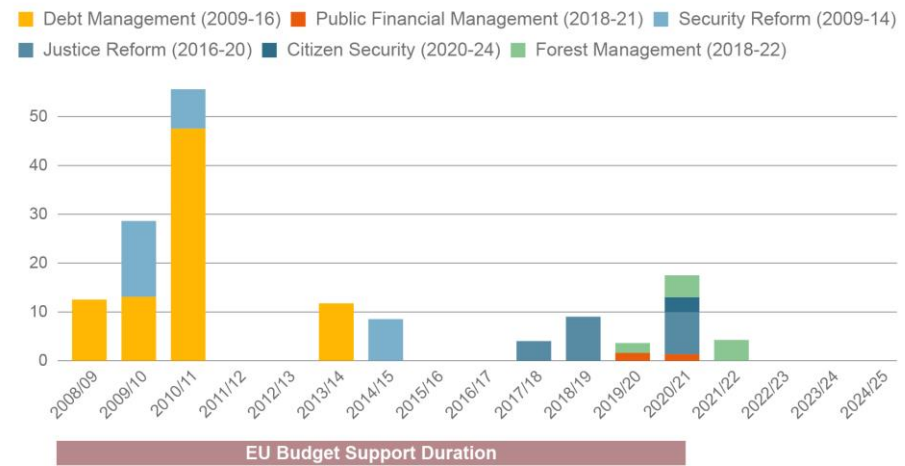
Figure 8 and Figure 9 present the close proximity between predicted and actual disbursements of all programmes (overall and per programme), with only small discrepancies, such as the final disbursements for SSRP and DRGEP.

**FIGURE 8 PREDICTED DISBURSEMENTS, TOTAL AND PER PROGRAMME (2008-2025)**



Source: Evaluation team, with data from EU

**FIGURE 9 ACTUAL DISBURSEMENTS, TOTAL AND PER PROGRAMME (2008-2022) (IN MILLION EUR)**



## 4.2. Policy Dialogue

### 4.2.1. EU-Jamaica dialogue (aligned and harmonised performance framework and other effects)

*There were regular and structured exchanges in most sectors assessed. Dialogue was channelled through a series of arrangements, which in general terms proved useful and effective support, and evolved over time towards more substantial and high-level interactions.*

**EU-GoJ policy dialogue happened within coordinated structures that met regularly and allowed for a discussion of key developments.** In the case of PFM, the common framework was defined by the IMF. In the case of Forest Management, the Technical Advisory Committee (TAC) has effectively addressed key general and sector policy issues. Likewise, for Justice and Security, the Sector Coordination Meetings were effective and ensured that actions were implemented.

**Policy dialogue structures reinforced GoJ ownership of reform processes and have helped to enhance sector reforms.** There is evidence of a shift towards more structured and high-level dialogue, involving government officials at the ministerial and ambassadorial levels. The establishment of specialized committees, like the TAC under the forest management programme and the Crime Monitoring Oversight Committee (CMOC) for citizen security, suggests a deepening commitment and oversight by the government in shaping policy dialogue. Positive results such as strengthened legislation highlight the instrumental role of effective policy dialogue in driving reforms. These success stories stress how well-structured and strategic dialogue can directly contribute to achieving programmatic goals and broader sectoral reforms.

**Moreover, the integration of coordination processes into sector-specific departments is a positive measure.** It not only reduces transaction costs but also streamlines programme management by avoiding the need for parallel structures. This integration reflects a strategic decision to embed coordination within existing sectoral frameworks for greater efficiency and effectiveness, as seen in the example of the forest BS integration into the Forestry Department. Overall, this series of factors help to indicate an evolution in the government's role, reflecting a growing sense of ownership and commitment to steering sectoral policies and reforms through active participation in the policy dialogue process.

**The development of policy dialogue across Budget Support programmes reveals a positive trajectory, evolving from the early stages that had a focus on operational issues but with limited high-level discussions in programmes like the first security BS, to more structured and comprehensive dialogues in later phases, such as the latest CSP BS.** Initially centred on operational concerns like disbursement criteria, the justice BS witnessed a transition towards a more structured coordination and regular sector policy dialogues every three months. CSP marked a notable intensification, involving higher-level participants and complex coordination mechanisms, and the policy dialogue approach became even more nuanced, with the establishment of specific

committees and a multifaceted engagement through the BS Technical Advisory Committee. This evolution signifies a growing recognition of the role of policy dialogue in shaping sectoral reforms, though challenges like documentation gaps persist. Continuous learning and adaptation remain crucial as policy dialogue strategies evolve to meet the dynamic needs of sectoral development.

Both the MOFPS and the PIOJ provided the EU with good access for having policy discussions regarding the formulation and implementation of debt and PFM BS programmes. The frequency of these exchanges and interactions (formal and informal) increased considerably during the periods when compliance with general and specific conditionalities had to be presented to support requests for disbursements. This operational focus suggests a historical tendency to prioritize immediate implementation concerns over broader, long-term strategic considerations. This emphasis on the operational aspects may have limited the scope for addressing overarching sectoral policies and goals.

**While overall positive results of dialogue are evident, in some programmes the learning dimension of policy dialogue is hindered by evidence gaps.** The lack of documented evidence on the frequency, agenda, and main conclusions of meetings, especially in the context of the Economy Cluster and the first security BS programme, limits the ability to derive robust lessons to build institutional knowledge and improving future policy dialogue processes. Comprehensive documentation is essential to ensure transparency, accountability, and the ability to learn from past experiences, both successes, and challenges.

#### **4.2.2. Better coordination within the Jamaican government and among donors**

*GoJ led the identification and formulation of new IDP interventions and coordinated mostly bilaterally with donors. Dialogue among donors was effective, albeit informal.*

**At a general level, GoJ showed leadership in donor coordination through PIOJ**, distributing sectors and areas for intervention among donors and having regular bilateral meetings with IDPs. A certain division of labour has been identified by the evaluation team, which helped to prevent the creation of overlaps and contradictions between the different operations and approaches.

**However, IDP dialogue structures were normally of an informal and bilateral nature**, based mostly on unofficial gatherings and exchanges of information. Sector-wide tables with donors and GoJ were not formalised, and limited examples were found of formal procedures and common reporting practices amongst IDPs throughout the period. More specifically, there is still no well-established coordination mechanism for technical assistance and capacity building interventions, with only a reduced number of sectors (including Justice and Security) recently introducing an IDP Coordinating mechanism which includes all key stakeholders in each sector. Moreover, there is still a need for a more centralized management of data regarding donor interventions in the country, in order to easily access the details of what other donors are doing in Jamaica, which will increase accountability and facilitate coherence and synergies.

Moreover, the EU's influence is somewhat expanded through its position as the leading or co-leading stakeholder in some of the BS targeted sectors such as Justice and Security and the Forest Sectors. However, this principle was not observed in the cases of the Economy Cluster, where EU was a relevant player but other donors such as IADB, IMF or WB led the discussions with GoJ.

As an overview, we provide here the main *positive takeaways* which have been found through the analysis of donor coordination in Jamaica:

1. **Alignment with National Plans:** EU and other International Development Partners (IDPs) align their support with Jamaica's national development priorities, demonstrating a concerted effort to complement the country's goals like poverty reduction and sustainable development.
2. **Shared Objectives:** Multiple IDPs were present in each cluster, such as the Forestry Sector, showcase shared interests in sustainable forest management, climate adaptation, and biodiversity conservation. This indicates a high level of complementarity in addressing sector-specific challenges.
3. **Phasing of Projects:** There is (informal) joint planning with the range of forest sector stakeholders using a range of approaches for engagement of government, non-government, academic, private sector and civil society stakeholders. However, there is no evidence of joint planning between IDPs in their prioritisation of support to the forest sector. More recently efforts are underway to streamline and better coordinate the IDPs and their interventions, with coordination effectuated by the PIOJ.
4. **Sector-Wide Efforts:** IDPs collaborate in addressing sector-wide issues; for instance, the IMF, WB, and IADB worked together during the 2008 economic crisis, supporting structural reforms, legislative changes, and priority-based allocation of resources. This highlights coordination and synergy in tackling overarching challenges.
5. **Coordination in Specific Sectors:** In programmes, such as Public Financial Management (PFM BS), DRGEP and Justice and Security, IDPs like the IMF, WB, IADB, and various countries (UK, Canada, US) there is evidence of strong collaboration. This recognizes the necessity for joint efforts in addressing complex challenges within these areas.
6. **Progress Monitoring and Reporting:** Thematic steering committees, policy dialogues, and donor coordination meetings are used in certain sectors for progress monitoring. These mechanisms facilitate the exchange of information and reports, ensuring the effectiveness of structural reforms and adherence to targets.

**Please refer to Annex 5: for further details on the analysis of external support to Jamaica for the period of this evaluation.**



## 4.3. Complementary Support

### 4.3.1. Capacity building actions in favour of Government entities

*Capacity-building actions have been scarce and with limited impact, but still useful to support the alignment of GoJ strategies and the development of institutional frameworks and of GoJ capabilities.*

**The small allocation for Technical Assistance to GoJ entities was, in most cases, delivered efficiently and strategically.** The most relevant actions were the support provided to the design and development of the Jamaica Integrated Financial Information Management System (JIFMIS) through the PFM BS; the support to the justice sector strategy through the justice BS, and the Business Plan for the Forestry Department supported through the TA funded by the forest BS. The effects of TA were potentially useful but of limited impact. The implementation of TA provided under the CSP programme falls out of the temporal scope of this evaluation.

**There were different levels of ownership by GoJ of the capacity building support provided.** The Forest Sector's approach of deploying TA effectively to strengthen the FD as a Model B Executive Agency (which earns between 40% and 90% of its expenditures from fees and has more flexibility with spending) demonstrates a strategic use of resources. The emphasis on autonomy and flexibility in financial management aligns with the specific needs and context of the sector. Moreover, the TA further enhanced the FD's financial management capabilities. In contrast, the limited complementary support in the other programmes, which has been previously mentioned, could be considered as a possible hindrance to the ownership of key stakeholders as there was a lack of capacity building efforts with regards to the reformed areas. Particularly in the case of the PFM BS there were important and relevant issues with ownership of the results: so far no substantial progress has been made by MOFPS to date in the implementation of JIFMIS, although the TA provided the expected deliverables in due course and with quality standards.

**Interaction with EU and other IDP staff partially compensated for the limited resources allocated for capacity building in EU BS programmes.** Under the first justice & security programmes, the direct outputs of capacity-building for government entities were limited due to the scarcity of TA resources allocated. Nevertheless, interaction with EU staff and consultants contributed to enhancing capacities in targeted institutions, particularly in working with indicators and performance targets. Similarly, the debt reduction BS allocated only a small portion of funds for evaluation and visibility purposes, but there was no significant technical assistance due to GoJ's preference for fresh financial resources and the potential strain that more TA may have on the absorption capacities of entities. Similarly, in the case of the PFM Reform BS, it included a small allocation of funds for technical assistance, audit, and evaluation. While this approach may have served the immediate objectives, it also highlights a gap in building the long-term capacity of government entities in the economy cluster. However, this analysis must be complemented by the

fact that other IDPs or EU projects did provide support to the entities that were part of EU BS programmes and therefore further achievements may have resulted from this joint effort.

#### **4.3.2. Support to Non-State Actors and beneficiaries**

*Complementary support and assistance to non-state actors and beneficiaries was very positive, particularly in the forest sector.*

**Support to NSAs in the forest sector had a focused and well-aligned approach, with grants and capacity-building efforts directly contributing to conservation and management goals.**

The grant scheme for the forest sector financed by the IFMJ BS programme has been instrumental in enhancing the capacity and awareness of local communities dependent on forests. The timely and efficient Call for Proposals in 2021 resulted in the selection of four grantees, addressing critical topics in forest management and conservation. These initiatives, led by organizations such as C-CAM, JCDD and RISE Life, are directly aligned with the conservation and management goals of the sector. Additionally, the capacity-building efforts led by Caribbean Natural Resources Institute (CANARI), in partnership with C-CAM and JCDD, have empowered civil society to engage effectively in budgeting and financial management of the forest sector. This initiative not only strengthens transparency and accountability but also complements broader regional calls for environmental governance, particularly the Escazú Agreement.

**Targeted support to non-state actors and beneficiaries significantly enhanced the effectiveness and impact of BS programmes in Jamaica.** Initiatives such as the project focusing on civil society engagement in participatory budgeting and financial management of the forest sector in Jamaica, as well as financial support to Jamaica Accountability Meter Portal (JAMP), demonstrate crucial linkages between these programmes and initiatives aimed at enhancing governance, accountability, and transparency.

**An effort has been made in the J&S cluster to increase the focus on non-state actors.** The justice and the CSP interventions have ensured that a focus is given to non-state actors and demonstrated a robust commitment towards them. The justice BS implemented comprehensive support through various grant contracts, targeting vulnerable groups, access to information, and alternative justice opportunities. Similarly, under CSP, grants have been provided to five CSOs with a clear focus on crime prevention, education, reintegration, and youth engagement.

The debt, PFM Reform and first security programmes had not foreseen any direct specific support for non-state actors and beneficiaries.

### 4.3.3. Communication and Visibility

*Most BS programmes included a Communication and Visibility (C&V) component but only in certain cases funds were effective. Overall, C&V could be more effectively used to raise awareness among the population.*

**The Forest Sector has demonstrated a well-coordinated and impactful approach to Communication and Visibility, effectively disseminating both EU and GoJ contributions.** Communication and Visibility activities have been strategically employed to raise awareness about the EU's contributions to the forest IFMJ programme. The approach, managed by the EUD, effectively aligned with the GoJ's agenda. It emphasized the human impact through first-person storytelling and employed various tools like social media, school visits, webinars, and printed materials. Moreover, field visits by the EU Delegation to project sites have significantly bolstered visibility in communities and amongst the general public. This has facilitated direct engagement with CSOs and government institutions, effectively elevating the profile of the FD and showcasing tangible impacts of both GoJ policy and EU support.

**Earlier BS programmes gave less weight to communication and visibility.** In the debt reduction and PFM Reform programmes, explicit actions for communication and visibility were not included. While a small budget for visibility was allocated in the debt BS, aimed at involving the press and ensuring visibility of results, no similar arrangements were made for the PFM Reform programme. Later on, while allocations for communication and visibility were made in the justice programme, there was a delay in contracting the consultancy for this purpose. This weakness has also hindered the design of an integrated communication strategy for the Justice and Security Cluster programmes (in the first security BS, documentation related to communication and visibility was notably absent).

**CSP places a strong emphasis on communication and visibility and included ongoing support.** In the case of this more recent programme on citizen security, both a dedicated financial allocation and contracted TA for communication and visibility are in place. The aim of the TA is to streamline communication strategies of government institutions around critical themes such as violence, gender, and human rights, ensuring effective dissemination of messages.

**It must be noted that on the ongoing 2021-2027 financial framework the EU Delegation counts with a dedicated allocation to channel communication and visibility.** Therefore, individual programmes do not need to devote part of their resources to specific C&V actions. This is viewed by the EU as an opportunity to enhance the visibility of EU cooperation and promote the view as a whole of the EU as a partner of the Jamaican Government.

## 5. Macroeconomic Management and PFM: Policy development and Outcomes

### 5.1. Policy Milestones and Main Outputs (Level 3)

*The objectives of the two BS programmes focused on debt and PFM were wide ranging and, in general, aimed at reducing obstacles to sustained economic growth, and consistent with GoJ's policy outputs.*

Resources in the form of financial contributions, complementary assistance and policy dialogue were provided to the GoJ to reduce the high debt burden, to enhance fiscal discipline, to improve the country's business climate and, later, to strengthen PFM, a system regarded to be the cornerstone for sustainable development.

**EU BS resources acted as an incentive for GoJ to introduce and implement new and better laws and policy instruments, to strengthen institutions and to expand capacities**, which is very much what GoJ did during the period of analysis. This is clearly evident in the Macroeconomic and PFM assessments prepared by the EUD in Jamaica between 2008 and 2021, which concluded in all cases that eligibility criteria were met as GoJ: i) maintained a credible and relevant macroeconomic policy towards restoring key balances, ii) demonstrated satisfactory progress in the implementation of PFM reforms, and iii) ensured that there was sufficient public access to timely, sound and comprehensive budgetary information.

#### 5.1.1. Macroeconomic and fiscal policies

*Jamaica achieved remarkable debt reduction and fiscal consolidation, supported by EU BS*

**Debt reduction has been the overriding GoJ macroeconomic policy objective during the period of analysis.** Jamaica's debt burden, which represented on average 109.6% of GDP between 2008 and 2021 and at its peak - in 2012 with 124% - was one of the highest in the world (IMF, 2023). High levels of debt severely limited Jamaica's access to capital markets, increased debt service obligations, stretched fiscal accounts, reduced public funds for capital investments and 'crowded-out' much needed private investment. Hence, debt reduction became the central focus of GoJ's efforts to stabilize the macroeconomy and "putting the public debt level on a clear downward path", the key performance indicator of policy success (IMF, 2010). Commitment to the debt reduction strategy has been strong, and in spite of initial difficulties, GoJ has completed two IMF backed economic reform programmes with widely recognized accomplishments (EFF, 2013). In 2009, the NDP Vision 2030 pronounced that "public debt has become a dominant factor in our country's macroeconomy over the past two decades and that achieving debt sustainability represented a necessary condition for the country's future macroeconomic stability and economic growth (Vision 2030: A stable Macroeconomy)". To emphasize its importance, an ambitious target rate of debt to GDP ratio of 60% was announced for 2030 and, on recent performance, is one of the indicators that is most likely to be achieved (Vision 2030).

**The EU BS programme “DRGEP” supported effectively the GoJ’s debt reduction strategy.**

The GoJ’s debt reduction strategy was two pronged. In the medium term, achieving debt sustainability required on the one hand to reduce the debt stock through net amortizations financed by large primary surpluses and on the other hand to reduce the need for more debt by improving fiscal discipline, lowering the cost of borrowing, increasing the capacity for debt management and enhancing the efficiency of treasury management. In the long run, debt sustainability would be achieved through GDP growth, which required in turn increasing public investment in economic and social infrastructure, but most importantly, generating a business environment capable of enabling and supporting private sector development.

This debt reduction BS Programme’s intervention logic closely reflected this two-pronged approach, which anticipated (by nearly two years) the conditionalities included in the Stand-by Agreement signed in 2010 with the IMF (EUD, 2010). The DRGEP made available substantial fresh funds (in the form of grants) to support efforts to build-up primary budget surpluses to finance debt services in the short run, but also by providing financial incentives for MOFPS to undertake structural reforms to improve debt sustainability in the medium and long term. The performance framework of the DRGEP included thus inducements for GoJ to improve fiscal discipline, debt and treasury management, as well as very specific actions directed at simplifying the tax system and facilitating business operations. In spite of its perceived complexity, the DRGEP performance framework was very thorough, and induced GoJ to initiate important economic reforms, which would in time anchor widely recognised macroeconomic and fiscal results.

**Fiscal discipline was tightened to ensure that the debt reduction objective would be achieved.**

One of the substantive structural reforms initiated at the beginning of the period of analysis, which coincided with the full implementation of the Debt Reduction Programme, was the preparation, discussion and approval of a Fiscal Responsibility Framework (FRF). This framework, which was introduced through amendments made to the Financial Administration and Audit Act in 2010, 2012 and 2014, as well as the Public Bodies Management and Accountability Act in 2010 and 2012, requires that a minimum level of fiscal savings – consistent with a 60% debt to GDP target ratio to be achieved by 2028 – is established annually and approved by Parliament. The FRF also provides limits on the aggregate level of public-sector wage expenditure, introduces procedures to be followed for the preparation, presentation and approval by Parliament of an annual ‘fiscal policy paper’, and outlines the circumstances under which a suspension to the fiscal rules can be triggered. The introduction and implementation of this fiscal responsibility legislation paved the way for improved credibility of GoJ’s fiscal management. The recent appointment of an Independent Fiscal Commission, to guard, interpret, and monitor adherence to fiscal rules, is likely to further strengthen Jamaica’s FRF.

**Public debt management was substantially modernized.** The Public Debt Management Act (2012) modernised Jamaica’s debt legislation by: i) establishing a set of clear and high-level debt management objectives to ensure that the GoJ pays due consideration to the management of both

cost and risk exposures when satisfying its borrowing requirement, ii) making the development and implementation of a Medium Term Debt Management Strategy (MTDMS) mandatory, and iii) requiring the regular reporting of debt management performance and compliance against explicit targets. Institutional reforms followed in the form of a reorganization of the Debt Management Branch (DMB) within the organizational structure of MOFPS and along the lines of international standards. The approval and implementation of legislation to upgrade public debt management and the formal adoption of a MTDMS were triggers for the disbursement of financial contributions under the Debt Reduction BS.

### ***The reform of Treasury management was another key reform achievement***

**Treasury management was improved to support fiscal consolidation.** The Financial Administration and Audit Act (2010) authorized the implementation of a Central Treasury Management System (CTMS) and the establishment of a Treasury Single Account (TSA) in the Bank of Jamaica (BoJ) to centralize cash management within the Accountant General's Department in MOFPS. The design, development and implementation of the CTMS and its initial pilot phase was targeted by an EU BS conditionality. The CTMS full roll-out was completed in 2015 and included the activation of the payroll payment system, as well as real time information on the integration of revenue collection into the Consolidated Fund. The further expansion and increased functionality of the treasury system, which included migration to a web-based module, was a key performance indicator of the PFM programme, providing an element of continuity between both BS programmes. The integration between the Treasury and the Budget Preparation Management System (BPMS) to facilitate budget execution reporting, another KPI of the PFM programme, has not yet been fully undertaken.

**As part of the strategy for improved treasury management, deferred financing was discontinued as committed.** The use of deferred financing, essentially an agreement with suppliers to pay for goods and services on a future date beyond the end of the financial year in which the goods and services were received, was restricted with the Financial Administration Audit (Amendment) Act, 2010 and approved by the Legislature. The disbursement report of the Debt Reduction BS for 2013 suggests additionally that no further differed financing had been used since the enactment of this amendment. This conclusion was backed by the regular IMF reviews on the implementation of the economic reform programme.

**Divestment in non-core public bodies has been an important pillar of the debt reduction strategy, but progress with implementation has been slow.** Rationalization of non-core public bodies to optimise use of funds in a context of fiscal consolidation was an important element of the GoJ's debt reduction strategy and, as such, an important component of the Debt Reduction BS. In fact, the programme's performance framework contributed significantly to kick-start the preparation and execution of a Public Bodies Rationalization Plan, which started in 2009 with the privatization of Air Jamaica and the Sugar Corporation. The initial plan was not very detailed, but it was revised in

2011 and approved by Parliament as the Master Rationalization Plan (MRP) in the same year. The MRP identified more than 190 non-core public bodies that would be assessed on the basis of their mandates and functions to follow one of four major strategies – integration into parent ministry, merger, closure or divestment. The MOFPS reports that up to FY 2022/23, 43 of these public bodies had been rationalized (MOFPS, 2023)<sup>4</sup>. This result underlines the political difficulties associated with this process.

**Another important legislation to support the divestment efforts of the GoJ has been the upgrading, in 2012 and 2017, of the Privatization Policy Framework** to include protocols and procedures for the introduction of new privatization mechanisms, such as Public Private Partnerships (PPP) and Jamaica Stock Exchange (JSE) listings. This legislation, in conjunction with the Public Bodies Management and Accountability Act (2012), also introduced requirements for SOE and other public bodies to have corporate plans and budgets approved by Parliament. Finally, and also worth noting in this context, are the amendments made to the Public Procurement Act in 2015 and 2018 to guide the public sector in the implementation of these new mechanisms for public tendering.

**Institutional capacity has been strengthened.** The period of analysis has seen the introduction of important legislation related to improving the capacity of the GoJ, in particular MOFPS, to deliver on fiscal policy commitments made in the context of the economic reform programme. This legislation improved MOFPS capacity to regulate, execute and supervise fiscal policy decisions for both revenue collection and public spending. Also, institutional changes introduced during this period, such as the modernization of the Debt Management Branch (DMB) or the creation of Public Investment Appraisal Branch, modernized practices and procedures, as well as generated sufficient feedback loops to improve fiscal policy decision making. Finally, the development and implementation of new tools to register, integrate, manage, produce and publish information, such as CTMS, STA, BPMS – amongst others – contributed greatly to making fiscal policy decisions quicker and with higher levels of certainty. Maybe the only cloud in the analysis of institutional capacity is the delayed implementation of JIFMIS, which is not yet in operation.

### **5.1.2. Public Financial Management reform**

#### ***EU-supported reforms made Jamaica's PFM system stronger, but weaknesses remain***

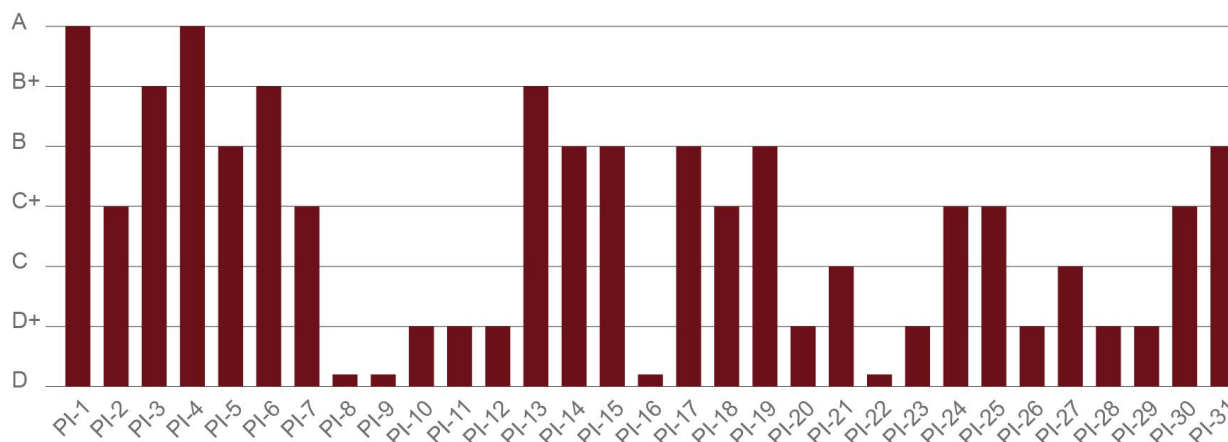
**PFM in Jamaica is reasonably well aligned with international good practices.** Figure 10 The figure below shows the results of the PEFA assessment exercise undertaken in 2016 and published in 2017 (CARTAC, 2017)<sup>5</sup>. These results show that 19/31 or 61.3% of all indicators are above score “C” which is the lowest level of performance consistent with international standards, but that there are still areas with ample opportunities for improvement (indicators with scores below “C”). The areas where performance is shown to be lowest are: risk (PI-10), assets (PI-12) and public investment (PI-11) management, multiyear and results-based budgeting (PI-18 and PI-8), treasury management

<sup>4</sup> MOFPS, Transformation and Implementation Unit, 2023.

<sup>5</sup> IMF-CARTAC (2017), PEFA Jamaica 2017, 28 February 2017.

(PI-21 and PI-22), payroll control (PI-23), accounting (PI-27 and PI-29), internal audit (PI-26) and public access to key fiscal data (PI-9)<sup>6</sup>.

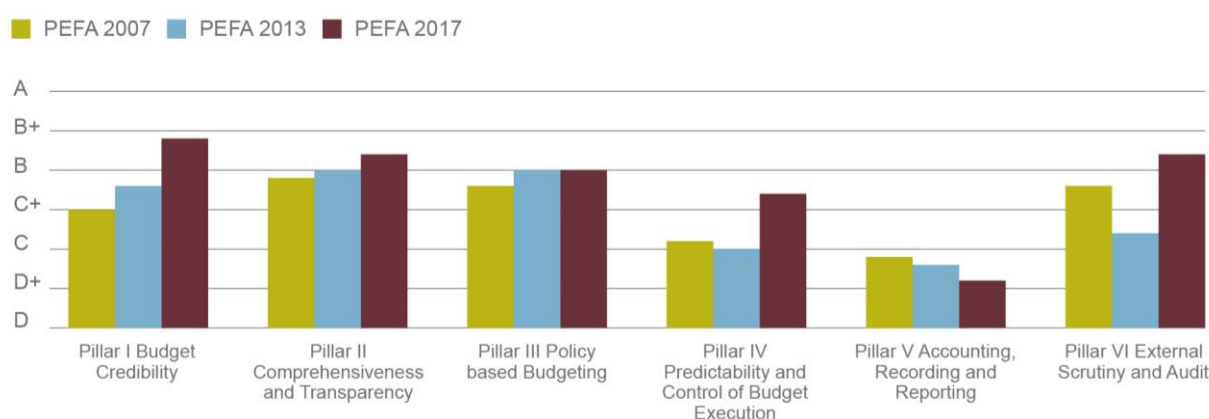
**FIGURE 10: PEFA JAMAICA 2017 - RESULTS BY HIGH LEVEL INDICATORS**



Source: PEFA Jamaica 2017

**PFM performance has increased over time.** The PFM system in Jamaica has been assessed three times during the period of analysis using the PEFA methodology, with reports published in 2007, 2013<sup>7</sup> and 2017. A fourth evaluation is planned for Q2Q2 2024. The 2007 and 2013 assessments used the PEFA methodology that was available at the time, this being the 2005/2011 methodology, whereas the 2017 assessment used the upgraded 2016 PEFA methodology. Fortunately, the 2017 evaluation also included results using the 2005/2011 methodology in order to review progress in PFM BS between 2013 and 2017, thus, making the results of all three PEFA assessments of Jamaica directly comparable. These results, organized by pillar, are shown in Figure 11.

**FIGURE 11: PEFA JAMAICA – PERFORMANCE OVER TIME**



Source: PEFA Jamaica, 2007, 2013 and 2017

<sup>6</sup> For a description of PEFA and the PEFA framework, see <https://www.pefa.org/about>. The detailed results of the PEFA Jamaica 2017 are included in Annex 6.

<sup>7</sup> The results of the PEFA Jamaica 2013 were not officially published but are available in the PEFA Jamaica 2017.



Overall, the data shows that PFM performance in Jamaica stayed relatively constant between 2007 and 2013, but that it improved considerably between 2013 and 2017. This conclusion is borne out by the results shown in pillar I, “budget credibility”; pillar II, “comprehensiveness and transparency”; pillar IV, “predictability and control of budget execution”; and pillar VI, “external scrutiny and audit”, which all show an increased performance in relation to 2007 and 2013. Pillar III, “policy-based budgeting” shows a similar level of performance to 2013, whilst pillar V, “accounting recording and reporting” exhibits a substantial loss in performance in all three periods assessed and is the only pillar which is not aligned with internationally recognised good practices in 2017. It will be interesting to see if the forthcoming PEFA assessment confirms the upward trend in Jamaican PFM performance. Recent reform efforts suggest that this result is quite likely.

**PFM reform plans were drawn, and reforms have been extensive.** PFM BS has been a feature of GoJ fiscal policy throughout the period of analysis, initially as part of a combined strategy to modernise the public sector, but since the advent of the PEFA 2013 assessment, as part of a specific effort to strengthen PFM.

A first PFM-only Reform Action Plan (RAP) was prepared for the period 2014-2018 and its implementation was included in the MTF 2015-2018 as a priority strategy to contribute to the fulfilment of “a stable macroeconomy”, a Vision 2030 national objective<sup>8</sup>. This 2014-2018 PFM-RAP was superseded by a second document, the PFM-RAP 2017-2021, after the publication of the results of the PEFA Jamaica 2017. This latter document focussed attention on the areas where significant gaps with international standards remained and prioritized them to ensure that the reform effort would be manageable.

The PFM-RAP 2014-2018 had proven to be too detailed, with some 115 activities under 45 reform initiatives, and hence difficult to monitor and report on regularly. One objective of the PFM-RAP 2017-2021 was to avoid these pitfalls by making it simpler and including only the core actions/initiatives needed to address the key weaknesses of the system. A monitoring system was also developed and the MOFPS PFM Secretariat, in charge of coordinating implementation, was strengthened.

The following table shows the main areas selected, organized by the PFM objectives to which they contribute.

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<sup>8</sup> The PFM-RAP 2014-2018 was not made officially available to this evaluation.

**TABLE 5: PRIORITY AREAS AND EXPECTED RESULTS OF PFM-RAP 2017-2021**

Aggregate fiscal discipline	Strategic allocation of resources	Efficient provision of public services	Transparency and accountability
<ul style="list-style-type: none"> <li>• Budget credibility maintained</li> <li>• Expenditure arrears reduced</li> <li>• Revenue collection strengthened</li> </ul>	<ul style="list-style-type: none"> <li>• Budget formulation and execution linked to government economic and service policies</li> <li>• Extended horizon in MDA budgeting</li> </ul>	<ul style="list-style-type: none"> <li>• Cash management improved</li> <li>• Competition in procurement increased</li> <li>• Returns from public investment improved</li> <li>• Management of non-financial assets enhanced</li> <li>• Pay-roll management system strengthened</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting to Parliament improved</li> <li>• Public access to fiscal information improved</li> </ul>

Source: IMF (2017), CARTAC Technical Assistance Report – PFM BS in Jamaica: updating the PFM BS action plan.

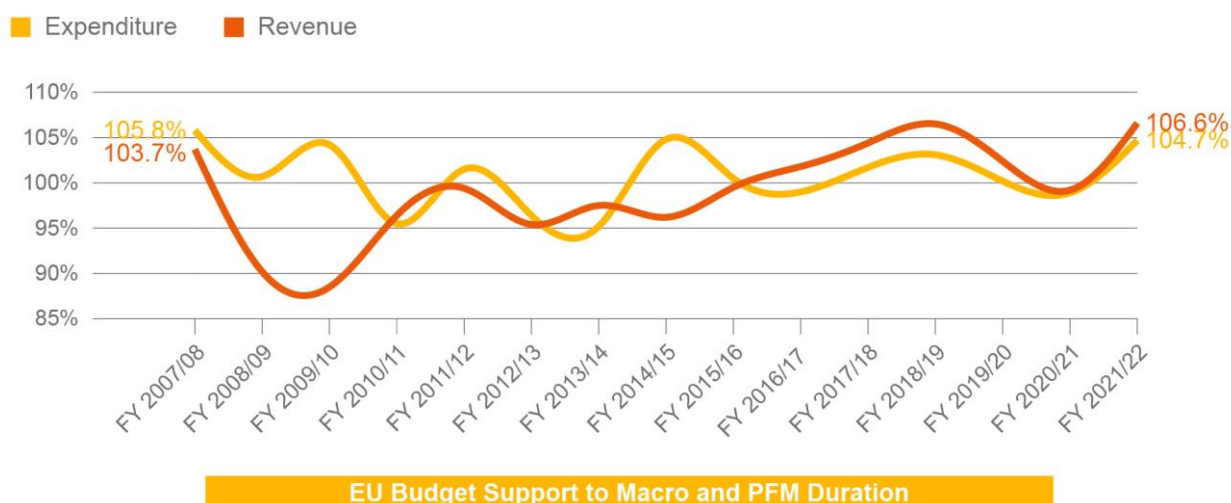
Progress reports prepared quarterly by the PFM Secretariat (MOFPS) to monitor the implementation of PFM RAP 2017-2021 show that most of the actions and activities programmed were undertaken and completed, with only a few outputs still pending, most notably the full introduction of results-based budgeting, the publication of information on budget execution and the implementation of JIFMIS. Important reforms undertaken in this period are the consolidation of the CTMS and STA, the introduction of BPMS and multiannual budgeting, the strengthening of public procurement and public investment, the preparation of consolidated financial statements and the release of a Citizens Budget document for the FY 2019/20. All these reforms addressed weaknesses identified in the PEFA Jamaica 2017.

**The BS PFM Reform programme contributed to the implementation of PFM-RAP 2017-21.** The specific objective of the BS PFM programme, signed in October 2018, was to support GoJ to “strengthen the PFM system”, in line with the strategy outlined by GoJ in the PFM-RAP 2017-2021. Thus, all disbursement indicators are closely aligned with targets established in the PFM-RAP and technical assistance was provided to support GoJ to develop JIFMIS and prepare the institutional framework for a full roll-out – an important component of the reform effort. Also, PIOJ and MOFPS officials, interviewed during the field mission, suggested that this programme provided an important measure of encouragement to GoJ to integrate, focus and make visible the reform effort, in addition to providing a yardstick to measure progress. In their view, a specific BS programme to support PFM was instrumental in the preparation and adequate implementation of the PFM-RAP 2017-2021.

**Budget reliability is a strong element of PFM in Jamaica.** The PEFA methodology establishes that an open and orderly PFM system can be quickly ascertained by how reliable the budget is (an immediate result). That is, the extent to which the budget is realistic and implemented as intended

(PEFA, 2017). Budget reliability is measured by the deviation of actual revenue or expenditure from their programmed or planned amounts originally approved in the budget by the Legislature<sup>9</sup>, both at the aggregate level, as well as within its composition. Figure 12:, below, shows the ratio of actual revenue/expenditure to planned or approved revenue/expenditure for all the years in the period of analysis. The data used was extracted from the MOFPS Central Government operation tables, the same that was used in the PEFA Jamaica 2017 assessment.

**FIGURE 12: BUDGET RELIABILITY IN JAMAICA**



Source: MOFPS – Central Government Operation Tables, 2023

Figure 12 above shows that, for all the years under the period of analysis (2008-2021), actual expenditure never deviated more than 5% from the originally approved budget. This level of deviation at the aggregate level is consistent with the most advanced good practice standards. However, the composition of expenditure, using both the administrative and economic classifications, as was identified by PEFA Jamaica 2017 assessment and confirmed by the data available to this evaluation, does not perform as well, with resources being moved between sectors during execution, away from what was originally planned. This results in budgetary units not having certainty regarding the availability of funds to execute their budgets as planned.

For most of the years under analysis, aggregate revenue was also kept within the 5% deviation range, except for two years at the beginning of the period, where revenue was significantly lower than originally programmed, and in FY 2018/19 and FY 2021/22, when revenue was higher than projected and approved in the budget document. This performance, which implies strong fiscal discipline by the GoJ, was important to reduce debt and move the country to a more stable macroeconomy. There are no issues with large deviations in the composition of revenue by type of revenue.

<sup>9</sup> The PEFA methodology suggests that the planned or original budget is the first budget approved by the Legislature, which reflects the relative priorities of public policy as it was determined by the government.

***Expenditure is more conducive to support public policy priorities and public service provision, but reform is still ongoing***

**Strategic allocation of resources has improved, but it is still work-in-progress.** The preparation and publication in 2009 of a clear set of public policy priorities, both national and sectoral, in the form of a forward-looking, long-term strategic planning document, as is Vision 2030 NDP, was a significant step towards improving strategic allocation of resources. The introduction - so far - of five three-year MTFs to operationalize Vision 2030 was also very important, as was the idea to introduce a MTEF to match programmes and activities to available resources in the medium-term<sup>10</sup>. In spite of this progress, the PEFA Jamaica 2017 report concluded that the attainment of the strategic allocation of resources objective of PFM remained limited in the country due to the one-year horizon of the budget planning process. Since this assessment, however, GoJ has made significant advances in extending the budget horizon to a four-year period, using a new MTRBB methodology, and to introduce a BPMS to upload these forward-looking budget estimates to MOFPS to ensure a stronger and more consistent planning process<sup>11</sup>. The BPMS has also been in the process of being integrated with the CTMS to ensure a more precise use of authorized public funds. These innovations, although important, are still being tested and will require time to become embedded in public sector practice. Also, others, such as performance-based budgeting, are still incipient.

**PFM support to the efficient provision of public services remains under-reformed.** The PEFA Jamaica 2017 assessment showed that the country's PFM system is not yet conducive to achieving the efficient provision of public services objective. This conclusion is based essentially on the low performance ratings achieved by the procurement, public investment (PIMS) and payroll systems and the practices underlining accountability: i) limited comprehensiveness and delayed issue of annual financial statements, ii) 'patchy' publishing of performance targets and outcomes, iii) lack of systematic programme evaluation, and iv) inadequate levels of reporting on budget execution. In the intervening period and following the implementation of the PFM-RAP 2017-2021, both the procurement and public investment systems have been subject of positive transformations, but more needs to be done. For example, the recent Climate Public Investment Management Assessment (C-PIMA), undertaken by the IMF, found that PFM practices applied to public investment are not performing to a level that effectively incorporates climate change related risks and events (IMF, C-PIMA 2023). Also, auditing, accounting and reporting are still systems waiting for a comprehensive reform effort.

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<sup>10</sup> The proposal to use a Medium Term Expenditure Framework (MTEF) as a model to extend the budget horizon and to better link planning to budget was abandoned in 2016. A new Medium Term Results Based Budgeting (MTRBB) methodology was introduced instead.

<sup>11</sup> MOFPS (2019); Budget Call for Financial Year 2020/21 and Medium Term 2021/22 to 2023/24, 30 Sep 2019.

### 5.1.3. Improvements in budget transparency and participation

#### *Transparency, oversight and participation are pending issues of PFM reform*

**Budget transparency in Jamaica is imperfect but improving.** The Open Budget Index (OBI), an internationally renowned metric established to disclose the level of public access to accurate, timely and comprehensive budget documents, indicates that Jamaica’s budget transparency in 2021 was imperfect, which suggests that the country is not yet publishing sufficient information to support informed public debate about the collection and use of public funds. Nevertheless, these results are an improvement compared to the previous score (OBI 2019) and the comparable indicators of the PEFA Jamaica 2017 assessment. The report shows that Jamaica publishes most of the required standard documents for adequate budget transparency, including since FY 2019/20 an online citizens’ budget document, a simpler and less technical version of the government’s Executive’s Budget Proposal or the Enacted Budget, designed to convey key information to the public. Also, the scores that provide an indication of the contents of the documents published have improved from 2019 onwards, although they are still not complete in relation to the standard OBI format.

One of the more important issues about budget transparency in Jamaica that is well captured in the Open Budget Data Readiness Assessment, conducted in 2019 by the WB with the support of UK-DFID, is that “a lot of data is already available on government websites, so there is no issue of principle in making it public, but the limitation is that it is not in reusable form”<sup>12</sup> and the barriers to converting it into actionable formats (that can be downloaded and that allows to manipulate data) reduces the ability of the public to make good use of the available information. This evaluation was affected by this issue, as explained in Section 2. Finally, the 2020 Regional Open Data Barometer for Latin America and the Caribbean, which classifies countries in the region according to their: i) preparedness for open data initiatives, ii) the implementation of open data programmes and iii) the impact open data is having on business, politics and civil society, places Jamaica in the lower echelons of the ranking, suggesting that there are still opportunities to exploit with the publication of useful budget and government information.

**Public participation in formal budget decision making is still limited, but ad-hoc civil society support was instrumental in the successful implementation of economic reforms.** The OBI assessment undertaken in 2021 in Jamaica shows that the GoJ offers civil society few formal opportunities of meaningful participation in the different stages of the budget process, an outcome that is very much in line with average practices in countries in the Latin America and Caribbean region. The report, however, highlights some progress and points to the establishment by MOFPS of the Jamaica “Investment Map”, which allows citizens to comment and report on execution about

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<sup>12</sup> The report also concludes that “Jamaica has much of the legislation in place that is desirable to underpin an Open Data program and the implementation of the Access to Information Act a decade ago seems to be widely regarded as successful”.

ongoing projects, as well as the introduction by Parliament of public hearings related to the approval of the annual budget, as evidence.

In spite of these results, civil society participation is credited with playing an important role in the successful implementation of the economic reform strategy and the reduction of the debt burden in the past decade. The Economic Programme Oversight Committee (EPOC) was formed in 2013 to monitor the implementation of Jamaica's economic reform plan under its agreement with the IMF. EPOC, which involved the participation of members drawn mostly from the private sector, trade unions, specialized government entities, academia and the media, would regularly come together to hold the government accountable for its commitments under the reform programme. The comments and reports produced by EPOC resonated with the general public and provided a strong measure of credibility to the GoJ's reform efforts. The experience of EPOC, which has been replicated in other countries with IMF programmes, provided important lessons learned about the role that civil society could play in: i) enhancing accountability of the policymaking process, ii) deepening transparency of government finances, and iii) promoting inclusiveness in policy discussions.

**Accounting, reporting and auditing are the weakest links of the Jamaican PFM system.** As in many other countries in the region and around the world (PEFA Global Report, 2022) , the weakest links of the PFM system in Jamaica are the practices surrounding accounting, reporting and auditing (internal and external), a result that can be confirmed by looking at the PEFA Jamaica 2017 assessment scores for the relevant indicators. Also, the OBI 2021 reveals that Parliament in Jamaica “provides limited oversight during the planning stage of the budget cycle and limited oversight during the implementation stage”. These results impact strongly on the accountability of the budget, but, apart from recent individual efforts undertaken by the Auditor General's Department to improve the coverage and types of audits, little priority is allocated to these areas in the reform initiatives. The PFM-RAP 2017-2021, for example, did not include specific actions to support improvements in accounting or reporting. A stronger PFM requires actions in these areas.

#### **5.1.4. Reforms for the improvement of the business climate**

***Some progress was achieved with improving the business environment, but a lot remains to be done***

**Reducing obstacles to growth was a central component of EU's Debt Reduction BS programme.** GoJ's debt reduction strategy required, in addition to the implementation of direct fiscal consolidation measures, that conditions for growth in the country be enhanced, as economic growth would lessen the country's debt burden in the long run. An enabling business environment was seen as key to supporting economic growth and development. Hence, the DRGEP included as a specific objective “the improvement of Jamaica's business environment” and provided incentives for the introduction of administrative and tax reforms in an effort to achieve “a competitive business environment as in any country in the Caribbean” (Vision 2030). All seven performance indicators of

this BS related to improving the business environment were met during implementation of the programme, suggesting that reform efforts were in place and that progress was being made.

**An enabling business environment was a secondary consideration, after the debt reduction objective.** According to Vision 2030 an enabling business environment requires: i) an efficient bureaucracy, ii) increased access to capital, iii) better market opportunities abroad, iv) higher labour productivity, and v) support for the micro, small, and medium size enterprises (MSME). As reported in the MTF's progress reports, reform efforts have been undertaken in all these areas, including the creation in 2016 of two sister organizations to EPOC to oversee commitments made by GoJ in these areas under the IMF programme: the Public Sector Transformation Oversight Committee (PSTOC) and the Economic Growth Council (EGC). However, economic growth remains elusive (IFC-WB 2021). Private sector representatives advocated that an important reason behind the low growth outcome was essentially that "an enabling business environment" policy did not have the same priority and cohesive GoJ institutional engagement than the fiscal consolidation objective, while these preconditions were necessary for its successful implementation. Also, these endeavours needed to be accompanied by crucial public investment in education, energy and transport infrastructure, for which public funds were however scarce.

**Actions directed at simplification of public sector regulations have been limited.** In spite of the existence of a wide-ranging and forward-looking public sector transformation programme, reform efforts directed at removing business environment constraints by modernizing public sector administration was mainly limited to streamlining bureaucratic processes for the approval of planning applications, registration of new businesses and titling, ownership and transfer of land (PIOJ, 2019). Progress with this reform has been monitored using the 'ease of doing business' metrics developed by the WB in its Doing Business report. The results have not been positive, with Jamaica slipping down to number 71 in the ranking of 190 economies included in the report, instead of climbing-up steadily as was intended.

**A broad tax reform agenda was introduced at the beginning of the period of analysis and the tax administration system has been gradually strengthened throughout<sup>13</sup>.** The reform agenda included, amongst other elements, a rebalancing of the tax system from direct taxes to indirect taxes - which are more efficient and growth friendly - the simplification of income tax rates and payment procedures, and the revision of the exemption and incentives system. The reform was established with the publication of a GoJ White Paper on Tax Reform (MOFPS, 2012) and implemented with technical assistance and financial contributions from IDPs, including the EU with the Debt Reduction BS programme. The 2021 TADAT assessment of Jamaica confirmed the strength of the tax system, both legal, institutional and operational, and highlighted the positive effects of the reform results on its effectiveness.

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<sup>13</sup> The Tax Administration of Jamaica (TAJ) was relaunched in 2011 and in 2014 became a semi-autonomous public body under the umbrella of MOFPS.

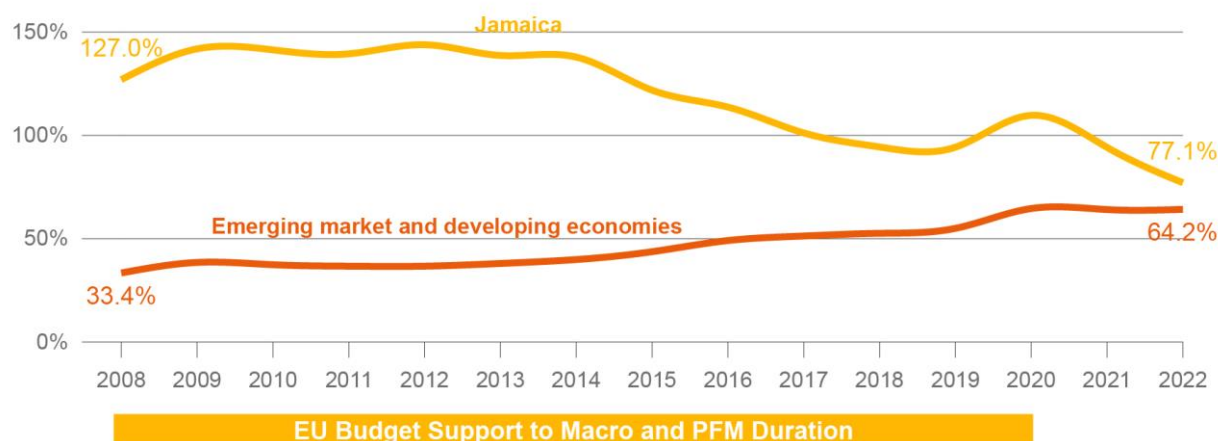
## 5.2. Economic Policy Outcomes (Levels 4) and Determining Factors (Step 2)

### 5.2.1. Macroeconomic and fiscal stability

#### *Results of fiscal and debt policies have been outstanding*

**Debt levels are set firmly in a downward path.** Debt levels remained caught above 100% of GDP for much of the period under consideration (2008-2021) but fell eventually. Figure 13: shows that a downward trend was evident from 2016 onwards and that in both, 2018 and 2019, the GoJ was able to report debt levels just below this psychological limit of 100%. In spite, of a slight setback during the pandemic year of 2020, when the debt to GDP ratio went back up to 109.7%, the downward trend has continued, recording 84.1% of GDP in 2022, a level not seen since the turn of the century. Projections suggest that the 60% target rate established in the FRF will be achieved as early as 2027 and that by 2030, the debt to GDP ratio is likely to break the 50% mark.

**FIGURE 13: GENERAL GOVERNMENT GROSS DEBT (%GDP)**



Source: IMF WEO (2023)

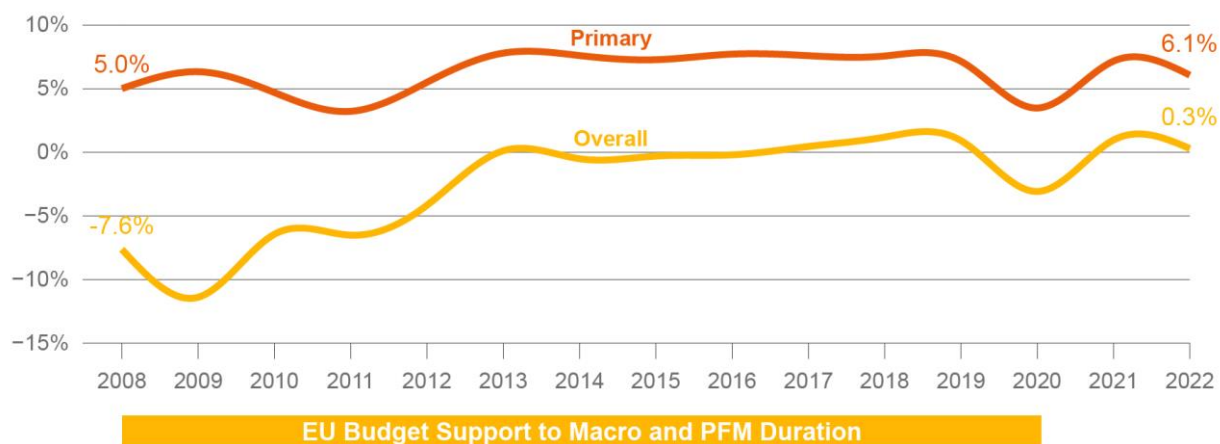
**This achievement has to be seen also in the context of two important factors: slow growth and global debt increase.** First, debt reduction has been achieved without significant economic growth, which means that debt payments have been made with forgone provision of public services to the Jamaican population. Second, debt reduction has been achieved against a global tide of increased public sector borrowing. For example, since 2008, emerging markets and developing economies, as a group, have nearly doubled their debt to GDP ratio (see Figure 13:). These factors not only render the results more remarkable but also pose a fresh challenge to GoJ, particularly MOFPS, in terms of how to leverage these gains now for the benefit of the Jamaican people.

**Fiscal consolidation is a sounding success. Running primary fiscal surpluses to control the accumulation of debt has been an important government policy prescription in Jamaica** from before the turn of the century, when debt stocks started to pile up. Nevertheless, the reduction in the overall deficit from 11.4% to a surplus of just under 1% during the period of analysis (2008-2021) seems quite extraordinary. It is true that this effort has been helped by a sharp decline of interest rates for the best part of the past decade, which reduced the GoJ's interest bill from 17% of GDP in



2009 to 6% in 2019 (IMF, 2022). Nevertheless, it is important to remember that this result has been achieved in the context of very modest levels of economic growth, which required thus the imposition of strong fiscal discipline. Without doubt, the introduction of a FRF, better debt and treasury management practices and a strengthened PFM system contributed greatly to this positive outcome.

**FIGURE 14: FISCAL BALANCES (%GDP)**



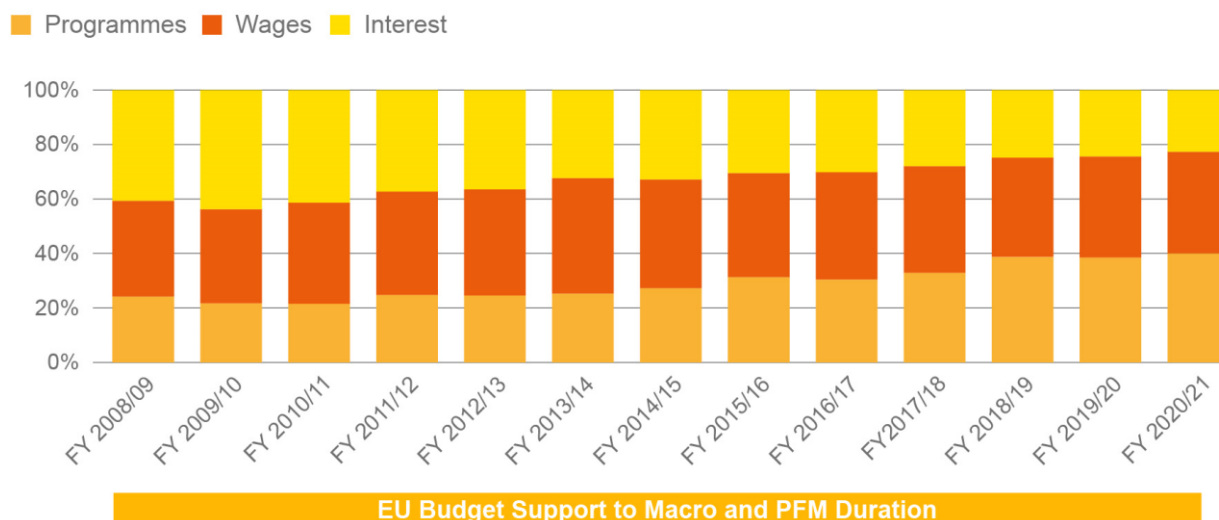
Source: IMF Fiscal Monitor (2023)

***Substantial improvement is observed in the structures of both revenue and expenditure***

**Expenditure has gradually been shifted from interest payments to programme expenditure, which finances the provision of goods and services.** Available budget data for the period of analysis (organized by the economic classification) shows that recurrent expenditure represents on average around 90% of the total, with capital expenditure accounting for the remaining 10%<sup>14</sup>. Figure 15:, which shows the composition of total expenditure in terms of interest costs and programme spending, illustrates an interesting development in Jamaica during this period. Interest expenditure, the cost of borrowing, which represented more than a third of total expenditure (35.4%) in 2008, fell to 20.8% in 2020, whereas programme spending, used to finance the provision of public services, increased its share in total expenditure from 21.1% in 2008 to 36.9% in 2020. Wages also grew, but by a less significant proportion over the period.

<sup>14</sup> This composition has not been completely stable throughout the period of analysis, with capital expenditure reaching a high of 15.5% in 2010 and a low of 6.6% in 2015. Capital expenditure also fell sharply in 2020 due to increased pressure from COVID-19 related expenditures.

**FIGURE 15: COMPOSITION OF GOVERNMENT SPENDING (% TOTAL BUDGET)**

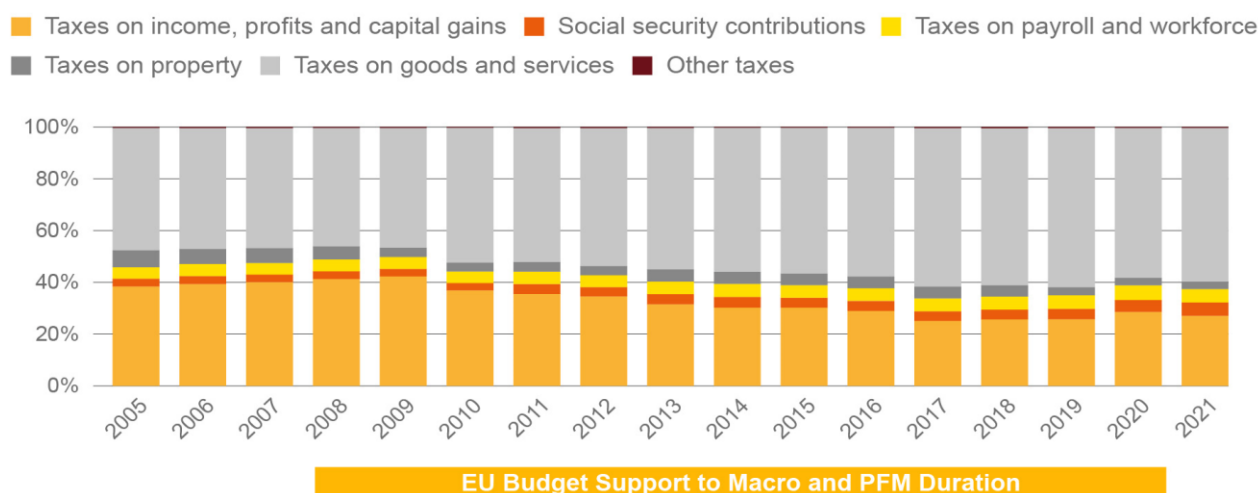


Source: MOFPS, Central Government Operations (2023)

**Domestic Revenue Mobilization (DRM) performs positively over the period of analysis.** The PEFA Jamaica 2017 assessment shows that revenue administration practices in Jamaica are well aligned with international good practices, a conclusion that has been reaffirmed by the recent TADAT evaluation of 2021. Available data shows that between 2008 and 2020 tax revenue has grown from around 25% of GDP in 2008 to just below 28% of GDP in 2020 (OECD, 2023), and that Jamaica performs comparatively well compared to other countries in the Latin American and Caribbean region, with the fourth highest tax to GDP level, only behind Brazil, Barbados, and Argentina and well above the regional average of 21.7%.

Furthermore, its tax structure has been shifted gradually in the period of analysis from one with a relatively high share of direct taxes, with more than 40% of revenue coming from taxes on incomes, salaries, profits and capital gains in 2008, to one which is more relying on indirect taxes (more than 65% of total) and less on direct taxes, with a share of 30% in 2020, see Figure 16:. This tax structure is the result of tax reform efforts directed at making the taxation system more growth friendly.

**FIGURE 16: JAMAICA’S TAX STRUCTURE**



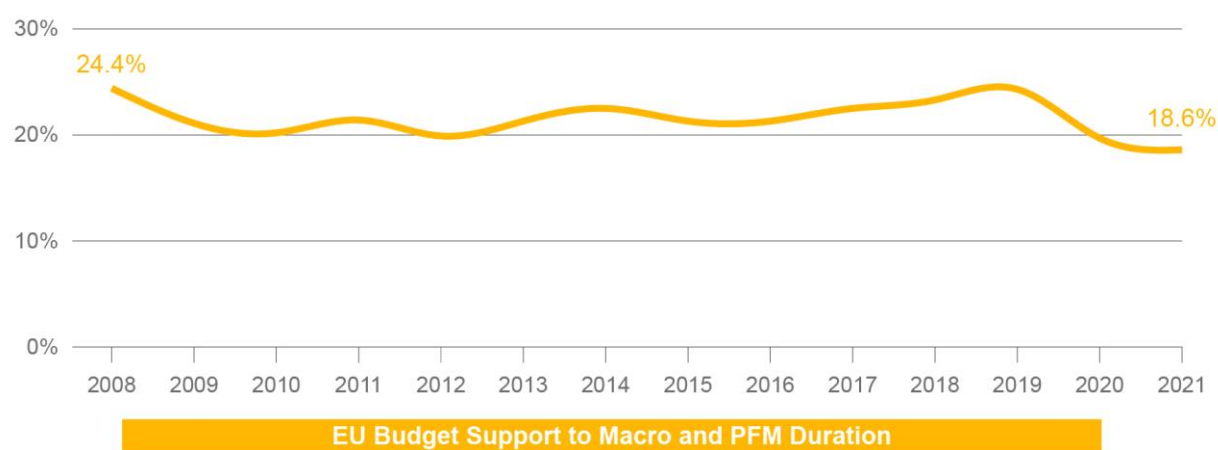
Source: OECD Latin America and the Caribbean Revenue Statistics (2023)

## 5.2.2. Private sector development and employment

### *Reforms have not yet had a clear impact on businesses, but confidence is rising*

**Growth in business activity has been modest.** Investment levels show a mixed performance during the period of analysis, only increasing gradually between 2013 to 2019 after falling sharply between 2008 and 2012 and before falling again during the years of the pandemic. In fact, total investment as a percentage of GDP averaged 21.5% with a peak of 24.3% achieved in both 2008 and 2019 (IMF, WEO 2023). In 2020 and 2021, this ratio fell to below 20%, to 18.8% and 18.6%, respectively. Investment levels between 2013 and 2019 were boosted mainly by private investment directed at upgrading and expanding the tourism infrastructure in the country (CEPAL 2021).

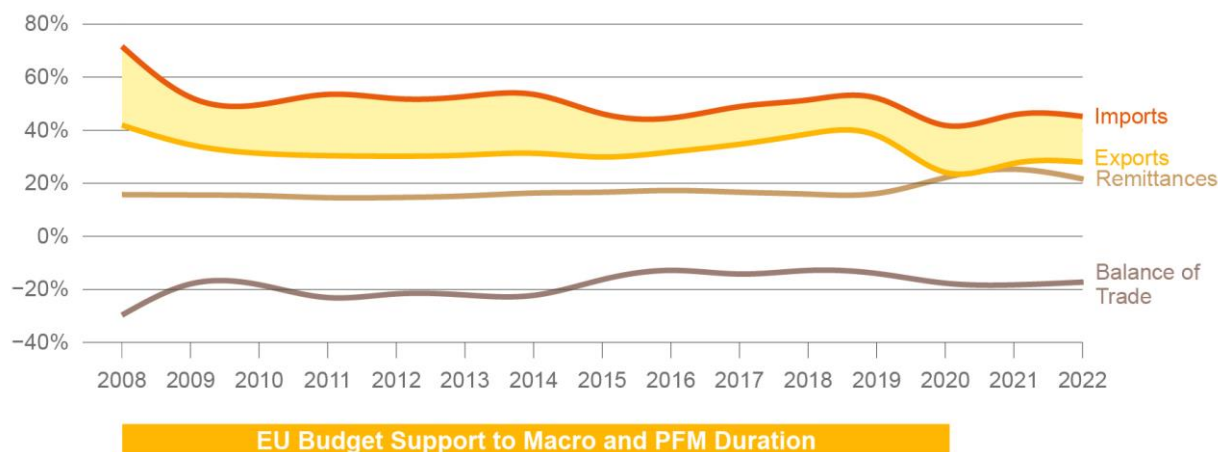
**FIGURE 17: TOTAL INVESTMENT AS A PERCENTAGE OF GDP**



Source: WEO (2023)

**International trade in goods and services also showed mixed results over the period of analysis**, with volumes of trade falling from around 114% in 2008 to less than 66% of GDP in 2020 (WDI 2023). Since the end of the COVID-19 pandemic, a certain increase has been experienced, but trade volumes are still below pre-pandemic levels, mainly because world trade flows have been affected by supply shocks and the war in Ukraine. Figure 18: exhibits exports and imports of goods and services as a percentage of GDP, showing a relatively stable performance. Nonetheless, from 2015 to 2019, an increase in exports relative to imports reduced Jamaica's balance of trade deficit to lower than 20% of GDP (red line in the figure). The pandemic affected greatly this positive trend. The negative balance of trade is covered in the current account balance by remittances from abroad (green line), which increased sharply during the pandemic and its aftermath.

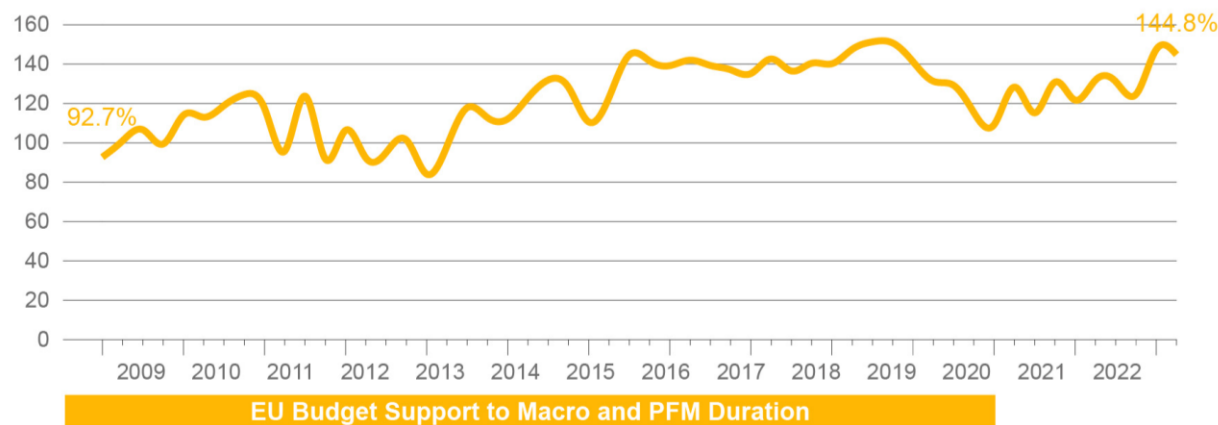
**FIGURE 18: TRADE AND REMITTANCES (% OF GDP)**



Source: World Development Indicators, 2023

**Business confidence is positive.** Businesses’ perceptions of the current investment climate, as well as the prospects for the economy, the financial position of firms and future profits are some of the elements that are captured in the Business Confidence Index (BCI) that the Jamaican Chamber of Commerce makes available quarterly to its members in an effort to track the business community sentiment<sup>15</sup>. Figure 19: shows the evolution of the BCI from 2009 to 2022. It is clear from the data that business confidence has been increasing gradually throughout this period, reaching its highest levels in 2019, the last year before the COVID-19 pandemic.

**FIGURE 19: BUSINESS CONFIDENCE INDEX**



Source: Market Research Services Limited for the Jamaican Chamber of Commerce, 2023

At this time, more than half of the firms or individuals surveyed had a positive outlook on profits and the economy. In addition to the dip in business confidence suffered during the pandemic, the period between 2012 and 2013 also showed a substantial reduction in business confidence. That period

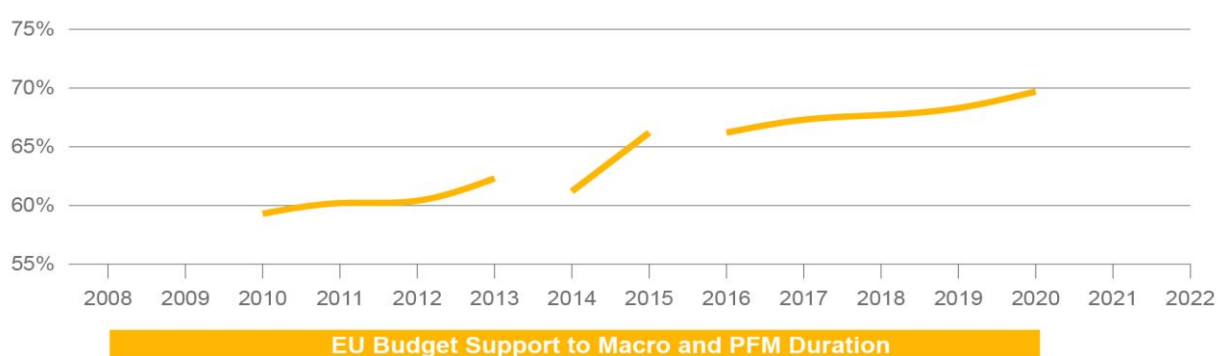
<sup>15</sup> The data and business confidence index are not available to the general public. The data is collected quarterly by Market Research Services Limited (MRSL) and prepared for the use of the Jamaican Chamber of Commerce. Both have been gratefully made available to this evaluation. A recent presentation of the business confidence index is available from: <https://www.youtube.com/watch?v=VShQUK-QXo>.

coincided with the early termination of the SBA agreement signed by the GoJ and the IMF in 2010 and before the new Extended Fund Facility (EFF) was signed in 2013. Consumer confidence, which can also be measured by another index produced by the Jamaican Chamber of Commerce, shows also a positive trend, which no doubt reinforces the conclusions of the BCI.

**An enabling business environment is yet to be fully materialized.** An enabling business environment has been one of the fifteen envisaged national outcomes prioritized by Vision 2030 to deliver on the promise of making Jamaica the place of choice to live, work, raise families and do business. Successive MTFs have identified the following strategies as key to ensuring that the country promotes a favourable business climate: i) introduce an institutional and regulatory framework that supports business development, ii) widen access to capital, iii) improve trade relations with the rest of world, iv) expand investment promotion, v) stimulate an efficient labour market, vi) increase labour productivity and worker’s satisfaction, and vii) empower MSME. The results of the business climate initiatives undertaken over the period of analysis can be assessed, to a very large extent, with the Ease of Doing Business metrics, an index developed by the WB with “the specific aim of measuring the regulation and red tape relevant to the life cycle of a domestic small to medium-size firm” (WB, 2012). Changes in the Ease of Doing Business, if positive, would signal that Jamaica has progressed towards improving its business climate and achieving an important objective within its planning framework.

Figure 20: below, shows the global score for Ease of Doing Business for Jamaica between 2010 and 2020, when the series was temporarily discontinued. In spite of the repeated changes in the methodology for calculation of this score, it clearly shows a positive upward trend for Jamaica’s Ease of Doing Business indicator.

**FIGURE 20: EASE OF DOING BUSINESS – GLOBAL SCORE FOR JAMAICA**



\* Global score for ease of doing business changed its calculation methodology in 2014 and 2016. Source: World Bank, *Doing Business, 2020*

In addition to this specific score for Jamaica, the Ease of Doing Business has also developed a comparative indicator. It ranks countries in terms of how attractive their business environment is in relation to that of other countries and by this metric Jamaica does not perform as well. In fact, Jamaica’s ranking for Ease of Doing Business amongst 190 economies around the world fell from 63 in 2009 to 71 in 2020, which means that its business environment became slightly less attractive

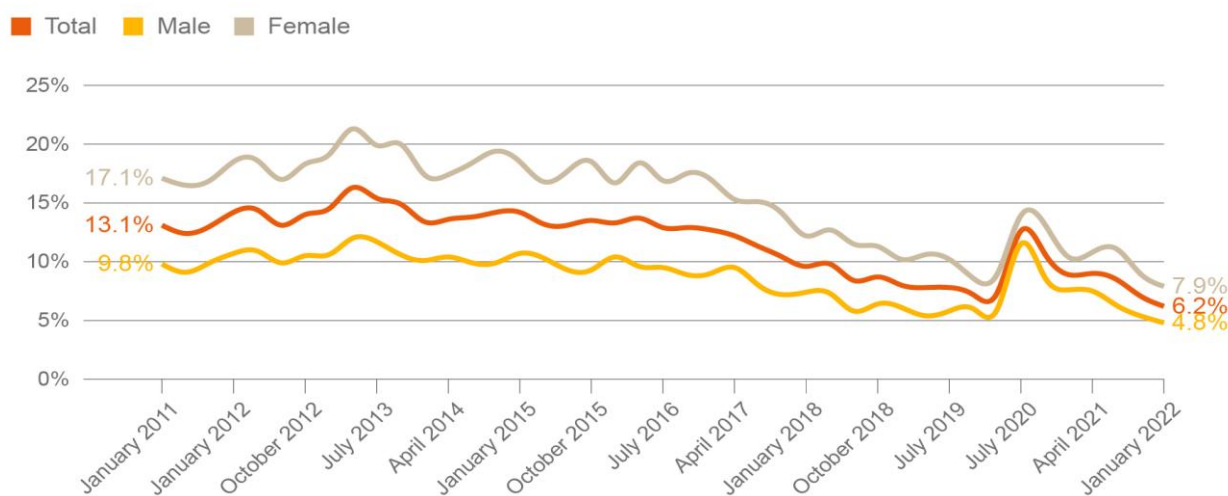
in comparison to other countries. But, more importantly, its performance moved in the wrong direction of that expected by the Vision 2030 planning document, which set a country rank target for ease of doing business of 34.

**Formal unemployment has improved, but is limited by informality and inequality**

**Unemployment levels are moving in the right direction, but gender differences remain.**

STATIN data shows that unemployment dropped from 15.7% in 1990 to 9.9% in 2007, rising again to 15.3 in 2013 and going down to 11.7% in 2017. The likely cause for the upward trend in the period 2009-20015 was the financial crisis of 2008. However, the unemployment rate declined sharply from 15.3% in 2013 to the pre-pandemic period, when it reached 7.3% in 2019. The gap between women's unemployment and men's decreased over the same period. In 2011, the unemployment rate for women was 9.4 percentage points higher than for men. In 2019, this gap narrowed to 2.6 percentage points. Unemployment increased to 12.6% in July 2020, but the gap between women's unemployment compared to men's remains at 2.4 percentage points. As economic activity began to recover, unemployment fell to 6.6% in 2021, which is below pre-pandemic levels. Nonetheless, women's unemployment was still 3 percentage points higher than that of men.

**FIGURE 21: UNEMPLOYMENT RATE BY GENDER**



2008 < **EU Budget Support to Macro and PFM Duration**

Source: Statistical Institute of Jamaica

**Youth unemployment rate shows a similar declining trend.** In July 2013, 38% of the youth population was unemployed. When disaggregated by gender, 50% of young women were unemployed in the same period, while 29% of young men were unemployed. Similarly, youth unemployment showed significant gains, declining to 17.6% in January 2020, while the gap between female and male unemployment also narrowed markedly during the same period. After rising due to the pandemic, the youth unemployment rate declined to 16.7% in July 2022. Meanwhile, the youth unemployment rate for men surpassed that of women for the first time, standing at 17.3% and 16% respectively. Nevertheless, these data must be used with care as, according to CEPAL, informality has remained around 58% since 2016, with big gender differences (CEPAL, 2021).

## 6. Justice and Security: Policy Developments and Outcomes

### 6.1. Policy Milestones and Main Outputs (Level 3)

#### 6.1.1. Legal, policy and budgetary frameworks

*Legal and regulatory frameworks and institutional capacities in the sectors covered by BS improved substantially through EU- Budget Support programmes, combined with the efforts of the key stakeholders involved.*

**Jamaica already had a solid planning and policy framework in place in the sectors of Justice and Security before the EU started providing BS to Jamaica.** Vision 2030 provided the overall approach and more short-term objectives were given by its Medium-Term Socio-Economic Policy Frameworks (MTFs), the National Security Policy from 2007 and the Jamaica Justice system reform Policy Agenda Framework from 2009. This planning and policy framework for the two sectors had clear objectives and guidelines for the implementing agencies involved, but clear indicators and time bound targets were lacking. With regards to the Jamaica Constabulary Force (JCF), there was also a thorough review of the police performance, in the form of the JCF Strategic Review which was adopted as the basis for the strategy for reform of the police. These policies were over time complemented with the National Security policy (2014), the Justice Reform Implementation Plan (2015), Plan Secure Jamaica (2016) and the Citizens Security Plan (2020), to mention the most important planning and policy documents. These policies and plans were developed by GoJ sector entities and the PIOJ in a dialogue with sector stakeholders, including civil society and the IDPs.

**The EU-funded SSRP, the first BS programme for the J&S sectors, played a key role in introducing evidence-based policy making and performance management in the planning and policy development process** and in related documents. This was done through the gradual increase in the use of log frame methodologies, including definition of clear indicators, baselines and targets in the policy and planning documents, and in the subsequent implementation and evaluation processes (See below, section Policy monitoring and implementation and service delivery). With the BS's variable tranches and its stringent use of indicators and time-bound targets, the sector institutions got used to focusing on defining clear indicators and targets, and to focus on performance.

**As for the legal and regulatory frameworks, the security sector BS supported most of the foreseen amendments to the administrative and legal framework of the police (JCF), improvement in community policing and community service models.** Some of the legal changes envisaged under this BS programme for the police could not be formalised due to constitutional constraints. A major overhaul of the JCFs institutional set up was undertaken with an aim for a "civilisation" of administrative and other relevant functions (SSRP BS performance indicator No. 5); the introduction of a system for eliminating backlogs in disciplinary cases; and the

establishment of the Independent Commission for the Investigations (INDECOM, replacing the Police Public Complaints Authority) to investigate and receive complaints about excesses and conduct by members of the security forces and department of corrections. The training frameworks were also significantly strengthened through the rehabilitation of the police academy and the review of its curriculum. Special departments for handling gender violence were established and Human Rights training was introduced. It should be noted that the process of improving the legal and regulatory framework which was initiated has continued and gained momentum with the JCF today.

**This first BS also included conditionalities with reference to amendments of the Judicature Act and to improve the anti-corruption framework.** The programme aimed at an increase the number of Judges at the different levels of courts to improve the system's capacities (SSRP Indicator No. 11), as well as at the finalization of the justice reform framework and the implementation of a new anti-corruption framework (SSRP performance indicators No. 1 and 12). Jamaica has an elaborate and far-reaching anti-corruption framework and over the years its efficiency has become more visible through the enhancement of public awareness about corruption by state and non-governmental organizations. The media has played a significant role in the exposure of conduct by public officials at all levels of governance, which in of itself tells of a growing transparency and pressure on accountability in the country. The 2017 round of the Americas Barometer Survey found amongst persons surveyed in Jamaica that the average level of trust in major governmental anti-corruption agencies ranged between 49 and 59 points on a scale of 0-100 and more than 50% of Jamaican's were satisfied with the performance of these organisations.

**As for EU's justice BS intervention (JSRP), many of the areas covered under the programme's tranche indicators were directly linked to substantial reforms done under the sector strategy, the Justice Reform Implementation Programme (JRIP).** The reform included a thorough institutional reform of the MoJ, the Judiciary and other justice institutions, and improved coordination within the system. The reform included an increase in number of family courts, the approval of child diversion legislation and a large number of legal amendments, including those designed to improve access to justice through improving court efficiency and increasing the use of Alternative Dispute Resolution (ADR) mechanisms. Moreover, the focus on the development of INDECOM continued. The legislation approved under JRIP was considerable: JRIP achieved 70% of its expected outputs/outcomes and provided the basis for a process of improving access to justice, including a focus on the vulnerable, especially children and women. This has continued through initiatives by the Chief Justice under the Strategic Plan for The Jamaican Judiciary 2019-23, and also by the Minister of Justice on the introduction of additional ADR and protection measures in the system.

**As for the CSP, the programme is to a large extent a continuation of work related to the community level** supported under the EU's Poverty Reduction Programme and the work which was initiated under the SSRP and JSRP interventions related to vulnerable groups with development of safe spaces, parenting programmes, support to at risk youth and women, and to parenting



programmes. As this process only started in 2020, the progress being made is still very incipient. At this stage, indications concerning the parenting programme implementation present some challenges.

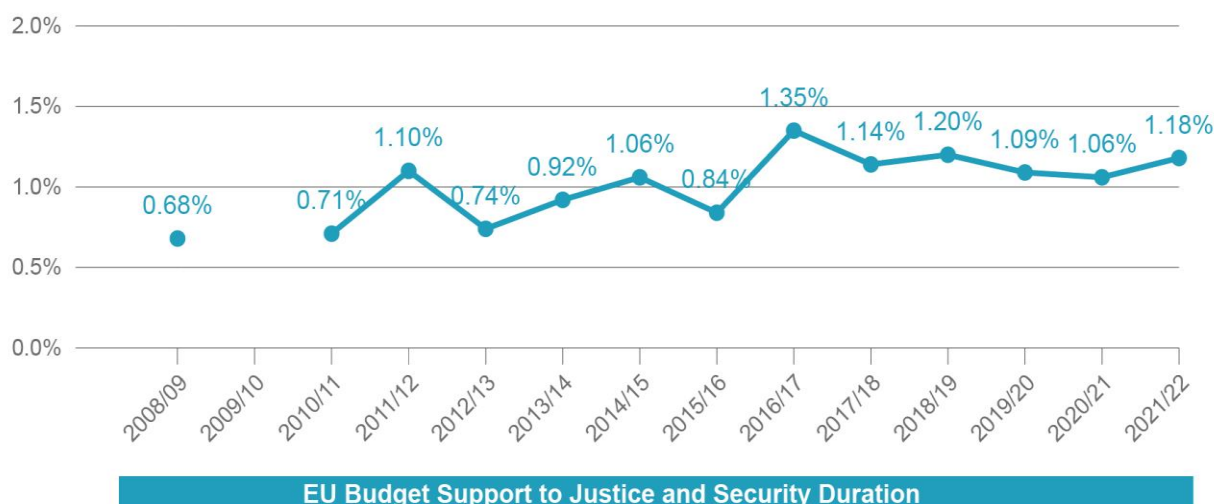
***GoJ has allocated increasing budgetary resources to key J&S institutions, in line with their priorities in the sector reform programmes and with the corresponding government policies.***

The BS programmes in the J&S sectors had no TA component to improve PFM as such in the sectors, nor were any induced outcomes related to budget management in their respective Intervention Logics. Nevertheless, the justice BS programme did have a performance indicator on to the budgetary allocations to the JRIP, to secure its implementation.

**Jamaica’s national budget has nearly tripled in EUR terms since 2008/09, while the justice and security relative proportion as a percentage of the total budget shows some increases.**

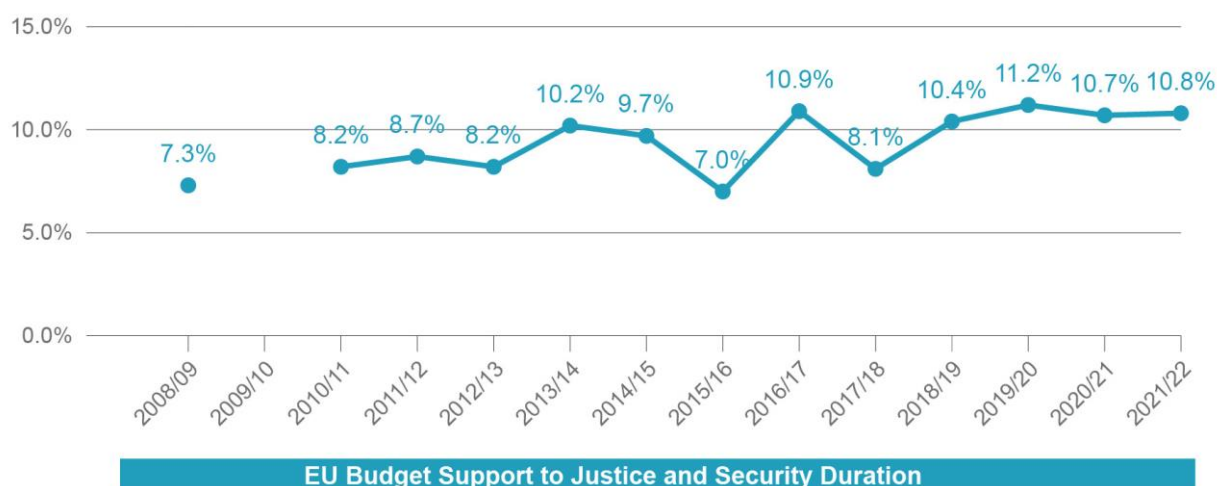
Security (which includes police, prisons and border security) increased from a range of 7-8 % of the overall budget to 10-11% in the period 2009 to 21 and justice from a range of 0.7 % of the overall budgets to between 1 to 1.2% over the last 5 years up to 2022.

**FIGURE 22: JUSTICE SECTOR’S PARTICIPATION IN THE OVERALL BUDGET (EXECUTED) AS A %**



Source: GoJ MOFPS, data compiled by evaluation team

**FIGURE 23: DEVELOPMENT OF THE SECURITY SECTOR PARTICIPATION IN THE OVERALL BUDGET (EXECUTED)AS A %**



Source: GoJ MOFPS, data compiled by evaluation team

Detailed and workable data for all units and departments was not available. The allocations of the recurrent budget to the police have increased with 2.2 times in EUR terms from 2009 to 2022. The Judiciary have had an increase in the recurrent budget of 3.5 times in EUR terms. This should be seen on the background of 1.9 times increase in the overall recurrent budget. The security sector contains large spending institutions like police, border forces and penitentiary and therefore has a much larger budget.

**The allocation under the SSRP BS constituted a relatively important part of the overall budget in the early period which is being evaluated.** More precisely, it comprised 0.5% of the overall recurrent budget while the percentage of the support under the more recent BS programme (CSP) has reduced to a relatively small part in 2022/23 with 0.07% of the overall recurrent budgets. Capital budgets cannot be compared, as great variation is observed over the period, probably due to different treatment of foreign debt amortizations and foreign debt interest payments. As percentage of the overall justice budget, the BS contribution was as high as between 6 and 14% of the sector budget. On the other hand, the first BS programme, SSRP, was in the range of 2 and 8% of the budget of the security sector and the CSP BS will only be around 0.6% of the sector budget in the years that the sector receives BS disbursements. The documentation of the first programme (e.g., TAPs and Action Document and relevant GOJ policy documents) do not contain consolidated budgetary information on the cost of the relevant sector reforms in justice and security. It is therefore not possible to judge to what extent this first BS contribution was well dimensioned related to the sector reform budgets. As for the justice BS, the cost to implement the JRIP was estimated to be at J\$ 6.9 billion. The overall cost was estimated spread over five years beginning in the Fiscal Year 2015/16 and ending in Fiscal Year 2019/20. The sector reform budget constituted a sizable 24% of the sector budget and the EU BS (disbursed) equalled approximately to 46% of the cost of the

reform. The overall cost for GoJ's Citizen Security Plan is 41 trillion J\$ and the EU's CSP BS constitutes 9% of the reform budget, which is also a sizable percentage.

### **6.1.2. Policy monitoring and implementation and service delivery**

*The planning and performance management systems in justice and security have been improved since the introduction of the first Budget Support intervention in 2009.*

**Performance management systems have seen an advancement through the support provided by the latter two BS programmes (linked to Indicator No. 4 of the justice BS and No. 1 of the CSP BS).** Before then, not only was the performance management system designed for the first BS to the security sector quite weak, but so was the monitoring system, focusing mainly on compliance with the variable tranche indicators, supported by an EU-funded TA team in the MOFPS. While the design of the performance management system for justice reform and its BS was not solid either, it was substantially improved during implementation. Finally, with TA support financed by the justice BS intervention a comprehensive new justice strategy (JRIP II) plan was developed, and a state-of-the-art performance management system proposed. Monitoring of implementation of justice reform was thus done primarily through the Canadian-supported JRIU, as the EU TA was contracted late. As for the latest citizen security BS, the CSP, an ambitious performance management system had been developed in the initial phase. It has later been simplified and streamlined by the TA contracted under the CSP BSP to be more relevant and manageable for the involved institutions.

**GoJ's monitoring of trends in time series of key performance indicators of the J&S sectors has been weak.** While there has been good follow up of BSP performance indicators and of specific actions of the sector reform programmes, wider reporting during the implementation of the programmes from the sectors has been somewhat irregular. PIOJ has improved its performance management system and there has been an improvement in reporting and transparency for the sectors, but there are still weaknesses in the statistical systems. No evidence was found of comparable time series and data on key sector strategies indicators for the sectors. Even for the court system, where Canadian support has assisted in developing a good structure of court indicators, there is no tradition of producing statistical overview tables that allow to track performance over time. This makes it challenging for GoJ and external actors to track progress.

*There is no doubt that service delivery in citizen security has improved over time, partly induced by the EU Budget Support programmes.*

**The Jamaica Constabulary Force (JCF) underwent substantial changes after the Strategic Review, aiming to enhance accountability and efficiency.** The review addressed widespread distrust rooted in perceived corruption within the force, which necessitated reforms for better police-citizen relations. Supported by the first EU BS, initiatives were launched to establish an accountability framework, refine the JCF's rules, and create a Use of Force policy. Community policing was emphasized, with workshops and manuals developed for training. Community Safety and Security

units were set up across the 19 police divisions, along with the introduction of police youth clubs, reinforcing community ties.

**The focus of the justice BS was mainly on the improvement in accountability through the accelerated work on handling all disciplinary cases in the police in a timely manner, as well as on the establishment of INDECOM to take over the serious cases (justice BS performance indicator No. 6).** Investigations into police conduct have been implemented by the JCF and by INDECOM during the review period. INDECOM has been assertive in the exposure and delivery of justice for serious offences such as extra judicial killings involving police officers and in this review period have routinely published the names of fatal shooting victims. Findings from desk reviews of the organisation's reports suggest disciplining of officers and prosecution could still be improved.

**The introduction of special units to focus on gender violence and rape, as well as improved trainings across the board, especially in Human Rights, also gradually improved the performance by the police.** Support to Civil Society through parallel, non-BS programmes assisted in increasing the awareness within the police for these issues, whilst also highlighting the need to have vulnerability in mind in police work. This work on JCF training started during the SSRP, with a performance indicator which focused on this issue precisely, and the JCF have since continued increasing their capacities and force numbers, whilst also ensuring an expansion of the police academy, through the introduction of 4 additional training units outside its main location. The police have lately also obtained ISO 9000 certification.

**Community policing has continued developing and is being further expanded and developed under the more recent BS, the CSP.** Rehabilitation of police stations and facilities has continued with increased government financing. The rehabilitation of police stations in the National Strategy for 2022 clearly indicates the efforts the government is putting into the upgrading of the police force and its premises.

**Efforts to empower youth in prioritized communities within specific parishes have been ongoing,** involving both governmental and non-governmental initiatives, sometimes in collaboration. However, there lacks a unified platform for accessing data on these activities, which could provide an accurate representation of the number of youths benefitting from these programmes. While service directories have been created, they suffer from irregular updates.

***With regards to the Justice Sector, service delivery saw an improvement in the sector during the implementation of relevant BS operations.***

**During the period of implementation of the justice BS, the Legal Aid Council saw its services being significantly expanded under the justice reform strategy,** supported by increased budgetary allocations and an increase in the fees paid to private lawyers who provide services to the Clinics. Consequently, approximately 700 lawyers were included in the LAC's register at the end of

the period. During fiscal years 2016-2018, 10,655 Court and Duty Counsel Matters, almost equally divided, were undertaken. An innovative feature of its service expansion has been the introduction of Mobile Justice Clinics, which were launched in 2017.

**Moreover, a series of capacity building actions were introduced during the period of implementation of both the first security sector BS (SSRP) and the justice BS (JSRP).** The National Restorative Justice Policy was completed in 2012. This included the establishment, equipping and staffing of the Parish Justice Centers as a point of access for such services. And the training of Justices of the Peace to actively use Restorative Justice processes. The Centers are also a vehicle through which legislative changes integrating ADR practices in both civil and criminal processes can be implemented. Fourteen justice centers were established under JRIP. Additionally, under the period of operation of the JSRP, the Justice Training Institute undertook the training of justice sector stakeholders on treating persons with disabilities, as part of the thrust to make the system more inclusive.

**Subsequent efforts, including improved pre-trial preparation and case management, have been implemented to enhance efficiency.** Various initiatives have been implemented to alleviate the burden on the courts. These include Night Courts operating outside regular hours, Criminal Justice Boards, which were established in 2010 to address case backlog, alongside the introduction of the Criminal Case Management System, which reduced the time to complete fraud cases. Additionally, four family Courts were planned (to complement the existing five), which was an initiative linked to EU's justice BS. By 2020, only two Family Courts had been actually added to the system. Other efforts, such as upgrading electronic data capture sheets and the mainstreaming of Restorative Justice since 2012, have contributed to the overall improvement of the justice system in Jamaica.

**Another signature reform activity pursued by the justice sector, which also saw progress during the period of the justice BS, was the development and implementation of the Child Diversion strategy.** Implementation of this approach was supported by BS conditionality through the provision of Child Diversion services in the Parish Justice Centers (PJC) and the expansion of Family Court services across the island. While the JRIP originally sought to establish four Child Diversion Centers, its inclusion in the PJC meant that the reach of services had to be expanded. As of 2019, there were nine Child Diversion Parish Offices and 13 Child Diversion Parish Committees.

**With regards to the improvement of the general court infrastructure, EU support played a part in the court rehabilitation process.** As of 2018 twenty-seven courthouses were refurbished and maintained. An Electronic Case Management System (eCMS) was developed and established for the courts. In support of the eCMS, an island-wide Virtual Local Area Network (VLAN) project was completed to digitally connect all courts. Moreover, with support from the EU, audio-visual recording equipment have been installed in seventy-eight courtrooms across nineteen courts. Work was also

done expanding the number of courtrooms at the Court of Appeal and the Supreme Court. This resulted in the addition of three new courtrooms, thirteen judges' chambers, an expanded registry, and adequate facilities to support the work of the court. Moreover, there continues to be a strong support for alternative dispute resolution mechanisms, which has led to a continuous expansion and consolidation of the restorative justice system and the strengthening of other dispute resolution components.

**The Ministry of Justice houses a vital victim's services section, offering support to those affected by specific criminal offenses.** From 2009 to 2019, this section provided essential services, including counselling, to a total of 127,256 clients, with a notable increase in services, peaking in 2016 at 13,758. The specific reasons (driving forces) for this surge remain unknown but may be attributed to enhanced outreach efforts emphasizing the importance of victim services. Additionally, the Bureau of Gender Affairs organizes public education initiatives on gender-based violence, and there is a government-supported witness protection programme. Non-governmental organizations like Jamaicans for Justice, Eve for Life, and Stand up for Jamaica actively advocate for these rights.

## **6.2. Justice & Security Policy Outcomes (Levels 4) and Determining Factors (Step 2)**

### **6.2.1. Access to Justice**

*GoJ reform efforts have resulted in moderate improvements of Access to Justice*

**The court system used to grapple with a persistent backlog, which has started improving.** In 2010, there was a backlog of 460,000 court cases, half of which had been in court for more than eight months. In 2019, the Parish courts saw a case clearance rate of 101.6%, a 7.3 percentage point increase from 2018, though this rate dipped to 96.1% in 2020 before rebounding to 106.5% in 2021. The percentage of homicides cleared up has been inconsistent, moving from a high of 54.4% in 2016 to 42.1% in 2021.

Due to a strong performance by the court systems, reflecting a push from the Chief Justice in the last years, clearance rates have improved, and backlogs have fallen, in the Parish Courts from 3.85% to 1.37% between 2021 and 2022, and in Family Courts from 9.22% to 6.01%. Although this seems not to be reflected still in public opinions. Table 6: below shows the mentioned trend in case clearance rate:

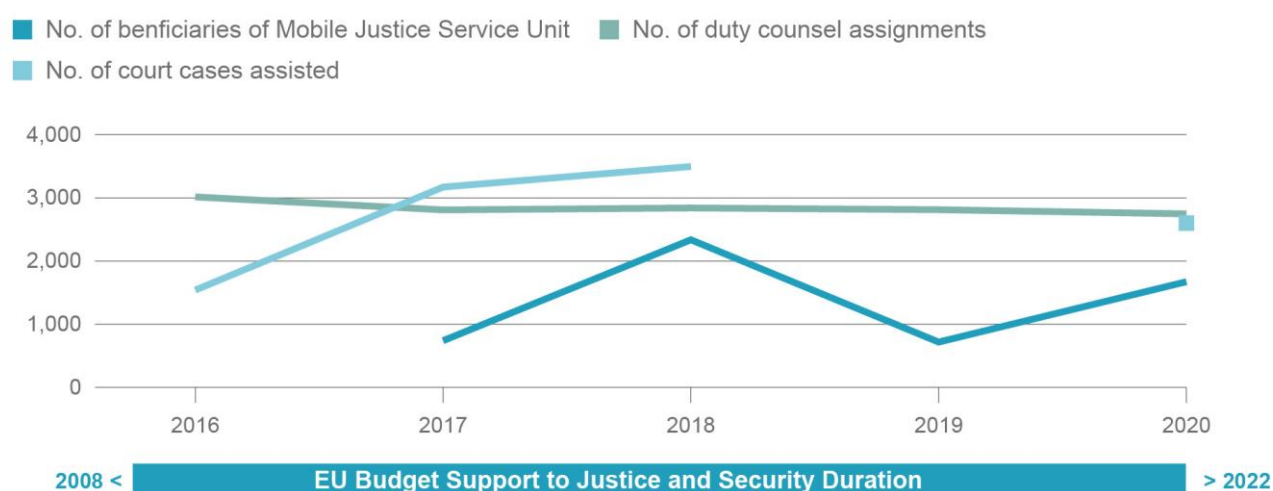
**TABLE 6: DATA FOR SELECTED INDICATORS FOR COURT EFFICIENCY DATA SERIES (2017-2016) (AS A PERCENTAGE)<sup>16</sup>**

Case Clearance Rate	2017	2018	2019	2020	2021	2022
Parish courts criminal	71.53	94.31	101.6	96.09	106.47	124.58
Parish courts civil			90.73	95.34	101.1	120.98
Family courts						101.59

Source: Chief Justice's statistical reports for criminal, civil and family courts respectively

**Evidence showed that despite an increase in legal aid assistance, there is a need for increased resources, particularly in civil matters.** Legal aid services in Jamaica encompass various forms of assistance, including counselling and complete registration, as well as a Mobile Unit which broadens the area of assistance which can be covered. Among the incarcerated population, over a third of respondents in the 2020 Survey of Individuals Deprived of Liberty indicated that their lawyer was provided through the legal aid programme. Legal aid has been extended to individuals with mental illness, with 313 persons reported in 2018 who were held on remand and deemed unfit to plead or held in adult correctional facilities. In 2020, this category saw a decrease to 57 persons. However, attorneys are overloaded with cases and legal aid clinics still rely on physical files, lacking a centralized electronic database for case tracking.

**FIGURE 24: LEGAL AID SERVICES PROVIDED BY TYPE FOR SELECT YEARS**



Source: ESSJs various years.

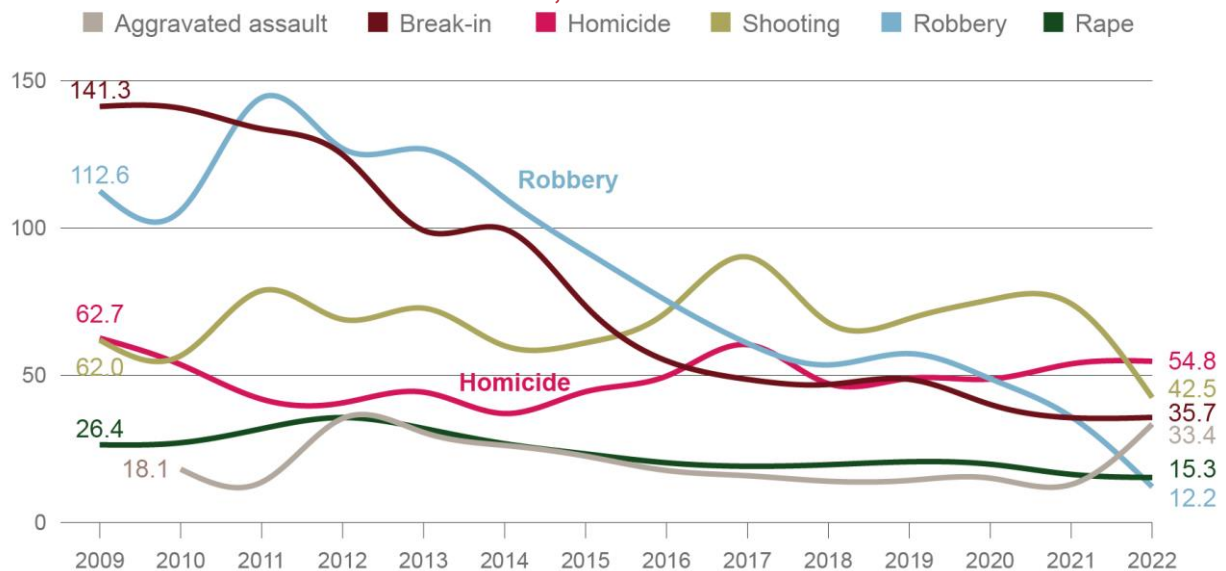
<sup>16</sup> The case clearance rate, provides a measure of the number of cases disposed (regardless of date/year of initiation) for every 100 new cases filed in a particular period.

## 6.2.2. Incidence and vulnerability to violence and crime

*Incidence and vulnerability to violence and crime has been reduced and recidivism and victimisation have improved, although serious crime rates remain very high*

Data on various reported crimes, including robberies and aggravated assaults indicate a sharp decline per 100,000 inhabitants since 2009, while homicide and shootings were also reduced, but remain high. For instance, homicides per 100,000 inhabitants dropped from 62.7 in 2009 to 53.8 in 2021, while shootings saw a decrease from 62 to 46.1 per 100,000 inhabitants over the same period. Break-ins and robberies held the highest rates per 100,000 from 2009 to 2014, but this changed in 2017 when homicide rates surpassed them. This information can be better analysed in Figure 25. The fluctuating pattern of reported homicides in Jamaica, with peaks and declines, is noteworthy. In 2020, according to UNODC, Jamaica had the second-highest homicide rate globally.

**FIGURE 25 : VIOLENT CRIME IN JAMAICA PER 100,000 INHABITANTS 2009-2021**



2008 < EU Budget Support to Justice and Security Duration

Source: JCF

Since reaching its peak in 2014 (48.4%), there has been a decline of the recidivism rate in Jamaica. The rate fell to 41% in 2021 and, although the indicator in 2021 remains higher than in the beginning of the decade, this downward trend may signal positive outcomes from of a combination of GoJ and civil society efforts. Government efforts have been aimed at directly influencing the correctional system, such as the expansion of programme offerings geared at empowering the incarcerated through education and vocational skills. There are indications of informal and formal processes in households and communities strengthened through GoJ interventions have embedded for reduced opportunities to reoffend and improved guardianship at household and community levels, although we have no clear evidence proving the significance of these relationships. In this report we mention the GOJ's efforts to prioritize communities for renewal. The prioritization of these communities allowed for the focusing of partnerships and resources by government; across law enforcement and other actors implementing social interventions. Additionally, the efforts of non-



governmental organizations working with incarcerated individuals may have also contributed to this positive trend. Yet, caution is warranted as sources point out that potential weaknesses in rehabilitation within the criminal justice system may persist. The recidivism rates presented here are not disaggregated to show recidivism by juveniles, youth and adults. Data on previously convicted (non - custodial) as a percentage of total admissions to adult correctional centres indicate that the yearly percentages are small. In 2018, it was 10.8% but climbed to 12% and 14.1% in 2019 and 2020 and dropping to 12.8% in 2021.

Data on the reasons juveniles appeared before courts has been published in ESSJS for various years but does not capture recidivism. However, one of the reasons recorded in the ESSJS refers to breaches in probation and other kind of orders. For the period.2016 to 2018, it was 0.69%, 1.0%, and 1.0% respectively of all reasons. In 2019, it declined to .84% of all reasons they appeared before the courts and would increase to 1.0% in 2020.

**The victimization rates among youths (16–24-year-olds) have shown a decline over the past decade.** While there was an uptick in 2019, the rates remain below those of 2012. It's important to interpret these reductions carefully, especially in view of the fact that new communities and police divisions experience spikes in violent crimes. However, despite efforts in the establishment of specific offices and departments to promote the social inclusion of youth, a 2018 analysis revealed structural and systemic inadequacies, with 68 out of every 100,000 Jamaican children experiencing violent victimization.

**Trends in homicides per age and gender of the aggressor remained stable.** Between 2017 and 2022, on average 85% of murder cases were committed by adults between 18 and 64 years old. While 2% of cases were attributed to adolescents between 13 and 17 years old, and 3% were committed by older adults (+65 years old). Disaggregating by sex, the vast majority (90%) of murder cases were committed by men, while women were responsible for 10% of the cases. This trend remained during 2017 to 2022.

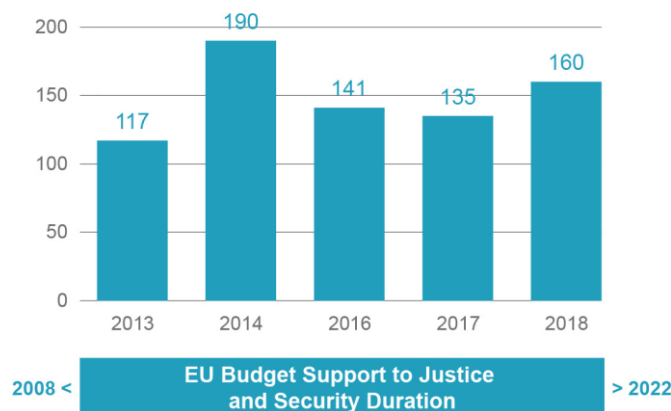
**Despite comprehensive oversight, fatal police shootings persist,** requiring attention to factors like police professionalism, expediting court proceedings, and prompt prosecution decisions. These are some of the issues emerging from consultation with experts. There is also support for tougher approaches and stances by law enforcement to drive down homicide, although data from the Latin American Public Opinion Poll (LAPOP) and victimization surveys and court decisions indicate that there is strong resistance by the public to law enforcement breaching code of conduct and constitutional rights to achieve this reduction of homicides. Other contextual matters important to the discussion on how to reduce fatal shootings include the threat perception in police citizen interaction and the elevated presence and access to illegal firearms. INDECOM's reports indicate police discipline hearings are often delayed, indicating the need for procedural improvements. While improvements in police response times and justice delivery have been observed, there is still room for enhancement.

### 6.2.3. Social inclusion of children, youth, and women

#### *Efforts for greater social inclusion of children, youth and women yielded some results*

The Citizen Security and Justice Programme (CSJP) beneficiaries in employment internships gained opportunities for permanent placements in public or private sectors. Figure 26: shows that from 2013 to 2018, at least 743 individuals secured permanent employment through the programme. CSJP was one of the largest, longest non-law enforcement intervention impacting on individual and community level risk and protective factors.

**FIGURE 26: YOUTH ON EMPLOYMENT INTERNSHIP OR RECEIVING PERMANENT EMPLOYMENT THROUGH THE CITIZEN SECURITY AND JUSTICE PROGRAMME**



Source: ESSJ various years.

In the review period, several interventions are noted for their focus on changing incarcerated juveniles to foster reintegration and reduction of recidivism and to also improve the delivery of services to them. These interventions are spread across educational, psychosocial, economic and infrastructural dimensions. In the Vision 2030 sector plan for National Security and Correctional Services 2009-2030 it was noted that in 2009 68% of youth admitted to correctional centres were unskilled and 52% were illiterate (PIOJ, 2009). During 2014, DCS also implemented suicide and self-harm plans for adult and juvenile institutions and introduced the Alternative Secondary Transitional Education Programme Curriculum (ASTEP) which was already being implemented by the Ministry of Education to assist non incarcerated juveniles who require special intensive support and did not qualify for the Grade Six Achievement Test. Other interventions focused on the rehabilitation of juveniles in the criminal justice system, included the WeTransform Youth Empowerment Programme, conceptualized in 2017, offering training and certification for inmates, mentors, volunteers, and wards through a MoU between the Ministry of National Security's Department of Correctional Services and the HEART Trust /NTA. The agency also provides literacy and numeracy training for wards. Throughout the review period, information on the participation of adults and juveniles in examinations to test the academic and vocational learning was available in various ESSJs, reinforcing the commitment to protect the rights of children although they may be in state

care or incarcerated, and also bolstering their chances to reintegrate in society. In 2016, 18 juveniles sat subjects for the Caribbean Secondary Education Certificate (CSEC) and in 2017 this increased to 19. There were also 49 and 61 adults in 2016 and 2017 respectively that also sat CSEC for various subjects. In 2018, 97 individuals took the examinations, and 452 participated in various training programmes. In 2020, 23 juveniles sat CSEC examinations.

**With regards to the work being done in the area of Child Diversion, in 2020, the Restorative Justice Programme received 234 child referrals, while in 2021, this number increased to 396,** spanning across the entire island. Among these, 248 referrals originated from the courts, and 148 from the police. Local stakeholders expressed growing sectoral support for child diversion, yet emphasized the need for technological enhancements, particularly in case management. Child diversion officers hold multifaceted roles.

#### **6.2.4. Satisfaction, trust and confidence in the Justice and Security systems**

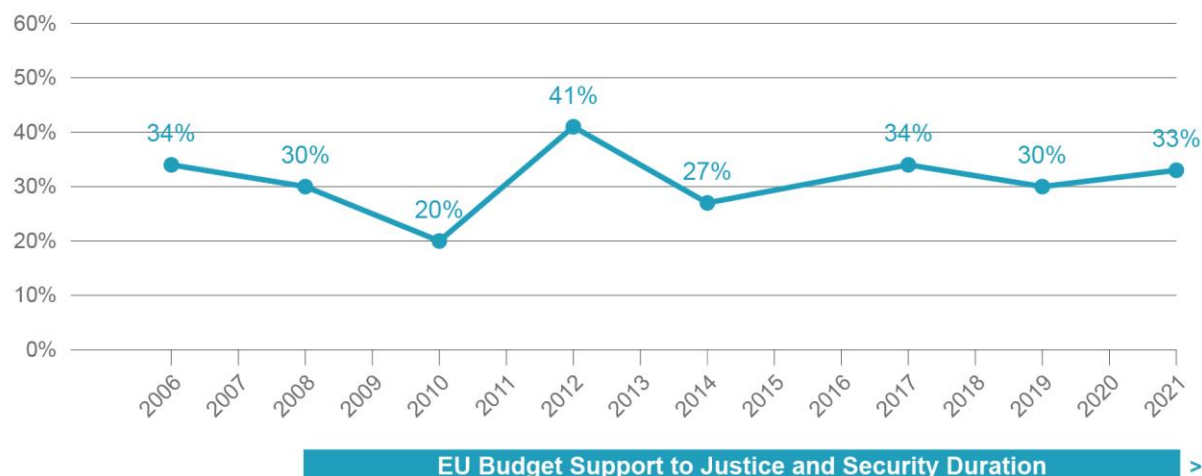
*The perception of security improved, but public trust and confidence in the police force remain low*

**The implementation of the ZOSO's has garnered positive responses from communities.** Site visits revealed improved community-police relationships as reported by police and residents. In the 2019 National Crime Victimization Survey, 68.2% of the respondents were aware of ZOSO's functions, though a comprehensive evaluation linking ZOSO to crime reduction and public satisfaction is lacking. Nevertheless, official statistics indicating a decline in crime rates align with victimization survey findings. Since 2006, over 70% of Jamaicans consistently perceive their communities as having lower crime levels than other parts of the country (performance indicator No. 5 of the CSP BS).

**Corruption within the JCF remains a pervasive concern, as highlighted by victimization surveys.** In 2019, 65.2% of respondents believed corruption was prevalent. Overall, Trust in the police is low, with 20% of Jamaicans expressing no trust at all, and many suspecting police involvement in criminal activities. In the 2006 victimization survey 49.7% of respondents felt the police were doing a poor job responding to calls quickly but in the 2016 the percentage of respondents indicating a poor job was being done, fell to 31.2%. Moreover, respondents in victimization surveys mention that they expect more from the security and justice sectors, emphasizing the importance of fairness and the Rule of Law. Fatal police shootings, particularly involving unarmed individuals and those with mental illnesses, have dampened public trust. INDECOM reports indicate a decline in fatal shootings since 2011, attributed partly to INDECOM's efforts.

**There has been no noticeable improvement in the trust in the police, despite all the efforts.** Figure 27 below shows how trust in the police has developed in the period 2006 to 2021, expressed as percentage of respondents that rate their opinion of the policy as 5 or higher, in a 1 to 7 scale.

**FIGURE 27: TRUST IN THE NATIONAL POLICE (%)**



Source: LAPOP

In 2019, 65.2% of respondents 16 years and older in the national crime victimization survey perceived that corruption was prevalent in the JCF. Overall, trust in the police is low, with 20% of Jamaicans expressing no trust at all, and many suspecting police involvement in criminal activities. In the 2006 victimization survey 49.7% of respondents felt the police were doing a poor job responding to calls quickly but in the 2016 survey the percentage of respondents indicating a poor job was being done, fell to 31.2%. Moreover, respondents in victimization surveys mention that they expect more from the security and justice sectors, emphasizing the importance of fairness and the Rule of Law. Fatal police shootings, particularly involving unarmed individuals and those with mental illnesses, have dampened public trust. INDECOM reports indicate a decline in fatal shootings since 2011, attributed partly to INDECOM's efforts.

***Citizen's opinions in the justice system improved, and trust in the judiciary is overall higher than in the police***

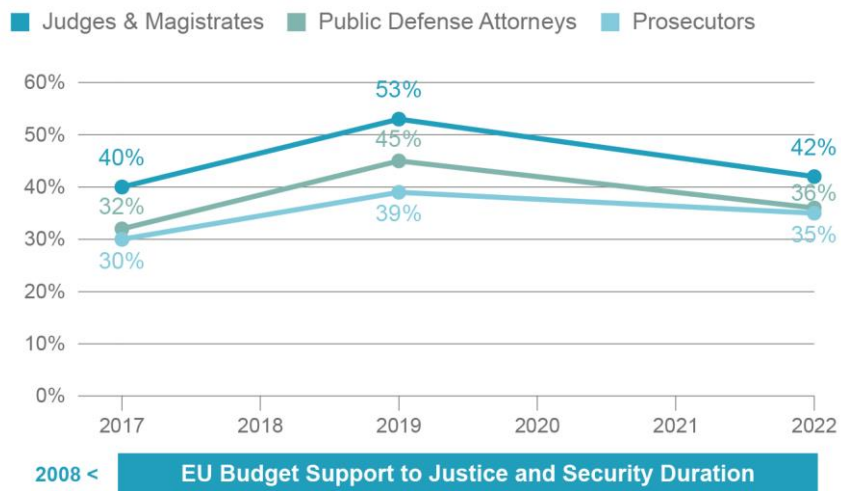
**Victimisation surveys show a substantial improvement in public opinions about the efficiency of the court system between 2006 and 2016.** There has been a constant improvement in opinions related to several dimensions of the court's performance. While 45.2% of respondents in 2006 felt courts were slow, this percentage had fallen to 31.3% in 2016.

**Citizens have not been supportive of what they perceive to be lenient sentencing, but this trend has become less critical in the latest surveys.** In 2006 45.2% of respondents felt that the criminal courts were doing a poor job handing down justice, but it was 31.3% in the 2016 survey, suggesting an improvement in the perception.

**More recent data show that trust in prosecutors and public defence attorney's action moderately improved, while for judges, results are similar.** According to a survey by World Justice Project, trust in criminal justice actors improved substantially between 2017 and 2019 but

decreased again in 2022. According to the same source, the effectiveness of the system has improved, but the perception of corruption in the justice system has increased.

**FIGURE 28: PERCENTAGE OF RESPONDENTS WHO HAVE A LOT OR SOME TRUST IN PROSECUTORS, PUBLIC DEFENCE ATTORNEYS, AND JUDGES AND MAGISTRATES (2017-2022)**



Source: World Justice Project

## 7. Forest Management: Policy Developments and Outcomes

### 7.1. Policy Milestones and Main Outputs (Level 3)

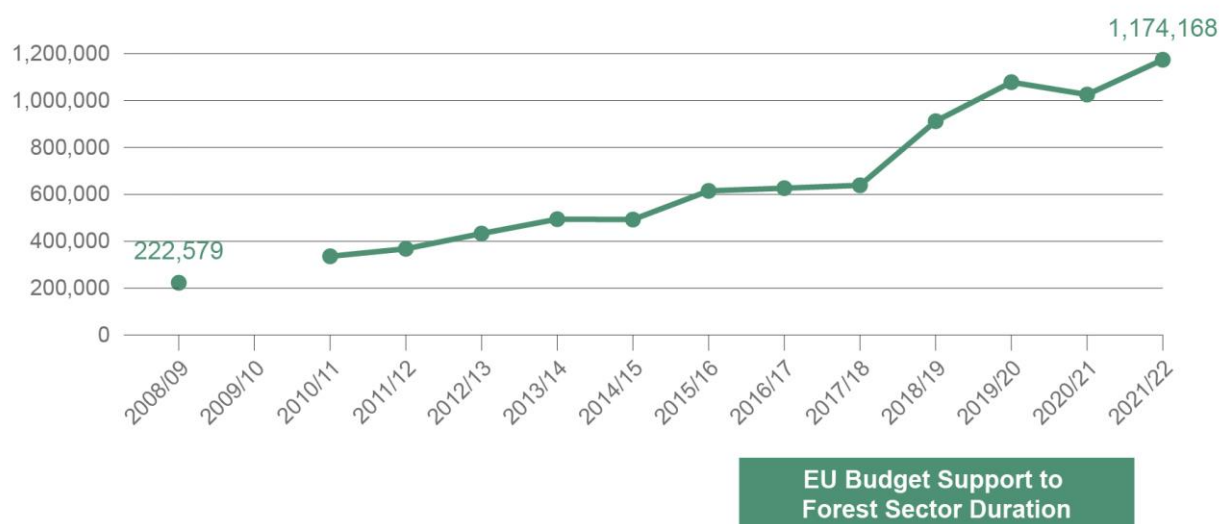
#### 7.1.1. Legal, policy and budgetary frameworks

*The EU forest management BS programme was implemented under solid legal, policy and budgetary frameworks*

The aim of the Integrated Forest Management in Jamaica (IFMJ) BS programme was to strengthen and accelerate implementation of the 2017 National Forest Policy and the National Forest Management and Conservation Plan (NFMCP 2016-2026). Both documents had been approved before the BS programme started, and so the programme was based on a solid sector policy framework. The National Mangrove and Swamp Forest Management Plan (NM&SFMP) was finalized in February 2023, although formal approval is still pending. The Forest Act of 1996 has been revised, but not yet tabled in the Cabinet (which was the final step triggering BS disbursement in 2021). In October 2023 the Ministry of Economic Growth and Job Creation (MEGJC) informed that for tabling in the Cabinet was expected soon.

**EU BS disbursements and policy dialogue have contributed indirectly to rising GoJ's budgetary allocation to the FD.** The allocations of GoJ during the implementation of IFMJ doubled the FD's budget (see Figure 29) and FD expects the level of financing to be maintained after the finalization of the BS programme. The MOFPS provided resources to the FD as NFMCP goals (some of them BS-related) were met, ensuring that GoJ budgetary resources were timely received.

**FIGURE 29: EXECUTED BUDGET (JA\$'000) FORESTRY DEPARTMENT (RECURRENT) (2016-2023)**



Source: FD

**Forest policy monitoring framework improved with BS, but CSO participation was scarce**

EU BS has been instrumental to enhance monitoring, reporting and accountability mechanisms and skills to implement the NFMCP, through well-targeted conditionality, dialogue, and some TA. GoJ Monitoring and Reporting (M&R) systems of PIOJ and MEJGC were

sound and effective, partly thanks to the reporting requirements of the EU BS intervention. The Steering Committee/Technical Advisory Committee (TAC), chaired by the PIOJ with the EU as an observer participant, monitored progress on the NFCMP targets. The national M&R system was developed before the EU-BSP had been launched, but IMFJ did encourage better M&R, as the systems had to be strengthened to provide data for subsequent EU disbursements. Disbursement Requests reporting annually on indicator accomplishment were of good quality. This contributed to a consistent annual budgetary allocation from the MOFPS and budgets were spent effectively in accordance with GoJ policy prioritization and fully in line with the BS priorities.

**Line ministries and other relevant public institutions have increased their knowledge related to the management of the forest sector.** The broad participation of public institutions in the TAC has been conducive for the development of new projects (GEF, GCF). The Climate Change Division (CCD), being also the GCF Nationally Designated Authority and administrator of the Phase 1 REDD readiness project, gained greater understanding of the FD's previous work. For example, concerning the Carbon Stock Monitoring (CSM), both constituting a base for the submission of a REDD+ phase 2 to the GCF. In addition, the National Mangrove and Swamp Forest Management Plan that was completed under the EU forest BS was instrumental in the design and support for approval of a new mangrove project that was submitted to the GEF (GEF Star).

**Environmental CSOs were not properly represented in the Steering Committee for the NFMCP during BSP implementation.** Key members of the TAC are PIOJ, CCD, Forestry Department, National Land Agency (NLA), National Environment and Planning Agency (NEPA), Ministry of Economic Growth and Job Creation (MEGJC; the Ministry responsible for the Forest Sector), Rural Agricultural Development Authority (RADA), Social Development Commission, Bureau of Gender Affairs, MOFPS and a representative of Private Planters. According to the ToR of the Steering Committee, it also should include the NGO- Caribbean Coastal Area Management (CCAM) as an official TAC member, with voting rights. A representative of private forest landowners has been participating in the Steering Committee meetings. Nevertheless, no evidence was found that CCAM had been invited during the IFMJ implementation period.

**Consultation processes have recently been strengthened within GoJ and with Civil Society and Development Partners.** The first National Forest Conference (NFC) entitled "Forestry as a Business", held from 7-9 of December 2022, with 2 thematic areas: Agroforestry and Food Security, and Non - Timber and Timber Value Chains, constituted an effective platform to interact with private sector and CSOs. Additionally, the National Mangrove and Swamp Forest Management Plan (NM&SFMP) went through a stakeholder review process with three iterative sessions, two additional review sessions and a validation session, which was held on 28<sup>th</sup> November 2022.

## 7.1.2. Policy monitoring and implementation and service delivery

### *EU BS was instrumental to increase FD's capacities and forest policy implementation*

**Budget Support was a new modality to support the implementation of the NFMCP.** Although there have been, previously, several (partly) externally funded projects to help advance FD priorities and build capacity (e.g. Hope/Yallahs project and Programme Climate Change Adaptation and Disaster Risk Reduction -CCADRR), this first BS programme has enabled FD to significantly increase accelerate the implementation of the NFMCP, and further build its capacity, especially in new areas such as CSM and mangrove and swamp forest management. The funding based on meeting the targets of FD's own indicators was effective in ensuring a solid implementation strategy.

**EU BS conditionality has contributed to enhance the management capacity of the FD to plan and implement the NFMCP,** which enabled the FD to plan and implement interventions for better control, conservation, and sustainable usage. The advance with the National Forest Database improved availability of and access to data on ownership information on forested areas (including private landowners of closed broadleaf and mangrove forests data on private planters (this was IFMJ's performance indicator No. 7). The pilot program on Carbon Stocks provided the means to initiate collection of carbon data and allowed for establishment of a baseline from which to work (indicator No. 5). The advance of the verification of the boundaries of the Cockpit Country facilitated the designation of the CCPA and increased the area of Jamaica under protection (indicator No. 6). The BS programme also enhanced the capacity of the FD to improve watershed management within targeted forest estates (indicator No. 2). In FY2021-2022, FD has met the target of 220 ha of land maintained, adhering to silviculture prescribed plans and best practices for field establishment and maintenance, according to agreed EU standards.

**The forest BS programme also supported FD's readiness to supervise and report on carbon sequestration from forest resources.** The FD, as advocated by BS performance Indicators has enhanced its capacity to calculate above-ground carbon stocks within forest estates, a methodology that will be applied to forests island wide (Indicator No 5) nudged the development of internal capacity to conduct carbon stock monitoring (CSM) in 9 forest reserves and forest estates with the most suitable and effective methodological approaches, techniques and allometric equations for the assessments.

**The FD met the targets set out in the BSP for both reforestation and maintenance activities.** Between 2018 and 2022 the FD met the targets set for both reforestation (50 hectares per year) and maintenance (220 ha in 2022) of reforested areas using a mix of native and non-native species across a wide-ranging geographic spread. The FD utilized its silviculture plans or silviculture best practices, established criteria for stocking ratios and conducted site selection assessments across its sites island-wide. The FD maintained its minimum stocking ratio of 50% native species. For maintenance activities, the FD had a wide survival rate of 10-85% (average percentage was not



available in documents reviewed), reported as being due in large part to grazing, farming and uncontrolled fires for clearing land.

**The change in FDs strategy moving away from the traditional monoculture plantations with Caribbean Pine towards a restoration approach with native species is ecologically sound and may improve local conditions within specific forest reserves and forest management areas.** In this initial phase, the dispersion of the efforts impacts the effectiveness and sustainability. Community and private forest owner involvement is still insufficient. The medium-large scale monoculture plantations of non-native Caribbean Pine have negative ecological impacts on biodiversity (vegetation and fauna) and soils. The change in strategy of the FD towards a (productive) restoration approach of planting native species is considered to be a positive shift. Nevertheless, the impact of the dispersed efforts of small-scale planting of a small set of native species within degraded sections of the forest estates or pine plantations is limited and not very sustainable. It is important to have a long-term plan in place of transitioning from a plantation towards a restoration area, including a progressive harvesting scheme of the Caribbean Pine trees. FD sources point out that the approved Forest Management Plan - FMP #4 and draft FMP#2 outline a framework for sustainable harvesting and incorporates comprehensive plantation development programmes, including replanting with a significant emphasis on replanting using higher value/native timber species for production forests and enhanced stocking of conservation areas with species with biodiversity and ecosystem benefits. Nevertheless, no evidence of this has been made available to the evaluation team. Maintenance is a labour intensive and costly activity. Although the alternative livelihoods programmes supported by the EUBSP all included aspects of tree planting/restoration, the involvement of communities or private landowners in restoration schemes in private lands has not been considered sufficiently.

**EU BS contributed to improve FD's capacity to deliver public education and awareness on forest conservation and climate change mitigation** (Indicator No. 8 of IFMJ BS). In response to the closure of schools as a result of the COVID-19 pandemic, the FD had to adapt its School Visits Programme with a blend of face-to-face and online engagement. This approach reportedly allowed the FD to diversify its audience and expand it to reach women's groups and persons with disabilities and spurred viable economic activities. The online mode of engagement may have reduced some costs related to mileage – although materials were still delivered at the schools –, while there were new unforeseen costs to adapt materials/ presentations to suit a digital platform for an online audience. Over the life of the activity, the FD reached 307 schools. Gender disaggregated data revealed a 0.45 to 0.55 male to female ratio of the 13.355 students reached.

**TABLE 7: IFMJ'S SCHOOLS VISITS PROGRAMME RESULTS**

Financial Year	Year	Schools	Total students reached	Male	Female
2019/2020	2	60	3.726	1.920	1.806
2020/2021	3	120	4.532	1.744	2.786
2021/2022	4	127	5.097	2.420	2.677
<b>Total</b>		307	13.355	6.084	7.269

Source: Annual Indicator 8 verification reports for Yr.2-4

***The quantity, quality and sustainability of goods and services produced by the FD have been improved, particularly with the EU BS-funded grant scheme for forest communities***

**The EU BS-funded grant scheme, administered by the Environmental Foundation of Jamaica (EFJ), was used to increase gender sensitive alternative forest livelihoods options** for groups, with the requirement that 15 of the total 36 projects (or 40%) should have women representatives. According to EFD this initial requirement was met, nevertheless, it is not clear whether it was maintained during the implementation of the projects, nor if it actually strengthened women leadership in the communities. Three Calls for Proposals (CfP) were conducted during 2019-2020. A total of 466 grants were awarded. The FD provided the funds to the EFJ in the amount of J\$ 240 million to be distributed to the grantees. The support covered thirteen of the fourteen parishes of Jamaica with a range of alternative livelihood options. The four thematic areas with major funding were Apiculture, Smart Agriculture and Water Catchment, Agroforestry and Rainwater Harvesting. According to the final grant report of the EFJ (2022), these areas were also most impactful in terms of employment, livelihoods, training, and participation of beneficiaries.

**Of the EFJ-managed funds, three grants were aimed at reinforcing Local Forest Management Committees (LFMC) and other forest dependent communities for improved forest utilization. The link of these projects with forest management and conservation was not always obvious.** These projects had a clear prioritization for biodiversity hotspots, related with the role of CCAM and JCDT as members of the Forest Conservation Council of the National Parks. Although over 70% of the grantees were located in forest adjacent areas demonstrating direct benefits as a consequence, the grants did not include an indicator for geographic prioritisation for deforestation hot spots, resulting in a certain degree of dispersion of the investments. Investments. Some communities such as the Morant community are dedicated to agriculture and are not an LFMC nor dependent on forest resources. Although the agroforestry activities (including apiculture) pretend to enhance resilience and to provide forestry related benefits even withing agricultural areas, these interventions are more in the realm of “integrated rural development”, but not clearly related to forest management or conservation.

**Fortunately, the potential for sustainability of goods and services produced by the Forestry Department under the IFMJ is high.** Given that the EU BS Programme is well-aligned to and implements the 2017 Forest Policy and the NFMCP 2016-2026, prospects for sustainability are good and embedded in the Plan. According to these documents, the Forestry Department shall continue managing, conserving and protecting the forest resources. Planning for management, protection, conservation, restoration, and utilisation, as well as for hazard risk reduction and adaptation to climate change will be strengthened through participatory and gender-based approaches. FD continues to follow up with the beneficiary groups in forest dependent communities and supports new initiatives through assistance to project formulation for alternative funding opportunities.

## **7.2. Forest Policy Outcomes (Levels 4) and Determining Factors (Step 2)**

**Jamaica's overall performance with regards to environmental and climate change indicators compared to other countries of the same income level is good but shows a downward trend since 2017.** To inspect how Jamaica's development indicators fare compared to other countries of the same income level, a cross-country statistical analysis of a set of 14 environmental and climate change indicators was carried out by the evaluation team (See Annex 10: Quantitative Analysis). Having a positive gap for environmental sustainability and climate change means that Jamaica's indicators have been better than its counterparts in the recent past. However, it is also true that, on average, the selected indicators have been trending downwards, implying a shrinking positive gap.

**Jamaica's Environmental Performance Index (EPI) ranking, which measures the state of the natural environment, has slightly declined relative to the other countries, from 66 in 2020 to 72 out of 180 countries in 2022.** Using 32 performance indicators across 11 issue categories, Yale University's EPI (2022) ranks 180 countries on environmental health and ecosystem vitality. The overall score of 45.60 pushes the country further away from meeting the Vision 2030 target of an EPI of over 80 by 2030.

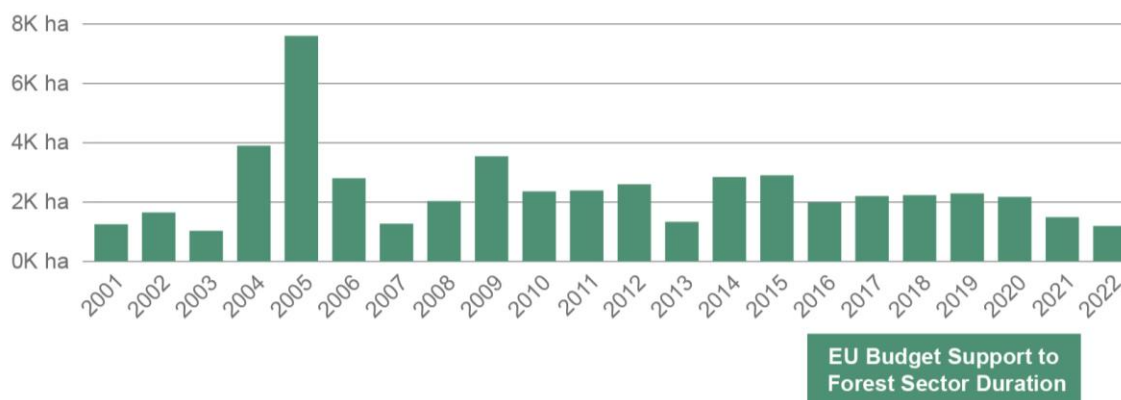
### **7.2.1. Forest degradation, deforestation and loss of biodiversity**

***During the implementation of the Forest Programme overall deforestation rates in Jamaica continued, although stabilised, and the loss of closed broadleaf forest was significantly reduced.***

**Deforestation in Jamaica is not a large-scale problem but rather a disperse phenomenon with no clearly identified deforestation fronts.** According to Global Forest Watch, in 2013, 40.2 per cent (439,938 ha) of the island (excluding cays) was classified as forest. The area under forest cover ((forest defined as vegetation with >30% tree cover) declined slightly to 39.9 per cent of the island's land use (approx. 436 600 ha) in 2020. While there was a net increase in forest cover overall (0.4 per cent per annum) in 2013, this has since declined to -0.1 per cent per annum in 2020 (Voluntary

National Review, PIOJ, 2020) and primary (closed broadleaf) forests were declining (-0.2 per cent per annum).

**FIGURE 30: TREE COVER LOSS IN JAMAICA (2001-2021)**



Source: Global Forest Watch

**In the last two decades, deforestation trends have been irregular. In the period of IMFJ, the trend was relatively stable and after 5 years (2016-2020) of a tree cover loss of around 2.200-2.290 ha, deforestation reduced significantly to 1.490 ha. in 2021.** According to Global Forest Watch, between 2001-2021 Jamaica lost 51.800 ha of forest cover ((forest defined as vegetation with >30% tree cover), reducing forest cover by 6,7% this was equivalent to 26,2 MT emission of CO<sub>2</sub>. This could not be contrasted with the degradation data of FD estates spanning 2016-2021, as these have not been made available to the evaluation team. Data of 2022 are not available to verify if this trend is maintained. According to the FD’s Forest Estate dataset, total deforestation in 2021 in 77 forest estates was 29,26 ha, with 0,38 ha average forest loss per estate over the year; without counting Blue Mountains which presented 29,5 ha of deforestation.

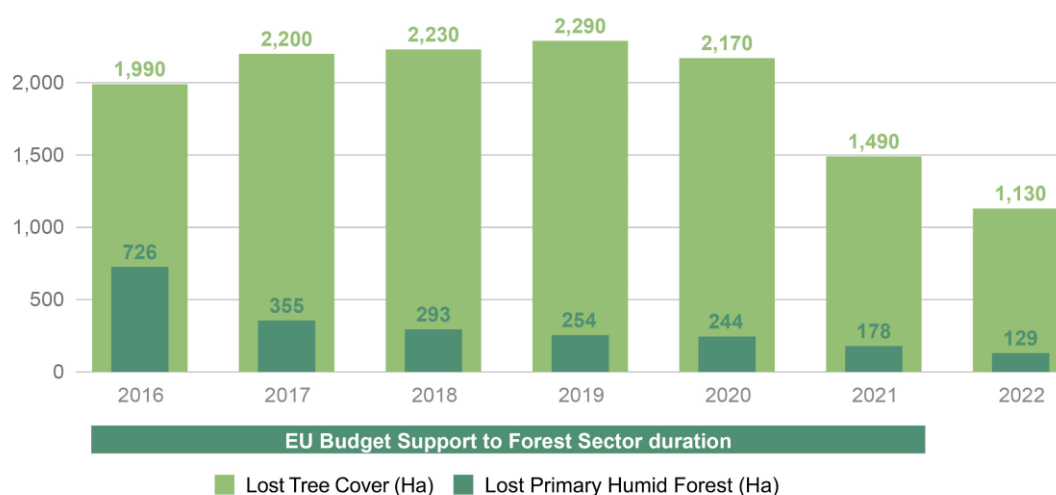
**As per determining factors of deforestation, the main reason of tree cover loss is the transformation of forest into agricultural land** (on average over 2.000 ha per year in the last decade) and foresting is another relevant factor but much smaller (on average about 100 ha per year in the last decade), as per Global Forest Watch. FD data from the Land Use and Cover Analysis (under the REDD+ Readiness Phase project) on the island-wide degradation and regrowth may provide more precise figures but have not been made accessible to the evaluation team. Commodity-driven deforestation and urbanization are also listed as possible causes, but quantitatively they have not been substantial factors in the last 15 years. Most deforestation took place in Saint Ann (6.44 kHa), Saint Thomas (6.24 kHa) and Clarendon (5.45 kHa), the last 2 with a particular agricultural focus.

**Jamaica has made progress in increasing the country's forest area through natural expansion.** There was also increase in forest cover of 6,770 ha over 2000-2020, mostly outside of plantations, which would compensate for deforestation processes and improve net deforestation. The expansion was due to both afforestation and natural expansion, with afforestation contributing

only a small fraction of the overall expansion. So, while overall (gross) deforestation rate is quite low, this is due to compensation of forest loss by forest expansion.

**A very positive trend can be observed since 2016, as the reduction of loss of the closed broad leaf forest cover, as a proxy for biodiversity loss, has decreased.** Hard indicators on biodiversity loss for Jamaica do not exist. Primary humid forests are the most biodiverse (terrestrial) biome in Jamaica: 10,100 ha of primary humid forest was lost between 2001 and 2021. While tree cover loss was increasing, the loss of primary humid forest was steadily decreasing from 2016 onward (726 ha in 2016 till 178 ha in 2021). According to FAO, the cover of closed broadleaf forests in Jamaica decreased from 87,750 hectares in 2000 to 82,960 hectares in 2020. This represents a total decrease of 4,790 hectares or 5.4% of the original cover of closed broadleaf forest. However, the cover of other forest classes, such as disturbed broadleaf, tall open dry, and secondary forest, remained relatively stable over the same period. This suggests that the historical decrease of closed broadleaf forests was not due to a general decline of forest cover in Jamaica, but rather to a specific loss of closed broadleaf forests which was successfully slowed down since 2016.

**FIGURE 31: DEFORESTATION RATE IN JAMAICA, HECTARES (2016-2021)**



Source: Global Forest Watch

Two other ecologically important biomes are the mangroves and dry limestone forests (which is threatened globally). According to the Voluntary National Review (PIOJ, 2020), most of the forests in Jamaica are classified as wet or dry limestone forest. Open dry forests have been declining at a rate of 7,2% per year annually from 2015-2020, affecting biodiversity at the species and ecosystem (biome) levels.

**Information about the evolution of mangroves is not fully consistent. According to FAO (2020), the cover of mangroves in Jamaica has remained relatively stable from 2000 to 2020, with a consistent coverage of 9,730 hectares throughout the period.** Nevertheless, according to Vision 2030 (2009), 30 per cent of mangrove forests had been lost from 1995 till 2009 due to activities such as infilling for construction of hotel and housing developments. Furthermore, the

baseline study of the mangroves completed by FD under the EU BSP, has established the extension of Mangrove and Swamp forests to be 15,854 ha, differing significantly from FAO. Being the first baseline study, it is too early to establish trends in cover of mangroves.

### **7.2.2. Social and economic benefits of forests**

*FD's training and assistance programmes brought inclusive benefits for forest communities, although with no clear link to deforestation or use of forest resources, nor guarantee of the sustainability of the benefits in the near future.*

**The FD's Upscaling of Existing Livelihood Projects to Support Forest Communities brought economic and social benefits for communities.** This activity has provided assistance to (forest) communities for the establishment of sustainable income generating projects. According to EFJ's data, of the J\$240 million spent by the FD for grant funding provided to 46 Civil Society Organizations (CSOs), total income earned by those beneficiaries at the closure of the grants scheme was J\$26 million (10.86%). The grant scheme has generated income earnings and/or cost savings from the alternative livelihood projects: earnings were generated from (i.a.) honey production, craft, agroforestry products, cash crops, wood chips, recycled products, poultry; cost savings were realised mostly through rainwater harvesting and making use of solar panels. The latter (cost savings) are expected to be maintained post-project, the income earnings probably only partially, depending on the capacity of the beneficiaries to sustain the activities.

According to the final report of EFJ, with respect to the empowerment of Community Based Organizations (CBOs), the project was able to strengthen the knowledge capacity of CBO representatives within and outside the project area through the diversity of training opportunities offered. Some organisations did not have the organizational, technical and administrative capacities to implement projects without heavy support, accompaniment and continuous monitoring. Interviews with community representatives showed training opportunities have been well received and have improved understanding of project management, but as also EFJ has stated, capacity building and organizational strengthening and sustainability continue to be areas that would benefit from additional resources and focused attention in the future.

**Gender sensitivity was a strong feature of the grant scheme.** In total 2,159 persons were trained (1,077 female and 1,082 male) and 1,190 persons were employed (360 female and 783 male). Directly, some 2,472 persons were impacted of which 1,165 were women, and indirectly more than 4,000 persons were impacted by the livelihood projects. Males tended to participate to a greater extent in the income generating components and women in training and meetings. For groups in rural areas women were significant beneficiaries, improving the social welfare of rural women, especially young mothers through training certification received as well as skills and knowledge acquired relevant for starting a business. The 46 closed alternative livelihood projects reported planting of a cumulative total of 76,812 individual seedlings and saplings, which were either lumber,

fruit tree, and/or other agricultural crop species on 120 ha in total. Apart from this small reforestation impact, rainwater conservation was implemented as a climate-smart activity (Source: EFJ).

**As much as the alternative livelihood projects were good for beneficiaries, their effect on the reduction of deforestation and biodiversity loss was limited.** Four Local Forest Management Committees (LFMCs) have been supported, strengthening the social organisation, women leadership and the sustainability of the organisations and their economic activities, but as expected and mentioned in Section 7.1.2., not all grant beneficiary communities can be considered actual forest dependent communities. Priority deforestation areas have not been included as a selection criterion for the grants and livelihood activities were not necessarily directly related to alternative sustainable forest (timber and non-timber) resource use. Livelihood projects provided mixed results, but those including the yam stick alternatives, especially within the Cockpit Country area, and the establishment of goodwill with forest adjacent communities generated positive results. However, overall, the actual effects of the livelihood projects on the reduction of deforestation and biodiversity loss are small.

**The sustainability of the investments is uncertain, considering that further support for the organizational development of communities and expansion of earnings beyond the life of the grants is not assured.** The FD continues to engage communities and support the development of project proposals for funding, including those focused on expanding on successful project activities, but the activity has not transitioned into a mainstream FD activity, rendering its sustainability uncertain. The livelihood grant scheme has been managed as a project, a one-off activity and has not been incorporated as a mainstream FD activity, nor was a plan for sustainability developed during the project. In addition, some obstacles and constraints exist that could severely impact negatively on sustainability. For instance, Morant farmer group did not receive containers for storage of the honey, inhibiting proper marketing; the Cockpit Country LFMC did not look at how the beneficiaries could increase the number of boxes to make it a profitable activity; and finally, none of the proceeds go to the LFMC for continuous strengthening.

The implementation of the NFP (2017) and the NFMCP (2016-2026) is being undertaken through a collaborative approach with key government, non-government, academia and private sector partners, through two NFMCP institutional structures namely the TAC and the M&E Working Group. The engagement of non-governmental organisations and international development partners is desirable. In fact, the Mid Term Evaluation of NMFPC (2021) recommended engagement of the LFMCs to support the required on-the-ground monitoring and verification, towards achieving the impact of “no net loss” of forest cover and this remains outstanding. More than only for monitoring, the strengthening of the LFMCs, in coordination with environmental CSOs, to improve their development and promote benefit sharing may constitute an important element for effective collaborative implementation of NFMCP.

### 7.2.3. Climate resilience and CO<sub>2</sub> and GHG emissions

*While positive trends are observed with the overall reduction of climate-related emissions, the capacity to monitor emissions from forests and forest activity is only recently being built*

**Jamaica has made good progress in reducing overall CO<sub>2</sub> and GHG emissions.** According to sources such as WB and UNFCC, overall, Jamaica has substantially reduced its CO<sub>2</sub> and GHG emissions by nearly 50% in the last 15 years. Data issued by Climate Watch (2023) show a gradual decrease of CO<sub>2</sub> emissions by land use change and better forestry management since 2015, but the reliability of these secondary sources is questionable. Trends are not significant and determining factors have not been clearly identified. Relative contribution of the forest sector is not known, but afforestation efforts and natural expansion of forest areas may be mentioned as possible factors.

**Jamaica still does not have the capacities to specifically monitor CO<sub>2</sub> emissions by land use change and better forestry management.** According to Jamaica's SDG VNR 2022, "there is need to build capacity to determine the National Forest Emission Levels (NFELs). Up-to-date aerial imagery is required to determine more recent disturbance levels within forested areas and to track annual changes in the forest cover. This information should be accessible to Ministries and Agencies and the public to facilitate informed decision-making. This will require financial resources and strengthened technical capacities." In its updated Nationally Determined Contribution (NDC 2020) to the UN Framework Convention on Climate Change, GoJ has included emissions reduction targets from the land use change and forest sector, but no independent specific targets for the Land Use, Land Use Change and Forestry (LULUCF) sector have been set.

**Some progress has been made with carbon sequestration and steps have been taken to provide positive perspectives.** According to the annual EU BS verification reports, the FD conducted CSM assessments in a total of 9 forest estates/reserves. In its third year, under the EUBSP, the FD has successfully gathered carbon stock data at the national forest inventory level establishing a baseline of 264,984 tonnes of carbon sequestered. In the updated approach for monitoring and assessing forest resources, FD will incorporate island-wide carbon stock monitoring using the methodology established under the EU BS programme. The National Mangrove and Swamp Forest Management Plan (NF&SFMP) aims at the sustainable management and conservation of mangroves contributing to climate resilience. The baseline assessment of the NF&SFMP SFMP can be used as part of a monitoring approach for mangroves as a significant means of carbon sequestration and thus a mitigation co-benefit. In addition, mangroves and swamps provide a range of ecosystem services, including acting as important cradles for reproduction of fish and for coastal protection against flooding, providing for food security and livelihoods and reducing potential costs of damage caused by hurricanes respectively. Implementation of the NM&SFMP is expected to increase mangrove resources over time, enhancing its contribution to carbon sequestration, and by extension providing a co-benefit of building climate resilience.



**Livelihood projects with forest dependent communities had spin off adaptation and mitigation co-benefits, building climate resilience through adaptation outcomes** including water conservation (855,960 gallons conserved), rainwater harvesting, agroforestry, reforestation and climate smart practices, and the use of solar systems had a mitigation benefit that contributed to 8.58kW generating capacity, according to EFJ.

#### **7.2.4. Population awareness and participation**

***Awareness on forest management and climate change was done, but impact not measured. Civil Society participation in forest management planning and monitoring is still incipient.***

**Jamaican civil society has not been given a prominent role in participatory planning, monitoring, budgeting for the forest sector.** The strengthening of transparency, participation and accountability is particularly relevant in the context of wider citizen claims for GoJ to sign the Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in L. America and the Caribbean (the Escazú Agreement), in force since April 2021.

**Although CSOs maintain a close relation with FD, amongst others, as co-managers of National Parks, they have not been able to participate actively in planning and budgeting of the forest sector.** CCAM, in spite of being a formal member of the Technical Advisory Committee and having participated before the start of the the EU forest BS programme, it has not been invited to the meetings of the TAC/Steering Committee, during the time of the IFMJ BS intervention.

**FD has invested in awareness raising, but the impact of its interventions has not been assessed.** Awareness around forest management and climate change is part of the results framework, but because of the lack of baseline data measurement of the effectiveness of the investments is not feasible.

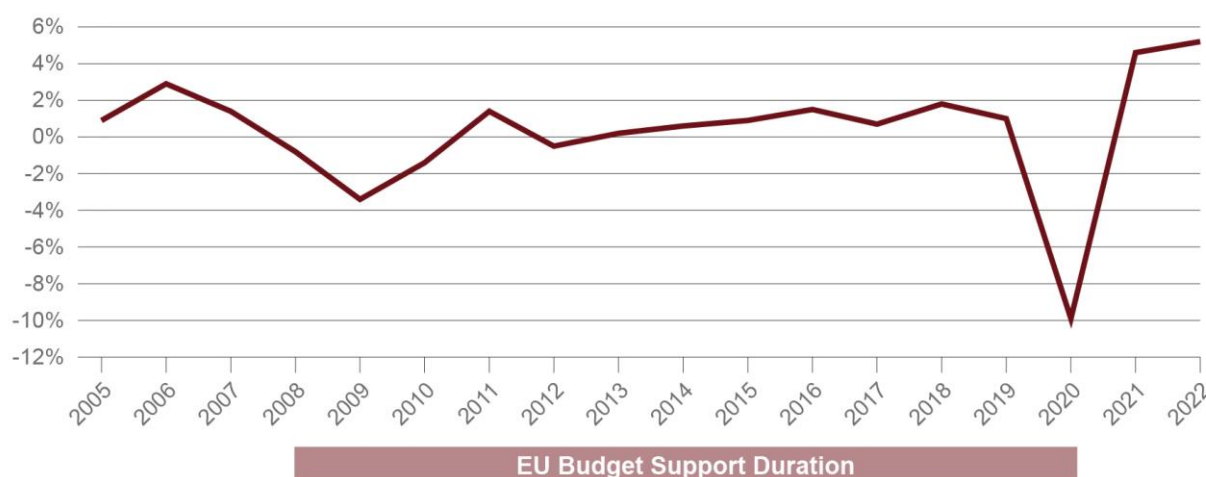
## 8. Trends in impact indicators (Level 5) and determining factors (Step 2)

### 8.1. Economic growth and sustainable economic development

*Jamaica's economy has been suffering from slow growth and low productivity.*

A structural low annual economic growth rate below 2% of real GDP has been prevalent over the period of analysis (2008-2021). The average of annual real GDP growth rates for this period was -0.6%, with annual rates never exceeding 2% in all the years under assessment. Its vulnerabilities to external shocks are highlighted by the financial crisis of 2008 and the pandemic in 2020, years when GDP growth was negative. In comparison, all Caribbean countries managed an average annual growth rate for the years between 2008 and 2020 of 0.53%, whilst emerging markets and developing economies grew by 4.42%. In per capita terms<sup>17</sup>, Jamaica's nominal GDP went down by 0.8% on average between 2008 and 2020 (-0.05%, if 2019 is taken as the end-of-period year), whereas emerging market economies performed much better with 2.8% on average (and 3.3%) growth rates, respectively. The Caribbean economies, as a group, show a disappointing result, with a GDP per capita growth rate of -0.8% between 2008 and 2020 (-0.06% if 2019 is taken as the end-of period year).

**FIGURE 32: REAL GDP GROWTH IN JAMAICA 2005-2022 (ANNUAL PERCENT CHANGE)**



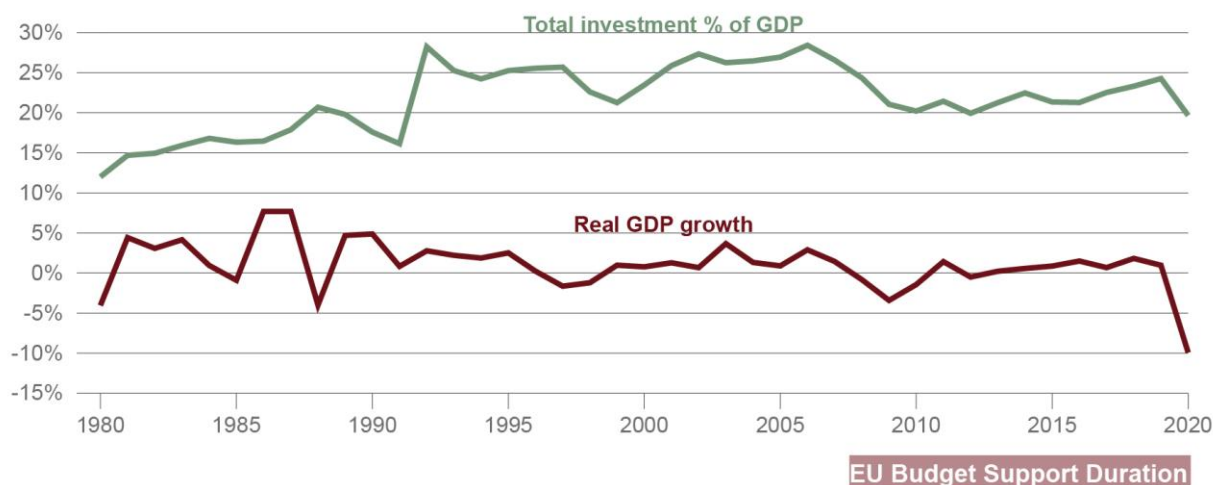
Source: IMF, WEO 2023

**Jamaica's growth has been geographically unequal during the period.** Some regions (such as Kingston and St Andrew) have consistently had higher GNI per capita than others. On average, the GNI per capita of females has been 35% lower than that of males during 2008-2021. The gender gap narrowed considerably from 2010 to 2014. However, in the following years, the disparity continued to increase.

<sup>17</sup> Purchasing power parity; international dollars per capita, IMF, WEO (2023).

**Economic growth has not only been low but also highly volatile**, which reflects the high exposure of the country to natural disasters, adverse external shocks and foreign investment sentiment swings. As can be seen in Figure 33, it is worth noticing that weak economic growth occurred despite relatively high investment rates, which on average reached 23.4% of GDP between 1980 and 2022. The combination of relatively high investment rates and low growth implies large inefficiencies in the allocation of productive capital, which has been concentrated in sectors of relatively low productivity like construction, security infrastructure, and replacement of existing capital (Thomas & Serju, 2006).

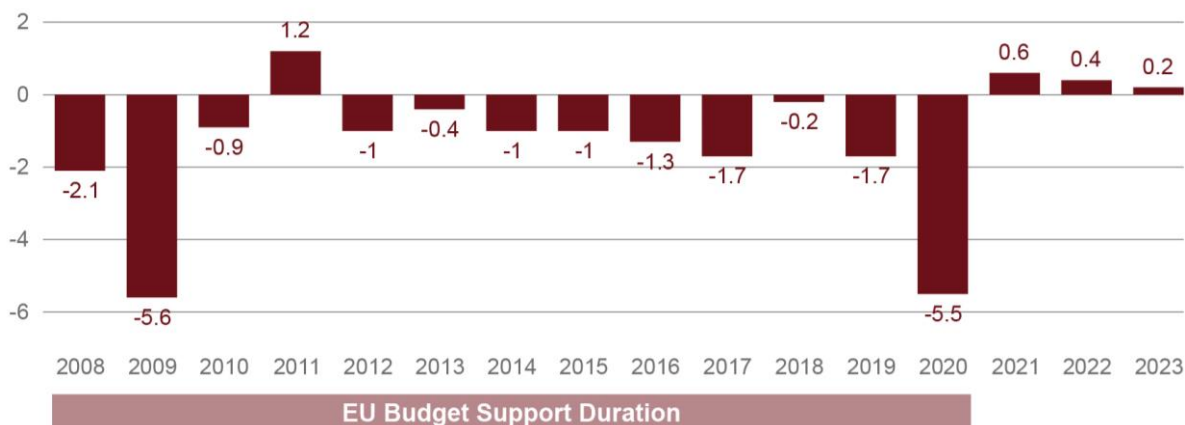
**FIGURE 33: REAL GDP GROWTH AND TOTAL INVESTMENT**



Source: World Economic Outlook (2023)

**Jamaica’s long-term productivity problems reflects the low Total Factor Productivity (TFP), which has been an element contributing negatively to the Jamaican GDP.** For the period 1990 to 2022, the contribution of TFP, as an aggregate measure of technological progress, to GDP growth has been negative at one percentage point of GDP, on average. Jamaica’s average productivity growth has ranked among the lowest in the region for the above-mentioned period.

**FIGURE 34: TOTAL FACTOR PRODUCTIVITY GROWTH (PERCENTAGE POINTS)**

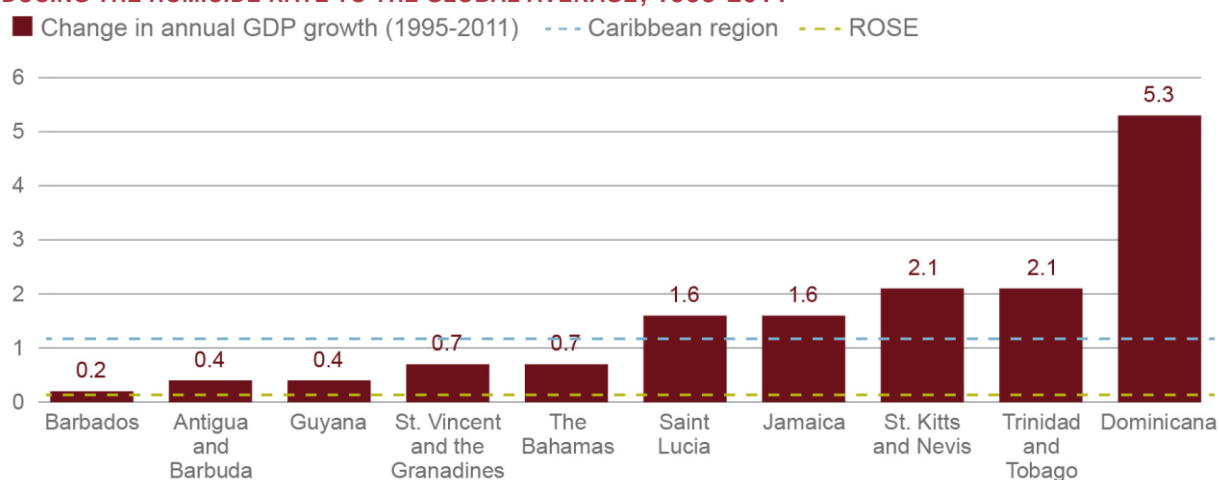


Source: The Conference Board. Total Economy Database (2023)

The IMF (2023) highlighted five factors that have hindered productivity in Jamaica: 1) increasing security costs due to high incidence of crime, 2) insufficient years of schooling, 3) poor infrastructure of logistics and energy, 4) complex business procedures and lack of access to financing for SMEs, and 5) competition from countries with easier access to North American markets.

**High crime rates are confirmed as a constraint to economic growth.** An IADB-funded study<sup>18</sup> showed that, between 1995 and 2011 Jamaica has annually lost an average of 1.6 percentage points (p.p) of GDP growth due to high crime rates, as presented below. This is somewhat outside the review period of the evaluation and there are methodological, temporal and contextual issues in referring to this, but the finding has relevance for this evaluation, as it establishes a link between both factors.

**FIGURE 35: POTENTIAL INCREASE OF ANNUAL ECONOMIC GROWTH RATE FOR CARIBBEAN COUNTRIES FROM REDUCING THE HOMICIDE RATE TO THE GLOBAL AVERAGE, 1995-2011**



Source: IADB

**More recent studies also point out to other constraints to growth.** The data on reported crimes between 2009 and 2021 show that, in general terms, violent crime rates per 100,000 have been lower than in 2009 (see section 0). In the review period, victimization survey data indicated property and violent crime victimization were on the decline (section 6.2.4). While not dismissing the value of the relationship between high crime rates and its constraints on economic growth, the aforementioned data in this period suggests that there are other factors, as well as high crime rates, that constraint economic growth. The IADB’s study period (1995-2011) and this evaluation’s review period (2009-2021) support the effects of crimes in particular for Jamaica offences involving firearms. Across both periods, different studies have pointed to effects on health care service due to violence related injuries and gun violence, loss of human resource and productivity due to deaths of youth in particular who are identified as victims and perpetrators in gun violence and the diversion of spending to security (although the sector has been reported as not having enough human and financial

<sup>18</sup> Restoring paradise in the Caribbean: combatting violence with numbers / editors, Heather Sutton, Inder Ruprah. IADB (2017).

resources to meet security needs). The contextual argument has been about a stubborn homicide rate above global average and the effects of it and the existing crime on the country's economic growth.

**The reference to other existing crimes as constraints to growth is more expansive today, including other forms such as acts of corruption** that have had durability across the two periods. In 2014, The Criminal Justice (Suppression of Criminal Organizations) Act, made membership in criminal organizations (of which gangs are identified as a kind) an offence in the law. In the review period, gang numbers reported by law enforcement show that the total number of gangs yearly being monitored by the JCF have remained above 2010 levels. It is important to consider problems such as corruption and criminal organization membership in the discussion of constraints of economic growth. Gang membership is not always and or necessarily ostentatious but still part of a behaviour that impacts economic growth. Gangs in Jamaica are involved in local and transnational activities and also require facilitation by gang and non-gang members through fear, coercion and networking, shielding them from detection by law enforcement. They perpetuate alternative systems of production, work, living and earnings and have made participation in labour by citizens who want to work difficult. Members of criminal organizations have been involved in advance fee fraud, also known as lottery scamming and within the review period, lottery scamming have threatened the operation of business process outsourcing.

***The evaluation found clear links between macroeconomic and fiscal performance in Jamaica and economic growth and poverty levels***

**Quantitative analysis reflects that there is a close relation between fiscal performance and macroeconomic indicators in Jamaica.** As detailed in Annex 10 (Quantitative Analysis), the financial burden of public debt has had a negative effect on welfare via GDP per capita. Our analysis found that an increase of interest payments by one standard deviation – which is a development associated with financial stress because of public debt – decreases real GDP per capita during the first two years by a magnitude close to 1.0% per year. We also found a statistically significant relationship between the overall fiscal balance shocks and GDP per capita growth. However, the identified fiscal/GDP relationship is relatively weaker and smaller in magnitude than the interest payments/GDP one. Additionally, a typical reduction of general government expenditure decreases real GDP in the short-term (second year), but it dissipates in the next years. This result is consistent with other findings<sup>19</sup>. Blake (2012) showed a weak and not persistent effect of expansionary fiscal policy on Jamaica's GDP. Since Jamaica is a small open economy with high levels of central government debt, an increase in fiscal spending has a minor effect on economic activities in the long run.

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<sup>19</sup> Blake, T. *Measuring the Impact of the Jamaican Government on the Economy via Fiscal Multipliers*. Bank of Jamaica (2012)

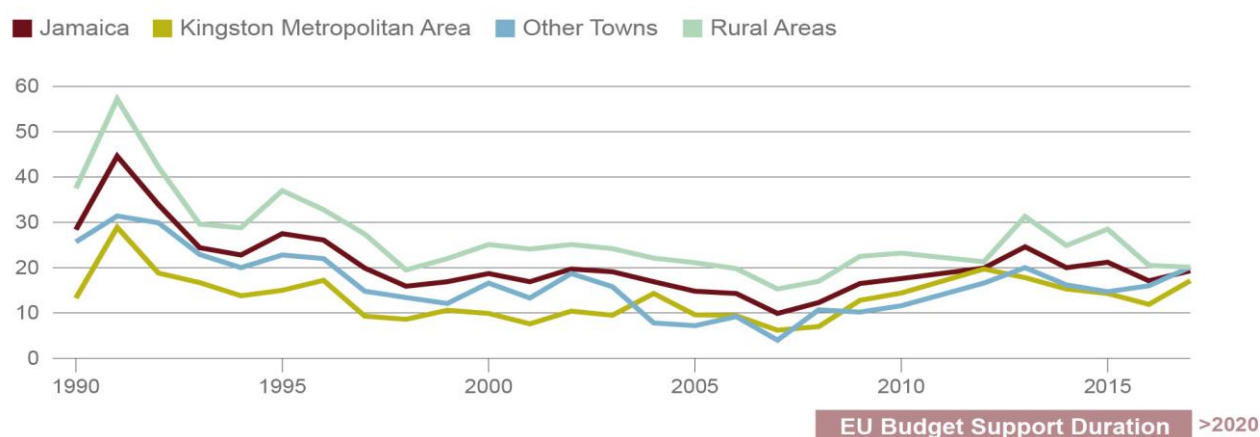
Finally, and most importantly for the purpose of this evaluation, our analysis found a positive relationship between the overall fiscal balance and poverty. In this sense, an improvement of the fiscal balance (decreasing fiscal gap), either through higher taxes or reduced spending, could be associated with an increase in poverty since there will be fewer resources for transfers and other social assistance policies. We also found a positive association between higher interest payment expenditure and the expansion of poverty rates. However, the effects were small in magnitude. In the next section we study the trends in monetary and non-monetary poverty.

## 8.2. Reduction of poverty and inequalities

Jamaica made significant progress in reducing poverty over the years, especially in the 2013-2019 period, but the pandemic has brought poverty back to almost 2013 levels. Poverty had more than doubled from 9.9% in 2007 to 24.6 percent of the entire population in 2013 and declined to 17.1% in 2016. According to the World Bank estimates, the poverty rate increased from 19% in 2018 and 2019 to about 23% in 2020.

Our analysis shows that poverty reduction in the rural areas has been particularly successful, at least until 2020, when Covid-19 caused a decrease in investment and GDP, thus an increase in poverty. The rural poverty rate has consistently decreased from 19.8% in 2006 to 11.1% in 2019<sup>20</sup>, with some fluctuations along the way. The poverty rates in other towns and the Kingston Metropolitan Area have also decreased over the years, but not as significantly as in rural areas. The poverty rate in other towns went down from 9.2% in 2006, to 3% in 2019, while in Kingston Metropolitan Area decreased from 10.3% in 2006 to 7.7% in 2019.

**FIGURE 36:** Incidence of Poverty in Kingston, other urban areas, and rural areas



Source: Statistical Institute of Jamaica, Own estimations during 2018-2021

**Multi-dimensional poverty shows flatter trends, and a more geographically unequal picture.** Trends of the HDI show some small improvements, but today they are similar to the 2008 figures, with slightly higher differences between parishes. The trend of the HDI in Jamaica slowly improved

<sup>20</sup> Own estimations

overall between 2008 and 2019, raising from 0.7 to 0.719, then declined, very possibly due to the COVID-19 pandemic. Kingston improved quicker in the earlier years of the series, and resisted the decline better, so the difference of its HDI with the national average is now larger (0.26 in 2008 and 0.36 in 2021). St. Ann and Manchester have remained close to the national average; the rest is well below. This suggests that although all parishes saw some improvement up to 2019, the capital city is unsurprisingly developing at a faster rate. In relation to other countries, Jamaica has remained in the middle pack of 191 countries analysed throughout the whole period, improving from position 110 in 2008 to position 101 in 2021 out of 191 countries, the best of the period.

**Inequality trends have been positive, but irregular.** The Gini coefficient<sup>21</sup> shows a slight improvement in the mid-2000s, followed by a relatively stable period until another strong improvement in 2016. One possible factor that could have contributed to the decrease of the Gini coefficient is the implementation of Jamaica's economic reform programme in 2013. Another possible factor is the implementation of programmes aimed at reducing poverty and inequality, such as the Social Protection Programme and the Jamaica Emergency Employment Programme.

**According to CEPAL, access to education has improved, although data suggest wide disparities within the population.** Improvements are bigger in Kingston, thus the geographical gap has widened. Access of women has also improved more than access of men. Women are still ahead of men, especially as regards effective years of education received. There has been a positive trend in the expected years of schooling between 2008 and 2019, both nationally and per parish, and the tendency has flattened since at an average of 13.41 years of schooling in 2021. Between 2014 and 2018, Jamaica saw an increase in net enrolment rates in education, particularly at higher levels for females. While males had higher rates at the primary level, females outpaced at higher educational tiers. Programmes such as the Citizen Security and Justice Programme have proved to have a positive academic influence as data shows. Between 2010 and 2017, over 7,654 students at secondary and tertiary levels received tuition support.

**Finally, progress with SDG achievements is still slow with regards to goals most concerned by the scope of this evaluation.** In the most recent SDG Dashboard for 2022, Jamaica was ranked 83 out of 163, which is a better position for Jamaica, compared to its 2019 position in the ranking. Figure 37: presents the progress made as regards all the SDG's which concern the various programmes, as mentioned in the cluster ILs presented in the Annexes 6, 7 and 9 to this report.

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<sup>21</sup> Gini coefficient that equals 0, indicates perfect equality (where everyone receives an equal share), and equals 1, indicating perfect inequality (where only one recipient or group of recipients receives all income).

**FIGURE 37: PROGRESS WITH MOST RELEVANT SDGs IN BS INTERVENTION LOGICS**



Source: UN



## 9. Other Important Criteria for the Evaluation

### 9.1. Cross-Cutting Issues: Human Rights, Gender and Climate Change

*Over the assessment duration, there has been a gradual rise in the consideration of cross-cutting issues in the formulation of Budget Support programmes.*

Gender, human rights and youth issues were mentioned in Action Fiches and other programme documents. Environment and climate change, however, were not given particular consideration during the design of the operations, except for the first BS (IFMJ). Overall, evidence does not allow to establish that the relevance of cross-cutting issues increased during the implementation phase of programmes.

**The BS interventions funded through the 11<sup>th</sup> EDF demonstrate a more comprehensive approach to addressing cross-cutting issues compared to those funded under the 10<sup>th</sup> EDF.**

The rights-based approach gained significance in the 11<sup>th</sup> EDF, in line with the (then) new European Consensus on Development. The latest version of the Budget Support Guidelines (September 2017) reflected this strategic shift in EU development policy, emphasizing stronger conditionality on human rights, democracy, the rule of law, civil society's role, and aspects of good governance. Similarly, an examination of GoJ policy documents reveals an augmented emphasis on cross-cutting issues by the GoJ within the same timeframe.

*Gender, youth and human rights were considered in the design of the intervention logic and performance indicators for the justice, security and forest management operations, but were mostly lacking in the debt and PFM programmes.*

**Across the reviewed programmes and clusters, there was a consistent focus on gender equality and empowerment.** This emphasis extended to various sectors, where gender inclusivity and women's empowerment are prominent objectives. Efforts were made to engage and empower women, particularly in rural contexts, through training and employment opportunities. Additionally, there was a concerted push for gender-sensitive decision-making processes and increased representation of women in leadership roles, aligning with broader national strategies. While BS programmes initially may not have placed strong emphasis on gender issues in their designs, subsequent programmes have shown a stronger commitment to addressing gender-related objectives, with indicators and initiatives dedicated to gender equality, family, and youth. For instance, the justice BS had 2 relevant indicators and the recent CSP BS has 4 of 7 indicators related to gender, family and youth, additionally, in the case of the IFMJ grant scheme, criteria for grants (Indicator 4) included a "gender sensitivity" requirement and especially for rural areas women were to be significant beneficiaries. Moreover, the Call for Proposals (March 9-April 2020) "Eligibility Criteria for Accessing Grants #2: indicates that "special conditions will be given to women's groups youth groups and groups with persons with differentiated abilities". In the context of the debt

reduction and PFM Reform interventions, explicit integration of gender considerations in programme designs was less apparent, although broader national strategies acknowledge the importance of addressing gender-related concerns. In the case of the forest BS, the performance Indicators were largely gender disaggregated and national strategies regarding gender and human rights were taken into consideration.

**A strong alignment with human rights can be observed in most of the programmes, but the analysis displayed variation among different sectors.** The Forestry Sector programme ensured an alignment with the Jamaican constitution stance towards Human Rights and involved civil society in monitoring sector budgetary processes. Similarly, the first security BS (SSRP), incorporated rights-based approaches through the provision of training to the police force and the establishment of specialized units for issues like sexual violence. Subsequent programmes within this cluster, such as the justice BS and the CSP BS, have maintained the focus, with the CSP specifically aiming to guarantee human rights, through its support to the Jamaican police. More specifically, relevant induced outputs and outcomes of the BS programmes include the respect and guarantee of human rights. It is only in the case of in the Economy Cluster programmes that human rights considerations are notably less prominent in their design, with the primary focus seeming to revolve around macroeconomic conditions and economic growth, with limited explicit references to human rights.

**Across the board, there is recognition of the importance of youth in BS programmes, but the degree of focus varies.** Some areas, like the Forestry Sector, place a strong emphasis on youth as a vital cross-cutting issue, aiming to provide employment opportunities for rural youth and actively involving them in related initiatives to promote economic empowerment and social development. In the Justice and Security Cluster, there are evident efforts to address youth-related challenges, particularly in programmes like the CSP, which includes indicators related to youth issues and seeks to reduce youth-related crime and violence. However, within the Economy Cluster, specific approaches to address youth-related concerns are less pronounced.

***Aside from the forestry management programme, no mention was made of Climate Change and Environment in any of the BS interventions.***

Overall, issues concerning environment and climate change were absent in the design of BS operations, except for forest IFMJ. Neither the economy cluster nor the justice and security BS programmes took into consideration environment and climate change issues. No mention was made of these issues in the design of the BS operations concerned.

## 9.2. The Added Value of Member States Development Cooperation

*The added value of EU assistance is based on the particular values that the EU brings to the cooperation with Jamaica. Member States bilateral cooperation was very scarce in 2008-2021.*

**The EU's influence is expanded through the principles that underline its development cooperation.** Aid Effectiveness principles of ownership, focus on results, inclusive partnerships, and transparency and mutual accountability are of particular importance, as Budget Support is recognised by the EU as a particularly appropriate tool to promote them. These theoretical strength of BS is confirmed in the specific case of Jamaica, as interventions were designed and implemented taking these principles into consideration, as has been described in Chapters 3 and 4 of this report. Additionally, the EU BS Guidelines also recognise the importance of incorporating human rights and cross-cutting issues in the use of this modality, which has been analysed in the previous section.

**No particular evidence was found to suggest that Budget Support was appropriate to promote subsidiarity, as bilateral cooperation from EU Member States in Jamaica was very limited in the period of analysis,** as one can observe from the details in Annex 5 and in the Stakeholder map. The UK was part of the EU during most of the evaluated period and continues to be one of the biggest IDPs present in Jamaica. UK and the EU complemented each other well in their work done in the field of Justice and Security. However, as UK is no longer an EU MS this means that by 2021 the EUD was the only EU development agency in the country. Therefore, EU-added value understood as the possible benefits obtained from the application of the subsidiarity principle (where EU action can be more effective than the sum of bilateral actions from EU MS) is not particularly relevant in Jamaica. It must be noted that since 2022 the French Development Agency (AFD) has launched operations in Jamaica, notably by providing support to the Bank of Jamaica to assess climate-related risks in the Jamaican Financial System. It must also be mentioned that since late 2023, Spain, Portugal, Italy, France and the Netherlands are involved in implementing EL PAcCTO 2.0. This is the flagship program under the LAC Regional Team Europe Initiative for Justice and Security, and has incorporated the Caribbean countries as beneficiaries, including Jamaica.

## 10. Overall Assessment

### 10.1. Summary of Step 1 findings

The analysis undertaken in the previous sections confirms the positive contribution of EU Budget Support operations to the enhancement of Jamaican policy formulation and the strengthening of its legal and institutional frameworks, as well as the improvement of the capacities of GoJ and civil society in the targeted sectors. More particularly:

- **EU Budget Support disbursements were important to generate fiscal space, improve allocation of resources to prioritised sectors and, together with other donors, provide a coordinated and effective response to the economic reform strategy and policy priorities defined by the GoJ.** EU BS financial contributions during the period of analysis, in conjunction with other IDP funds, allowed GoJ to finance levels of primary expenditure which otherwise would have been unattainable (see section 4.1.1). This was particularly important during the first years of the evaluation period, namely fiscal years 2009/10 and 2010/11, when EU BS financial support was highest. Also, EU BS operations coincided with improvements in the share of GoJ budget resources allocated to the prioritised sectors, allowing these sectors to fund an important proportion of its budget for capital expenditure during the period, an outcome that was greatly assisted by the high predictability of BS disbursements. The Forestry Department was clearly prioritised by GoJ once the forest management BS began, doubling its budget (section 7.1.1). For J&S institutions the effect of the inputs of different BS programmes was milder, although it must be considered that the size of J&S budgets is substantially larger than the Forestry budget (section 6.1.1).
- **The effectiveness of the EU BS was enhanced by policy dialogue and donor coordination.** As well as fiscal space created by disbursements, BS facilitated a strong policy dialogue structure with the GoJ, which reinforced GoJ's ownership of the reform effort. A reasonably well-coordinated, if rather informal, set of arrangements existed with other IDPs to adequately and efficiently support GoJ's wide ranging reform strategy (section 4.2).
- **The debt reduction BS (DRGEP) was instrumental in enabling GoJ to unleash a very ambitious economic reform programme aimed at debt reduction and fiscal consolidation.** Together with the IMF's, the WB's and IADB's financial and technical assistance packages, EU BS conditionalities provided strong incentives to GoJ to undertake important legal and institutional reforms directed at improving fiscal balances and Jamaica's debt position. Important initiatives supported by the EU BS towards achieving these objectives were the introduction of the Fiscal Responsibility Framework; the strengthening of the Debt Management and Treasury systems, as well as the reorganization of the institutional capacities to adequately manage these new/improved systems; the upgrading of legislation to support more effective procurement, and

the processes of privatization and rationalization of public bodies; as well as the establishment of more solid linkages between policy priorities and budget resources. Reform initiatives to support the wider objective of economic growth were also undertaken with EU support, but these have been of secondary importance to the overriding GoJ objective of debt reduction (section 5.1.1).

- **The PFM BS programme was important to continue supporting the implementation of reform initiatives undertaken under the DRGEP and to provide incentives to develop and implement a PFM reform action plan.** Strengthening of PFM has been undertaken in a systematic way from 2014 onwards and since 2017 under a specific PFM reform action plan prepared with the support of EU BS (sections 5.1.2 to 5.1.4). This PFM-RAP has been concentrated on supporting and enhancing the implementation of the main economic programme reforms, such as fiscal responsibility, treasure and debt management and procurement, but also on other areas required to close the gap with international best practices and, thus, improve the overall performance of the system. These reforms include actions to improve revenue collection and management of tax arrears; to extend the budget programming horizon to the medium term; enhance the management of public investment, public assets and the payroll; and consolidate gains made to transparency and accountability. Jamaica's PFM performance is already reasonably well aligned with international good practices, and has been improving gradually over the period under scrutiny. The success of the PFM reform undertaken is being formally tested in a PEFA assessment at the time of writing this report. Indicators related to fiscal discipline and strategic allocation of resources are expected to show further improvements, whilst indicators measuring the efficient provision of services may require further attention in future reform efforts.
- **EU BS promoted, through conditionality and dialogue, the improvement of legal frameworks in all the targeted sectors.** Some examples of this are the Financial Administration Audit Act and the new Public Private Partnership Framework (section 5.1), the revision of the 1996 Forest Act (section 7.1.1), the revised administrative and legal framework of the Jamaica Constabulary Force, the amendments to the Judicature Act and the new frameworks for justice reform and anti-corruption (section 6.1.1).
- **The conditional nature of BS also fostered an overall improvement in GoJ monitoring and reporting systems** (sections 6.1.2 and 7.1.2). Nevertheless, this upgrade was mostly focused on EU BS performance frameworks, while the overall data and monitoring capacity in GoJ entities is still weak, evidence-based policies are incipient and detailed GoJ information is difficult to access (see section 2.2).
- **EU programmes supported the modernisation of the Jamaican police, increasing its accountability, performance and, especially, contributing to a change in its culture.** This evolution was very much promoted by EU BSPs, for instance through conditionality around police disciplinary cases and INDECOM (section 6.1.2).

- **EU conditionality and dialogue stimulated that several services were established or expanded in the Justice & Security areas.** The special units on gender violence and rape were introduced, and community policing was expanded. The latter is a central focus of the latest security sector BS, which shifts towards preventive approaches on violence and crime, and community-based actions. In the Justice sector, EU supported the improved delivery of services in Legal Aid, Child Diversion and Restorative Justice. The actual coverage and performance of all these services is still work in progress. The EU BS programmes also played a role in the rehabilitation of court and police station infrastructure (section 6.1.2).
- **As regards the forest BS, IFMJ's conditionality has strengthened the Forest Department's overall capacity and its ability to strategize and execute its sector plan,** empowering them to plan and execute measures for improved control, conservation and sustainable use of forests. EU BS also played a role in enhancing FD's capacity to provide public education and awareness regarding forest conservation and climate change mitigation. Finally, EU helped FD to develop a baseline on carbon stocks from forest resources (section 7.1).

## 10.2. Summary of Step 2 findings

Although the limited amount and detail of data available constrained the depth of the analysis of the level of achievement of the targets for outcome and impact indicators of GoJ policies, and of the causes behind them, the following issues can be highlighted:

- **GoJ reforms remarkably reduced debt and consolidated fiscal performance and a certain efficiency of expenditure in Jamaica.** The reduction of the debt stock was possible through maintained primary surpluses and improved fiscal discipline, both key objectives of reform. Lower debt (and the reduced burden of interest payments), a prudential increase of wages and a slightly improved strategic allocation of resources were used by GoJ to gradually raise the expenditure devoted to actual provision of goods and services (section 5.2).
- **Slow economic growth has been a hindrance for policy achievements, caused by persistent high debt, insufficient public expenditure, low productivity, high homicide rates, poor education and infrastructure, less than favourable business environment and weak competitiveness.** Low productivity has remained a particularly key factor for low levels of growth. Business confidence and environment improved, but procedures are still a barrier for private sector activity. Actual business activity is still modest and Jamaican companies are not competitive, compared to other economies in the region. Total investment rates have not substantially improved. Employment rates in the formal sector raised, but informality remains over 50% and the gender gap both in income and employment has not been closed (section 8.1).
- **Overall, poverty and inequality have been reduced significantly, even in a difficult environment,** although there are still many challenges. Many targets for Vision 2030 and SDG goals are unlikely to be reached on time. Analysis confirmed that once debt levels were under

control, it attracted investment and expenditure growth, which promoted (modest) GDP growth and poverty reduction.

- **GoJ's prioritised spending on citizen security has yielded some incipient, yet feeble, results.** Vigilance and repression activities such as the Zones of Special Operations (ZOSOS) were well received by the population, who declare that they feel safer than before in their communities. Social and preventive GoJ programmes like the Citizen Security and Justice Programme improved the skills and employment opportunities of a relatively reduced number of Jamaicans. The Child Diversion system has started preventing minors from entering into prison since 2020, and the more recently installed Restorative Justice services have been helping to address violence within communities. Trends indicate a substantial reduction in reported break-ins, robbery and rape rates in the evaluated period. Recidivism and victimisation levels also declined. Nevertheless, serious offences such as homicides remain high, which constitute an important constraint to growth and a source of concern for the population, who continue to have a lack of confidence in the police, despite the extensive reform efforts undertaken by the JCF (section 6.2).
- **The judicial system struggled with a persistent backlog of cases for over a decade, a reduction is observed, particularly since 2021.** Some factors still prevail, such as inefficient court management and limited resources. Attorneys are overloaded with cases, and there's a lack of centralized electronic case tracking. Some improvement in the clearance rate was observed since 2019 and the trends are improving thanks to initiatives such as the night courts, but the backlog is still large. Legal aid assistance increased, benefitting the most vulnerable individuals, including those with mental illness, but more resources are needed. While the citizens' perception of the justice system has seen some improvement, it still remains low.
- **By international standards, Jamaica's environment is relatively well-off, and deforestation was not a particularly severe problem.** Trends in net deforestation were irregular between 2000 and 2015 and stabilised since 2016. The main driver of deforestation is agricultural expansion, which is partially compensated by natural growth of forests and, at a smaller scale, by GoJ's and population reforestation efforts. The loss of primary forest was significantly reduced. Data series on overall CO<sub>2</sub> and GHG emissions are incomplete, and baselines for forest-related emissions have only recently been established, so it is not yet possible to draw any assessment of these issues (section 7.2).
- **It was confirmed that the promotion of economic activities generated additional revenue in specific forest communities,** although aggregate information on the income of forest population is not available as it was not compiled by GoJ or the programme.

### 10.3. Step 3: Overall synthesis and contribution analysis

Our analysis has been able to evidence that EU BS has contributed with varied degrees of intensity to the success of GoJ policies in the 2009-2021 period. Figure 38 below provides a graphic representation of how EU BS resources and their immediate effects have contributed to the observed trends in the achievement of GoJ policy outcomes and impacts. This contribution is presented in Figure 38 as either strong, moderate or weak. The following aspects can be highlighted:

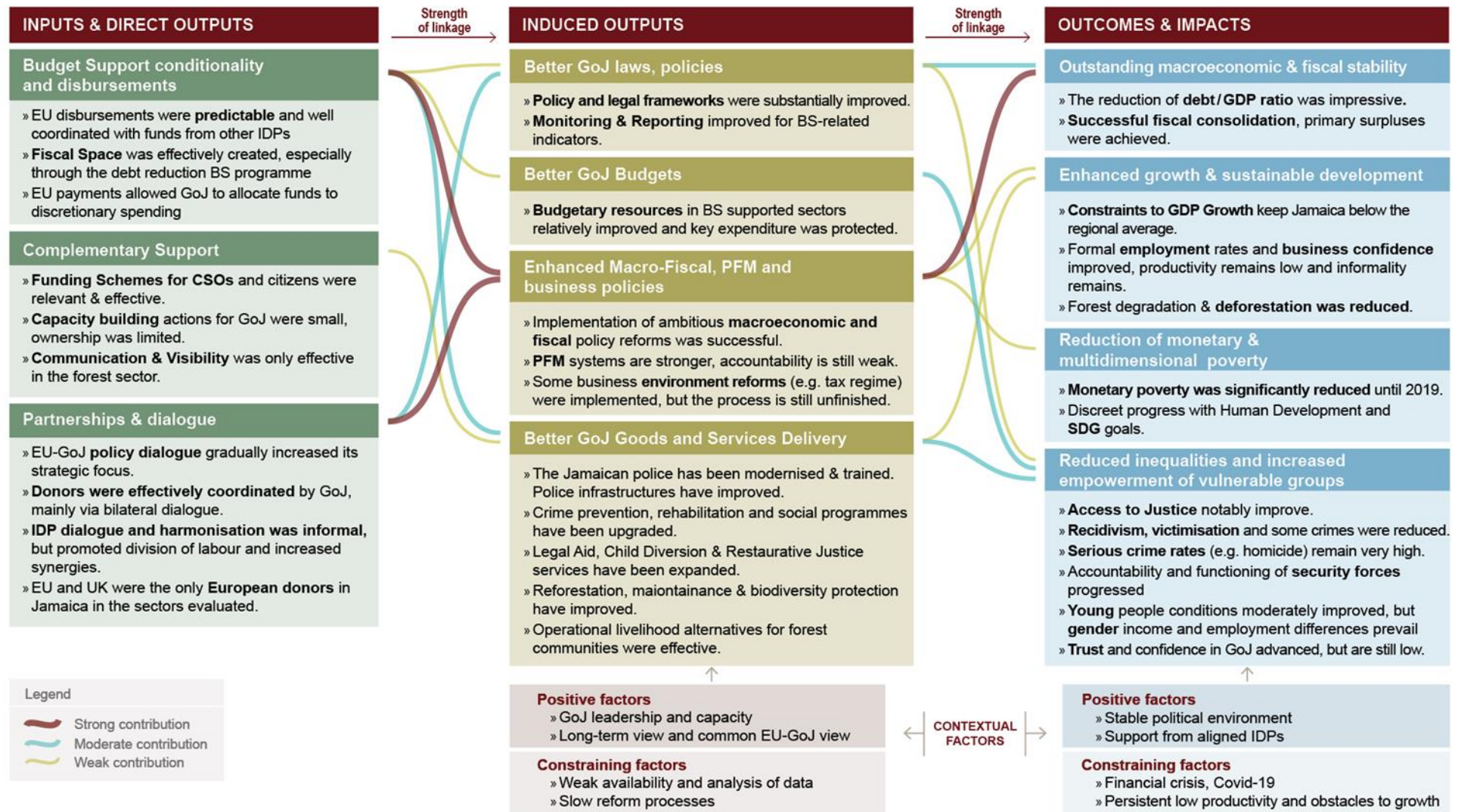
- **The strongest contribution of EU Budget Support is that, together with other IDPs, it opportunely and successfully contributed to Jamaica's remarkable road towards macroeconomic and fiscal stability.** In an environment of severe restrictions, EU support, particularly via the first programme (DRGEP) focused on debt reduction and growth, was key to kickstart stabilisation of the economy, reduce debt and secure expenditure in the years following the 2008 financial crisis. The bulk of contribution came from the combination of BS disbursements and policy dialogue. EU and IFI's large conditional disbursements increased fiscal space (see Section 4.1.1), and EU payments for over EUR 80 million arrived particularly timely to allow GoJ to stabilise its macroeconomic indicators during the years following the financial crisis (See Section 5.1.1). Policy discussions between EU and GoJ, mostly as part of larger discussions with donors, pushed key aspects of the reform agenda. This support to macroeconomic and PFM reform was continued with the PFM BS programme (since 2018), but the contribution was much more limited, as the resources were quantitatively much smaller and the crisis situation had been overcome, at least until Covid-19.
- **While macroeconomic and fiscal stability was achieved, EU support had a notable but smaller effect on promoting economic growth and reducing poverty.** It is important to mention that the contribution of EU BS and other IDPs to the protection of expenditure (see Section 4.1.1) did indirectly contribute to softening the decline in growth and the spike of poverty (see Section 8). This achievement should not be overlooked nor underestimated as, without the support provided after the financial crisis, the consequences would have been harsher on the economy and the population. EU BS did not particularly contribute to improved private sector activity. The debt reduction and growth enhancement programme also focused on improving business environment and on increasing productivity (through improved education), but the results of GoJ policies were disappointing, only the improvement in formal employment trends was a notable achievement (see Section 5.2.2).
- **The recent improvements in court efficiency and the broad approach to access to justice through Justices of the peace, family courts and restorative justice suggests that this can be partially related to EU support to the justice sector.**
- **Some of the effects of citizen security arise from reforms that have been steadily supported by EU BS programmes.** If EU support had not been provided over a prolonged period to JCF and MNS the situation with crime and its consequences could have been much



more serious. EU interventions have notably nudged the improvement of the security sector legal and policy frameworks and the increase of the capacities of MNS and JCF. While trends in the reduction of several types of crimes are clear, sustaining homicide reduction gains has been a challenge. Indications also suggest that certain benefits may come from the more social and comprehensive approach involving suppression, interruption and prevention of crime.

- **While EU BS was absolutely essential to raise the importance and capacities of the Forest Department, the actual contribution to reducing deforestation was modest and mostly indirect.** The forest BS programme very successfully increased the financing, strategic importance and overall capacity of FD (see Section 7.1). BS was not particularly focused on addressing the main cause of deforestation (agricultural expansion), nor did it systematically target the geographical areas where deforestation was more severe through its performance framework, or through its complementary support (see Section 7.2.1). IFMJ financed grants did indeed improve the economic capacity of a limited number of forest communities through several successful rural development activities, but no evidence was found that these actions actually contributed to the reduction of deforestation or to improved biodiversity (see Section 7.2.2).

**FIGURE 38: OVERALL CONTRIBUTION OF EU BUDGET SUPPORT OPERATIONS IN JAMAICA**



# 11. Conclusions

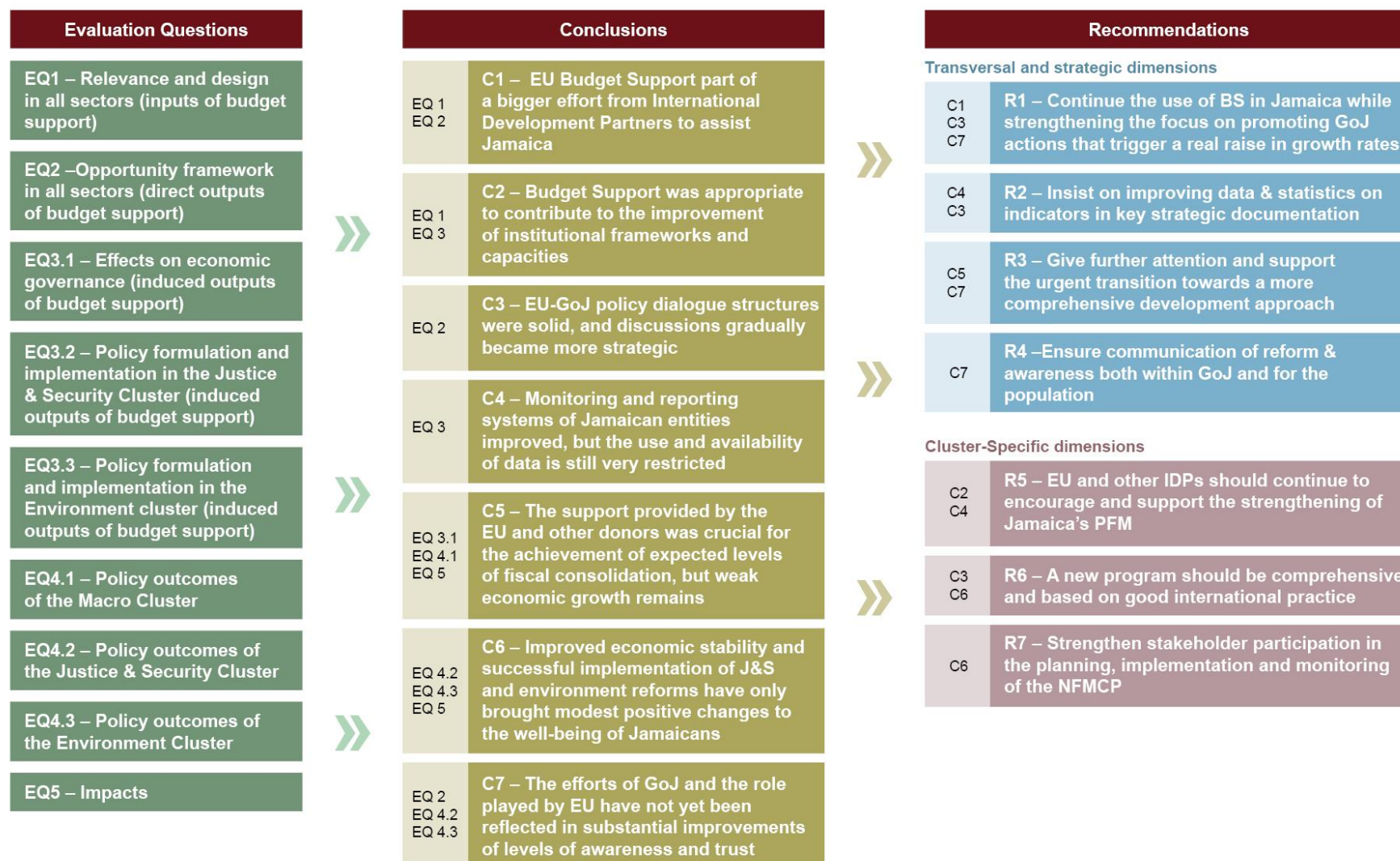
## 11.1. Brief intro presenting the conclusions.

One set of conclusions is constructed around how Budget Support interventions in Jamaica were adequately designed and how programme inputs were used to support legal, policy and institutional reforms. The second group of conclusions refers to how the modality contributed to the achievement of policy outcomes in the specific sectors supported and, more broadly, to impacts, namely growth, poverty and inequalities.

Category	Conclusions
On the relevance and quality of design of EU Budget Support and its effects on the Jamaican institutional framework and capacities	1: EU Budget Support was relevant, particularly as part of a bigger and wider effort from International Development Partners to assist Jamaica.
	2: The choice of the Budget Support modality was particularly appropriate to contribute to the improvement of institutional frameworks and capacities in the Jamaican entities.
	3: EU-GoJ policy dialogue structures were solid, and discussions gradually became more strategic.
	4: Budget Support helped to improve monitoring and reporting systems of Jamaican entities, but the use and availability of data on policy implementation and results are still very restricted, especially in the sectors.
On the contribution of Budget Support to policy outcomes and impacts in Jamaica	5: The support provided by the EU and other donors was crucial for Jamaica to be well on the way towards achieving targeted levels of fiscal consolidation, but weak economic growth remains an important concern
	6: For the moment, improved economic stability and successful implementation of security, justice and environment sector reforms have brought some modest positive changes to the well-being of Jamaicans.
	7: The reform efforts of GoJ and the role played by the EU as a strategic partner of GoJ have not yet been reflected in substantial improvements of levels of awareness and trust of the population, that remained low

Figure 39 graphically summarises how the conclusions are based on EQs, and how recommendations derive from conclusions.

**FIGURE 39: MAJOR LINKS BETWEEN EQS, CONCLUSIONS AND RECOMMENDATIONS**



## 11.2. Conclusions on the relevance and quality of design of EU Budget Support and its effects on the Jamaican institutional framework and capacities

**Conclusion 1: EU Budget Support was relevant, particularly as part of a bigger and wider effort from International Development Partners to assist Jamaica.**

An important feature of EU Budget Support in Jamaica was that it was designed and implemented in close collaboration with GoJ and other donors. EU programmes were particularly opportune and relevant as part of the large initiatives of International Development Partners to assist the country, first to redress the effects of the 2008 financial crisis and, later, to implement reforms in key sectors. EU and other donors' interventions coordinated well with the Jamaican government, which has high levels of ownership.

*This conclusion is based mainly on EQs 1 & 2*

**The relevance of EU Budget Support in Jamaica was confirmed.** BS operations came timely to help the country to overcome key events and challenges. The first BS of this evaluation, the Debt Reduction and Growth Enhancement Programme was a particularly opportune response to assist GoJ in addressing the debt crisis that put the country at the verge of economic and social debacle in the late 2000's. Thereafter, EU Budget Support supported sector reforms, namely via the PFM reform programme that continued to support the stabilisation of the economy and public service delivery, and the interventions on citizen security and justice, which aimed at supporting the policies focused on reducing crime as one of the greatest concerns of the Jamaican society. The forest management programme was also relevant to advance with GoJ's environmental agenda, although aimed at a narrow, smaller part of the overall policy.

**EU programmes were designed and implemented in a context of a collaborative approach between most donors present in Jamaica, raising the relevance of external aid to the country.** Solid dialogue between the EU and other IDPs were key factors to ensure coherent and complementary approaches and to increase the potential effects of external aid on Jamaican policy implementation.

**The EU targeted sectors, where multiple strong donors were also present, increased Jamaica's resilience,** particularly during and after the 2008 financial crisis. The EU partnered with IMF, WB and IADB to support Jamaica's response and debt reduction efforts. DRGEP stood out by providing timely disbursements, crucially in the form of grants. The EU also played a pivotal role in negotiating aid conditionality to improve Jamaica's fiscal stability. In sectors like citizen security, justice and forest management, the EU collaborated with major donors, like the IFIs and UK Aid. These partnerships ensured sustained support for Jamaica's sector strategies. Additionally, the Integrated Forest Management in Jamaica intervention aimed at supporting the environmental protection and climate change efforts of GoJ, aligned with other international players such as UNDP and GEF.

**The Jamaican government had a good ownership of the reform processes and the Planning Institute of Jamaica (PIOJ) emerged as a helpful coordinator of donor efforts,** while harmonizing initiatives with Jamaica's national priorities. The dialogue between Jamaica and IDPs proved to be effective, although it relied mostly on bilateral discussions and donor dialogue and often took the form of informal exchanges. A certain division of labour was established, which mitigated risks of possible overlaps between interventions. Recently, more formal GoJ-IDP consultations are aiming to enhance the efficiency of externally-funded capacity-building actions.

**Conclusion 2: The choice of the Budget Support modality was particularly appropriate to contribute to the improvement of institutional frameworks and capacities in the Jamaican entities.**

*The combination of Budget Support inputs proved to be effective. The conditionality of disbursements and the regularity and intensity of the EU-Jamaica policy dialogue effectively encouraged the reform of public sector frameworks and strengthened Government institutions. Complementary support was not a major contributing factor of these reform processes.*

*This conclusion is based mainly on EQs 2 & 3*

**The advantages of using BS over project-based modalities were clearly confirmed.** Notably, conditionality, disbursements and policy dialogue emerged as the most important inputs of EU programmes, while TA and other forms of complementary support were, overall, less effective.

**Conditionality, particularly performance frameworks, was key to nudge the reform forwards within GoJ entities.** Allocations for disbursements to the Jamaican Treasury were almost 95% of the budget of the BS interventions, while less than 5% was complementary support. Performance indicators that triggered disbursements were generally selected from the sector strategies and, in the great majority of cases, referred to expected improvements in the legal, policy and administrative domains. Examples of institutional capacities that were installed and/or strengthened include the modernization of the Debt Management Branch and the creation of the Public Investment Appraisal Branch at the MOFPS; the modernisation of the JCF and the enlargement of the Legal Aid Council; and the consolidation of the staffing of the Forest Department.

**Evidence indicates that funds received by GoJ created fiscal space and that this contributed to strengthening Jamaica's fiscal position and, indicatively, to the protection of certain expenditures,** especially capital budgets. By nature, BS disbursements do not automatically translate into improved allocations for the targeted sectors but, in relative terms the budgets of the targeted sectors increased. Without these disbursements by EU and other donors, the overall balance of the Jamaican budget would have been severely compromised and the policies would have been underfunded.

**Technical Assistance was not a particular vector of capacity building**, as it was comparatively small. GoJ preferred to prioritise disbursements to the Treasury. Also, other IDP and EU projects did already focus on building GoJ capacities in the targeted sectors. Only in the case of the forest sector has BS-funded TA provided significant support that has been used to strengthen the institution, namely through the transformation of the Forest Department into a financially, partly self-sustainable entity. This trend of limited direct capacity building support changed with the most recent programmes, as the IFMJ and the Citizen Security Programme BS have now a substantial TA package.

**Conclusion 3: EU-GoJ policy dialogue structures were solid, and discussions gradually became more strategic.**

*The structures of policy dialogue in BS programmes were appropriate and remained stable. Dialogue, which initially focused more on operational than on strategic issues, was progressively upgraded into more substantial discussions. This said, dialogue weakened after sectoral interventions finished, when access to GoJ sector entities tended to decrease.*

*This conclusion is based mainly on EQ 2*

The steering of BS operations was done in the Technical Advisory Committees, which overall functioned well. Communication between EU and the technical level officials in the GoJ sectors was fluent during the implementation of BSPs.

**In the first years of the evaluated period, EU-GoJ discussions had a short-term focus and were oriented towards reporting on performance indicators and ensuring the correct implementation of the programmes.** Eventually, policy dialogue evolved towards consultations that had a more strategic nature and focused on the medium and long-term priorities of Jamaica and EU. For example, in the citizen security sector, the evolution of dialogue favoured the transition from programmes focused on increasing the capacity of the Jamaican state to prevent and fight crime towards an intervention that aims to progressively address root causes of violence and delinquency through the empowerment of society (CSP). Unfortunately, once JSRP finished and the support to justice was not continued, the opportunities for EU and MoJ to interact decreased.

**The DRGEP and PFM Reform programmes were an essential platform for EU-Jamaica strategic discussions around macroeconomic, fiscal and public finance reforms, which are also relevant for all BS programmes.** Thus, with these two interventions, during most of the 2008-2021 period there was continued EU direct support to the economic reform programme. As happened with MoJ, the intensity of dialogue and the level of access to MOFPS decreased since the end of the BS PFM Reform programme. This appears to be an indication of the fact that, although macroeconomic policy, PFM and budget transparency are important general eligibility BS criteria, these *per se* do not seem sufficient to maintain a sustained and high level of communication around these issues.

**Conclusion 4: Budget Support helped to improve monitoring and reporting systems of Jamaican entities, but the use and availability of data on policy implementation and results are still very restricted, especially in the sectors.**

*Budget Support conditionality induced Jamaican sector entities to improve the way they record, monitor and inform about their reform processes and the achievement of targets linked to EU disbursements. However, the consistency and accessibility of data is still too limited to allow for evidence-based policymaking and to ensure appropriate levels of accountability.*

*This conclusion is based mainly on EQ 3*

**BS programmes promoted that Monitoring and Reporting (M&R) frameworks in the targeted sectors were designed or upgraded, and successfully implemented.** While this is certainly a positive effect, the attention of these M&R frameworks was mainly driven towards BS performance indicators and, for the most part, did not escalate towards informing a broader institutional decision-making process. The limited amount of information produced and analysed by GoJ sector entities has consequences as, for example, it is difficult for GoJ entities to produce evidence around the causes of trends in outcomes. The Forest Department was an exception to this, as the EU BS M&R system was designed and based on the indicator framework of the NFMCP, which generated useful information on deforestation and the state of the forests at a broader level.

**For several EU BS programmes, certain indicators of the Results Framework could not be measured on a continuous basis, or properly disaggregated.** For instance, the decrease in CO<sub>2</sub>/GHG emissions from forests was an objective of the forest BS, but the baseline was established only in 2023, and secondary sources for this data are not fully reliable. In the Justice and Security sectors, while the work with sector indicators at project and program level has greatly improved and PIOJ is developing a state-of-the-art indicator system, the statistical systems remain poor. It is difficult, if not to say impossible, to access coherent and complete time series of policy outputs and outcomes that allow to properly assess performance over time.

**Additionally, public access to existing statistics is limited.** It is difficult for non-GoJ actors such as CSO, academia, or even donors, to directly access detailed sector information, especially financial and quantitative data with some level of disaggregation that can be manipulated and utilised for analysis. Some donors and international stakeholders manage data, but in general the information is very aggregated and the quality varies. PIOJ does make an effort to compile and aggregate information on performance on Vision 2030 targets and the SDGs, but its resources are limited and the level of detail of MTF reports has steadily decreased in the past few years.



### 11.3. Conclusions on the contribution of Budget Support to policy outcomes and impacts in Jamaica

**Conclusion 5:** The support provided by the EU and other donors was crucial for Jamaica to be well on the way towards achieving targeted levels of fiscal consolidation, but weak economic growth remains an important concern.

*Jamaica's reversal of fortunes in terms of macroeconomic results is noteworthy. The EU contributed to these achievements, especially through the debt reduction and PFM BS operations. Strong evidence confirms that the economic reforms put in place by the Jamaican Government since 2008, and supported by UE and other donors, allowed the country to achieve impressive levels of fiscal consolidation and to become an example of fiscal discipline for other countries, not only regionally, but worldwide. This stabilisation process also allowed to avoid the economic and social implosion of the country, which was remarkable in the context of weak growth. However, raising the levels of economic growth is precisely the great pending issue of the Jamaican economy. Promoting growth, however was not a priority of Government policy implementation, nor a primary focus of most EU BS programmes.*

*This conclusion is based mainly on EQs 3.1, 4.1 and 5*

**As it is widely recognised by the international economic actors, Jamaica's recovery from the debt crisis triggered by the 2008 global financial meltdown, is a remarkable story of resilience and international support.** Jamaica embarked on a series of domestic reforms that included fiscal consolidation, tax reform and improving the investment climate to stimulate growth and attract foreign investment. As a result, the country made significant progress, running primary surpluses for longer than 20 years and drastically reducing debt levels, indicating substantial recovery, and achieving a certain economic stability. However, the COVID-19 pandemic in 2020 led to increased borrowing to support public health measures and economic stimulus, causing debt levels to rise again. Although Jamaica is currently still above its declared objective of bringing the debt-to-GDP ratio down to 60% by 2028, a downward trend has been clearly visible since 2016 and it is likely to meet this target sooner than expected.

**The EU BS was instrumental, with early and substantial disbursements to stabilise the macroeconomic framework and to encourage and support reforms such as *inter alia* the fiscal responsibility framework, better debt and treasury management, and a strengthened PFM system.** International assistance, such as the IMF-led lending programmes and debt restructuring initiatives, played a crucial role in easing the debt burden and providing financial support during the reform process. This IDP-supported stability also mitigated the shock on the Jamaican population, as the protection of key expenditures prevented that the effects on poverty were even greater. Initiatives to promote an enabling business environment were also part of GoJ reform strategy and

of the DRGEP EU programme, but, while fiscal success has a positive impact on confidence, implementation of business-related reforms has so far been less a priority.

**While external factors certainly played a role, promoting growth has not been as clear a policy priority for GoJ as maintaining fiscal discipline, and EU BS as a whole has only timidly pushed the growth agenda.** The trade-off between fiscal discipline and growth promotion has constrained the Government's efforts to address most constraints to growth. On the EU side, only the Debt-Reduction and Growth Enhancement EUBS programme was clearly aimed at promoting growth. Many challenges remain, including low productivity, high crime rates, insufficient infrastructure, limited education opportunities and a less attractive business environment compared to its neighbours and competitors. Extensive research and evidence show that it will be difficult to see substantial economic and social development until the country can increase its productivity and investment, and growth levels rise to, at least, the average of similarly sized economies.

**Conclusion 6: For the moment, improved economic stability and successful implementation of security, justice and environment sector reforms have brought some modest positive changes to the well-being of Jamaicans.**

*Jamaicans have so far moderately benefitted from sector policy reforms. Government reforms accompanied by EU Budget Support that have been successful in achieving improvements to the institutional frameworks and the capacities of Jamaican institutions have only begun to bring substantial improvements of policy outcomes and impact targets.*

*This conclusion is based mainly on EQs 4.2, 4.3 & 5*

While service delivery of Jamaican institutions in the EU BS-targeted sectors has improved, in general terms the effects of these policies on the population and on the country as a whole are still incipient.

**Some encouraging results of EU-supported reforms were found, but actual results of GoJ policies in the sectors analysed are not always up to expectations.** Indeed, economic inequality did see a notable reduction in the period of analysis, and poverty reduction trends were moderately positive on the whole, especially in rural areas, at least until 2020, when COVID-19 hit the most vulnerable very hard. Nevertheless, overall progress has been lower than expected, and the perspectives of meeting Vision 2030 and SDGs targets are mixed.

**Improved policies and more capable and modern security forces have led to important downward trends in the rates of some categories of crime, while others remain high.** The reduction in break-ins, assault, robbery and rape has helped to reduce victimisation, slightly increased confidence and lowered the perception of risk. Nevertheless, crime continues to be a serious problem and severe offences such as homicide and shootings remain amongst the highest in the world. This reflects the persistence of structural and systemic violence and high victimisation in the country, caused by multiple factors, including access to arms and the rise of organised crime.

**Access to justice has recently improved, but remains a challenge**, particularly among the most vulnerable. The rehabilitation within the criminal justice system is also a pending issue.

**Since 2016, the loss per year of primary forest is notably smaller and overall deforestation has stabilised**, but nearly 30 hectares of forest are still lost every year. Evidence suggests that, while the Forest Department is now consolidated and performing its functions effectively and efficiently, reforestation of land is more due to a natural growth process than to direct GoJ intervention. Another factor is that the range of sector policy interventions is rather wide, and FD is not prioritising addressing the main cause of deforestation (agricultural expansion), nor focusing on areas where most forest is being lost.

**In this context, the effectiveness of EU BS programmes is consequently constrained.** While some contributions to policy results have been observed, in general these are modest, as is the overall level of performance of the supported policies.

**Conclusion 7: The efforts of the Jamaican government to push ahead reforms and the role played by the EU as a strategic partner have not yet been reflected in substantial improvements in the levels of awareness and trust of civil society, that remain low.**

*The analysis confirmed that, in general terms, GoJ sector policies are well formulated, entities are undertaking ambitious reform processes, and the EU has been a very important supporting actor in the three cluster areas addressed by this evaluation, particularly through Budget Support. Nevertheless, a big part of the Jamaican population is still sceptic about GoJ institutions and most of these reforms. Additionally, the EU is perceived by Jamaican and international stakeholders as a positive, but not principal player in most of the sectors covered by this evaluation.*

*This conclusion is based mainly on EQs 2, 4.2 & 4.3*

**The opinion that Jamaican citizens have about their institutions has slightly improved but remains low.** This is particularly relevant in the citizen security and justice sectors. JCF increased its social profile with preventive interventions in schools and public areas, which improved the relation with communities and other GoJ officials, reflecting the gradual transformation of the security forces. On the contrary, the repressive function of the police is still viewed with distress by the average Jamaican. Justice institutions are better perceived but still not trusted, over 30% of citizens still perceive them as inefficient and ineffective.

**Communication & Visibility actions funded by EU BS 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. No evidence was found that

EU support has particularly helped to significantly increase awareness and trust among the population as a whole.

**The recognition of the role played by the UE does not currently correspond to the relevance of its contribution as a donor.** After the 2008 financial crisis, the EU was seen by GoJ and its international partners as a very important player. More recently, EU interventions implemented via Budget Support are less known by Jamaican sector entities and NSAs than other IDPs' projects and programmes. In some ways, this can be expected from using the BS modality, as its outputs are less tangible than those of traditional projects. Nevertheless, while for GoJ and the development community the EU is still viewed as a reliable partner, in general it is less visible, and not as prominent as other IDPs such as IMF or IADB, or even the UK. An exception to this is the importance of EU as the most recognised donor in support of forest management policy.

## 12. Recommendations

The recommendations are split into two groups (see Table 8:): The first one includes transversal and strategic recommendations that apply to the Budget Support modality as a whole with reference to programmes or clusters when relevant. These are ordered by their importance. The second group are cluster-specific recommendations. These recommendations apply only to the referred cluster and complement the general recommendations. They are structured following the order of presentation of clusters in this report.

**TABLE 8: SUMMARY OF RECOMMENDATIONS**

Type	Recommendation	Importance*	Priority*
Transversal and Strategic	<b>Recommendation 1:</b> Continue using Budget Support in Jamaica while strengthening the focus on promoting GoJ actions that trigger an increase in growth rates as the most important policy priority in the present and the near future	4	4
	<b>Recommendation 2:</b> Increase the support to the improvement of data & statistics on indicators of EU BS Results Frameworks, GoJ monitoring and reporting, and evidence-based policy	4	4
	<b>Recommendation 3:</b> EU's future assistance should adopt a more comprehensive development approach that increases the focus on GoJ's achievement of key sector outcomes and impacts	4	3
	<b>Recommendation 4:</b> Upgrade EU BS communication & visibility to disseminate reform and raise awareness of EU-supported policies within GoJ and among other stakeholders	3	3
Cluster-specific	<b>Recommendation 5 (PFM):</b> EU and other donors should continue to encourage and support the strengthening of Jamaica's Public Financial Management	4	4
	<b>Recommendation 6 (Justice &amp; Security):</b> A new program should be comprehensive and based on good international practice.	3	3
	<b>Recommendation 8 (Forest Management):</b> Strengthen stakeholder participation in the planning, implementation and monitoring of the National Forest and Management Conservation Plan	3	2

\* 1 Low to 4 high

## 12.1. Transversal and Strategic Recommendations

**Recommendation 1: Continue using Budget Support in Jamaica while strengthening the focus on promoting GoJ actions that trigger an increase in growth rates as the most important policy priority in the present and the near future.**

*The EU, together with the other major IDPs, should ensure that their assistance encourages the Jamaican Government to undertake very urgent and necessary economic and policy decisions that can address the factors that are known to be preventing the growth of the economy. EU aid, namely in the frame of Global Gateway, should be designed to strongly promote growth as one of its core objectives. Budget Support should continue to be one of the preferred modalities to help GoJ to fine tune public policy strategies and work towards ambitious economic and social development targets.*

*This recommendation is linked to conclusions 1, 5 & 6*

*Main implementation responsibility: INTPA, EUD, PIOJ, MOFPS*

*Main associated actors: GoJ as a whole*

**What works and should continue?** BS has proven to be the appropriate modality to support Jamaica in maintaining a stable economic environment and to increase the capacities of GoJ entities. EU BS has particularly helped Jamaica in its outstanding response to the 2008 debt crisis and in becoming a well-recognised example of prudent macroeconomic management and fiscal contention. EU-supported structural and institutional reforms have allowed to preserve a context where some growth was achieved, while irregular but still noteworthy progress was made with impact indicators such as poverty reduction and reduction of inequalities.

**What should be strengthened (or discontinued)?** The focus of current and future Budget Support programmes should be on making sure that resources are directed towards achieving and maintaining sustainable economic growth as the first priority of EU-Jamaica partnership. After having successfully navigated the financial crisis and advancing towards recovery from the Covid-19 pandemic, Jamaica faces the imperative of redirecting the focus of its policies to address the pressing challenges that it faces. Donors can help Jamaica to build on its current macroeconomic and fiscal situation and shift towards actions that allow to maintain fiscal discipline while stimulating economic growth in the medium and long term, as well as genuine sustainable development, to enhance the well-being of its people. In a rapidly changing global landscape, EU should focus its efforts on helping the country to create and attract public and private investment to create job opportunities and improve living standards for Jamaicans.

**How should this be done?** Budget Support should continue to be used as a preferred modality, together with other modalities and particularly in the frame of the Global Gateway Initiative. BS inputs, including disbursements but also policy dialogue and Technical Assistance should increase

their emphasis on working with GoJ to promote economic stability and efficient public spending as a basis, not only to achieve fiscal balance, but primarily to adopt the macroeconomic and fiscal policies, take the required budgetary decisions and implement the sector policy measures that can promote economic growth in the long term.

**Recommendation 2: Increase the support to the improvement of data & statistics on indicators of EU BS Results Frameworks, GoJ monitoring and reporting, and evidence-based policy**

*As part of the preparation of future programmes, EU and GoJ should closely assess the quality of sector statistics and related capacities in the sector entities, and in STATIN. Programme formulation should ensure that resources and conditionalities promote the further development of M&R systems, including the production of data, use of statistics for quantitative analysis that feed into evidence-based policy making, and the dissemination of information. These M&R systems should be comprehensive and not limited to reporting on EU BS performance indicators.*

*This recommendation is linked to: Conclusions 4 and 6*

*Main implementation responsibility: EUD, PIOJ*

*Main associated actors: MOFPS, MOJ, MNS, FD, STATIN*

**What works and should continue?** The capacity to use, understand and process information around policy indicators has improved and the sector M&R systems are quite appropriate to produce simple reports on the general policy implementation and to produce the information that the EU requires to acknowledge that performance indicators are met.

**What should be strengthened (or discontinued)?** There is a need for support to further development of statistics in the sectors, such that information is useful for policymaking and monitoring. The capacity to produce and use sector statistics is still very weak, which makes assessment of trends in the sector difficult and the analysis of determining factors behind the success (or lack of) of policies extremely complicated, thus making it difficult to define adequate sector policies. Additionally, complete data sets in usable format should be placed on official websites, for civil society, academia and donors to access.

**How should this be done?** EU BS programmes should include complementary measures such as TA to secure improved sector statistics and use of statistics for improved evidence-based policy making. Alternatively, this could be done by parallel EU projects, and/or in coordination with other donors.

**Recommendation 3: EU's future assistance should adopt a more comprehensive development approach that increases the focus on GoJ's achievement of key sector outcomes and impacts**

*EU should use the Budget Support modality to contribute to GoJ policy effects at the highest level possible. BS shall continue to support sector policies while additionally ensuring that the ultimate objective of EU aid is that monetary and non-monetary poverty and inequalities are reduced. BS can also nudge GoJ to progressively develop a "whole-of-Government" approach where the different entities of the Jamaican government, under the leadership of MOFPS and the coordination of PIOJ, work together more closely to achieve the goals set out in Jamaica Vision 2030 and the SDGs.*

*This recommendation is linked to conclusions 5 and 6*

*Main implementation responsibility: EU, PIOJ MFPS,*

*Main associated actors: sector entities*

**What works and should continue?** Budget Support programmes have been adequately formulated to address GoJ sector policy reform needs, and potentially to improve sector outcomes. Budgetary allocations to the targeted sectors as a share of total expenditure have increased, MOFPS has provided the existing resources timely and these have been used rather efficiently. PIOJ has coordinated the interaction with IDPs and, to an extent, centralised the monitoring of BS programme implementation.

**What should be strengthened (or discontinued)?** The Intervention logics of most EU BS programmes lack one last step that describes how these sector interventions are expected to contribute towards the overall objectives of Vision 2030, the EU-Jamaica MIPs and the strategic framework of EU international cooperation. Only the DRGP programme had a focus on promoting growth and influencing some of the factors promoting economic development and decreasing poverty. This sector focus of BS programmes also reflects a certain isolation of Government departments in Jamaica, which tend to operate separately. Addressing the main challenges requires that in the cooperation, EU and GoJ complement the sector approach by adopting a wider view of the overall picture.

**How should this be done?** Budget Support programmes must be designed, monitored and implemented taking in particular into account the Theory of Change behind the EU-funded intervention, including desired effects all the way to impacts such as reducing poverty and inequalities and address the challenges in crime, productivity, education and infrastructure, among other key issues.



#### **Recommendation 4: Upgrade EU BS communication & visibility to disseminate reform and raise awareness of EU-supported policies within GoJ and other stakeholders**

*The EU should continue working to increase its visibility among Jamaican public entities, IDPs, CSOs, and the general public. Joint communication and dissemination strategies can help EU and GoJ to better disseminate the objectives of BS-supported reform plans, the kind of actions that are being undertaken and the results that are achieved.*

*This recommendation is linked to conclusion 7*

*Main implementation responsibility: PIOJ, EUD*

*Main associated actors: sector entities: Sector entities, INTPA*

**What works and should continue?** EU has allocated funds to Communication & Visibility (C&V) actions, which overall respected EU Guidelines and played the small role that they were given within the larger scope of a BS programme. The 2021-2027 NIP includes specific funding for overall C&V actions, thus this is now a horizontal task at the EUD and it will no longer depend on if each programme or project has resources for dissemination activities.

**What should be strengthened (or discontinued)?** From the perspective of EU visibility, C&V needs to be upgraded. Public knowledge and opinion about the EU support needs to be improved. Other IDPs need to better acknowledge the role of EU development aid, including joint actions with EU member States and other donors. Access to key GoJ officials needs to improve and be maintained, further to the window that is opened when a BS intervention is being prepared or ongoing. At the same time, particularly in the case of BS that support national and sector policy reform agendas, these EU C&V can also benefit the wider dissemination of GoJ actions, contributing to increasing the awareness of the general public about the reform processes and policy results, indirectly increasing the trust of citizens on GoJ institutions.

**How should this be done? Ensure that BS programmes include a specific allocation for C&V.** Continue to allocate resources that allow to have dedicated staff and expertise about C&V; prepare joint EU-GoJ dissemination strategies; increase the presence of EUD high-level officials in programme events and in the media; consider specific campaigns to promote EU values and divulgate the support it provides. Continue working with other IDPs and GoJ entities to understand the value that each player brings to the table and highlight the relevance of EU values and the contribution of its aid funding, including Budget Support.

## 12.2. Thematic cluster-specific recommendations

**Recommendation 5 (PFM Reform): EU and other IDPs should continue to encourage and support the strengthening of Jamaica's Public Financial Management**

*GoJ would benefit from additional specific support to formulate and implement a new PFM reform strategy, in order to continue addressing the important weaknesses that the system still has, both in general and at sector level. Additionally, this would benefit the implementation of BS programmes and facilitate an upgrade in the interaction between MOFPS and donors, including the EU.*

*This recommendation is linked to conclusions 2 and 4*

*Main implementation responsibility: MOFPS, PIOJ*

*Main associated actors: rest of GoJ, IDPs*

**What works and should continue?** The preparation of PFM-RAP is a good practice for PFM strengthening, it generates buy-in from the government, IDPs and other relevant actors within and outside of the GoJ, as well as capacity for progress monitoring and opportunities for policy dialogue. The PFM-RAP 2018-2021 was useful to establish priority actions to strengthen the Jamaican PFM system following the results of the PEFA assessment of 2017. The forthcoming PEFA Jamaica 2023 assessment (agile format) will provide important new evidence to support prioritization and sequencing of new reforms initiatives.

**What should be strengthened (or discontinued)?** In spite of a very credible level of implementation of the RAP, PFM continues to show important weaknesses, especially in areas that support the objectives of strategic allocation of resources and efficient provision of public services. Budget Support programmes that actually support the priority sectors supported by EU's 2014-2020 and 2021-2027 frameworks (and that do not include a PFM programme as such) will most probably not be substantively sufficient to provide sufficient access to MOFPS, nor substantial dialogue, monitoring and supporting of PFM reform. At the sector level the Budget Support modality as such works, however with the weak sector PFM capacities, there is need for additional assistance.

**How should this be done?** Four actions are recommended to ensure that PFM strengthening is successful:

- GoJ, through MOFPS and PIOJ, shall widely socialize and discuss PEFA results (and other similar diagnostics, TADAT, for example), within the government, with IDPs and other relevant actors for PFM reform;
- GoJ, IDPs and other relevant actors should agree on preparation of a PFM-RAP for the period 2024-2028 to focus and monitor progress of reform action;

- IDPs, and especially the EU, could support government with TA for the preparation, implementation and monitoring of PFM-RAP 2024-2028. This could take the form of a stand-alone project or can be channelled as part of complementary support of an actual or future BS intervention.

EU should provide specific support to PFM in the BS-assisted sectors, both related to budgeting processes to secure that the sectors get a fair share of the financial contribution as well and especially to procurement so that the sectors can implement budget in the most optimal manner possible.

**Recommendation 6 (Justice and Security): A new program should be comprehensive and based on best international practice.**

*As part of the preparation of the next phase of EU support to J&S it is recommended that a situation analysis is done to identify outstanding gaps and recommend approaches of both justice and security policies which can help reduce the incidence of recidivism, of serious crimes and their impact on the social and economic context.*

*This recommendation is linked to conclusions 3 and 6*

*Main implementation responsibility: EUD, PIOJ, MOJ, MNS*

*Main associated actors: JCF, other sector entities, other IDPs*

**What works and should continue?** When EU support was balanced between citizen security and Justice, it worked especially well to strengthen framework, upgrade institutional capacities and achieve progress in a number of policy outcomes.

**What should be strengthened (or discontinued)?** The lack of sector statistics needs to be remedied, beginning with a solid situational analysis establishing time series for key sector areas to form the basis for developing an evidence based program building on existing Government sector strategies and policies as well as taking into account European best practices and experiences in the Justice and Security reform area and also in development cooperation. The sole focus on citizen security in the ongoing CSP BS program, reportedly following governments political priority, is a normal evolution towards a more community-based solution, but it also has trade-offs. This approach does not fully capture the interdependence of citizen security and Justice policies, and the complexity of the sectors and the issues to be addressed. Additionally, the justice and security systems have a certain tendency to work in silos. Some elements of the criminal justice chain seem to have been left out of reform processes in first instance. In this sense it appears that there are long pre-trial detention practices (even for smaller crimes), and that conditions in the prison system, rehabilitation of convicts and the probation system and reintegration policies are not up to standards.

**How should this be done?** It is proposed that the internal process of the EUD to define the new program is completed by a detailed situation analysis, as outlined above, lead by the GOJ and the EUD in cooperation with other IDPs, and with the support of external local and international TA and/or academic support, securing a comprehensive consideration of international best practices and a consultative process both with GOJ, international donors and CSOs in the process. Work already done by GoJ for the formulation of sector strategies, as for example National Correctional Services Policy (NSCP) and the Prior Options Review, must be taken into account.

**Recommendation 7 (Forest Management): Strengthen stakeholder participation in the planning, implementation and monitoring of the National Forest and Management Conservation Plan**

*Increase civil society organizations' participation in the NFMCP life cycle, building on best practices of the EU BS programme, as well as private sector involvement to advance the value chain approach for forest products. Prioritize promoting expanded reforestation and restoration efforts and sustainable and alternative livelihood initiatives with NGO co-managers, private forest landowners and forest dependent communities through LFMCS.*

*This recommendation is linked to conclusion 6*

*Main implementation responsibility: FD, EUD*

*Main associated actors: Environmental CSOs, private forest landowners*

**What works and should continue?** Between 2018 and 2022 the FD met the EU BS targets set for both reforestation (50 hectares per year) and maintenance (220 ha in 2022) of reforested areas. The shift in the FDs strategy from the traditional monoculture plantations of Caribbean Pine towards a restoration approach with native species was ecologically sound. The TAC, composed of public institutions and private one planters' representative, has been effective in monitoring progress against indicators of the NFMCP, supported. Environment CSOs like CCAM and JCDT are involved in the implementation of the NFMCP as key stakeholders working closely with the FD, in their capacity as co-managers of the respective protected areas, in cooperation with the government. The EU BS-funded grant scheme strengthened social organisation, women leadership and promoted the sustainability of the organisations and their economic activities.

**What should be strengthened (or discontinued)?** Dispersed efforts of small-scale planting of a small set of native species within degraded sections of the forest estates or pine plantations has limited impact and is not sustainable. Implementation of the National Forest Policy and the NFMCP requires a collaborative approach amongst the range of GoJ and NGOs, private forest landowners and IDPs, including the EU. CSO representation in the TAC was absent during BS implementation. Building capacity through livelihood enhancement of local groups in adjacent forest communities is desirable as a long-term approach to Swamp Forest Management, but this has not emerged as

sustained action beyond the livelihood projects implemented under EU BS. In addition, some obstacles and constraints relating to the grants were identified that could severely impact sustainability and importantly building a viable alternative form of livelihood.

***How should this be done?*** Several actions are recommended, mostly for GoJ, assuming that EU BS to the Forest sector will not continue:

- Actively engage the CSO coalition leads/co-managers (C-CAM and/or JCDT) in NFMCP planning, implementation and monitoring.
- Conduct an assessment of the results achieved with FD's reforestation and maintenance interventions and reorient the strategy to a more focussed and sustainable investment.
- Elaborate an investment plan based on a review of the results and gaps of the grants with LFMCS to strengthen the social organization and sustainability of the livelihood initiatives initiated with the grants. As livelihood projects are inter-linked with agricultural development and commercialization of products, promote coordination and co-financing by other institutions, rural development-oriented CSOs, as well as private sector involvement to advance value chain approach for timber and non-timber forest products based on market demand.

Design an incentive scheme, inclusive of financing and capacity building, to facilitate community and private forest landowners' involvement.

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