



Approach Paper

Jamaica 2009-2014

Country Program Evaluation



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ABBREVIATIONS AND ACRONYMS

BoJ	Central Bank of Jamaica
GoJ	Government of Jamaica
CPE	Country Program Evaluation
CS	Country Strategy
EFF	Extended Fund Facility
SBA	Stand-By Arrangement

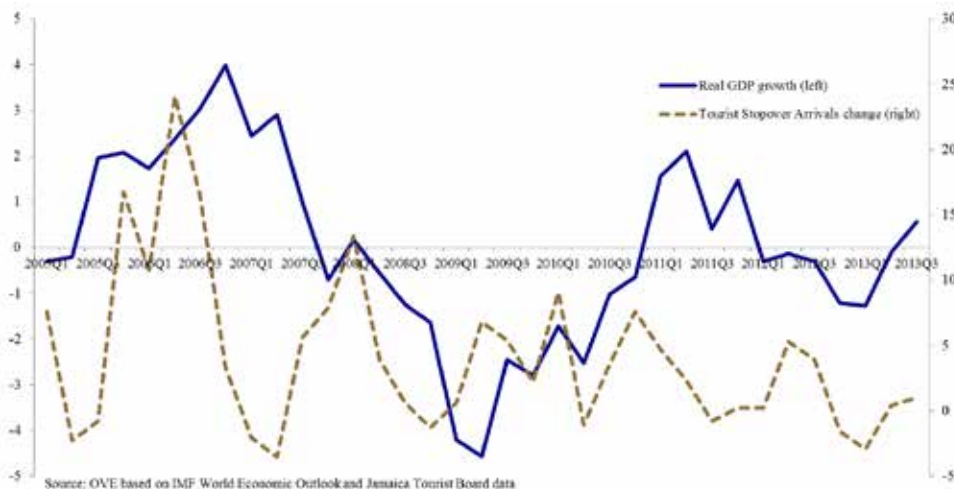
I. INTRODUCTION

- 1.1 As part of its 2014 annual work plan, the Office of Evaluation and Oversight (OVE) is preparing the evaluation of the country program with Jamaica for the period 2009-2014. This paper sets out the proposed approach to and methodology for the planned Country Program Evaluation (CPE), which represents the third occasion on which OVE evaluates the Bank's program with Jamaica. Past evaluations covered the periods 1990-2002 (RE-310, October 2005) and 2003-2008 (RE-365, June 2010).
- 1.2 As indicated in the Bank's Protocol for CPEs (RE-348-3), the main function of a CPE is "to provide information on Bank performance at the country level that is credible and useful, and that enables the incorporation of lessons and recommendations that can be used to improve the development effectiveness of the Bank's overall strategy and program of country assistance." Like other CPEs, the evaluation seeks to examine the Bank's relationship with the country from an independent and comprehensive perspective, and serve a dual purpose: strengthening accountability and facilitating learning.
- 1.3 At the beginning of the evaluation period, Bank Management developed a new model for Country Strategies (CSs) in order to increase country focus and provide greater flexibility. New guidelines were issued to help "reformulate country strategies, emphasizing the need for programming to be based on results and potential risks, adopting a programmatic and flexible approach that better respond to the country's priorities." In addition to these general principles, key facets of the new model included: (i) a decoupling of the CS, which is to be prepared every four years, from the detailed programming, which is to be done annually; (ii) a new emphasis on sector notes; and (iii) a strengthened results matrix, which was to embody more specific indicators and targets.

II. CONTEXT OF THE COUNTRY PROGRAM 2009-2014

2.1 **Jamaica is a middle-income country with a small open economy, a narrow export base, a strong dependence on remittances, and a stable bipartisan democracy.** The country is the largest English-speaking island in the Caribbean Sea, with a population of approximately 2.8 million people, and the second-largest economy in the English-speaking Caribbean after Trinidad and Tobago. Traditionally, the main productive sectors have been agriculture and bauxite mining, but over the past few decades, the economy has been shifting towards the service sector. Services currently account for approximately 72% of GDP, followed by industry (21%) and agriculture (7%).¹ Among services, the contribution of tourism to GDP is estimated at 30% and is one of the main sources of foreign exchange and employment. Remittances are also a main source of foreign exchange: about a quarter of Jamaican households receive remittances, which amount to 16% of GDP. External trade in goods and services accounts for more than two-thirds of GDP, with energy representing 36% of the total value of imports in 2012, followed by food.² The country is therefore greatly exposed to oil and food price volatility. In addition, Jamaica is highly susceptible to natural disasters and climate change: it is located in the Caribbean hurricane belt and is prone to landslides, floods, and drought. From an institutional perspective, Jamaica has a stable two-party Westminster Parliamentary democracy and a strong civil service.

Figure 2.1
GDP growth and tourism 2005-2013



¹ Within the industry sector, construction, bauxite and other alumina are the most significant contributors. Importantly, agriculture is one of the largest employers in the country (18% of the total employed labor force); tourism's direct and indirect contribution to employment is around 25%.

² The lion's share of its trade takes place with the United States and Canada. The shares for energy and food are based on value of imports of goods.

2.2 **Jamaica has been highly indebted since the 1970s and its debt burden has restricted public investment in human and physical capital.** Jamaica's debt as a share of GDP sharply increased in the 1970s, continued to rise in the 1980s and 1990s, and has stood continuously well above 100% since 2001. Between 2009 and 2013, its average debt-to-GDP ratio was 143%, making Jamaica one of the most indebted countries in the world. Jamaica is also among the countries which devote most resources to servicing debt on a relative basis. In the period under evaluation, interest payments absorbed more than a tenth of GDP and a third of the expenditure budget, the highest figure in LAC and among the highest in the world.³ This heavy debt burden explains why, despite primary surpluses averaging 7.2% of GDP, the overall fiscal deficit has been around 5% of GDP during 2000-2013. Debt has been mostly domestic (54%) since the financial sector liberalization in the 1990s, and the Bank has been the largest multilateral lender since 2004, holding 15.4% of public sector external debt in 2013, followed by the World Bank (8%).⁴ The debt overhang has impaired economic growth.⁵ Jamaica's GDP per capita is approximately US\$9,000 based on purchasing power parity, less than half the average for the other Caribbean countries. In the period under analysis, GDP declined by an average of 0.7% per annum, and in 2009, as a result of the global crisis, the economy contracted by 3.4%. However, the outlook for growth has recently improved, with expectation of around 1% in 2013/2014 and a modest increase thereafter. In parallel, both the current account deficit and the overall fiscal deficit show incipient signs of improvement (Table 1, Annex).

2.3 **During the evaluation period, Jamaica made significant efforts to reduce its debt burden and enhance its fiscal sustainability, but the challenge of restoring sustainable debt dynamics remains formidable.** In early 2010, Jamaican authorities reached agreement on a 27-month Stand-by Arrangement (SBA) with the IMF, the first such arrangement in 14 years. The program was shortly preceded by a large voluntary domestic debt exchange, as a result of which the Government's annual interest payments fell by about 3.5% of GDP. However, Jamaica was unable to meet some of the program's fiscal targets, and the program was *de facto* finished by the end of 2011 (with only 3 out of the 7 planned reviews done). Following the People's National Party's return to power in 2012, the Government—conscious that Jamaica's challenges required a longer adjustment period—reached a four-year agreement with the IMF under the Extended Fund Facility (EFF) in early 2013 and undertook a new voluntary domestic debt exchange. Program performance is currently on track, and the third review was recently concluded.

2.4 **The Jamaican economy exhibits high informality and low (and decreasing) productivity, further reinforcing its growth challenges.** The informal economy

³ As percentage of exports, only Hungary and Seychelles had a large debt interest burden than Jamaica in 2012 (IMF Western Hemisphere Outlook)

⁴ These figures include the IMF. Excluding the IMF, the IDB share is 17.3%

⁵ International Monetary Fund, 2012, "Threshold Effects of Sovereign Debt: Evidence from the Caribbean". IMF Working Paper No. 12/157

has been estimated at around 40% of total economic activity,⁶ which is related to the deterioration of both labor and total factor productivities. Total Factor Productivity declined at an average annual rate of 2.1% between 1990 and 2010,⁷ lagging behind most other LAC countries.⁸ Deficiencies in human capital have been identified as one of the main underlying causes of low productivity. In this regard, while Jamaica has high and increasing enrollment rates at pre-primary, primary and secondary levels (98% of children 3-16 years old are enrolled in an education institution),⁹ there are rising quality concerns and education outcomes are low.¹⁰ Moreover, tertiary enrollment remains a challenge, and approximately 80% of tertiary graduates migrate.

2.5 The country also faces a number of constraints to doing business—crime and violence having ranked consistently as one of the most problematic factors—and international competitiveness deteriorated during the evaluation period. Constraints to doing business range from electricity cost to access to finance and institutional and governance-related weaknesses,¹¹ but crime and violence has been consistently identified among the most important obstacle for the last decade.¹² Jamaica has one of the highest rates of violent crime in the world and the highest in the Caribbean, with an average homicide rate of 53.4 murders per 100,000 inhabitants over 2004-2012. In 2012, however, the homicide rate fell to a nine-year low. Tax distortions and waivers have also been consistently cited as a main impediment to growth, fostering an inefficient allocation of resources.¹³ Jamaica ranks 94th out of 144 countries in 2013 in the World Economic Forum’s Competitiveness Index, a setback from its 86th position in 2008. To help enhance competitiveness and maintain a reasonable level of international reserves, the Bank of Jamaica has supported a depreciation of its currency in recent years, but inflation has exceeded that in its main trading partners, hindering gains in price competitiveness.

⁶ The most recent figure available, to the best of our knowledge, corresponds to early 2000s. For further details, see “The informal sector in Jamaica”, Inter-American Development Bank Working Paper RE3-06-010, December 2006.

⁷ Bank of Jamaica, 2011. Address to the Jamaica Chamber of Commerce, “Productivity in Jamaica”. Accessible at http://boj.org.jm/uploads/news/speech_-_jcc_luncheon,_2011-9-13.pdf

⁸ World Bank, 2011. “Jamaica Country Economic Memorandum. Unlocking Growth”, Report No. 60374-JM

⁹ Caribbean Policy Research Institute, 2012. Education Report Card reporting figures for 2009 (closest year available). The report is accessible at <http://www.capricaribbean.com/research/2012-report-card-education-jamaica>. These figures are among the highest in the region and have been increasing since the mid-1990s.

¹⁰ Planning Institute of Jamaica, 2012. Jamaica Country Assessment. The government, supported by the WB, IDB and USAID, is working on an Education System Transformation Program to address quality, efficiency and equity concerns.

¹¹ Jamaica has long ranked below the Caribbean average on most governance indicators

¹² Global Competitiveness Index Report, from 2005-2006 to 2013-2014

¹³ Inter-American Development Bank, 2010. “Productive policies in Jamaica”. IDB Working Paper Series 128.

- 2.6 **The recent recession entailed an increase in unemployment and poverty; the rise in youth unemployment is particularly worrisome given the involvement of that demographic group in crime and violence.** Recession and cuts in the public sector workforce raised unemployment from 9.7% (2007) to 13.7% (2012). The young were heavily affected by the recession, since youth unemployment rates increased from 25.9% in 2008 to 34% in 2012. Coupled with the high school dropout rates of boys (31% for grades 11-12 in 2012), increasing youth unemployment is worrisome because young males are the most likely group to be involved in crime. Poverty has oscillated sharply in the last decade. After falling from 19.7% in 2002 to 9.9% in 2007, the population living below the national poverty line almost doubled after the global recession, reaching 17.6% in 2010. Poverty remains predominantly rural: 8 in 10 poor people are concentrated in rural areas, where roughly half the population lives. Importantly, Jamaica will probably meet most of the Millennium Development Goals, including infant and child nutrition and access to safe drinking water, but is unlikely to achieve the goals on child mortality, maternal health and HIV/AIDS.¹⁴
- 2.7 **All in all, Jamaica faces multiple constraints that limit its ability to sustain growth and needs more proactive strategic exploration on potentially growth-enhancing sectors;¹⁵ however, new infrastructure and trade-related expansions are currently being explored.** Jamaica has an English-speaking labor force, is close to the United States' market, and is strategically located between sea corridors for the Panama Canal. In this regard, the country is currently exploring the possibility of launching a major infrastructure initiative for the transport of goods and provision of services to shipping and air cargo routes. Through this initiative, Jamaica seeks to become a logistics hub in the Caribbean, which has been identified as one of the main national goals in Jamaica's recently finished long-term development plan (see paragraph 3.1).

¹⁴ UNDP- Accessible at <http://www.jm.undp.org/content/jamaica/en/home/countryinfo/>

¹⁵ For a discussion on this regard, see "Policies for Achieving Structural Transformation in the Caribbean", Inter-American Development Bank, Private Sector Development Discussion Paper #2, October 2009

III. COUNTRY STRATEGIC PLANNING AND IDB PROGRAMMING IN JAMAICA, 2009-2014

A. The country's strategic planning instruments

- 3.1 In 2009, the Government of Jamaica (GoJ) presented its first long-term development plan, Vision 2030, which defined four national goals and 15 outcomes to position Jamaica as a developed country by 2030.¹⁶ Vision 2030 is implemented through Medium-Term Socio-Economic Policy Frameworks (MTFs) and during the period covered by this CPE, the GoJ prepared two MTFs (2009-2012 and 2012-2015). These MTFs identified numerous national outcomes, which are mostly related to security and safety; macroeconomic stability; enabling business environment (including energy efficiency); human capital development; hazard risk reduction and adaptation to climate change; and effective governance.
- 3.2 The GoJ launched in 2013 the Fiscal Policy Paper for 2013/14 to track the implementation of the MTFs. In line with the EFF program, the Paper includes a fiscal consolidation package with measures to reduce government debt-to-GDP to 100% by fiscal year 2015/16 and to sustain a central Government primary surplus of 7.5% of GDP over the medium term.

B. The Bank's Strategy, 2009-2014

- 3.3 This CPE covers the Bank's program in Jamaica between 2009 and 2014, and therefore examines two Country Strategies (CSs) and two Country Strategy Updates (Figure 1, Annex). Through the two updates, one in November 2008 (GN-2422-3) and one in April 2010 (GN-2570),¹⁷ the 2006-2009 Country Strategy (GN-2422-1) remained in force until September 2010. The first update already marked an important shift in the Bank's assistance to Jamaica, reflected in a higher lending envelope and a greater emphasis on supporting Jamaica's macroeconomic stabilization efforts, in light of the emerging global crisis. A new CS was originally expected to be discussed in September 2010 but, due to uncertainties in Jamaica's macroeconomic outlook, a new CS was not approved until early 2013 (GN-2694-2, covering the 2013-2014 period). From 2010 onwards, Bank Management produced annual Country Programming Documents (CPDs). Table 3.1 summarizes the main priority sectors identified in the two CSs that applied over the evaluation period.

¹⁶ The four goals are: (i) Jamaicans are empowered to achieve their fullest potential, through focus on education, health, and social protection; (ii) Jamaican society is secure, cohesive, and just, through focus on effective governance, security and safety; (iii) Jamaica's economy is prosperous, via stable macroeconomic conditions, an enhanced business climate, energy security, and strong economic infrastructure; and (iv) Jamaica has a healthy natural environment, through sustainable management of natural resources and adaptation to climate change.

¹⁷ The 2010 update (GN-2570) included Argentina, Brazil, Dominican Republic, Jamaica, Mexico, Trinidad and Tobago, Uruguay, and Venezuela.

Table 3.1
Summary of Country Strategy priorities

	Priority Sector	IDB Over-arching objectives
2009-2010 <i>(based on 2006-2009 CS and CS Updates)*</i>	Private Sector Development	Output/value added in the private sector expands in a sustainable and labor-intensive manner through organic growth and absorption of the informal sector
	Better Value for Money	Greater efficiency allows Jamaica to benefit more from a given level of resources
	Reducing vulnerability to natural disasters	Enhanced prevention activities and assistance in rehabilitation and reconstruction activities as needed
2013-2014 <i>(based on 2013-2014 CS)**</i>	Fiscal sustainability	Reduction in expenditures while increasing revenues
	Social protection and safety	Strengthen key social safety net programs, enhance quality and access to education and training, and increase safety and security
	Financial sector and business climate	Improvement in access to finance, lowering the costs of doing business, reduced financial system risks, and implementation of Government initiatives aimed at enhancing labor productivity

* The second CS Update (2010) added “public finance” as a new priority sector

** Disaster risk management and climate change mitigation was identified as a crosscutting theme

C. The Bank’s operational portfolio, 2009-2014

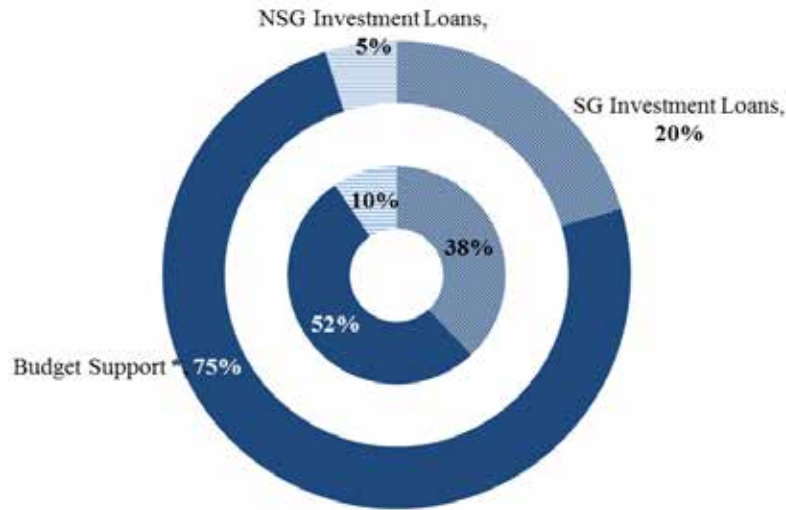
- 3.4 Over the period under analysis, the Bank’s financial support to Jamaica increased significantly. Between January 2009 and March 2014, the Bank approved approximately US\$1,560 million in 21 new loan operations, more than five times the amount approved between 2003 and 2008 (some US\$300 million in 12 loan operations). The difference between the two periods is partly accounted for by the fact that no new loans were approved between 2005 and early 2008, and partly, by the substantial budget support provided in the context of the IMF programs. The portfolio approved since 2009 covers a wide range of themes, but is concentrated mainly in public sector reform and competitiveness (43%), social sectors (including social investment, education and citizen security, 24%), and infrastructure and energy (19%, Table 2, Annex).¹⁸
- 3.5 Sovereign guaranteed loans (SG) accounted for 95% of the amount approved between January 2009 and March 2014, for a total of almost US\$1,500 million (19 loans). Roughly 75% of this amount took the form of budget support operations (emergency loans and programmatic PBLs, Figure 3.2), half of which was approved in 2010.¹⁹ Almost US\$77 million were approved in the form of two non-sovereign guaranteed investment loans (NSG) on tourism and transport, a larger NSG amount than was approved between 2003 and 2008 (US\$42 million, three operations²⁰).

¹⁸ These percentages are based on the number of operations approved (see Table 3, Annex)

¹⁹ Joint support of the IMF, WB and IDB to Jamaica in 2010 accounted for about 20% of GDP.

²⁰ This includes two trade finance facilities: First Caribbean International Bank Ltd. (JA-L1017, 2008) and First Global Bank Limited (JA-L1004, 2006).

Figure 3.2
Loan portfolio approved by instrument 2009-March 2014



*Includes a hybrid operation approved in 2010 (JA-L1024), in which 2/3s were in the modality of policy-based loan.
 Note: Outer circle reflects % of lending amount approved and inner circle, % of number of operations approved

- 3.6 Loan disbursements also increased sharply during the evaluation period. Between January 2009 and March 2014, approximately US\$1,230 million was disbursed for SG and NSG operations, in comparison to the US\$325 million over the period 2003-2008 (during which the active portfolio was heavily downsized through cancellations) and the US\$460 million disbursed between 1997 and 2002.
- 3.7 Approvals of technical cooperation (TC) operations also increased in the period under analysis. Between 2009 and March 2014, the Bank approved around US\$18 million in TCs for Jamaica, three times the amount approved between 2003 and 2008. The technical assistance program goes beyond the areas covered by the loan portfolio, but most operations supported the same areas as the lending program, namely social (24%), public sector reform (21%), and infrastructure and energy (17%) (Table 3, Annex).²¹ The Bank also approved three investment grants during the evaluation period for roughly US\$19 million in the areas of energy, public sector reform, and citizen security.

²¹ These percentages are based on the number of operations approved (see Table 4, Annex)

IV. SCOPE AND FOCUS OF THE EVALUATION

- 4.1 During the period under analysis, the Bank was engaged in a wide range of sectors, but both the lending and technical assistance portfolios were concentrated in three main areas of work: public sector reform and competitiveness, social (including social investment, education, and citizen security), and infrastructure and energy (Tables 2 and 3, Annex). Thus, while the CPE will analyze the entire engagement of the Bank with Jamaica, the focus will be on these three areas. Moreover, given the prominence of fast-disbursing instruments in the portfolio (namely programmatic PBLs), the evaluation will pay special attention to the reforms supported by the programmatic PBLs and the related TCs.
- 4.2 Given OVE's mandate to provide timely lessons learned and recommendations for the next Country Strategy, this evaluation will focus on SG and NSG operations approved between January 2009 and the first semester of 2014,²² and on operations that were approved during the previous period but disbursed a significant percentage during the current evaluation period. In terms of non-reimbursable products, the evaluation will focus on those that were designed as part of a larger program (i.e., those directly or indirectly linked to a lending operation), and will also include active TCs carried over from the previous period.
- 4.3 While this evaluation will formally cover the work of the IDB, MIF and IIC operations may be included if considered adequate.

²² Note that as March 31st, almost 90% of the expected SG approvals for 2014, and more than 95% of the expected disbursements for 2014 (as described in the 2014 CPD) had been approved and disbursed, respectively. The only remaining reimbursable operation in the pipeline for 2014 is a SG investment loan, the Citizen Security and Justice Program III (JA-L1043).

V. EVALUATION QUESTIONS

5.1 The CPE will assess whether the program implemented by the Bank between 2009 and 2014 was consistent with Jamaica's development needs as well as with the objectives defined in the CS. The CPE will also examine how the Bank's program has evolved and adapted to the country's macroeconomic priorities, and to what extent it had taken into account the previous CPE's recommendations. The specific questions regarding the relevance, implementation and effectiveness, and sustainability of Bank support to Jamaica are detailed below.

A. Relevance

5.2 Relevance refers to "*the degree to which the design and objectives of the Bank strategy and program of assistance were consistent with the needs of the country and with the government's development plans and priorities*" (RE-348-3). Under this heading, the CPE will address the following questions:

- a. How consistent were the Bank's strategic objectives, as defined in the country strategies, with Jamaica's development challenges and with the government's priorities?
- b. During the period with no Country Strategy, what guided the Bank's support? How relevant was that support to Jamaica's development priorities?
- c. How well-attuned was the Bank's lending envelope and the specific mix of instruments used in light of the country's macroeconomic and fiscal situation?
- d. What factors explain the increases in financing proposed in the Country Strategy Updates compared to the original financing scenarios? What factors explain that the current (2013-2014) Country Strategy was approved without a financing envelope?
- e. Was the program, and especially the PBL-supported reforms, relevant, given the country's development priorities and macroeconomic circumstances?
- f. What mix of instruments did the Bank deploy to promote private sector-led growth?
- g. To what extent did the Bank take into account and coordinate with the programs of other external development partners assisting Jamaica?

B. Implementation and effectiveness

5.3 In assessing implementation of the Bank's program, effectiveness refers to "*the extent to which the assistance instruments achieved the intentions and objectives set [in the Country Strategy and Program]*" (RE-348-3). The evaluation will *inter alia* address the following questions:

- a. To what extent have the outcomes targeted by the Bank's SG and NSG operations in the areas of public sector reform and competitiveness, social, and infrastructure and energy been achieved?
- b. Were the reforms and institutional arrangements supported by the PBLs effective?
- c. Which factors explain the success or failure of program implementation?
- d. To what extent has the Bank ensured the effectiveness of its operations through the identification and timely mitigation of risks?
- e. What did the Bank do to help advance the use of country systems?

C. Sustainability

5.4 Sustainability refers to “*the likelihood that actual and anticipated results will be resilient to risks beyond the program period*” (RE-348-3). The evaluation will address the following questions:

- a. What is the likelihood that the result of Bank's interventions will be sustainable?
- b. To what extent did the Bank anticipate sustainability challenges? Did it attempt to mitigate them? How did it address cases where reforms and/or their results have not been sustained?

VI. DATA SOURCES

- 6.1 To address the questions outlined above, the evaluation will use various sources of information (Table 4, Annex). These include interviews with key stakeholders and informed observers, including current and former Jamaican officials, IDB managers and staff (notably team leaders of Bank projects and Bank sector specialists), relevant representatives of other international agencies (particularly the World Bank, the International Monetary Fund, and UN agencies), IDB project beneficiaries, and representatives of Jamaican civil society who are familiar with Jamaica's development challenges or the Bank's program. Data and information from IDB and other sources (notably GoJ, BoJ, WB, IMF, and UN) will be used to document and interpret the extent to which the targeted impact and outcomes of CSs and IDB operations have or have not materialized, and the possible causal relationship to Bank-supported reforms.

- 6.2 OVE will also analyze the relevant Country Strategies (CSs) and Updates, Country Programming Documents (CPDs), loan and grant proposals, monitoring and completion reports, project evaluations, and other relevant material produced by the Bank and executing agencies. OVE will complement the interviews and document review with a statistical analysis of the Bank's administrative databases, as warranted. Databases used in the past include the following: administrative budget (BUDGET), project preparation (OPUS), contractual conditions (OPMAS), procurement (PRISM), use of staff time (TRS), and financial transactions (LMS).

VII. TEAM AND TIMELINE

- 7.1 The evaluation team is comprised of Agustina Schijman, Ali Khadr, Miguel Soldano, Ricardo Marto, Paola Buitrago, Peter Freeman, Monika Huppi, and Andrea Florimon.
- 7.2 The expected timeline for the evaluation is as follows:

Activity	Date
Evaluation mission	Mid-May
First draft for OVE internal review	End-Aug
Second draft for Government and Management comments	End-Sep
Revised draft submitted to SEC for final translation	Mid-Nov
Discussion of CPE at the Board of Executive Directors	TDB

Table 1
Selected economic indicators

Jamaica: Selected economic, financial and social indicators							
I. Social and Demographic indicators							
Population (2013, million)	2,783						
Per capita GDP in PPP (2013, US\$)	9,028.7						
Life expectancy at birth (2012, years)	73.3						
Human Development Index (2013, rank)	85						
Main exports: alumina, tourism, chemicals, bauxite, coffee, sugar.							
II. Economic indicators							
	2007	2008	2009	2010	2011	2012	Est. 2013
GDP and prices							
Real GDP growth (%)	1.4	-0.8	-3.4	-1.4	1.4	-0.5	0.4
Nominal GDP (US\$ million)	12,877	13,741	12,111	13,265	14,465	14,837	14,389
CPI inflation (% end of period)	16.8	16.8	10.2	11.7	6.0	8.0	10.5
Average annual exchange rate (J\$/US\$)	69.1	72.9	88.5	87.4	86.1	89.0	100.8
Unemployment and emigration							
Unemployment rate (% of total labor force)	9.9	10.6	11.4	12.4	12.8	13.9	15.4
Emigration rate per 1000 mid-year population	5.1	5.1	5.4	3.6	5.4	5.5	...
(In percent of GDP, unless otherwise indicated)							
Public finances (fiscal year)¹	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Central government							
Revenue and grants	27.6	27.2	27.5	26.8	25.6	25.5	...
Tax revenue	24.0	24.3	24.3	23.9	23.0	23.7	...
Expenditure	32.2	34.7	38.6	33.2	32.0	29.9	...
Wage bill	9.4	11.0	11.6	10.9	11.1	11.0	...
Interest payments	11.1	12.4	17.3	10.9	9.6	9.5	...
Overall balance	-4.6	-7.4	-11.1	-6.3	-6.4	-4.4	...
Primary balance	6.5	4.9	6.2	4.6	3.2	5.1	...
Public sector debt							
Total	114.5	127.0	141.4	143.2	141.6	146.1	142.7
Domestic	64.5	69.1	79.3	75.4	76.7	82.5	77.6
External	50.0	57.9	62.1	67.9	64.9	63.6	65.1
IDB ²	4.2	5.2	6.2	10.0	9.7	9.6	10.0
Balance of payments (fiscal year)¹							
Current account	-24.5	-24.6	-8.7	-9.0	-14.9	-12.8	...
Memorandum items (fiscal year)¹							
Gross international reserves (US\$ million)	-	1,663.4	2,414.4	3,435	2,639	1,718	...
Gross international reserves (weeks of imports)	-	9.2	18.6	26.2	17.1	11.2	...
Remittances (US\$ million) ³	2,122	2,157	1,889	2,026	2,106	2,145	...

Source: Bank of Jamaica, IMF, UNDP, WB, and OVE estimates and projections.

1/ Fiscal year is from April to March.

2/ IDB's share of total external debt can be computed by dividing IDB by External values (circa 15% in FY2012/13).

3/ In calendar year.

Table 2
Loan approvals (SG and NSG) by theme (2009-March 2014)

Area of Work	Number	Number (%)	Original Amount Approved ('000)	Original Amount Approved (%)
Public Sector Reform	9	43%	810	52%
<i>Public Financial Management</i>	7	33.3%	690	44.2%
<i>Competitiveness*</i>	2	9.5%	120	7.7%
Social	5	24%	196	13%
<i>Social Investment</i>	3	14.3%	130	8.3%
<i>Education</i>	1	4.8%	45	2.9%
<i>Citizen Security</i>	1	4.8%	21	1.3%
Infrastructure & Energy	4	19%	233	15%
<i>Water and Sanitation</i>	1	4.8%	133	8.5%
<i>Transport</i>	2	9.5%	80	5.1%
<i>Energy</i>	1	4.8%	20	1.3%
Other	3	14%	321.75	21%
<i>Financial Markets**</i>	1	4.8%	300	19.2%
<i>Agriculture</i>	1	4.8%	15	1.0%
<i>Tourism</i>	1	4.8%	6.75	0.4%
Total	21	100%	1560.75	100%

Source: OVE based on data warehouse of the Bank

*Includes several components related to public finance

**Liquidity Program for Growth Sustainability - Emergency Type of Program

Table 3
TCs and Investment Grants by theme (2009-March 2014)

	Area of Work	Number	Number (%)	Original Amount Approved ('000)	Original Amount Approved (%)
TCs	Public Sector Reform	9	21.4%	5.0	28.0%
	<i>Public Finance</i>	2	4.8%	1.3	7.3%
	<i>Other reforms</i>	6	14.3%	3.0	17.0%
	<i>Competitiveness*</i>	1	2.4%	0.7	3.7%
	Social	10	24%	4.5	24.5%
	<i>Social Investment</i>	6	14.3%	2.3	12.1%
	<i>Citizen Security</i>	2	4.8%	1.2	6.8%
	<i>Education</i>	2	4.8%	1.0	5.6%
	Infrastructure & Energy	7	16.7%	4.3	24.3%
	<i>Transport</i>	3	7.1%	1.07	6.0%
	<i>Energy</i>	2	4.8%	0.9	5.3%
	<i>Water and Sanitation</i>	1	2.4%	1.5	8.3%
	<i>Urban Development and Housing</i>	1	2.4%	0.8	4.7%
	Other	11	26.2%	4.0	22.5%
	<i>Environment and Natural Disasters</i>	5	11.9%	1.9	10.7%
<i>Action Plan for C+D countries</i>	4	9.5%	0.8	4.6%	
<i>Agriculture</i>	3	7.1%	0.6	3.1%	
<i>Entrepreneurs and Financial Inclusion</i>	3	7.1%	0.4	2.4%	
<i>Science and Technology</i>	1	2.4%	0.3	1.8%	
	Total	42	100%	17.8	100.0%
Investment Grants**	Public Sector Reform	1	33.3%	6.65	35.2%
	Infrastructure & Energy (Energy)	1	33.3%	0.75	4.0%
	Social (Citizen Security)	1	33.3%	11.5	60.8%
	Total	3	100%	18.9	100%

Source: OVE based on data warehouse of the Bank

*Includes several components related to public finance

**JA-X1007, JA-X1001, and JA-X1006

Table 4
Evaluation questions and source of information

	Evaluation Questions	Source of Information
RELEVANCE	How consistent were the Bank's strategic objectives, as defined in the country strategies with Jamaica's development challenges, and with the government's priorities?	CSs, CS Updates, CPDs, Country development document, diagnostic studies done by IDB, IMF, and WB, interviews with key stakeholders
	During the period with no Country Strategy, what guided the Bank's support? How relevant was that support to Jamaica's development priorities?	CPD, interviews with key stakeholders, loan documents, TCs profiles
	How well-attuned was the Bank's lending envelope and the specific mix of instruments used in light of the country's macroeconomic and fiscal situation? Was the cash-flow cyclical, anti-cyclical or a-cyclical?	CSs, CS Updates, CPDs, Country development document, IDB MSA, IDB Macroeconomic Briefings, data from Bank's warehouse (OPS, OVEDA, Finance Data Mart, FIN LMS), diagnostic studies done by IDB, IMF, and WB, interviews with key stakeholders
	What factors explain the increases in the financing proposed in the CS Updates compared to the original financing scenarios? What factors explain that the current Country Strategy was approved without a financing envelope?	Interviews with key stakeholders
	Was the program, and especially the PBL-supported reforms, relevant, given the country's development priorities and macroeconomic circumstances?	CSs, CS Updates, CPDs, Country development document, diagnostic studies done by IDB, IMF, and WB, interviews with key stakeholders
	What mix of instruments did the Bank deploy to promote private sector-led growth?	Interviews with key stakeholders
	To what extent did the Bank take into account and coordinate with the programs of various other external development partners assisting Jamaica?	Interviews with key stakeholders, review of portfolios of the main multilateral and bilateral development partners
IMPLEMENTATION AND EFFECTIVENESS	To what extent have the outcomes and impact targeted by the Bank's SG and NSG operations in the areas of public finance and competitiveness, social, and infrastructure and energy been achieved?	Loan documents, TCs profiles, PMRs, PCRs, portfolio reports, GoJ, IDB, WB and IMF data, interviews with key stakeholders
	Were the reforms and institutional arrangements supported by the PBLs effective?	Loan documents, TCs profiles, GoJ, IDB, IMF, and WB data, interviews with key stakeholders
	Which factors explain the success or failure of program implementation?	Interviews with key stakeholders
	To what extent has the Bank ensured the effectiveness of its operations through the identification and timely mitigation of risks?	Loan documents, TCs profiles, CPDs, Interviews with key stakeholders
	To what extent did IDB support and rely on the use of national systems?	Loan documents, TCs profiles, CPDs, Fiduciary Technical Notes, interviews with key stakeholders
SUSTAINABILITY	What is the likelihood that the Bank's interventions will be sustainable?	PMRs, PCRs, portfolio reports, GoJ, IDB, WB and IMF data, interviews with key stakeholders

	Evaluation Questions	Source of Information
	To what extent did the Bank anticipate sustainability challenges? Did it attempt to mitigate them? How did it address cases where reforms and/or their results have not been sustained?	Loan documents, TCs profiles, CPDs, interviews with key stakeholders