Poverty and Policy Coherence:

THE CASE OF JAMAICA

Leith L. Dunn
and
Alicia Mondesire

March 2002

Third in a series of four
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<tr>
<td>AIDS</td>
<td>Acquired Immunodeficiency Syndrome</td>
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<tr>
<td>CARICOM</td>
<td>Caribbean Community</td>
</tr>
<tr>
<td>CBO</td>
<td>Community-based Organization</td>
</tr>
<tr>
<td>CCIC</td>
<td>Canadian Council for International Co-operation</td>
</tr>
<tr>
<td>CDB</td>
<td>Caribbean Development Bank</td>
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<tr>
<td>CFTC</td>
<td>Commonwealth Fund for Technical Cooperation</td>
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<td>CHC</td>
<td>Canadian High Commission</td>
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<tr>
<td>CIC</td>
<td>Citizenship and Immigration</td>
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<td>CIDA</td>
<td>Canadian International Development Agency</td>
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<td>CPF</td>
<td>Country Program Framework</td>
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<tr>
<td>DAC</td>
<td>Development Assistance Committee (OECD)</td>
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<td>DFAIT</td>
<td>Department of Foreign Affairs and International Trade</td>
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<td>FAO</td>
<td>Food and Agricultural Organization</td>
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<tr>
<td>FARMS</td>
<td>Foreign Agricultural Resource Management Services</td>
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<tr>
<td>HDI</td>
<td>Human Development Index</td>
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<tr>
<td>HRDC</td>
<td>Human Resources Development Canada</td>
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<tr>
<td>IDB</td>
<td>Inter-American Development Bank</td>
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<td>IDRC</td>
<td>International Development Research Centre</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>NIP</td>
<td>National Industrial Policy</td>
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<tr>
<td>NPEP</td>
<td>National Poverty Eradication Programme</td>
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<tr>
<td>OAS</td>
<td>Organization of American States</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>OGD</td>
<td>Other Government Department</td>
</tr>
<tr>
<td>PIOJ</td>
<td>Planning Institute of Jamaica</td>
</tr>
<tr>
<td>TC</td>
<td>Transport Canada</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNESCO</td>
<td>United Nations Education, Scientific and Cultural Organization</td>
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<tr>
<td>UNFPA</td>
<td>United Nations Fund for Population Activities</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
</tr>
<tr>
<td>UNIDO</td>
<td>United Nations Industrial Development Organization</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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Foreword

This report is the third in a series of three country case-studies that were undertaken as part of The North-South Institute’s project on Poverty and Policy Coherence. The first two studies on Mali and Bangladesh have already been published and are available on NSI’s website. A final synthesis report will be released shortly.

The issue of policy coherence has become part of the international dialogue about development cooperation in recent years. Donors now realize that the effectiveness of their aid efforts can be seriously undermined by policies in the areas of trade, finance and immigration, to name but three. Conversely, trade and other policies that take into account developing countries’ needs can reinforce efforts being made by aid agencies to reduce poverty.

The aim of the three case-studies is to provide country specific illustrations of how Canadian aid and non-aid policies towards developing countries interact in practice. They also consider how Canadian policies interact with the poverty reduction policies of both the recipient country and other donor agencies operating in that country.

In Jamaica’s case, the report finds that there is already considerable collaboration between the Canadian International Development Agency (CIDA) and its official counterparts in Jamaica. Nonetheless it identifies a number of areas where there could be greater coordination with other Canadian public and private sector actors—ranging from information sharing to more substantive input into policy-making and implementation. For instance, CIDA could initiate discussions about how to make Canada’s search for skilled workers compatible with human capital development in Jamaica and elsewhere. Similarly, CIDA could help to maximize the contribution to Jamaica’s rural development made by Canada’s seasonal agricultural workers’ program, which brings thousands of Jamaicans to work on Canadian farms each year. On trade, DFAIT could draw from CIDA’s experiences in supporting the Caribbean’s Regional Negotiating Machinery and debate about trade within civil society groups in Jamaica, to ensure Canadian negotiations with the Caribbean contribute to poverty reduction.

I would like to thank both CIDA and the International Development Research Centre for funding this study, as well as our research partners for their hard work, and the many people in Jamaica and Canada who shared their views with us in the course of our investigations.

Ann Weston
The North-South Institute
Acknowledgements

The financial support of the Canadian International Development Agency (CIDA) and the International Development Research Centre is gratefully acknowledged. The authors also wish to acknowledge the contribution of the many institutions and individuals that made time for interviews and shared information relevant to the study. These include: officials at CIDA and the Department of Foreign Affairs and International Trade (DFAIT) in Canada and Jamaica; project managers of CIDA-funded programs in Jamaica; staff of the Planning Institute of Jamaica; staff of the Programme Coordinating and Monitoring Unit of the Poverty Alleviation Programme, Office of the Prime Minister; managers of Canadian companies in Jamaica; and staff members of Canada’s partner agencies in Jamaica.

Special thanks are due to the staff of The North-South Institute who provided useful contacts and background material for this study as well as valuable feedback on earlier drafts.

Leith L. Dunn and Alicia Mondesire
About the Authors

Dr Leith L. Dunn is a social scientist whose work is primarily in the field of social and economic development including gender analysis. She holds a Ph.D. from the London School of Economics and Political Science, a Bachelor’s degree (Hons) in Languages and Social Sciences and an M. Sc. in Sociology and Social Psychology from the University of the West Indies. Her work spans issues such as globalization, gender, trade, labour, tourism, policy development and analysis, NGO capacity building, the environment and rights issues.

Dr Dunn has worked over 20 years as a project analyst, trainer, academic and consultant with local, regional and international development agencies, governments, the Commonwealth and church organizations. Her work experience spans Europe, Asia, Africa and the Americas.

Dr Dunn has been a part-time Lecturer at the University of the West Indies for a number of years, having worked with the University Hospital, the Caribbean Institute of Media and Communication and the Regional Coordinating Unit of the Centre for Gender and Development Studies.

Alicia Mondesire is an international management consultant, based in Toronto. Specializing in institutional analysis and reform in the public and private sectors, she has been a writer and commentator on development for over 20 years. Prior to her consulting career, she held senior positions directing CUSO’s operations in Ontario Canada and in the Eastern Caribbean. A graduate of the Whittemoore School of Business and Economics at the University of New Hampshire, she has consulted during the last 14 years for the United Nations, the World Bank, British Petroleum, and the Inter American Development Bank, among others. Her consulting specialization covers socio-economic research and planning, and institutional capacity-building.

Ms. Mondesire’s recent poverty-related writings include Poverty Alleviation and Reduction Programmes: the Commonwealth Caribbean Experience (University of the West Indies-UWI Canoe Press, 1997), which she co-authored; and Gender in Poverty Analysis in the Caribbean (United Nations Economic Commission for Latin America and the Caribbean, 1999).

She maintains an interest in Caribbean literature and culture, and has studied the work of award-winning Caribbean writer, Jean Rhys, at the University of Tulsa in the USA.
Executive Summary

Canada has been a major donor to Jamaica—and Jamaicans have been one of the highest recipients (in per capita terms) of Canadian aid. In recent years, aid cuts combined with a reallocation of priorities to other countries have led to a sharp fall in Canadian aid to Jamaica. Yet poverty persists as a major problem in Jamaica, with one in six living below the poverty line. The issue of policy coherence, as a means of increasing Canada’s contribution to poverty reduction in Jamaica, is all the more timely.

This report considers the issue of vertical coherence within Canada’s aid policies, that is, between the headquarters of the Canadian International Development Agency (CIDA) and its field office in Jamaica, and the relationship of Canada’s official aid policies to those of the Jamaican government, other donors and non-governmental organizations (NGOs) involved in poverty reduction initiatives in Jamaica.

Another set of issues concerns the horizontal coherence of policies being pursued by other Canadian government departments or agencies, and how they affect CIDA’s anti-poverty efforts in Jamaica. Trade policies have garnered much attention in recent years, especially as this has been an active portfolio in Canada’s Department of Foreign Affairs and International Trade (DFAIT). At the same time, Jamaica, along with its regional Caribbean partners, has become much more engaged in the search for new trade strategies, given the dilution of agreements such as the Lomé Convention.

A number of other Canadian government departments have also been active in Jamaica, or have introduced policies with direct implications for Jamaicans. The labour market and immigration policies of Human Resources Development Canada (HRDC) and Citizenship and Immigration Canada (CIC), respectively, are a case in point. Other departments might operate in areas related to CIDA programming in Jamaica, but have not yet been actively engaged with CIDA.

This report underlines the challenges for the governments of both Jamaica and Canada in supporting poverty reduction in Jamaica. A particular challenge facing the Jamaican government is how to manage the endemic and emerging causes of poverty in an increasingly globalized environment, while tackling new forms of poverty in both rural and urban areas. The Jamaican government’s response has included: the development of a National Poverty Eradication Programme (NPEP) in 1995/96, and the introduction of several measures to restructure the economy, improve balance-of-payments, reduce inflation, encourage outward-oriented investment, increase domestic competition, as well as improve international competitiveness. Priorities have focused on expanding the tourism and information technology sectors and deregulating the telecommunications policy framework to increase revenue and create more jobs. A National Industrial Policy (NIP) was also developed in 1996 as a strategic plan for growth and development. The government has also sought to improve environmental and institutional management and (to a lesser extent) encourage gender equity and equality. But these efforts have not been articulated as a strategic or coherent approach to poverty reduction.
The challenge for the Canadian government has been different. While Canadian aid addresses a number of these poverty-related issues in Jamaica, and some CIDA-supported initiatives directly address poverty reduction, CIDA is not a funder of the core NPEP. As a member of various NPEP committees, CIDA is, however, able to determine how its policies and programming can be coherent with the NPEP.

Nonetheless, as a share of total allocations to Jamaica, the bulk of Canadian aid is concentrated elsewhere—on economic competitiveness, environmental management and institutional strengthening. This is not necessarily inconsistent with a pro-poor mandate. Indeed such areas are part of the broad framework needed for sustainable poverty reduction. But it would be important to ensure that, for example, in the course of negotiating trade commitments through the Caribbean Regional Negotiating Machinery, there is detailed consideration of the implications for the poor and what mechanisms might be put in place to deal with the adjustment costs Caribbean countries might experience. Similarly, negotiators should be encouraged to consider what trade rules (e.g., on intellectual property rights or on agricultural imports) might best serve the needs of the poor.

In the case of trade policy, CIDA could play a stronger role in representing the interests of small countries, like Jamaica. In particular, CIDA could play a role in the Ottawa inter-departmental discussions of appropriate Canadian policies, both toward imports and in the context of trade negotiations (whether over a Canada-Caribbean regional free trade agreement, the Free Trade Area of the Americas or a new round of negotiations at the World Trade Organization). Outside the biennial meetings of heads of state, these issues are not routinely discussed, and the region is typically overlooked in DFAIT’s annual survey of trade priorities. Canada has declared its support of reciprocal agreements rather than special and differential treatment. Although CARIBCAN was extended to 2006, more meaningful concessions may only be secured through the negotiation of a free trade agreement with the Caribbean, or as part of a larger hemispheric agreement.

A conversation between CIDA and HRDC/CIC about the complex relationships between poverty, migration and development is long overdue. The Seasonal Agricultural Workers’ Program is a concrete case to consider, where there may be both benefits and costs that are as yet unexploited and/or registered, through a failure to discuss the program in a broader context. For instance, it is possible that complementary programming by CIDA could enhance the human capital (in the form of training in horticultural techniques) that is brought back to farmworkers’ home communities, and thus lead to a more sustained impact. Second, with the latest proposals to attract semi-skilled persons and professionals to Canada, CIDA might wish to raise the implications for countries like Jamaica, where it has been investing in human capital development to meet local skill shortages.

Other departments and agencies of the Canadian government have been involved in activities in Jamaica (such as the Department of Justice, Transport Canada and the Department of National Defence). In some cases, these departments have collaborated closely with CIDA, helping to design and deliver projects drawing on their areas of expertise, but which align with the overall goals established by CIDA. In others, there has been little if any consultation and no effort to ensure that such interventions are consistent with CIDA’s poverty reduction policies. There are several ways in which
Canada's involvement in the development of Jamaica's air transport system or its drug interdiction program, for instance, could impact on both environmental issues and the treatment of the poor. These could usefully be addressed.

Coherence with the activities of the Canadian private sector in Jamaica must also be considered. A number of initiatives by Canadian companies support community development. Some complement CIDA programming and a few are actually supported by CIDA. In general, there is little contact between CIDA and these organizations, with the result that some of their activities may not reflect the range of CIDA's objectives such as poverty reduction, sustainable development or gender equality. An audit of their operations in Jamaica, as opposed to their community development projects, would be needed to evaluate how far their policies are synchronized with those of CIDA. Briefing these entities on CIDA's foreign and poverty eradication policies could greatly enhance policy coherence. This could promote greater coherence between private sector initiatives and government-funded programs and impact poverty more significantly. In time, they could also be part of the consultation process in developing a country program for Jamaica.

With respect to the few Canadian NGOs operating in Jamaica, there appears to be good engagement with respect to the design of the country program framework. The research findings did not, however, suggest that NGO programs, and the initiatives they support, are specifically guided by or developed in response to Canadian foreign policy or its poverty eradication policy. This also suggests the need for greater policy dialogue to encourage coherence.

Vertical policy coherence would best be served if official policies of both governments were consistent. Within Jamaica, there are a number of mechanisms to ensure coherence between the donor programs and the Jamaican government's own plans and programs to address poverty and development. In many respects these appear to work well, providing the opportunity for the government to set out its agenda, to which donors can then respond in the design and implementation of their programming. Despite this context, there is still a sense that the efforts at promoting coherence are piecemeal, and that a more comprehensive development framework is needed to outline core objectives and the role of various stakeholder groups, including government agencies and programs, local and international private sector groups, overseas development assistance partners (e.g., CIDA, United Nations and other international development agencies) and civil society organizations. As far as possible, the role of debt management and trade policies should be included in these meetings to determine their impact on poverty and the achievement of stated poverty reduction goals.

On the basis of this report's research findings and analysis, the following recommendations are made:

- There must be greater vertical and horizontal coherence between the policy objectives of the Canadian government, private sector and NGOs and the programs and activities that impact Jamaicans to ensure a positive impact on poverty reduction in Jamaica.

- Greater coherence between aid and non-aid policies and programs of the Canadian government is needed to impact more positively on poverty reduction in Jamaica.
• Improving links between official Canadian policies can also enhance vertical policy coherence and those of the Jamaican government aimed at poverty reduction.

• Vertical coherence may also be strengthened if the Jamaican government takes steps to improve coordination—between its own poverty reduction strategies and those of its overseas development assistance partners, its private sector and its NGO partners.

• Horizontal coherence must be improved between CIDA, DFAIT and other government departments in response to what emerges as a somewhat splintered approach to policy implementation. Improved communication and information sharing should help create a more integrated policy framework to assess and strengthen the collective impact of Canadian government support for anti-poverty activities in Jamaica.

• CIDA, DFAIT and the Government of Jamaica should create a mechanism to ensure more systematic sharing of information about Canadian relations with Jamaica. This should include Canadian activities in Jamaica undertaken by Canadian government departments and agencies, as well as programs being implemented or funded by Canadian private sector and non-governmental organizations.

• CIDA should increase its funding allocations to specific projects that directly address poverty reduction. CIDA should also provide more direct support to Jamaican NGOs for poverty reduction programs, using the results of the PACT program evaluation as a guide to build NGO capacity to facilitate sustainable development.

• Canada should maintain the current participatory approach to country programming and share it as a model of good practice among OECD countries.

• CIDA staff based in Jamaica should continue their participation in local donor forums to reduce duplication of efforts and to promote policy coherence. This group should encourage and support the Jamaican government to adopt a more integrated policy framework for national development (including poverty reduction) and to develop a more strategically coherent approach to utilizing overseas development assistance.

• CIDA should work to build awareness among Canadian companies operating in Jamaica of the synergy between their operations and CIDA’s policies with respect to poverty reduction, the environment and gender equality.

• In consultation with the Government of Jamaica and other Caribbean governments, CIDA and DFAIT should consider how to use Canada’s participation and membership in organizations like the World Bank and the WTO, for example, to promote a pro-poor set of policies, that are consistent with its stated foreign and poverty reduction policies. Canadian programming in Jamaica and the other Caribbean island countries would then be adjusted to promote greater coherence.

A pro-active approach to implement these measures should, over time, result in greater policy coherence and reduced levels of poverty in Jamaica.
1

Introduction

Background

This report is part of the Poverty and Policy Coherence project being undertaken by The North-South Institute (NSI) with the support of the Canadian International Development Agency (CIDA) and the International Development and Research Centre (IDRC).

It is one of three country case studies, the others being Bangladesh and Mali, in a project examining coherence in Canadian policies toward developing countries, particularly to identify opportunities for better policy integration with a view to maximizing the contribution Canada is making to poverty reduction in these countries. The rationale for the selection of these countries was related to their importance to Canada, the importance of Canada as a donor country, income levels and geographical and language balance, among other factors. The selection of Jamaica was based on Canada's leading presence as a donor in Jamaica, although Jamaica is a much smaller recipient of Canadian aid than the other two countries. In addition, there are strong non-aid relations between Canada and Jamaica such as immigration, trade and investment.

Objectives

This case study specifically addresses the linkages between Canada’s foreign relations with Jamaica and poverty reduction efforts in Jamaica. It highlights the context in which Canadian foreign policy is exercised and examines details of Canada’s aid, trade, investment, financial, diplomatic and other relations with Jamaica. In addition it explores the dynamics associated with the differing mandates and objectives of each of these elements of foreign relations.

The study focuses on three main questions:

• How do non-aid policies affect Canadian anti-poverty efforts in Jamaica?

• How do Canadian aid and non-aid policies complement each other and the efforts of local partners?

• What systems exist within Jamaica to enhance the coherence of relations with donor countries in general and Canada in particular?
In particular it addresses policy coherence between:

- Canadian government departments and in particular CIDA and DFAIT
- Canadian government, private sector and civil society organizations
- CIDA headquarters and its offices in Jamaica
- Canada and other major donor agencies/countries operating in Jamaica—especially those supporting poverty reduction
- the Canadian and Jamaican governments
- Canadian government and Jamaican non-governmental organizations

**Methodology**

The study involved two complementary phases of research. Phase 1 included an overview of Canadian-Jamaican relations in the areas of the public and private sectors and civil society, examining how these are managed, and to what effect. Phase 2 included fieldwork in both Canada and Jamaica. Two researchers, one based in Canada and the other in Jamaica, collaborated on conducting documentary research and interviews to identify:

- The relevant policy frameworks in both the Jamaican and Canadian governments
- Canadian aid and non-aid programs that impact directly and indirectly on poverty reduction
- Poverty reduction programs of the Jamaican government, NGOs and private sector groups
- Institutional mechanisms within the Canadian government that coordinate programs with Jamaica
- Institutional mechanisms in the Jamaican government that coordinate relations with donor countries including Canada

The Jamaican aspects of the research focused on local experiences with Canadian foreign policy instruments examining in particular:

- Canada’s aid, trade, investment, financial, diplomatic and other relations with Jamaica
- The dynamics associated with the differing mandates and objectives of each of these elements of foreign relations
• The overall impact of Canadian foreign relations on poverty reduction efforts in Jamaica

The documentary sources are listed in the “References and Sources” section of this paper. The following table sets out the distribution of interviewees by organizational affiliation. The interviews were informal; respondents were under no obligation to participate or to respond to all the questions or issues raised by the researchers. We acknowledged and respected their right to privacy and confidentiality.

### Table 1.1: Distribution of respondents by organizational affiliation

<table>
<thead>
<tr>
<th>Organizational affiliation of respondents</th>
<th>No. of representatives interviewed</th>
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<tbody>
<tr>
<td>4 Canadian government departments(^a)</td>
<td>19</td>
</tr>
<tr>
<td>4 Canadian NGOs(^a, b)</td>
<td>4</td>
</tr>
<tr>
<td>5 Canadian private sector agencies(^a)</td>
<td>7</td>
</tr>
<tr>
<td>2 Donor representatives in Jamaica</td>
<td>2</td>
</tr>
<tr>
<td>6 Government of Jamaica Ministries(^a)</td>
<td>18</td>
</tr>
<tr>
<td>7 Jamaican NGOs(^b)</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
</tr>
</tbody>
</table>

\(^a\) In Ottawa and in Kingston  
\(^b\) Refers to non-government organizations, mainly development NGOs.

Following the initial research, a draft report was prepared and presented at a meeting of all project researchers from NSI, Bangladesh, Mali and Jamaica, in Ottawa in October 1999. At that meeting, NSI also presented a research paper on policy coherence in Canada as the context for the case studies. Researchers analyzed trends emerging from the three case studies and highlighted areas for further research and action. A meeting was subsequently held in Jamaica with key stakeholder groups to present and validate the findings and identify areas for further research. Participants included Jamaica-based representatives of the Canadian government, as well as staff of the Planning Institute of Jamaica (PIOJ) and CIDA’s NGO partners. Further research was then conducted between January and April 2000.

### Limitations of the study

This study highlights possible areas of coherence and incoherence in Canada’s policy framework. While the research captured the main areas of collaboration between agencies of the governments of Canada and Jamaica, it recognized that there may be other relations between other government departments (OGDs), private sector groups and civil society agencies that may not have been captured. Further, the study does not aim to evaluate the impact of Canadian interventions in Jamaica on poverty reduction. Rather, it seeks to outline areas where differences in approach by some Canadian groups (whether official or non-official) may be undermining the anti-poverty policies and projects of both CIDA and its Jamaican partners.
Structure of the report

The rest of this section addresses some conceptual issues, notably the definition of “policy coherence”. Section 2 presents an overview of Jamaica’s economic situation and the problems of persistent poverty. The policy framework, strategies and programs for national development and poverty reduction are also summarized. Section 3 examines the range of Canada-Jamaica relations, beginning with trends in Canada’s assistance to Jamaica and an overview of current aid relations. It also explores other links such as trade and immigration. Section 4 explores the various institutional mechanisms established to facilitate policy coordination and policy coherence within and between the Canadian and Jamaican governments, as well as linkages with other donors and other Canadian groups active in Jamaica in the area of poverty reduction. Section 5 presents the main findings, conclusions and recommendations necessary to strengthen the coherence and coordination of Canadian policies toward Jamaica.

Conceptualizing policy coherence

The 1990 Concise Oxford Dictionary defines policy as “a course or principle of action adopted or proposed by a government, party, business or individual etc”. “Coherence” is defined as being “logical and consistent”, “sticking together.” Using these basic concepts, the current study aims to determine whether Canada’s non-aid policies and programs toward Jamaica are logical and consistent with its commitment to poverty reduction in developing countries, as set out in CIDA’s Poverty Reduction Policy. Policy coherence would be established if the review showed that the policies are coordinated, consistent, complementary and not contradictory.

As a member of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), Canada has been deeply involved in discussions of poverty reduction and policy coherence. In 1996, the OECD adopted a “development partnership strategy” which aimed “to reduce by one-half, the proportion of people living in poverty in developing countries by the year 2015.” In 1998, Ministers noted that “the success of the partnership strategy will be based on increased policy coherence, especially to help developing countries secure sustainable development, assemble the necessary financial resources and integrate successfully into the global economy.” In May 1999, they agreed that:

• Greater coherence in OECD countries’ policies is essential to the achievement of the international development targets emerging from UN conferences and monitored through the joint work of the OECD with the UN and the World Bank

• They will continue to work together … to take greater account of the impact of their own policy frameworks in developing countries

• The OECD should undertake further analytical work on policy coherence
Three basic foundations to sustain high growth in developing countries were identified—sound market-oriented economic policies; good governance; and appropriate social policy frameworks, including strong investment in human capital and adequate social safety nets. The OECD encouraged member countries to promote policy coherence to complement their other efforts in support of the development process. For example, countries should ensure that trade actions do not undermine aid policies which develop a country’s export capacity, while the needs and interests of developing countries should be considered in the evolution of the global economy.5

Subsequent work by the DAC Informal Network on Poverty Reduction led to a listing of generic indicators of policy coherence and the creation of a policy coherence checklist. The key elements are described briefly below as they set out a framework for best practice in policy coherence, against which coherence in the Canada-Jamaica case study should be analyzed.6 They are:

• Processes for policy development and inter-ministerial coordination
• Research and analytical capacities to measure the costs/benefits of policy incoherence/coherence
• Mechanisms for consulting with civil society organizations (CSOs)
• Authority for reconciling policy inconsistencies
• Importance given to policy coherence in donor coordination meetings
• Mechanisms for strengthening partner countries’ participation in international negotiations
• Awareness among donor and partner governments of links between trade liberalization, sustainable development and poverty reduction

While the OECD provides a comprehensive, “best practice” framework for the analysis of policy coherence in Canada-Jamaica relations, the approach here is more modest in some respects but more ambitious in others. We are interested in internal, external and inter-organizational coherence.7 The internal aspects relate to priority areas, instruments and means of delivery; stated commitments vs. resources allocated; and relations between aid policy and domestic concerns. (Sometimes these are symptoms of vertical coherence or incoherence—that is, between the policies of a donor’s head and field offices.) The external aspects relate to competing trade, diplomatic and commercial considerations. (These may be symptomatic of horizontal incoherence.) Inter-organizational coherence relates to differences between donors’ emphases.

Besides addressing these issues, we are interested in the extent to which there is coherence between Canada’s official policies and those of non-state actors, as well as the relationship between Canadian official policies and those of its key development partners in Jamaica, that is, the Jamaican government and Jamaican NGOs.
2

Jamaica’s Poverty, Policies and Programs

This section provides an overview of Jamaica’s economic situation, the challenge of “persistent poverty”, and the policy framework, strategies and programs which have been introduced for poverty reduction and national development.

Economic overview

Jamaica, the third largest island in the Caribbean Sea, lies 145 km south of Cuba and 160 km south-west of Haiti, and has a population of 2.5 million people. While its economy is in poor shape, Jamaica has moderately good infrastructure, though it is unevenly distributed. Roads rank high by regional standards and the telecommunications system underwent considerable modernization and improvement in the mid-1980s and 1990s. Hurricanes and floods are common features and Hurricane Gilbert devastated the country in 1988. These natural disasters detract from development and contribute to the creation of poverty as they involve severe reconstruction costs, reduced tourism and lower export revenue.

Jamaica’s 1991 census showed that its ethnic composition as predominantly Black (90.5 per cent) with smaller numbers of persons of mixed race, East Indian, Chinese, White, and other racial origins. In 1999, some 43 per cent of the population lived in the urban centres of Kingston and St. Andrew, while the overall urban-rural distribution was 50:50.

Independent since 1962, Jamaica has one of the largest and most diversified economies in the Commonwealth Caribbean. Tourism, bauxite mining, manufacturing and agricultural exports are among the most important economic sectors. The country was able to sustain a real GDP growth rate close to six per cent annually between 1950 and 1975, but it averaged less than one per cent annually between 1975 and 1999, leading to falling per capita incomes, as Table 2.1 shows. Economic growth in the last two and a half decades has been uneven and in recent years, the economy has deteriorated. Despite growth in some sectors such as tourism, structural weaknesses in the economy have resulted in persistent inflation and adverse balance of payments. Previously ranking as one of the most advanced economies in the Caribbean region, Jamaica now has one of the region’s lowest levels of per capita income and growth, and is classified as a medium human development country. In 2001 it ranked 78th in the UNDP Human Development Index. In contrast, Canada ranked third.

Jamaica carries a heavy debt burden that diverts resources from development to debt servicing. At the end of March 2001, total public debt was J$380.4 billion (US$8.3 billion), of which 56.5 per cent was domestic debt, and 43.5 per cent external debt. As a share of GDP at the end of 1999, Jamaica’s
external debt burden was 5.7 per cent, roughly in line with countries such as Turkey (5.5 per cent) and Peru (6.2 per cent) which had similar GDP per capita. The fiscal burden of debt servicing has been high—almost two-thirds (62.7 per cent) of the 2001/02 budget was set aside for this purpose, leaving barely a third (37.3 per cent) to pay public servants and implement projects.

<table>
<thead>
<tr>
<th>Economic indicators</th>
<th>Jamaica</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GDP 2000 (US$ billions)</strong></td>
<td>6.9</td>
<td>689.5</td>
</tr>
<tr>
<td><strong>GDP annual growth rate (1990-2000)</strong></td>
<td>0.2%</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>GDP per capita (PPPUS$ 1999)</strong></td>
<td>3,561</td>
<td>26,251</td>
</tr>
<tr>
<td><strong>GDP per capita real annual growth rate (1975-99)</strong></td>
<td>-0.6%</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>Average annual inflation rate (1990-99)</strong></td>
<td>26.1%</td>
<td>1.7%</td>
</tr>
<tr>
<td><strong>Inflation rate (1998-99)</strong></td>
<td>6.0%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>


Tourism is a major growth sector and is important for its contribution to foreign exchange revenue and employment, with linkages to agriculture, manufacturing, entertainment and sports. Revenue from tourism in 2000 was US$1.3 billion, 8.3 per cent higher than in 1999, with over 1.2 million stopover visitors, generating employment of some 30,775 persons in the accommodation sub-sector alone. Most visitors (70 per cent) were from the United States, 10 per cent from the United Kingdom, and 8 per cent from Canada. A weakening Canadian dollar coupled with social unrest in Jamaica in April 1999 following the government's proposed 30 per cent increase in petrol prices and a travel advisory from the Canadian High Commission, led to a decline in the number of Canadian visitors to Jamaica.

The Government of Jamaica has given priority to the tourism sector. In 1998/99 it developed a Master Plan for Tourism and commissioned a study on Jamaican attitudes to tourism in 1999. The study identified a link between poverty and problems associated with the industry. It also suggested strategic interventions to improve both the tourism product and the lives of Jamaicans in and around resort areas, as well as expanding community tourism as a strategy to increase support for and participation of local communities in the industry.

Export-oriented manufacturing and tele-services also generated employment in Jamaica, especially for young women. This reflects the worldwide trend toward globalization of production, with major corporations relocating and subcontracting labour-intensive, low technology parts of the production chain to countries with low-cost, usually female, labour. Advances in telecommunications and computer technology have increased the use of outsourcing work and “back-offices” as options for companies in industrialized countries to reduce their operational costs. Other important aspects have
been the changes in trade regimes in major markets, notably the United States’ offshore processing provisions, the ending of quotas under the World Trade Organization’s (WTO) Agreement on Textiles and Clothing and Jamaica’s own economic stabilization initiatives which include a more open trade and investment regime.

Unfortunately these favourable factors have not been able to counteract other forces which have reduced Jamaica’s competitiveness. In particular, the formation of the North American Free Trade Agreement (NAFTA) led to the loss of many jobs in the export garment-manufacturing sector as companies either closed operations or moved to more lucrative locations like Mexico. In the first quarter of 2000, more than 1,700 jobs were lost in the garment sector. This followed the withdrawal of one of the largest companies operating in the Kingston Free Zone. Most of the workers affected were women who were single parents and heads of household. It remains to be seen whether the passing of the Caribbean Basin Initiative Enhancement Bill by the US government in May 2000, or subsequent developments in the context of the Free Trade Area of the Americas (FTAA) and the WTO, have the potential to lure back some of the garment companies that have left Jamaica in recent years due to increasing competition in the US market and domestically. The local manufacturing sector has been devastated by import liberalization policies.

Agriculture has been hit hard by the WTO ruling on banana exports to the European Union (EU) from Jamaica and other Lomé Convention signatories, underlining the need for major economic diversification efforts. The decline in the banana industry has led to a significant loss of employment for small farmers and agricultural workers, thereby reducing the standard of living of their families and farming communities in the affected parishes. This has raised concerns about the broader socio-economic effects, given experience elsewhere, linking declining banana production with increases in domestic abuse, crime, violence, and the drug trade.12

Persistent poverty

In Jamaica, poverty is defined as the inability of an individual to consume a minimum set of food and non-food resources, which in turn establishes a poverty line.13 In 1998, 16 per cent of households fell below this line, compared to 26 per cent in 1996. This was the lowest level since 1989, and was attributed by the government to the low inflation rate and the success of public and private poverty programs.14 Nonetheless, poverty remains a major public policy challenge, with higher levels being reported among those living in rural communities, the young and the elderly.

In rural areas, the poverty incidence was 19.5 per cent compared to 8.6 per cent of households in the Kingston Metropolitan area and 13.4 per cent in other towns. Rural poverty is linked to problems of land distribution, land ownership and low productivity of small farms of less than five acres.

There was a sharp decline in the share of people aged 18 or younger living in poverty, from 49 per cent in 1991 to 18 per cent in 1998. During the same time period, the poverty incidence for the elderly fell from 43 to 18 per cent. Despite these improvements, the continued exposure of children to poverty raises particular concerns about the country’s future development prospects in the absence
of effective remedial action. People aged 18 and under account for 49 per cent of Jamaica’s poor (compared to their 39 per cent share of the population). This may be one factor underlying the presence of child labour and street children. For youth, poverty is often linked to higher levels of unemployment and limited job opportunities, problems associated with low levels of education/training and high levels of illiteracy. Almost one-quarter of the population cannot read or write. Those who are able to find work are often limited to low-income, low productivity employment.

The labour force fell in the four years to 1999, when it numbered 1.1 million persons, of whom 15.7 per cent were unemployed (see Table 2.2). Reductions in the labour force and employment were concentrated in the under-25 age group. Women accounted for a smaller proportion of the labour force (45 per cent) and total employment (42 per cent) than men, but with an unemployment rate more than double that of men, women accounted for a much higher share (65 per cent) of total unemployed. Women’s labour force participation rate fell steadily from 61.8 per cent in 1995 to 56.6 per cent in 1999. This may be partially explained by an increase in informal and unregistered employment. Another explanation may be the fact that more women than men are pursuing educational and training opportunities and may therefore be unavailable for employment.

Table 2.2: Selected Social Indicators for Jamaica and Canada (1999)

<table>
<thead>
<tr>
<th></th>
<th>Jamaica</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (millions)</td>
<td>2.59</td>
<td>30.5</td>
</tr>
<tr>
<td>Population under 18 (millions)</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Human Development Index</td>
<td>0.738</td>
<td>0.936</td>
</tr>
<tr>
<td>Labour force participation rate (%)</td>
<td>64.5</td>
<td>65.6</td>
</tr>
<tr>
<td>Male (%)</td>
<td>73.0</td>
<td>72.4</td>
</tr>
<tr>
<td>Female (%)</td>
<td>56.6</td>
<td>59.1</td>
</tr>
<tr>
<td>Female % of labour force</td>
<td>46.2</td>
<td>45.6</td>
</tr>
<tr>
<td>Total unemployment rate (%)</td>
<td>15.7</td>
<td>7.6</td>
</tr>
<tr>
<td>Male unemployment rate (%)</td>
<td>10.0</td>
<td>7.9</td>
</tr>
<tr>
<td>Female unemployment rate (%)</td>
<td>22.5</td>
<td>7.3</td>
</tr>
<tr>
<td>Literacy rate (%)</td>
<td>75.4</td>
<td>..</td>
</tr>
<tr>
<td>Life expectancy at birth (in years)</td>
<td>72</td>
<td>79</td>
</tr>
<tr>
<td>Maternal mortality (per 100,000)</td>
<td>111</td>
<td>6</td>
</tr>
<tr>
<td>Under-five mortality rate (per 1,000 live births)</td>
<td>24.5</td>
<td>6</td>
</tr>
<tr>
<td>HIV/AIDS cases (end 1999)</td>
<td>9900</td>
<td>49,000</td>
</tr>
<tr>
<td>Adult rate (%)</td>
<td>0.71</td>
<td>0.30</td>
</tr>
<tr>
<td>Males (15-49) (%)</td>
<td>68.7</td>
<td>87.6</td>
</tr>
<tr>
<td>Females (15-49) (%)</td>
<td>31.3</td>
<td>14.4</td>
</tr>
<tr>
<td>Children (&lt;15) (%)</td>
<td>2.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Access to safe water (%)</td>
<td>80</td>
<td>n.a.</td>
</tr>
<tr>
<td>Access to basic sanitation (%)</td>
<td>99.4</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

n.a. – not available
Table 2.2 highlights some old as well as new challenges for Jamaica, and provides some Canadian statistics for comparison. One such challenge is the growing number of HIV/AIDS cases, which poses unprecedented problems, although these are not evident yet in the official statistics. The disease, which is spreading most rapidly among young heterosexual females, has serious implications for childcare and national productivity. Children orphaned by AIDS and the loss of productive males and females workers are recognized as critical poverty issues.

**The National Industrial Policy (NIP) and the National Poverty Eradication Programme (NPEP)**

Two key Government of Jamaica policy documents underlie the national effort to reduce poverty and form the background for the design and implementation of the most recent Canada-Jamaica country assistance program. They are the National Industrial Policy (NIP) prepared in 1996 and the National Poverty Eradication Programme (NPEP) prepared in 1995/96. In addition, Jamaica has committed itself to the Beijing Platform for Action in 1995, developed a National Plan of Action in 1998 and since 1996, has continued efforts to mainstream gender into social and economic development.

The NIP seeks to address Jamaica’s high inflation, currency depreciation, balance of payments deficit, high unemployment and continued inequity in the distribution of income and wealth. It also includes, for the first time, a gender perspective on development. Through a reduction in macroeconomic instability and the adoption of other policies to make Jamaica more competitive, it seeks to encourage investment and exports. It focuses on developing physical infrastructure and human resources, and reducing poverty, social and gender inequity, and addresses environmental problems. In particular, the NIP identifies opportunities for expanding the manufacturing, agricultural, tourism, mining and information technology sectors as well as the entertainment industry.

Specific goals articulated in the NIP include per capita income of US$4,000 by the year 2010 and an average annual growth of GDP of six per cent. To achieve these goals, the NIP identifies clear roles for both government and social partners. For its part, the government is committed to:

- “Good governance” by introducing constitutional reform to increase transparency, accountability and collective decision-making
- An integrated and structured approach to economic policy and coherence with social and environmental policies
- A more participatory approach to policy-making and implementation based on consensus among stakeholders. This is embodied in the concept of a Social Partnership between government, business, labour and non-governmental organizations to achieve the national development goals of growth with stability, social equity and conservation of the environment
The NPEP was launched in 1995/96 and was expected to cost J$15.4 billion over five years (US$441 million). This package of multi-sectoral projects and programs was designed to reduce and ultimately eradicate absolute poverty. There are four main components: Human Resources and Social Development/Welfare; Environmental and Natural Resource Protection; Community-based Development; and the Enabling Environment. Implementing agencies are the Jamaica Social Investment Fund (JSIF), the Social Development Commission (SDC), NGOs and community-based organizations (CBOs). The NPEP is coordinated and monitored by the Programme Coordinating and Monitoring Unit in the Office of the Prime Minister.

The programs stress social integration, partnership, community-based participation and sustainability. They focus mainly on expanding community-based programs; supporting human resource and social development and welfare; achieving gender equality; promoting economic activities, employment and infrastructure; and encouraging protection of the environment and natural resources. The NPEP has given priority to the development of micro and small enterprises; improving basic social services especially for poor communities; providing more access to ownership and use of land; and human resource development. Some specific elements are outlined in Box 1.

**Box 1: Key NPEP Initiatives**

- **The Food Stamp Programme**, operated by the Ministry of Social Security, is designed to assist pregnant and lactating mothers attending public health clinics, and children under six years. Grants of J$5,000 for micro-enterprise initiatives are also available to single mothers to reduce their dependence on the Food Stamp Programme.

- **The Poor Relief Programme** is available for low-income recipients. The primary beneficiaries are elderly persons on poor relief or public assistance, single member households with annual income below J$7,000 and two-income households earning less than J$18,000 annually.

- **The Ministry of Education’s School Feeding Programme** provides a meal or snack to students attending basic, primary, all age and new secondary schools in recognized, low-income communities across the island.

- **The Social and Economic Support Programme** provides training to access credit for micro-enterprise initiatives and other skills training for persons on the Food Stamp Programme. It also provides financial assistance to students at public education institutions, employment opportunities and the development of urban and rural integrated projects to support poor and unemployed persons. Youth and elderly persons in inner-city communities are the primary beneficiaries.

- **Technical and Vocational Training** is provided through the Government’s Human Employment and Resource Training Trust/National Training Agency (HEART/NTA). Training is available island-wide through seven academic and 13 vocational training centres and one automotive training centre. In collaboration with the Ministry of Education, Youth and Culture, as well as a number of NGOs, churches and community organizations, the program also provides remedial education.

- **The Jamaica Social Investment Fund (JSIF)** was established to respond to some of the most pressing social and economic needs of poor communities across the island. JSIF funds projects to provide social services and organizational as well as economic and social infrastructure strengthening. It is funded by the Government of Jamaica, the World Bank, the Inter-American Development Bank, the EU, the Organization of Petroleum Exporting Countries (OPEC), the Government of the Netherlands, the British Department for International Development (DFID), local communities and other agencies.

- **The Jamaica Urban Poverty Project** is operated by the Kingston Restoration Company in partnership with the British and Jamaican Governments.

The NPEP also emphasizes the need for integration of efforts to reduce waste and eliminate duplication, by ensuring partnerships across sectors; community-based participation in needs assessment, planning and implementation of programs and sustainability; and encouraging community ownership of projects. It calls for improved collaboration with the various multilateral and bilateral aid programs, NGOs and CBOs involved in poverty reduction. Many churches, community groups, private sector foundations and environmental institutions, as well as bilateral and multilateral agencies operate their own projects which seek to reduce poverty whether directly or indirectly.

The Government of Jamaica is the principal funder of the NPEP, providing 61 per cent of funding. The balance is provided by the private sector, NGOs and CBOs (17 per cent), multilateral agencies (11 per cent), bilateral agencies (6 per cent) and UN agencies (5 per cent). Donors include the United Nations Children’s Fund (UNICEF), the UN Fund for Population Activities (UNFPA), the US Agency for International Development (USAID), the UN Development Program (UNDP), the World Bank, the European Union, the Government of the Netherlands, the Organization of Petroleum Exporting Countries (OPEC), the Inter-American Development Bank (IDB) and the British Department for International Development (DFID).18 CIDA does not contribute to the core NPEP programs. The rationale provided was that these appeared to be fully funded, but Canada does support other poverty reduction initiatives.19 In reviewing Canada’s contribution to Jamaica, CIDA’s funding fits more into the National Industrial Policy and Programme than the NPEP.

**Gender Equity**

Consistent with the above policy framework, the Jamaican government has also sought to mainstream the concept of gender equity into its development and poverty reduction strategies. The NIP, for example, refers to the need for a policy framework to ensure men and women play an equal role in achieving and benefiting from Jamaica’s goal of international competitiveness. It highlights women’s disadvantaged position in the labour market and the limitations created for national development. It therefore proposed the creation of a Commission on Gender and Social Equity. While this is yet to be fully established, there have been several related initiatives. For instance, training has been provided to key government institutions such as the Planning Institute of Jamaica to mainstream gender analysis in all spheres of social and economic policy development. These initiatives are consistent with Jamaica’s ratification of the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW) in 1981 and its adoption of a National Policy Statement on Women in 1987.20 The Canada/Caribbean Gender Equity Fund also provided funding to community-based organizations (CBOs) for initiatives relating to women and development and gender equity in the areas of research, staff development, advocacy and capacity-building. The Bureau of Women’s Affairs, the Centre for Gender and Development Studies at the University of the West Indies and the Women’s Centre of Jamaica Foundation are among the NGOs promoting gender equity in Jamaica. These initiatives have both a direct and indirect impact on poverty reduction.
Conclusions

Jamaica faces major challenges in its efforts to reduce poverty, despite the scope of the NIP and the NPEP. There is an urgent need to assess the impact of the programs being introduced and to determine the extent to which Ministries have followed the plans outlined in these programs and the National Plan of Action. While the findings indicate that equal numbers of men and women are poor, further research and analysis are required to secure more accurate data on poverty and thus, improve targeting. Structural changes are also needed to create a climate that will promote economic growth and social development with equity. Bilateral programs have proved beneficial, as seen in Canada’s support of programs promoting gender equity. The next section explores Canada-Jamaica relations in more depth.
Canada has longstanding and multiple linkages with Jamaica. In addition to trade ties dating from the late eighteenth century, the two countries have been linked by colonial history, language, the movement of people, investment, aid, as well as their similar political institutions and membership in the Commonwealth. There are an estimated 350,000 Jamaican-Canadians living in Canada today. This section provides an overview of Canada-Jamaica relations in the areas of development cooperation, trade, investment and migration and in other sectors such as transport and defence.

**Canadian Development Assistance to Jamaica**

Aid has been an important part of the Canada-Jamaica relationship. Canada has been a bilateral donor since the 1950s when Jamaica was still part of the West Indies Federation. In recent years, however, Canadian aid has declined substantially and it is now bilateral trade which transfers greater resources to Jamaica.


Chart 3.1 shows the rise and fall in net Canadian bilateral aid to Jamaica. In the decade to 1997/98, it registered an annual decline of 16.6 per cent, considerably faster than the 0.3 per cent annual decline in total Canadian bilateral aid during this period. In real terms (1998 US dollars) Jamaica’s 1999 per capita bilateral aid receipts from Canada of US$1.96 were barely a third of the level recorded in 1979 (US$5.85). Jamaica’s total aid receipts also fell over this period, from a peak of US$316 million in net official development assistance (ODA) in 1989 to US$18.5 million in 1998, in constant 1998 dollars. As a result, Canada remained third among all donors in 1998-99 in terms of net ODA.
Between 1981 and 1992, Canada ranked second after the US in total net ODA disbursements to Jamaica, with US$278 million in disbursements as compared to US$1,049 million from the US. During this period, Jamaica ranked within the top 10 of Canada’s most favoured recipient countries. Its relative importance subsequently dipped to eleventh in 1990-91, then tumbled out of the top 20 in 1995-96, and then out of the top 50 in 1997-98.

**Trends: 1963-99.** Between 1963-80, Canada’s development assistance to Jamaica focused on building social and physical infrastructure, such as schools, hospitals, roads and bridges. In 1980, the form of assistance however shifted because of the country’s serious economic problems, including its indebtedness. This situation was a result of borrowing from the International Monetary Fund (IMF) and the introduction of a Structural Adjustment Program (SAP). Canada then began providing commodity assistance in the form of fertilizers and food, as balance-of-payments support to help reduce Jamaica’s import bill for some essential goods.

In the late 1980s and early 1990s, Canada’s assistance again shifted from infrastructure and balance of payments. Several factors accounted for this: the decline in ODA funds available; the impact of SAPs which led CIDA and other agencies to consider offsetting measures; the growing concern about environmental consequences of certain patterns of development; heightened awareness of the need for international competitiveness; and changes in the international trade regime which threatened Jamaica’s preferential access to EU markets under the Lomé Convention. The 1992-97 Country Program Framework emphasized sustainable development via debt reduction, financial stability, sound environmental management, institutional strengthening and poverty reduction. More recently, CIDA’s program has focused on promoting economic competitiveness through private sector development, environmental security through improvements in environmental management, and good governance.
Jamaica ended its use of IMF funding in 1995 but economic restructuring has continued. Several measures introduced to restructure the economy helped to reduce Jamaica’s balance-of-payments crises. Canada provided technical assistance to the financial sector in this process, including the services of a Canadian who assumed the post of Governor of the Central Bank of Jamaica. The incumbent was understudied by a Jamaican who later succeeded him. In 2001, Canada wrote off some C$18 million of outstanding loans, dating from 1976.30

In terms of channels for Canadian aid to Jamaica, the bulk (some 79 per cent in 1997/98 of all aid or 91 per cent of bilateral aid) is distributed via government-to-government channels. Multilateral channels absorbed 13 per cent. CIDA’s Partnership Branch accounted for 6 per cent, mostly NGO projects, followed by international cooperation and industrial cooperation.

**CIDA’s current country program in Jamaica**

Since 1995 the CIDA program in Jamaica has focused on three of the six priorities for Canadian aid outlined in *Canada in the World*: the environment, good governance and private sector development.

**Chart 3.2: Allocation of CIDA projects in Jamaica**

![Chart showing allocation of CIDA projects in Jamaica]

The environment. Here the focus is on strengthening Jamaican capacity for environmental management. CIDA has funded four projects valued at a total of C$30 million. In the C$15 million, 10-year ENACT project, which began in 1994, the Jamaican National Resources Conservation Authority (NRCA) is helping to build capacity in the public, private and NGO sectors for planning, developing legislation and regulations, environmental monitoring and enforcement. Another 10-year project worth C$10 million is seeking to improve the management and conservation of forest and tree crops within the National Forestry Action Plan of Jamaica. There are no obvious links to Environment Canada.

A C$47.2 million, ten-year project ending in 2000, on soil nutrients, aimed to increase agricultural productivity and farm income through effective use of fertilizers, while providing information and training to ensure protection of soils and water. The project was financed through a counterpart created by the sale of Canadian fertilizer. Finally, the Canada/Jamaica Green Fund provides a responsive mechanism for community-based initiatives that will contribute to the sound management and conservation of Jamaica's natural resources. The major beneficiaries are community groups as well as environmental and other non-governmental organizations. There are, however, no known or obvious links to Agriculture and Agri-Food Canada.

Private sector development. CIDA is keen to help Jamaica strengthen its economic competitiveness within a framework that promotes the equitable distribution of economic gains. CIDA INC has taken the lead on private sector initiatives. It has been involved in a C$25 million project with the Caribbean Regional HRD Program for Economic Competitiveness with the Jamaica Exporters Association and the Jamaica Enterprise Project.

This six-year project will continue to 2004, and includes C$5 million earmarked for Jamaica, with a focus on tourism and agriculture/agro-processing. It will provide vocational, technical and managerial training, and thus help to meet the demand for skilled workers. Another CIDA INC project, valued at C$3 million, is to establish a Technology Innovation Centre at the University of Technology. This project supports the development of technology companies and promotes entrepreneurship with a focus on the commercialization of technology. A third CIDA INC project which targets poverty reduction more directly is a micro-enterprise project being implemented by the Bank of Nova Scotia in collaboration with the Ministry of Industry and Commerce and the Kingston Restoration Company, which operates in one of Kingston's inner-city communities. The C$3.5 million project supports the development of a self-sustaining organization that will provide loans to some 5,000 (mostly women) micro-entrepreneurs with no collateral. This serves as a possible model for adaptation and use by other private sector groups.31

In the five years to 2000, CIDA INC supported five private sector initiatives in Jamaica, in industry, transport, mining, environmental impact and government administration. CIDA's Partnership Branch also supports the activities of several CSOs in Jamaica. A review of a 1999 list of projects showed that 28 projects were being supported. Training to strengthen officials in a number of other institutions was provided with Partnership Branch funding in the areas of agriculture, human resource development, information technology training, education, housing, engineering, aviation,
ocean management and sports development. These are discussed in more detail in the section on NGOs.

**Good governance.** Good governance helps to create an enabling environment for poverty reduction. CIDA’s interest in this area has been to strengthen civil society organizations. The main objective of the Enhancing Civil Society Program, for example, is to strengthen the capacity of CBOs to act as catalysts for development. Activities include teaching CBOs to access resources, plan and implement projects. A second project, the Local Government Reform Project, assists the Ministry of Local Government, Youth and Community Development to develop and pilot a model integrated-governance structure at the parish level. This model utilizes the capacities of a mobilized civil society to inform and implement parish projects. The third CIDA-funded project promoting good governance is the Social Conflict and Legal Reform Project. It supports reform of the legal-judicial system and improvements in the capacity of inner-city communities to resolve disputes through mediation. Integrating alternative dispute resolution mechanisms into the legal and judicial system may reduce the number of people sent to prison. Enhanced dispute resolution may help to create the enabling environment required for economic and social development initiatives. These projects indirectly contribute to poverty reduction.

**Other poverty reduction programs.** The People’s Action for Community Transformation (PACT) has received CIDA funding for training vulnerable groups in Kingston’s inner cities to address their basic needs and to engage in productive economic activities. Phase 2 for the period 1996-98 was supported by a grant of C$800,000. CIDA also supports a number of small-scale, grassroots projects, through the Canada Fund for Local Initiatives.

**Gender equity.** CIDA’s Caribbean Gender Equity Fund, run by CUSO in Jamaica, received C$600,000 for the period 1996-2000. Some 20 projects were supported and funding was increased for the new program starting in 2001. These projects have addressed gender awareness training and gender mainstreaming, legal reform, community participation, research for the production of the *Jamaica Human Development Report*, labour education, programs to combat violence against women, parenting education for males and training to improve women’s participation in the political process. In 1999 the Fund supported projects involved in research, training, staff development, advocacy and the provision of teachers at the Women’s Centre Foundation. The Fund also continued to support training in gender analysis and planning for the staff of the Planning Institute of Jamaica. The Fund also continued to support training in gender analysis and planning for the staff of the Planning Institute of Jamaica. A draft Gender Equity Mechanism was developed for the PIOJ’s use in project appraisal, to ensure that gender equity is considered at all stages of the project cycle. Policy planners and analysts in the public sector received training in gender analysis to mainstream gender in policies and programs. A Gender Training Manual and Gender Checklist were also produced. This project was implemented in collaboration with the Office of the Prime Minister, the Centre for Gender and Development Studies at the UWI, and the Management Institute for National Development. As a follow-up, CIDA has provided a volunteer to strengthen policy development skills. In addition, the Fund enabled the Jamaica Bureau of Women’s Affairs to commission a legal team to review Jamaican laws which affect women and identify inequities to ensure compliance with CEDAW (of which Jamaica is a signatory).
**International Development Research Centre (IDRC).** IDRC has been involved in various projects in Jamaica. In 1996-97, four projects were funded including a project to assess the impact of information and telecommunications on policy formulation, and another to strengthen gender analysis. Research in these areas would have an indirect impact on poverty reduction.  

**NGOs.** In 1999-2000 nine Canadian NGOs received financial support from CIDA's Partnership Branch for projects in Jamaica. A rural development project run by the Canadian Jesuits International sought to increase agricultural production and improve cooperative marketing. Inter Pares, Save the Children Canada, Jamaica Self-Help (which works in some of Kingston's inner city communities), the International Council on Social Welfare and the Planned Parenthood Federation of Canada also received funding.

In addition, Jamaica benefits from two Canadian volunteer programs: CUSO, a Canadian development agency (formerly Canadian University Services Overseas) and CESO (Canadian Executive Services Overseas). Both provide technical assistance and many of the placements involve skill training and technology transfers and as such, indirectly support poverty reduction. Canada World Youth facilitates youth exchanges between the two countries.

In the last decade, CUSO has provided scores of cooperants, the majority of whom worked in the field of development. There are currently seven volunteers working in Jamaican institutions on two thematic issues: capacity-building for economic alternatives and support to cultural survival. New cooperants will be providing technical assistance and training in the areas of information technology and documentation.

In recent years CESO volunteers have contributed a wide range of technical support to several private sector companies in Jamaica. Most of the support has been to improve the productivity, competitiveness and quality of goods and services. In so doing the volunteers have helped to diversify products and increased efficiency as well as employment. CIDA previously funded these short-term attachments, but requesting companies now underwrite the services of the volunteers.

**Multilateral cooperation.** In addition to CIDA's development programs, Jamaica also benefits from Canada's active and influential role in several multilateral agencies. Among these are the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the Pan-American Health Organization (PAHO), the Inter-American Development Bank (IDB), the Caribbean Development Bank (CDB), the World Bank, the Commonwealth Secretariat and the Commonwealth Foundation. Multilateral institutions such as the World Bank and the Inter-American Development Bank, are major sources of public development finance and policy discussions in Jamaica. CIDA itself has noted that it “uses its influence within these organizations to improve their leadership and effectiveness in aid coordination and to promote measures consistent with Canada's development priorities.”

**Commonwealth.** Canada and Jamaica are both part of the 53-member Commonwealth. In this forum, Canada promotes its foreign policy objectives with indirect benefits for Jamaica. Canada is the second largest contributor to the Commonwealth Secretariat after the United Kingdom. Jamaica
receives various forms of technical and financial assistance through the Commonwealth in areas such as good governance, women’s equality, sustainable development and human rights. Canada provides Commonwealth Scholarships each year for Jamaicans and others to study in Canadian universities.

**CARICOM.** Jamaica has participated in a number of regional projects supported by Canada. These range from the CARICOM Regional Oceans and Fisheries Program (1990-99) aimed at capacity-building in fisheries, to the Caribbean Regional Institutional Strengthening Project (CRISP), the University of the West Indies Institutional Strengthening Project and a Caribbean project for HIV/AIDS prevention.

**Other Canadian relations with Jamaica**

**Foreign affairs.** Canada and Jamaica share strong diplomatic ties. Jamaica has supported Canada’s political role in the hemisphere (e.g., its activities in Haiti and its policy on Cuba). Jamaica signed and ratified the Landmines Convention and supported Canada’s successful bid for a seat on the UN Security Council in 1999, while Canada supported Jamaica’s successful bid for a UN Security Council seat in 2000.

**Trade relations.** Canadian trade policies demonstrate great inconsistencies with Canadian aid policies toward Jamaica—particularly in imposing persistently high tariffs on Jamaican clothing exports.

Trade has been a key element of the bilateral relationship between Canada and Jamaica, although the relative importance of each country for the other as a source or destination of trade is considerably lower today than in the first half of the 1900s (and has even declined in the last decade (Table 3.1). In 1999, Canada accounted for nine per cent of Jamaica’s exports and 3.2 per cent of its imports, while for Canada, the Jamaican shares were 0.02 per cent and 0.06 per cent, respectively. This partly reflects the greater pull of the US market for both countries. Also, for Jamaica, the special relationship with the EU under the Lomé (and now Cotonou) Convention has been another factor.

**Table 3.1: Direction of Trade: Jamaica and Canada**

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<tr>
<td></td>
<td>Jamaica</td>
<td></td>
<td>Jamaica</td>
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<tr>
<td>Exports to:</td>
<td>Imports from:</td>
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<td>Exports to:</td>
<td>Imports from:</td>
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</tr>
<tr>
<td>Canada</td>
<td>12.9%</td>
<td>9.0%</td>
<td>Canada</td>
<td>5.4%</td>
<td>3.2%</td>
</tr>
<tr>
<td>US</td>
<td>36.4%</td>
<td>44.3%</td>
<td>US</td>
<td>50.3%</td>
<td>48.0%</td>
</tr>
<tr>
<td>EU</td>
<td>30.0%</td>
<td>29.0%</td>
<td>EU</td>
<td>13.1%</td>
<td>10.0%</td>
</tr>
<tr>
<td></td>
<td>Jamaica</td>
<td></td>
<td>Canada</td>
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<td>Exports to:</td>
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<td>Exports to:</td>
<td>Imports from:</td>
<td></td>
</tr>
<tr>
<td>Jamaica</td>
<td>0.09%</td>
<td>0.02%</td>
<td>Jamaica</td>
<td>0.15%</td>
<td>0.06%</td>
</tr>
<tr>
<td>US</td>
<td>70.69%</td>
<td>87.64%</td>
<td>US</td>
<td>63.52%</td>
<td>67.00%</td>
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</table>

* as % of exports and imports by country
Table 3.2 shows that Jamaica typically runs a trade surplus with Canada, with exports more than doubling the amount of its imports from Canada. Major Canadian imports from Jamaica include bauxite and alumina (85 per cent), rum, fruits and vegetables, preserved food and clothing, especially knit apparel (underwear). Major Canadian exports to Jamaica have been fish and seafoods, newsprint and paper, telephone apparatus, medicine, food equipment and machinery, and consumer products. Official statistics may underestimate the extent of trade, as they typically do not include all goods transshipped via the US. They also exclude trade in services—Jamaica provides Canadians with tourism as well as the services of its migrant farmworkers. Canadian services exports to Jamaica include banking and air transport.

Table 3.2: Trade with Canada 1994-2000

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<tbody>
<tr>
<td>Imports from Canada</td>
<td>96.7</td>
<td>103.5</td>
<td>92.2</td>
<td>87.9</td>
<td>98.4</td>
<td>96.7</td>
<td>99.8</td>
</tr>
<tr>
<td>Exports to Canada</td>
<td>211.4</td>
<td>200.2</td>
<td>239.1</td>
<td>257.6</td>
<td>256.3</td>
<td>201.1</td>
<td>197.7</td>
</tr>
<tr>
<td>Two-way trade</td>
<td>308.1</td>
<td>307.7</td>
<td>333.3</td>
<td>345.5</td>
<td>354.7</td>
<td>297.8</td>
<td>297.5</td>
</tr>
<tr>
<td>Balance</td>
<td>114.7</td>
<td>96.7</td>
<td>146.9</td>
<td>169.7</td>
<td>157.9</td>
<td>104.4</td>
<td>97.9</td>
</tr>
</tbody>
</table>

Source: Statistics Canada

Bauxite and alumina enter Canada duty-free on a Most Favoured Nation (MFN) basis. All other Jamaican products except textiles, clothing, footwear and certain leather products, enter duty-free under CARIBCAN, provided they meet a 60 per cent rule-of-origin requirement, or enter under Canada’s General Preferential Tariff (GPT). CARIBCAN is a one-way preferential trade agreement between Canada and the Commonwealth Caribbean countries dating from 1986. Its objectives are to improve the region’s economic development prospects by expanding trade and stimulating new investment as well as economic cooperation and integration. Its use has been limited, however, by its exclusion of Jamaica’s key exports (and the fact that bauxite/alumina are duty-free anyway), as well as the relatively stiff origin requirements. In 1999, only 5.8 per cent (C$11.1 million) of Jamaica’s exports to Canada entered duty-free under CARIBCAN.37 This is roughly 5 per cent of the value of Jamaica’s duty-free exports to the US under the CBI.38

For products which were dutiable, tariff revenue collected in 1999 amounted to C$3.9 million, that is as much as two-thirds of bilateral aid that year. By 2000 the tariff revenue on Jamaican imports to Canada was much less, at C$0.8 million, largely the result of a sharp fall in clothing imports. While the average applied tariff was 0.4 per cent for all imports, on average the tariff on dutiable products (most of which are apparel) is much higher at 19 per cent.39 The persistence of such tariffs, while competitors in Mexico enjoy declining and soon-to-be zero Canadian tariffs under NAFTA, may have contributed to the fall in Jamaica’s clothing exports to Canada.

Since 1994, Jamaica and other countries in the Caribbean have sought NAFTA parity.40 The US eventually responded with enhancements to its Caribbean Basin Initiative in May 2000, especially involving garments. Canada, however, has not considered offering similar duty relief. It has not offered outward processing schemes to Jamaica or any other country comparable to the US 807/9802 programs. Another factor differentiating Jamaican suppliers from those in Mexico is that
their exports of underwear to Canada face quotas, while Mexican products are quota-free. These quotas have been expanded as required under the WTO's Agreement on Textiles and Clothing, however, and recent data show Jamaica has low quota utilization rates (22-23 per cent in 2000) suggesting that the quotas are no longer binding, whereas tariffs may be.

It is possible that the tariff on Jamaica's clothing exports may be removed under either the FTAA or a Canada-Caribbean Free Trade Agreement (FTA), which was raised at the heads of government meeting in January 2001. In both cases, however, an issue that needs to be considered is the consistency between the commitments which Jamaica would be required to make under a free trade agreement and its poverty reduction efforts. While increasing exports and import liberalization may stimulate economic growth, the implications for the poor are ambiguous. Concerns about the implications for government revenue, which is still somewhat dependent on tariffs, and also for those involved in small-scale agriculture and certain other light manufacturing industries, have led the Jamaican government, along with other small economies, to seek special treatment in the negotiations. Such treatment might involve longer timeframes or even the exclusion of certain sectors/industries. In the interests of policy coherence it would be important for DFAIT to support such requests.

On a more positive note, some aspects of Canada's trade policies toward CARICOM have been designed to reinforce the Caribbean's regional integration processes. For instance, CARIBCAN allows regional cumulation. In addition, Canadian aid has been directed at strengthening regional institutions. Recently CIDA awarded a grant of C$3.6 million to the Caribbean Regional Negotiating Machinery, established in 1997 to encourage and enhance Caribbean countries' capacity to negotiate as a group in the course of bilateral, regional and multilateral trade negotiations. CIDA has also provided bilateral trade-related technical assistance to Jamaica, to help it meet its WTO commitments on anti-dumping and countervail. While some have questioned whether these projects reflect CIDA responding to DFAIT's trade agenda, in fact, they have allowed Jamaica and other Caribbean countries to pursue trade policy options which meet their development priorities.

**Investment.** Canadian direct investment in Jamaica is approximately C$1.4 billion and is concentrated in the mining and financial sectors. Negotiations on a bilateral Foreign Investment Protection Agreement (FIPA) are nearing completion. It is possible that some aspects of the FIPA may complicate Jamaica's development efforts—certainly such criticisms have been made of similar investment provisions in NAFTA's Chapter 11.

As already noted, CIDA plays a role in supporting investment by Canadian companies, particularly through the activities of CIDA INC. But Jamaica's macroeconomic problems and structural constraints, coupled with concerns about crime and violence, are said to have deterred many potential investors. A few Canadian companies maintain a corporate presence in Jamaica. ALCAN is one of the largest bauxite mining companies and Scotiabank Jamaica is the second largest and most profitable commercial bank, with some 46 branches islandwide. CIBC also has a substantial presence. Royal Plastics Homes and Moores Business Forms have investments in housing and office supplies, respectively. The majority of their employees are Jamaicans. In addition to their core business, most of these companies have social outreach programs.
Mining. In the mining sector, ALCAN is a major player with a long history in Jamaica. According to one representative, because of the type of operations in which it is involved, the company has had to be very sensitive about the environment and careful not to pollute it. She also described the company as a “good corporate citizen” noting that “the surrounding communities benefit from its presence ... through employment of local people and ... projects in the areas of community development, health, education, sports and culture.”

Banking. Scotiabank established the Scotiabank Jamaica Economic Growth Fund in 1998 to finance projects in the productive sector. The Fund aims to stimulate growth, increase productivity, create jobs and earn foreign exchange. According to the bank, since its establishment in 1996, the Scotiabank Jamaica Foundation has donated over J$50 million to projects in health, education and to community programs. In the case of CIBC, one manager reported that CIBC supports several projects in the areas of education, sports, promoting environmental awareness in schools, tourism, health and sports which have an impact on poverty reduction.

Housing. In the area of housing, the Canadian company Royal Homes has provided innovative building technology solutions, that are intended to make housing more affordable to Jamaicans.

Management consultancy. A new and growing area of Canadian private sector involvement in Jamaica is through Canadian consultancy companies that have been awarded contracts to implement CIDA programs. Some have resident Canadian project managers, but all employ Jamaicans on a full-time or contractual basis to implement their programs.

Tourism. Tourism is another important element of Canada-Jamaica relations. In 1998, Statistics Canada reported that 20,074 Jamaicans visited Canada, while some 85,800 Canadians visited Jamaica. As previously noted, Canada accounts for some 8 per cent of visitors compared to two-thirds from the US and 18 per cent from Europe. While the Jamaican government views tourism as a sector for increasing employment, it has recognized the potential for conflict with community development initiatives, and efforts are being made to resolve these (see Section 2).

Migration. Canada has been a primary destination for Jamaican emigrants—from 1974 to 1994, 107,000 Jamaicans emigrated to Canada; in 1998, as many as 2,733 Jamaicans emigrated to Canada. In Toronto alone there were 86,900 people born in Jamaica. There has undoubtedly been a cost to the Jamaican economy of this out-migration, especially where it has involved people with professional expertise. For example, from 1990-96, 376 Jamaican immigrants to Canada (1.1 per cent of the total) indicated that they intended to seek employment in the medicine and health sectors. This trend may increase with the growing shortage of skilled workers in Canada. Certainly, official efforts to attract “the best and the brightest” to Canada could undermine CIDA's efforts to support human resource development and to expand the poor's access to health services.

One option for greater coherence would be to limit immigration of skilled workers to countries whose governments have given their approval. Another might be to allow such immigration but on a strictly temporary basis—requiring people to return to their country of origin after a certain period. Neither solution would solve the problem, however. Several other countries are competing with
Canada for skilled immigrants, notably the US and the UK. Even if there were agreement to limit the demand for skilled workers from countries with skill shortages, without improved conditions in Jamaica professionals may well continue to want to leave.

On the positive side, remittances to family members and communities have contributed to Jamaica’s social and economic development. Many Jamaican-Canadians have supported Jamaica’s poverty reduction efforts in a number of ways: setting up businesses in Jamaica, supporting health care (with equipment, money and professionals) and education (by adopting schools in Jamaica, sending material to schools) and through investments.

**Seasonal employment.** Canada’s Commonwealth Seasonal Agricultural Workers’ Program (CSAWP) dates from the late 1960s and provides temporary employment for farmworkers from the Commonwealth Caribbean each year. In recent years, the program has involved some 7,000 workers from the Commonwealth Caribbean, of which some 5,000 are from Jamaica. In 1998 and 1999, for example, 4,683 and 5,073 Jamaicans, respectively, came to Canada under the CSAWP. While the majority of these workers are males, there has been a small but growing number of women farmworkers in recent years. From its initial focus on tobacco, the program has expanded to vegetables, apples, peaches, ginseng and some factory work. Most of the workers are employed in Ontario, though a few work on farms in Quebec, Manitoba, Nova Scotia and Alberta.

The CSAWP is mutually beneficial to both Canada and Jamaica. Canadian farmers and some employers in the agro-processing industry are able to meet their seasonal agricultural labour needs, which cannot be satisfied by Canadian workers, while rural Jamaicans are provided with regular if short-term employment at Canadian minimum wages. As many as 96 per cent of the workers are requested by name and return each year. Earnings for 1998 were in excess of C$7.3 million, some of which is remitted and some spent in Canada on consumer goods before workers return home.\(^5\) In earlier years, there was a similar program to recruit Jamaican household workers, but this has been discontinued.

**Transportation.** In 1997, Canada and Jamaica signed a Memorandum of Understanding in transportation cooperation that has benefited both countries. Air Canada provides an important link between Canada and Jamaica for tourism. Transport Canada has provided technical assistance to the Ministry of Transport in Jamaica. Agreements are in place to provide support for maritime training, the development of a transportation policy and policy unit, the creation of a Maritime Authority and the provision of a strategic framework for the Jamaica Civil Aviation Authority. Canada has also provided assistance to enable Jamaica to obtain a Category 1 rating from the US Civil Aviation Authority. This guaranteed safety standards for passengers and was important for the national airline to be eligible to operate on routes within the US, which was in turn pivotal to the growth of the tourism industry. Two Canadian firms won contracts in excess of C$4.1 million for work related to the rehabilitation of the Norman Manley International Airport. This was partly facilitated by CIDA INC funding for a feasibility study, as well as its assistance for a complementary training program.

**Defence and security.** The Royal Canadian Mounted Police and the Department of National Defence provide military assistance to Jamaica. In 1997-98 Jamaica received training worth C$0.9
million, the largest single country contribution under Canada’s Military Training Assistance Plan (MTAP). In early 1998, Jamaica purchased three Bell Helicopter Textron 412 helicopters from Canada valued at US$24.9 million. To gain the competitive advantage on this contract, Canada stressed the existing strong link between the Canadian and Jamaican defence forces through the MTAP. Canada has provided weapons-detecting equipment to enable Jamaican police and security forces to detect and locate hidden weapons. Shipments of hand-held and walk-through metal detectors have been sent. Maintaining law and order helps to create a stable climate that will enhance development. These projects do not appear to have any direct link with the development objectives of CIDA but emerge as independent activities of other arms of the Canadian government.

**Conclusions**

Canada and Jamaica undoubtedly have very strong links at several levels and most of these relations appear to be mutually beneficial. This is particularly striking in the area of trade, tourism and even migration.

With respect to Canadian aid, only a handful of projects funded under the bilateral program have a direct impact on poverty, although nearly all projects indirectly contribute to poverty reduction. Indeed, the smaller Partnership Branch projects channeled through NGOs, appear to have the greatest direct impact. These projects are considerably more modest than other CIDA projects, but appear to be more targeted on poverty alleviation in specific communities.

As previously noted, when the Canada-Jamaica program is compared with the data provided in the previous section it is striking that there is coherence between the policy frameworks of the governments of Canada and Jamaica around poverty reduction. This is particularly interesting as Canada does not provide direct support to the Government of Jamaica’s poverty reduction programs. In addition the allocation to projects which have a direct impact on poverty reduction is small in comparison to other areas of official development assistance. This suggests that poverty reduction is a low priority in comparison to the environment and economic development. It could be argued, however, that the latter do make an indirect positive contribution to reducing poverty, but the Canadian executing agencies for these projects do not generally make these links.

In general, most non-CIDA program managers appear unaware of either CIDA’s poverty reduction policies, or of the government’s broader foreign policy objectives and do not factor them into their relations with countries like Jamaica. Any positive impact therefore emerges as coincidental rather than deliberate. Canadian government departments appear to be unaware of each other’s projects and programs in Jamaica.

The clearest indicator of policy incoherence lies in the area of trade. The high tariffs which Canada continues to impose on clothing imports from Jamaica, while offering duty-free access to Mexico, has exacerbated the difficulties which Jamaican exporters face and contributed to the decline in employment and exports. CIDA is assisting Jamaica’s participation in the new global trade regime, but as yet has been unable to persuade DFAIT to follow suit.
In the area of migration, Canada’s new openings for skilled immigrants from Jamaica (and elsewhere) clearly conflicts with efforts to promote human resource capacities in that country. The seasonal farmworkers program provides some benefits, but further work is needed to determine how far these offset the associated costs. It is possible that collaboration between CIC/HRDC, Agriculture and Agri-Food Canada and CIDA might lead to complementary initiatives such as technology transfer to Jamaican farms, with a more direct and positive impact on poverty reduction.

There are other ways in which Canadian government departments could complement CIDA and play a more direct role in poverty reduction in Jamaica. For instance, Agriculture and Agri-Food Canada could channel more direct support to Jamaica’s agricultural sector, to build human resource and technical capacity thereby enabling that sector in the areas of food production, storage, agro-processing, market and distribution.
Policy Coherence Mechanisms

This section explores the various mechanisms that have been established, or need to be, to promote policy coherence among the range of Canadian organizations active in Jamaica and their Jamaican counterparts, so as to maximize their impact on poverty reduction directly or indirectly. Similarly, in Canada, greater effort is needed to promote cross-sectoral communication and analysis between government departments, as well as establish policy review mechanisms to promote policy coherence.

**Mechanisms in the Canadian government**

**CIDA-DFAIT.** Formal and informal mechanisms are in place to achieve policy coordination if not coherence. CIDA staff in Canada reported a close working relationship with DFAIT (particularly the foreign affairs part of the Department) on the Jamaica program, although there is no regular process of interdepartmental consultation. They rely on DFAIT staff at the Canadian High Commission in Jamaica, as well as CIDA personnel, to be kept abreast of political and economic developments. According to DFAIT staff, telephone calls and committees are used to try to coordinate efforts as issues arise. Consultations are held based on need; for example, CIDA may communicate with DFAIT around issues that may have political implications or DFAIT may convene a round table with relevant departments ahead of a global summit. There has been less collaboration between CIDA and DFAIT on the issues of trade policy toward Jamaica.

Collaboration between CIDA and DFAIT in Jamaica is more structured, more frequent and more integrated. In the Canadian High Commission there are 14 diplomatic positions with staff responsible for Immigration, Development, Administration, and Commerce. The small three-person CIDA team—two are seconded from CIDA headquarters—also serves the Bahamas, Belize, the Cayman Islands and the Turks and Caicos Islands. In addition, an Honorary Consul is based in Montego Bay, Jamaica’s second largest city. All other staff in the High Commission are locally engaged.

Of the CIDA team, one member is Head of Aid and reports to the Jamaica/Caribbean Desk Program Manager in Ottawa. Each member of the local team monitors specific CIDA-funded projects in Jamaica. In Ottawa, there are currently three project managers.

Within the High Commission, the heads of CIDA and DFAIT programs meet weekly and exchange information on issues of common concern. The counsellor undertakes analytical research to inform decision-making overall, while each section collects press clippings and shares information with High Commission colleagues.
Locally hired staff, who interface with the Jamaican community, also collaborate in decision-making. They discuss and jointly agree on projects to be supported by Canadian High Commission funding mechanisms such as the Canada Fund, the Green Fund and the Gender Equity Fund.

Efforts to promote coordination include the establishment of a joint office to house CIDA-funded projects. A Project Support Unit (PSU), formerly called the Canadian Cooperation Office, was established and is managed by a Canadian company. Most of the staff is Jamaican. The PSU provides technical assistance, project management and office facilities to the bilateral programs. It houses the Governance and Civil Society Projects (Social Conflict and Legal Reform; Enhancing Civil Society; Local Government Reform Project) and their managers. These persons share information and explore synergies in project implementation, and ways to reinforce the goals of their respective projects. The PSU also coordinates and prepares short-term standing offer contracts that provide technical assistance to the projects. These are usually financed by locally managed funds through the Canadian Executing Agencies. The High Commission reportedly does little direct contracting.

While the CIDA and DFAIT staff in Jamaica work as a team, they relate to different parts of the Jamaican government. CIDA staff, for example, interact primarily with the Planning Institute of Jamaica, while the DFAIT team is linked more closely to the Ministry of Foreign Affairs and International Trade. While there is consultation between headquarters and the field office, there is a hierarchy headed by Ottawa. This does not appear to have a negative impact on the local program, however, because the process is a participatory one. Staff in Jamaica have an opportunity to contribute to the decision-making process.

Other government departments. CIDA, in preparing its Country Program Framework (CPF), consults with stakeholders in Canada, and normally utilizes Canadian specialists to make a preliminary assessment of the situation in Jamaica. From time to time, it draws on resources of specific government entities (e.g., Department of Justice Canada was involved in the Jamaica Justice project) in the planning stages for policy advice and other technical issues. Policy dialogue usually precedes the CPF. Agenda 21 and DAC policies are also taken into account.

The establishment of units within certain federal government departments devoted to international cooperation signals a new institutional emergence on the Canadian foreign affairs landscape, and will clearly pose new challenges for coordination in international cooperation. Among the federal departments that are engaged in international cooperation activities in Jamaica are Transport Canada, HRDC and the Department of National Defence. The projects involve technical assistance for policy formulation, seasonal employment of Jamaicans on Canadian farms and security assistance including drug interdiction.

CIDA is not, however, consistently consulted about, nor involved in, the development of initiatives in Jamaica that emanate from these other quarters. In Transport Canada’s Maritime Training Project, there was no collaboration with CIDA. CIDA was not approached since transportation was not considered to be a CIDA priority, given its shift away from infrastructure. Yet aspects of the project which included policy strengthening and institutional capacity-building are within CIDA’s current program priorities in Jamaica.
Likewise, the long-standing Commonwealth Agricultural Seasonal Workers’ Program operated by HRDC, with support in the field from the High Commission’s immigration section, has not had any relationship with CIDA’s programs, with the result that its development potential may not have been fully realized. Nor does there appear to be any opportunity for CIDA to comment on the development of Canadian immigration policies and how they might affect Canada’s initiatives in Jamaica and elsewhere to meet skill shortages.

The socio-economic implications of sending convicted “deportees”, as they are called in Jamaica, back to their homeland without any financial resources is identified as a contributing factor to elevated crime and violence in Jamaica. The research did not show any concern by CIDA for this critical issue.

Even CIDA INC has no structured ties with the OGDs that are working in Jamaica to promote opportunities for Canadian private sector actors. More generally, inadequate coordination between these departments and CIDA resulted in their lack of awareness of foreign policy and poverty reduction objectives or a clear definition of their role in achieving these policy objectives. Where OGD projects, programs or policy initiatives did have a positive impact on Jamaica’s poverty reduction, it was coincidental rather than deliberate.

**Coherence with other Canadian actors— private sector and NGOs**

In many respects, the focus of Canadian private companies on expanding economic activities in Jamaica is consistent with CIDA’s emphasis on enhancing Jamaica’s economic competitiveness through the aid program, although the primary goal for the Canadian companies is their own economic self-interest. Various initiatives to promote these activities directly and indirectly have been sponsored by CIDA, whether through CIDA INC, or other bilateral programming. There is no systematic forum for policy coordination, however, either in Canada or in Jamaica. The Canada-Jamaica Business Council, created in 2000, could be one such mechanism.

Canadian firms which are involved in, among other areas, environmental management and private sector reform are required, according to the terms of their CIDA contracts, to address the range of CIDA’s policy priorities, including poverty reduction, gender equality and environmental security. The companies are aware that they can draw on technical resources, through CIDA, to integrate these goals into their projects. But there are questions about the effectiveness of monitoring and coordination mechanisms, when these companies start operations in Jamaica. Although information was limited, the indications are that in reality, the Canadian firms working under CIDA projects do not consistently address either poverty or gender issues in the conceptualization and implementation of their projects.

As already noted, some Canadian firms support community outreach initiatives. This results, however, from their good corporate citizenship and a policy of corporate social responsibility. None attributed these actions to Canadian government policies, let alone specific CIDA policies with respect to poverty reduction or gender equality. Indeed, most were unaware of these Canadian policies.
In contrast, Canadian NGOs active in Jamaica are typically much more aware of CIDA’s priorities and the details of the country programming framework. Likewise CIDA, through its Partnership Branch and country desk, is more familiar with the activities of Canadian NGOs in Jamaica, as they are usually financed to some degree by CIDA. Nonetheless, there are still areas of policy difference. For instance, many NGOs are critical of CIDA’s emphasis on economic competitiveness, and related to this its support of DFAIT’s free trade agenda, on the grounds that this will not address the needs of Jamaica’s poor, and in fact could exacerbate them. Opportunities for articulating these differences can be part of the Canada-Jamaica Business Council established in 2000. This would however need to be broadened to include NGOs as part of the membership.

CIDA headquarters and CIDA in Jamaica

The issues which will form the basis of country programming in CIDA’s Americas Branch are discussed at an annual CIDA Caribbean and Latin American field conference, which includes CIDA staff from both Ottawa and the field. This in turn leads to the development of a Country Profile, with a list of possible priority projects, as one input into the design of a Country Program.

Once projects have been agreed and Canadian executing agencies (CEAs) appointed, close ties are made between the field and Ottawa. The CEA provides periodic reports and prepares an annual review of its work plan and program. Consultations are conducted with stakeholders. CIDA also appoints project monitors to monitor and review the projects. Projects may be revised following these reviews, allowing for the incorporation of lessons learned on both sides, as well as examples of best practice.

CIDA is very strong on Results-Based Management and places great emphasis on participation, monitoring and evaluation. Most of the locally-funded projects are participatory and heavy on process, with stakeholders playing a central role. Management and advisory groups for CIDA projects have become the norm. To ensure projects contribute to CIDA’s broader goals, most bids require prospective executing agencies to have proven experience in participatory processes and a clear understanding of capacity-building, gender equality principles and environmental awareness. Proposals are evaluated against these criteria and the company’s previous experience in managing such projects.

The preparation of the Country Program Framework is a very thorough process, marked by extensive consultation and in-depth analysis of issues, that usually results in coherence amongst CIDA-funded projects. There are fewer opportunities for linkages between headquarters and the field in other government departments although they tend to have far fewer activities in the field. There is scope however for greater collaboration between the OGDs, CIDA and DFAIT that would encourage coherence.
Coherence with Jamaica’s anti-poverty policies

The details of the Jamaica Country Program are agreed jointly every few years by CIDA and the Jamaican government. As previously noted, the process involves considerable analysis by Jamaican consultants as well as CIDA’s sector analysts, who help to pull sectoral issues together to guide programming. The Country Program Focus determines what projects are brought to the table. As mentioned in Section 2, by mutual agreement, Canada’s program has focused on complementary poverty reduction efforts as the Jamaican government’s NPEP is already fully funded.

CIDA has adopted a participatory process for developing its program with Jamaica. Jamaica’s rating as a democratic country partner may influence this approach. It allows the two governments to identify projects that are mutually beneficial and reflect the priorities of both. Stakeholder consultations guide the development of programs and CIDA drafts a proposal on the basis of these consultations. An agreement is then prepared between the Government of Jamaica and CIDA on the terms of the project. All proposals then go out for tender to ensure transparency. Canadian executing agencies then bid to implement these projects.

Participation is taken a step further. The panel to select the successful agency includes CIDA and the relevant government agency in Jamaica. When the agency is selected, they usually have a six-month period to prepare a pre-feasibility study, a Project Implementation Plan (PIP) and the first year’s work plan. Participation is also built in at another level as the Terms of Reference (TOR) of the CEA usually require them to establish a Project Management Committee and/or a Project Advisory Committee which makes the final decisions on project implementation. CIDA and the relevant government agency and the PIOJ sit on these committees with the CEA acting as the Secretariat.

Interviews with participants who are integral to this process did not lead to the conclusion that specific Canadian foreign policy objectives or policies aimed at reducing poverty are given major consideration. Again, this also confirmed that policy coherence is coincidental rather than deliberate.

Coherence with other donors and agencies in Jamaica

The National Poverty Eradication Programme (NPEP) has a Programme Coordinating and Monitoring Unit (PCMU) which operates within the Office of the Prime Minister. The NPEP has a Partnership Advisory Board chaired by the Government of Jamaica which includes representatives of political parties, the private sector, the international community, local government, CBOs, NGOs, the Jamaica Social Investment Fund and the Planning Institute of Jamaica. The PCMU also has an interagency committee, an agency committee and a community-based/area development committee. Canada, as a member of the international community, sits on some of these committees. While this is quite an elaborate approach, it may not go as far as envisaged in the Comprehensive Development Framework proposed by the World Bank, which would encompass even those policies with only an indirect impact on poverty.
There are other vehicles for promoting collaboration and coherence among the programs of donor agencies operating in Jamaica. The UNDP coordinates an inter-agency donor group, in which Canada is a member, which meets monthly or bi-monthly. This provides a forum for informing donors of Jamaica's program priorities and facilitates coherence in the programs supported. For example, similar to CIDA's agenda, the group is focusing on issues of civil society, governance, the environment and economic development through micro-enterprises. Despite UNDP's coordination, competition between donor agencies is still evident, as each agency needs to show their national constituents that there have been tangible impacts as a result of their particular intervention. There is still considerable scope for donor agencies to learn from each other's research and pilot projects. This would reduce duplication of effort and increase the resources available to tackle poverty.

CIDA and Jamaican NGOs

According to the experiences of one Jamaican NGO receiving CIDA funding (PACT), the relationship was very positive with CIDA staff approaching partnership in a sincere and flexible way. Regular meetings, reports and participation in joint activities helped to consolidate this relationship.

Collaboration exists between the wider community of NGOs and CBOs through other CIDA-funded projects in the areas of good governance and the environment, and with support from the Canada Fund, the Green Fund and the Gender Equity Fund. Several of the CIDA-funded projects have had positive, direct impacts on the programs of these groups. Of all the projects reviewed, this is the one which is most directly attributed to poverty reduction. The PACT project’s capacity building initiatives in inner city communities of Kingston have had a positive impact on poverty reduction suggesting coherence between policy and program.

Conclusions

Several channels currently exist for formal and informal collaboration between Canada and Jamaica that help to facilitate coherence in policies and programs. On the Canadian side, the stronger links are between CIDA headquarters and the field. CIDA’s links with DFAIT in Ottawa are weaker than they are in the field. Those between CIDA and other government departments tend to be even weaker. The weakest links are with Canadian private firms that fall outside CIDA programming. Private firms were the least aware of CIDA’s commitment to poverty reduction.

Most of those organizations consulted did not see their work in Jamaica in terms of poverty reduction or a particular CIDA policy mandate. Representatives of Canadian companies operating in Jamaica, more likely than not, saw their social policies and actions as an extension of their own corporate interests rather than as a fulfillment of Canadian foreign policy. Many were not even aware of CIDA’s policies on poverty reduction or gender equity. Canadian executing agencies, however, were much more aware of these issues and tried to integrate them into their programming.
A final observation on coordinating mechanisms is to note the absence of any agency or forum in either the Canadian or Jamaican governments that has a comprehensive overview of relations between the two countries. This must be addressed. In Jamaica, the Planning Institute of Jamaica shares the role of policy coordination with the Ministry of Foreign Affairs and Trade. Interviews with staff of both agencies confirmed that neither has a comprehensive and complete overview of aid and non-aid relations between Canada and Jamaica. Information on private sector involvement is particularly important yet difficult to compile and will become increasingly so with further trade liberalization and the changing trade environment. The trend toward corporate social responsibility provides opportunities for companies to have a more direct and positive impact on poverty reduction.
OECD’s Development Partnership Strategy provides a solid framework for reviewing this Jamaican case study on promoting policy coherence. One of the basic elements of good practice in policy coherence is to have political coordination though the development of a common vision to formulate and develop policies. The research shows that both Canada and Jamaica have clear policy statements on poverty reduction.

As members of the Commonwealth, the two countries also share a commitment to political democracy which is considered an essential requirement to sustainable development. Sharing a common understanding of development also helps to create an enabling environment for poverty reduction. The common features noted are gender equity or equality, participation, good governance and respect for human rights.

Both countries have made commitments to international instruments such as the Convention on the Rights of the Child and the Convention for the Elimination of All Forms of Discrimination Against Women which also impact positively on poverty reduction if appropriate steps are taken. These international instruments indirectly guide the kinds of programs undertaken. Policy coherence on poverty reduction could be considerably enhanced if both countries reviewed their existing policies against these and other international instruments, including ILO Conventions, Agenda 21 from the UNCED Summit in 1992, the Beijing +5 Platform for Action and the Social Summit declarations.

The emerging trade environment also provides challenges and opportunities for promoting policy coherence and political coordination. Participation in the FTAA presents tangible opportunities for Canada and Jamaica to cooperate to improve trade and national revenue, while progressively encouraging good labour practices that are consistent with international labour standards. This process could enhance poverty reduction. The new trade environment also poses the risk of retrenchment in the formal and informal sectors, which could increase poverty in Jamaica and other Caribbean countries. These countries are striving to become globally competitive, while adjusting to an environment of increased trade liberalization which increases competition for the local private sector and farmers.

A second element is an effective framework for inter-ministerial coordination. The research shows that while there are both formal and informal mechanisms for information sharing, these need to be considerably strengthened, especially between other government departments, CIDA and DFAIT. The process is made much easier by the World Wide Web, but a more proactive and deliberate approach and commitment are needed for ministries to keep abreast of each other’s activities and programs related to Jamaica. Special consultative fora on Jamaica are needed to improve information sharing between government departments.
A third element is research and analysis to support the development of policy coherence. This case study on Jamaica indicates that there is considerable scope to expand research and analysis to promote coherence. Within the Government of Jamaica, this kind of research could help to identify specific areas for greater coherence, which could then maximize resources and reduce poverty. Research within Canadian agencies would fill existing information gaps on the scope of Canada’s assistance to Jamaica, informal trade and cultural links. More extensive information in both countries would help to enhance policy decision-making. Research could also help to identify the cost of incoherent policies in both countries to guide program reviews. There are a range of universities and research institutions in both countries that could usefully undertake a research agenda to promote policy coherence.

A fourth element is the existence of suitable mechanisms for consultation with civil society on a wide range of issues. To promote coherence, the current situation should be reviewed to ascertain what mechanisms exist and their level of effectiveness. It is likely that differing levels of access to technology, communication and information resources within civil society will affect the quality of civil society participation and consultation. Institutional capacity and the level of knowledge and coordination within the NGO sector would also have an impact on this process.

Commitment to promoting developmental policy coherence is a fifth element. There are indications that Canada is helping Jamaica to take advantage of open trade and investment by improving the country’s framework for international trade in goods, services, capital and knowledge. Collaboration between Canadian and Jamaican institutions to provide more assistance in skills training aimed at developing and maintaining production and international standards, would indicate policy coherence and would positively impact poverty reduction.

An agenda of policy coherence would also require closer cooperation between Canada’s and Jamaica’s Ministries of Finance. Technical assistance to the Bank of Jamaica and more recently to FINSAC must be expanded to strengthen Jamaica’s financial institutional framework, as well as to increase international investment and capital flows. This type of intervention would hopefully contribute to reversing the trend of negative and low growth that has dogged the Jamaican economy for several years. Rebuilding confidence in the financial sector would have a positive impact on the economy and reduce poverty.

Consistency between Canadian aid practices and OECD partnership principles is yet another indication of policy coherence. Donor partnerships that reduce the proliferation of projects and help to develop institutional capacity would be evidence of policy coherence. Efforts should therefore be made to encourage and support these donor mechanisms, with integral support from national leadership. A debt management strategy is also seen as evidence of policy coherence. The introduction of debt reduction schemes to amalgamate debt can be part of an integrated policy.

Analysis of the policy frameworks for poverty reduction in the governments of Jamaica and Canada, however, shows considerable coherence in focus and strategies. Both approach poverty reduction in the context of promoting sustainable development, emphasizing good governance, gender and social
equity and environmental sustainability. The main distinguishable difference may be in the level of government versus private sector involvement in the process, although both identify a facilitating role for government.

While contradictory in parts, Canada’s policies on foreign affairs, poverty reduction and gender equality do include some mutually reinforcing elements. They promote Canadian culture and values that reflect a Canadian world-view. Foreign policy also has a strong influence on these other policies. For example, the focus on gender, the environment and good governance are echoed in other policies.

In conclusion, the research showed that improving coherence in development cooperation policies and practices is strategically important. The findings showed that Canada’s foreign policy is not wholly consistent with its poverty reduction policy as Canadian prosperity is the main goal of the foreign policy. Poverty reduction in developing countries emerges as a desirable outcome but not the central goal. This scenario is somewhat similar to the traditional “trickle down” economic framework long since discarded in economic circles of many countries.
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