
Building Effective Governments

Executive Summaries of the
Caribbean Country Studies

Jamaica



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Introduction

Improving public services, using resources efficiently, and managing state institutions effectively have been an ongoing concern of Latin American and Caribbean (LAC) governments since early in this century. Today, the authorities are paying close attention to the results obtained by their administrations. Citizens are demanding not only universality, but also quality in the services provided by the State.

To assess countries' institutional capacity to manage their public sectors efficiently, the Inter-American Development Bank (IDB) designed the PRODEV Evaluation Tool (PET). This instrument uses a managing for development results (MfDR) approach to analyze five pillars of the public policy management cycle: (i) planning, (ii) budgeting, (iii) public financial management, (iv) program and project management, and (v) monitoring and evaluation.

Each pillar has components that measure the maturity of institutional systems and their capacity to orient administrations toward obtaining results. These components, in turn, include indicators that measure specific aspects of management systems, which are subdivided into the minimum requirements that make up the basic unit of information gathering. The PET has 16 components, 37 indicators, and 142 minimum requirements; all of these are scored on a 0 to 5 scale, in which 5 is optimal. The ministries of Education, Health, Social Development, and Infrastructure carried out the analysis of sectoral management in the fourth pillar. However, for various reasons, in some countries, it was not possible to analyze all of these sectors.

This methodology was used to assess the situation in 24 LAC countries by comparing data obtained in 2007 to those obtained in 2013.¹ The cutoff date of the information for the first round was not uniform across countries, as the instrument was applied between 2007 and 2009. By contrast, the cutoff date of the reports for the second round was the same in all cases: December 31, 2012.

The information gathered was analyzed in the book entitled *Building Effective Governments: Achievements and Challenges for Results-Based Public Administration in Latin America and the Caribbean*. The present document is the executive summary of the "National Progress Report (2007–2013) on Institutional Capacity to Implement Managing for Development Results," which was prepared in each of the 24 countries covered in the study. The book, the annexes, and other information related to the study are available at: www.iadb.org/gobiernosefectivos.

The editors wish to thank the authorities and public officials of the institutions that participated in this study for their collaboration and input. Without their contributions, this study could not have been carried out. Finally, with respect to the data reported in the figures, numbers expressed in hundredths were rounded up to decimals.

¹ The countries included in this study are: Argentina, Bahamas, Barbados, Belize, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Nicaragua, Mexico, Panama, Paraguay, Peru, Surinam, Trinidad and Tobago, and Uruguay.

Jamaica

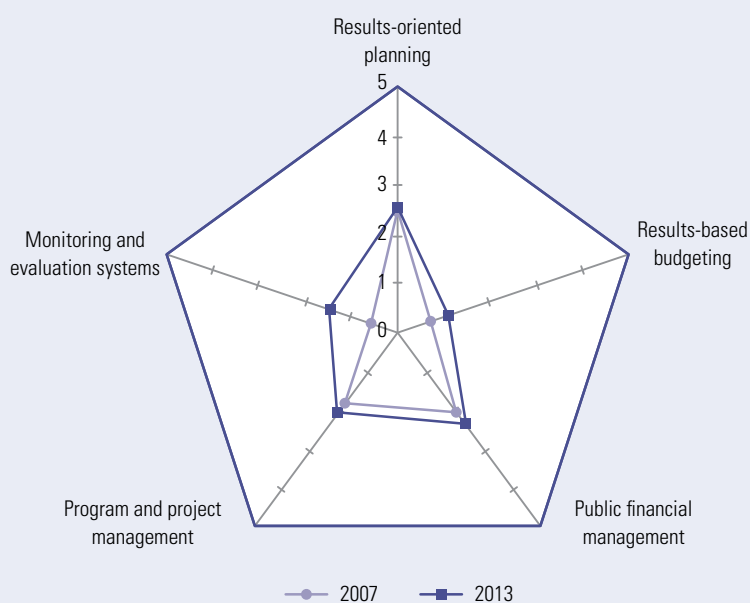
Summary of Changes between
2009 y 2013

Jamaica was still in the initial stage of building its institutional capacity for MfDR. Its areas of greatest strength were planning and public financial management. The weakest pillars were results-based budgeting and monitoring and evaluation systems. Nevertheless, significant progress was made in the latter thanks to the creation of the Performance Monitoring and Evaluation System (PMES) under the Performance Monitoring and Evaluation Unit of the Cabinet Office. In 2009, the country formulated a long-term development strategy (Vision 2030 Jamaica-National Development Plan), which remained in effect under the current administration and was the reference for the development of various instruments in the areas of planning, budget, sectoral management, and monitoring of public management.

Scores for Jamaica on Each MfDR Pillar for the 2009–2013 Period

PILLARS	2009	2013
Results-oriented planning	2,4	2,5
Results-based budgeting	0,7	1,1
Public financial management	2,2	2,4
Program and project management	1,9	2,1
Monitoring and evaluation systems	0,5	1,5
Average	1,6	1,9

Development of the MfDR Pillars in Jamaica



Progress on MfDR Implementation in Jamaica	
Planning	The long-term plan Vision 2030 was in effect during the administrations of three primer ministers. A new medium-term plan was formulated, as well as four sectoral plans.
Budgeting	A medium-term fiscal framework was formulated, and it was part of the annual budget. The Fiscal Responsibility Act and the Public Debt Management Law were enacted.
Financial Management	The accounting system was being adapted to the International Public Sector Accounting Standards and was migrating to accounting based on accrued expenses. The Financial Management Regulations were approved in 2011 to strengthen the internal auditing system.
Program and Project Management	Strategic plans were formulated for the four sectors analyzed.
Monitoring and Evaluation Systems	The PMES was created to define the responsibilities of the entities in charge of monitoring and evaluation. Manuals for monitoring Vision 2030 were designed.

Results-oriented Planning

COMPONENTS	2009	2013
Results-oriented planning	2,4	2,5
Strategic planning capacity	3,6	3,8
Operational planning	1,5	1,5
Participatory nature of planning	2,1	2,1

The strategic planning capacity continued to grow stronger as a result of the continuity provided by the long-term strategic plan Vision 2030 approved by the Parliament in 2009, thanks to strong support from the two parties that still held a majority after it was approved. This plan was accompanied by a medium-term plan (2012–2015), and the two were duly linked since the latter included both the strategic objectives and the priorities of Vision 2030. The entity responsible for planning was the Planning Institute of Jamaica (PIOJ). No progress was made, however, in formulating a legal framework to regulate the government's planning system.

The medium-term plan defined strategic objectives, national strategies, and indicators for the objectives, but it did not have a program-based structure. Even though the plan and the budget were not integrated, the objectives of public investment projects were established on the basis of the priorities established in the long- and medium-term plans. No law had yet been enacted to promote the participation of civil society and the legislative branch in planning. However, the Parliament approved both the long-term plan and the medium-term plan, and the preparation of Vision 2030 had benefited from broad participation by civil society organizations.

Results-based Budgeting

COMPONENTS	2009	2013
Results-based budgeting	0,7	1,1
Program-based budget structuring	0,8	0,8
Medium-term budgeting perspective	1,2	3,1
Evaluation of spending effectiveness	0,3	0,3
Incentives for management effectiveness	1,0	1,0
Information dissemination	1,0	1,0

In 2009, the Fiscal Policy Management Office of the Economic Management Division of the Ministry of Finance and the Public Service (MOFPS) began preparing a medium-term fiscal framework that would become part of the Fiscal Policy Paper and the Annual Budget Proposal. This framework called for a three-year plan, to be updated annually and included economic and administrative classifications. In addition, the Financial Administration and Audit Law set fiscal targets for 2016. However, programs were not structuring the budget.

The situation of the evaluation of spending effectiveness was similar to that of 2009. There was no legal framework to promote it nor budget allocation mechanisms to foster efficiency and effectiveness in public spending. No progress was seen in creating incentives for management effectiveness. An incremental approach was still being used for budget allocations.

There were no changes in the dissemination of information because the proposed budgeting legislation was not posted on the Internet; instead, there was only a memorandum summarizing the main spending categories. The year-end report on budget implementation was not being published.

Public Financial Management

COMPONENTS	2009	2013
Public financial management	2,2	2,4
Budgeting and financial management	2,1	2,6
Procurement system	1,5	1,6
External and internal auditing	2,9	3,0

The average deviation of actual spending with respect to approved spending declined from 5.1 percent in the 2004–2006 period to 1.7 percent in the 2011–2013 period. No analyses of fiscal risks were being performed, so no mechanisms existed to mitigate such risks. However, Jamaica was participating in the Caribbean Catastrophe Risk Insurance Facility, whose objective was to limit the financial impact of hurricanes and earthquakes in the Caribbean. Budget transparency was affected because unreported extra-budgetary spending was estimated to be higher than 10 percent of the total for the 2011–2012 period. The quality of the reports on income and expenses for donor-funded projects had not improved, as there were discrepancies between the donors' reports and those of the Ministry of Finance.

During the 2010–2012 period, Congress had an average delay of 51 days in its budget approval. The accounting system was being adapted to the International Public Sector Accounting Standards, and accounting reflected all of the budget classifications. Accounting was also migrating from a cash-flow basis to accrued expenses, thanks to the implementation of an integrated financial management system that included the Central Treasury Management System. Work continued on preparing a consolidated annual government report that would provide complete information on income-expenses and assets-liabilities and would be subject to external auditing.

The entities responsible for the procurement system were the Office of the Contractor General and the National Contracts Commission (NCC), which did not take part in the procurement process. No changes had been made in the legal framework that regulated public procurement; the Constitution and the Financial Administration and Audit Act (FAA) were the main legal instruments. Even though there were procedures for submitting and addressing claims in the procurement process, they were seldom being applied. One reason for this was the lack of clarity in the attributions of each of the players in the procurement process. No progress had been made on implementation of an electronic procurement system.

The legal framework that regulated the internal auditing system was strengthened with the approval of the Financial Management Regulations in 2011. These defined the roles and responsibilities of internal auditors, stipulated their independence, and defined the role of the Ministry of Finance. It was still compulsory for all public institutions to have an internal auditing office, as established by the FAA.

The Auditor General's Department, an independent entity regulated by the FAA and the Political Constitution, performed external auditing. In the 2009 evaluation, it was noted that the standards were already in line with those of INTOSAI, even though there was room for improvement to be fully aligned. No performance audits were being done.

Program and Project Management

COMPONENTS	2009	2013
Program and project management	1,9	2,1
Ex ante evaluation and prioritization of investment projects	0,8	0,8
Medium-term sectoral vision	3,0	3,4
Sectoral management of goods and services	2,2	2,3
Sectoral information systems	1,5	1,9

Ex ante Evaluation and Prioritization of Investment Projects

Jamaica has had a public investment system responsible for ex ante evaluations since 1982. However, a committee created by the MOFPS, the PIOJ, and the sectoral ministries determined project feasibility and recommended approval. There was no legal mandate for performing this type of evaluation.

Sectoral Management

Education: The Ministry of Education had a Strategic Plan 2012–2015 and a National Strategic Plan for Education 2011–2020. These defined strategic objectives, strategies,

and targets. During the formulation of the latter plan, there was broad public consultation. Both of these plans were tied to the long-term national plan, Vision 2030. With regard to the production of goods and services, each office of the Ministry was preparing an action plan with annual targets but not defining outputs. However, this ministry, along with the Ministry of Health, was part of a pilot plan to formulate a multi-annual budget in which outputs were expected to be included. Performance contracts were not being signed, nor was there a system of incentives to encourage the achievement of organizational results. Implementation of a results-based management strategy was underway because the Ministry of Education was part of a pilot plan for the implementation of the PMES. Some actions had already been formulated, such as the definition of standards for improving the quality of education. User feedback on the quality of services was not being compiled. A system of educational statistics was created and could be found on the Internet; it was part of the Jamaica's national statistics system (JamStats).

Social Development: The Ministry of Labor and Social Security had its Strategic Plan 2013–2016, which included an outcome matrix and was aligned with Vision 2030 and the medium-term socioeconomic policy framework. It also included multi-annual targets for the delivery of services. Civil society had not participated in its formulation. Performance contracts were not being signed, and the PMES, which called for the payment of performance incentives, was not being applied. The process of implementing results-based management through the PMES was underway. Sporadic consultations regarding the quality of services were conducted. The information system showed progress with the creation of the Information System on Beneficiaries for internal use. No reports on management results were being published.

Public Health: The Ministry of Health had its Strategic Plan 2012–2015, which was the first step in implementing the PMES. Civil society had not participated in its formulation, even though some specific issues were subject to consultations. Even though the Plan was related to Vision 2030, the relationship of its strategic objectives to national objectives was not clearly defined. With regard to service delivery, implementation of a multi-annual budget was beginning, in which the outcomes to be achieved would be defined. Each strategic objective of the plan already indicated the office responsible for achieving it. The service contracts signed between the Ministry and regional health officials defined targets and indicators in several areas, such as quality of services. The Ministry formed part of the pilot plan for implementation of the PMES. JamStats included statistical information on health care, but there was no reliable information on the quality and cost of services, and information on coverage was very limited.

Infrastructure: The Ministry of Transport, Public Works and Housing had its Strategic Plan 2013–2015, which was related to Vision 2030 and to the medium-term socioeconomic policy framework. The strategic plan defined programs, strategies, outputs, performance indicators, and costs. The Ministry was part of the pilot project for PMES implementation. Even though information on the quality of services was not periodically compiled, there were some actions geared to promoting it. The information system that existed in 2009 had been maintained, but it did not offer reliable information on the quality or coverage of the services provided.

Monitoring and Evaluation Systems

COMPONENTS	2009	2013
Monitoring and evaluation systems	0,5	1,5
Monitoring of government management	1,5	2,8
Statistical information systems	0,5	2,6
Evaluation of government management	0,0	0,2

During the period under study, the entities responsible for the public management monitoring function were defined: the MOFPS, the PIOJ, and the Public Sector Modernization Division. The PMES was also created to monitor the evolution of Vision 2030, and a guide for building capacity for results-based management was formulated, as were strategic plans for the institutions that formed part of the PMES pilot plan. An indicator dashboard for the Vision 2030 plan was also posted on the Internet. The system of statistics was the responsibility of the Jamaican Institute of Statistics, which was adapting its standards to international standards. Social and economic statistics were being used to formulate plans and monitor progress toward achieving objectives and targets. The only progress on government evaluation was the 2010 creation of the PMES, which was administered by the Performance Monitoring and Evaluation Office of the Cabinet. This office was preparing evaluation manuals, so no program evaluations had yet been done.

