



The Planning Institute of Jamaica

Annual Report 2019



The Planning Institute of Jamaica



Planning Today . . . Securing Tomorrow

Annual Report
2019

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Annual Report 2019

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CONTENTS

Vision and Mission of the PIOJ	4
Functions of the PIOJ	5
Board of Directors	6
Director General's Statement	II
Executives of the PIOJ	I3
Review of Operations	I4
A. Corporate Governance and Management	I4
B. Publications and Promotions	20
C. Policy and Planning	23
D. Research	46
Appendices	48
2019 Year In Review	58
Audited Financial Statements	69



VISION

TO BE PROACTIVE IN THE PROVISION OF STRATEGIC AND INNOVATIVE POLICY, AND PROGRAMMATIC RESPONSES TO EMERGING ISSUES AT THE NATIONAL AND ORGANIZATIONAL LEVELS IN PURSUIT OF SUSTAINABLE DEVELOPMENT.

MISSION

THE PLANNING INSTITUTE OF JAMAICA IS COMMITTED TO LEADING THE PROCESS OF POLICY FORMULATION ON ECONOMIC AND SOCIAL ISSUES AND EXTERNAL COOPERATION MANAGEMENT TO ACHIEVE SUSTAINABLE DEVELOPMENT FOR THE PEOPLE OF JAMAICA.

Functions of the Planning Institute of Jamaica

(1) The functions of the Institute include:

- (a) initiating and co-ordinating planning for the economic, financial, social, cultural and physical development of Jamaica
- (b) monitoring the implementation of plans so initiated or co-ordinated
- (c) undertaking research
- (d) training in planning
- (e) undertaking consultant activities for Government Ministries, agencies and statutory bodies
- (f) maintaining a national socio-economic reference library
- (g) managing technical cooperation agreements and programmes

(2) It shall be the duty of the Institute to:

- (a) advise the Government on major issues relating to economic and social policy
- (b) interpret decisions on economic and social policy and integrate them into the national development programmes
- (c) prepare economic models for the guidance of policymakers, investors and other planners
- (d) assess existing and projected social economic and manpower resources and formulate plans for the most effective use of such resources
- (e) coordinate national, regional and sectoral development planning in order to facilitate the consistent and efficient implementation of projects and programmes
- (f) determine the economic, financial and technical feasibility of new development projects and monitor projects in progress
- (g) be instrumental in stimulating national development and in securing public cooperation and participation in achieving planned objectives
- (h) collect, compile, analyse and monitor special and economic performance data.



Board of Directors¹



Dr Wayne Henry

Wayne Henry was appointed Director General and Board Chairman in July 2016. He holds a PhD in Developmental Economics, and in addition to being a former lecturer at The University of the West Indies (UWI), has been a Liaison Officer/Economist at the World Bank. Dr Henry was Special Advisor to the Minister of Agriculture & Fisheries and was Chief Technical Advisor to the Minister of Finance. Prior to serving at the PIOJ, he was Vice President, Government Affairs at Scotiabank Group Jamaica.



Ms Erica S. Anderson

Erica S. Anderson is Head of Total Rewards and HR Shared Service Centre, GraceKennedy Ltd. She holds a BSc in Management Information Systems/Finance & Insurance and an MBA, specialising in Finance. She has 18 years working experience in numerous areas, including Financial Institutions Regulatory Oversight, Human Resources, Pension Funds Management, Strategic Planning, Product Development, Project Management, and Finance and Insurance.



Ms Merle Donaldson

Merle Donaldson is Chief of Staff, Office of the Prime Minister. Ms Donaldson has over 20 years of experience in both the public and private sectors – including the Sugar Industry Research Institute, Bureau of Standards Jamaica, Ernst and Young Caribbean, and the Ministry of Education – in the areas of research, business development, project management and quality systems. She has also tutored part-time at The University of the West Indies. She currently serves on the boards of the Agro-Investment Corporation, and the Culture, Health, Arts, Sports and Education (CHASE) Fund.



Ms Sheree Martin

Sheree Martin is currently a Senior Vice President, Business Development Executive, New Fortress Energy, a US-based global energy infrastructure company. Mrs Martin holds an MBA in Banking and Finance from Harvard Business School and has spent the last 15 years as an Executive, driving business value in the Financial Services and Energy sectors, specifically in the areas of Business Strategy, Marketing, Sales, Project management, Organisational Transformation and Corporate Innovation.

¹A new Board was appointed on September 23, 2019; Ms Erica Anderson demitted office in October and Mrs Sheree Martin was appointed.



Dr Richard L. Bernal

Professor the Hon. Ambassador Richard L. Bernal, OJ, is an economist and diplomat. Since July 2016, he has been Pro-Vice Chancellor for Global Affairs at The University of the West Indies (UWI) and Professor of Practice. He served as the Jamaican Ambassador to the United States of America from 1991 to 2001, simultaneously holding the post of Permanent Representative of Jamaica to the Organization of American States. Prior to his diplomatic career, Bernal had taught economics at The University of the West Indies, served as CEO of a commercial bank, and worked in the Bank of Jamaica and as an economic advisor to the Government of Jamaica.



Professor Alvin Wint

Alvin Wint is an Emeritus Professor of International Business at The University of the West Indies (UWI). He has served the UWI in several capacities including as a Pro Vice Chancellor. He holds a Doctorate in International Business from Harvard University and has provided advisory and oversight services to numerous public, private and educational institutions in Jamaica and the Caribbean; and to multilateral institutions such as the United Nations, the World Bank Group and the Inter-American Development Bank. He is a recipient of the UWI Vice Chancellor's Award for Excellence, the Jamaican Order of Distinction (Commander Class), and an Honorary Doctor of Humane Letters Degree from Northern Caribbean University.



Professor David Tennant

David Tenant is Professor of Development Finance and Dean of the Faculty of Social Sciences, The University of the West Indies, Mona. He was previously an Economist in the Financial Regulations Division, Ministry of Finance and Planning. He has a strong background in quantitative and qualitative research methodologies, and has authored numerous publications in international refereed journals, and two refereed books. Professor Tenant has worked on a number of high-level projects on Fiscal Management, Financial Crisis Management, Financial Sector Development and Financing the Growth and Development of the MSME Sector in Jamaica.



Mr Mark Tracey

Mark Tracey is currently a Senior Economic Advisor to the Minister of Finance, Dr The Honourable Nigel Clarke MP. Mr Tracey holds an MSc in Economics from The University of the West Indies, Mona and has over 20 years' experience in economics, with special emphasis on finance, risk management and developmental economics.



Colin Williams is a Lecturer at The University of the West Indies, Mona. He holds an MBA in Specialized Training in Data Analysis and Statistics. He has over 20 years of experience in household surveys, design sampling, questionnaire design, fieldwork; poverty analysis, and poverty mapping; data management, processing, and analysis; IT systems, design implementation; and training in data analysis, poverty measurement, and household surveys.

As at December 31, 2019, the Board, of which the Director General is the Chair, consisted of eight members, appointed by the Prime Minister.

The tenure of the Board appointed in 2016 ended on June 30, 2019 and a new Board was appointed on September 23, 2019 for a period of three years.

The Board has two established Committees, the Finance and Audit Committee and the Corporate Governance Committee.

FINANCE AND AUDIT

In accordance with its mandate, the committee reviewed and deliberated on the following:

- Medium Term Socio-Economic Framework (MTF) 2018–2021
- Audited Financial Statements
- Management Letter
- Internal Audit Plan

- Internal Audit Reports
- Risk Management Framework
- Disposal of Fixed Assets.

The Finance and Audit Committee met twice during the year. PricewaterhouseCoopers Tax and Advisory Services Limited continued to perform the Internal Auditor function. The Chairman of the Audit Committee reports on the proceedings of the Committee meetings to the Board.

CORPORATE GOVERNANCE COMMITTEE

While the Corporate Governance Committee did not meet in 2019, the Board reviewed reports and gave advice on socio-economic and other sustainable development issues and projects under management by the Institute, such as, the Foundations for Competitiveness and Growth and the Adaptation Fund. Additionally, the Board deliberated on the following:

DIRECTORS ATTENDANCE AT BOARD AND COMMITTEE MEETINGS JANUARY–DECEMBER, 2019		
Directors	Board Meetings (Total Held: 8)	Finance and Audit Committee Meetings (Total Held: 3)
Dr Wayne Henry, Director General, Chairman, Board of Directors	8	N/A
Ambassador Dr Richard Bernal	4	N/A
Professor Alvin Wint	8	N/A
Professor David Tennant	4	N/A
Mr Mark Tracey	7	3
Mr Colin Williams	7	3
Ms Erica Anderson	4	1
Ms Merle Donaldson	6	N/A
Mrs Sheree Martin	2	1

BOARD OF DIRECTORS

- Medium Term Socio-Economic Framework (MTF) 2018–2021
- Jamaica Survey of Living Conditions
- Sustainable Development Goals – Voluntary National Report
- Strategic Business Plan 2020–2023
- Downtown Kingston Redevelopment Project
- The Board Charter – reviewed and updated
- Whistle Blower Policy – reviewed and approved.

BOARD OF DIRECTORS FEES: JANUARY–DECEMBER 2019

Board	Fees per Meeting (\$)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honorarium (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Dr Wayne Henry	Nil	–	–	–	Nil
Mr Colin Williams	9 000	–	–	–	63 000
Professor David Tennant	9 000	–	–	–	36 000
Professor Alvin Wint	9 000	–	–	–	72 000
Ambassador Dr Richard Bernal	9 000	–	–	–	36 000
Mr Mark Tracey	9 000	–	–	–	63 000
Ms Merle Donaldson	9 000	–	–	–	54 000
Ms Sheree Martin	9 000	–	–	–	18 000
Ms Erica Anderson	9 000	–	–	–	36 000
TOTAL					378 000

FINANCE AND AUDIT COMMITTEE FEES: JANUARY–DECEMBER 2019

Board	Fees per Meeting (\$)	Motor Vehicle Upkeep/ Travelling or Value of Assignment of Motor Vehicle (\$)	Honorarium (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Mr Mark Tracey	7 500	–	–	–	15 000
Mr Colin Williams	4 500	–	–	–	9 000
Ms Sheree Martin	4 500	–	–	–	4 500
TOTAL					28 500

Director General's Statement

DR WAYNE HENRY, Director General, Planning Institute of Jamaica



There were notable improvements in the macroeconomic conditions in Jamaica during 2019, with the year marking several milestone developments. The positive performance of the economy was influenced by developments and initiatives within the local and global economy including: increased international demand for some Jamaican goods and services, partly reflecting growth in the economies of Jamaica's main trading partners; growth in domestic demand due to an increase of 29 800 persons to 1 244 925 people in the average employed labour force, and increased consumer confidence; and continued macroeconomic stability, evidenced by a relatively low inflation rate, falling debt to GDP ratio and an improvement in Jamaica's credit rating.

During the year, Jamaica successfully concluded its economic reform programme, which was supported by a US\$1.66 billion 3-year Precautionary Stand-By Arrangement with the IMF. The IMF commended the GOJ's strong implementation of programme reforms, which resulted in economic stability and a significant reduction in public debt.

In recognizing the need to place greater emphasis on policy development and programme monitoring and evaluation, the PIOJ, in the formulation of all policies, plans and programmes has developed a robust monitoring and evaluation system.

This was done for the poverty, social protection and migration policies and programmes and will also be developed for the population and senior citizens policies and programmes.

The Data for Development Initiative, an integrated system for capturing data, monitoring and reporting on the progress of Vision 2030 Jamaica and a set of SDGs indicators was implemented with support from UNDP. In collaboration with the Clarendon Parish Development Committee and the Social and Economic Livelihoods project in Kellitts, Clarendon, a Social Enterprise Initiative was also launched. Training in small enterprise business development was completed by twenty-two women.

The PIOJ continued to coordinate, monitor and evaluate, and communicate the implementation of Vision 2030 Jamaica – National Development Plan; and report on the country's development results. Among the achievements were: promoting the alignment of strategic and operational planning across all partners in development with the Medium Term Socio-Economic Policy Framework 2018–2021; strengthening national capacity for monitoring and evaluation and reporting on Vision 2030 Jamaica and the Sustainable Development Goals (SDGs); localizing of Vision 2030 Jamaica and the SDGs; and engaging stakeholders in communication, knowledge sharing and social respon-

sibility initiatives. In March, Cabinet gave approval for MTF 2018–2021 to be the strategic framework for the medium term that will accelerate the achievement of the goals of Vision 2030 Jamaica. That Cabinet Decision also gave PIOJ approval to be the focal point for coordinating the mainstreaming, monitoring and reporting on the 2030 Agenda for Sustainable Development.

In supporting sustainable development issues, the organization continued to provide relevant advice, data and information to various Ministries, Departments, Agencies (MDAs). Areas relating to hazardous waste management; plastic waste minimization; building resilient cities; sustainable use and management of coastal resources; and climate change adaptation in relation to gender and vulnerable groups were supported. Emphasis was also placed on the development of geospatial applications to support social housing interventions, and population and poverty analysis. The Institute continued its role of National Implementing Entity for the GOJ/Adaptation Fund, and Focal Point of the Climate Investment Funds – Pilot Programme for Climate Resilience (PPCR).

The PIOJ, in its capacity as interlocutor between International Development Partners (IDPs) and Ministries, Department and Agencies, continued to ensure that Official Development Assistance (ODA) is aligned with Government's strategic priorities articulated in the Vision 2030 Jamaica – National Development Plan, as well as the Medium Term Socio-Economic Policy Framework (MTF) 2018–2021. In 2019, the Institute coordinated and monitored a combined portfolio of new and ongoing projects and programmes of approximately US\$2.1 billion (\$281.9 billion) through funding in the form of loans, grants and technical assistance from multilateral and bilateral partners. Disbursements totalled US\$270.0 million (\$36.2 billion). The portfolio was also augmented by

THE INSTITUTE CONTINUED ITS ROLE OF NATIONAL IMPLEMENTING ENTITY FOR THE GOJ/ADAPTATION FUND, AND FOCAL POINT OF THE CLIMATE INVESTMENT FUNDS – PILOT PROGRAMME FOR CLIMATE RESILIENCE (PPCR)

Government counterpart resources of US\$140.0 million (\$18.8 billion).

In an effort to engage the public to garner feedback on policy development and to provide information on a number of areas and current issues, events held during the year included: the Dialogue for Development Series under the theme, "Ageing and Development: Exploding Myths, Exploring Opportunities," with two public consultations being held; Quarterly Press Briefings which provided periodic updates on the performance of the economy; "Parish Talk" which engaged each parish in a one-day event in knowledge/information sharing and capacity building towards increased ownership and understanding, and alignment of local level sustainable development planning with Vision 2030 Jamaica and the SDGs; and "Spotlight on Migration Radio Series – Know Before You Go" aired once a week for 12 weeks to increase public knowledge on the National Policy on International Migration and Development and initiate actions for implementation in nine thematic areas.



WAYNE HENRY PhD, JP

Director General,
Planning Institute of Jamaica

Executives of the Planning Institute of Jamaica



Dr Wayne Henry
Director General



Mr Kirk Philips
Deputy Director General,
Corporate Governance and
Management



Ms Barbara Scott
Deputy Director General,
External Cooperation and
Project Development



Ms Claire Bernard
Deputy Director General,
Sustainable Development
and Social Planning



Mr Easton Williams
Senior Director
Social Policy,
Planning and Research



Mr James Stewart
Senior Director,
Economic Planning and
Research



Mrs Marcia Blake-Hall
Senior Director,
Corporate Marketing and
Communication



Mrs Janelle Cox
Director
Information and
Communications Technology



Mrs Sandra Ward
Director
Human Resource Management
and Administration

Review of Operations

A. CORPORATE GOVERNANCE AND MANAGEMENT

The PIOJ channelled its efforts through activities focused on an integrated approach to development planning, a multi-dimensional approach to solving the nation's most complex issues, foresighting, research and collaboration as charted by the new logo. The Institute continued to pursue programmes and projects that support sustainable growth and development, maintained through ongoing collaboration with public and private sectors and International Development Partners. With the development of the Strategic Plan for 2020–2023, the Institute continued to focus on service delivery with respect to research and policy analysis, in particular, and help guide the country to improve its response to emerging global trends and opportunities.

The programmes and projects adhered to the legal and regulatory standards of governance within the Government of Jamaica's policy framework and to those of the international development partners among others. The governance framework maintained its operability through the pillars shown below:

Human Capital Investment

People analytics formed a major component of the organization's strategic priorities. Continuous assessment of corporate performance, alignment of individual performance targets and capacity requirements were central to the execution of the HR plan during the period under review.

Implementation of the Strategic Plan 2020–2023 commenced with owners identified for the nine strategic initiatives. Tasked with the responsibility



human capital investment for innovation and sustainability, pre-project targets were achieved as a baseline for the mainstreaming of a Talent Management programme geared at staff satisfaction, productivity and retention.

Capacity Building

Learning and development initiatives supported major strategic imperatives. This fast-tracked the engagement of consulting services with focus on the adequate placement and maximization of competencies. Areas of focus were on organizational structure and alignment, developing managerial skills for coaching and mentoring, and developing succession plans for key senior-level positions.

Employees completed online (done at the IMF and World Bank Training Institute), face-to-face and overseas-sponsored training.

Face to Face	Online	Sponsored Overseas
<ul style="list-style-type: none"> ▪ Microsoft Office – Excel ▪ INPRI Level ▪ Writing effective Terms of Reference, Business Writing and Customer Service ▪ STATA ▪ Leadership Training ▪ Caribbean Environmental & Social Framework (ESF) Workshop 	<ul style="list-style-type: none"> ▪ Financial Development and Financial Inclusion ▪ Unlocking Investments and Finance in Emerging Markets and Developing Economies (EMDEs) ▪ Compilation Basics for Macroeconomics Statistics 	<ul style="list-style-type: none"> ▪ Gender Responsiveness in Agriculture – The Fiji Island, South to South Exchange ▪ Regional Training for National Liaison Officer and National Liaison Assistants ▪ Information Security Management Systems (ISMS)

Employees who participated in sponsored overseas training engaged in Knowledge Sharing sessions, the goal of which was to transfer information gained to other members of staff.

Summer Internship Programme

The PIOJ hosted summer interns over the period July to August under the theme, “*Aim high... Dream Big*”. Interns were absorbed in areas mirroring their field of study and career interests including records management, research and analysis. Training and exposure was provided through robust orientation/marketing sessions to ensure a comprehensive understanding of the organization’s business and work culture/behaviour, and team building. On completion, top performing interns were awarded certificates based on evaluation scores. The PIOJ has been regarded as a model institution for the Housing, Opportunity, Production and Employment Programme (HOPE) interns.

Health & Wellness

The Corporate Health and Wellness programme continued with partnerships from stakeholders in the private and public sectors. Based on continuous reviews and in collaboration with Jamaican

Fitness Association (JAMFIT), the programme was extended to facilitate ongoing weight loss challenges, as well as daily fitness tips aimed at overall well-being, staff productivity and work/life balance. Forty-three employees participated in the weight loss challenge while 24 participated in the Nutrishake meal plan, both yielding positive results. PIOJ also emerged the winner of the February to June 2019 Round of the JAMFIT Corporate Weight Loss Competition, outperforming 13 other entities.

Information Communications and Technology

The organization continued implementation of its plan to move to next generation technology platform to facilitate long-term growth, meet industry standards, and reduce overheads while providing a secure environment. Contributions were made to GOJ’s ICT Transformation process through a number of avenues, including the ICT Council and Project Portfolio Management Committee. Technical advice was provided to GOJ ICT projects, among these were the Public Investment Management Information System and Investment Map. Future industry trends and implications at the national and sector levels were



Seated Front Row L-R: Mr Ozan Sevimli, World Bank Country Manager; Dr Wayne Henry, PIOJ Director General. **Back Row L-R:** Mrs Sandra Ward, Human Resource Director; Mrs Odean Cole Phoenix, Technical Information Manager; Ms Stacy-Ann Walker, Hope Coordinator OPM; Hope Interns, Ms Sherona Gabbidon, Mr Leroy James, Ms Daniel Douglas, Ms Avaniika Parline, Ms Wyvolyne Ferron, Ms Rhiana Wright; Ms Charnell Hall, Records Analyst JARD; Ms Claudette Thomas, Government Archivist JARD; Mr Kirk Philips, Deputy Director General

assessed through participation in missions (E-government and Artificial Intelligence).

Other systems development or improvement areas included:

- Specifications for Phase I of the External Cooperation Management Information System completed and the system itself 90.0 per cent completed, while significant progress was made with the design of dashboards and mobile application for Statistical and Monitoring Databases under a Monitoring and Evaluation System for Vision 2030 Jamaica – National Development Plan and JAMSTATS
- Redesign and launch of the PIOJ website as a part of the organization's rebranding programme; websites for Vision 2030 Jamaica–National Development Plan, Community Renewal Programme, Poverty Coordination, Foundations for Competitiveness and Growth

were near completion for an early 2020 launch

- Design and migration completed for new corporate email platform
- Continued development on the socioeconomic indicators database; migration of data to new platform completed
- Support provided for the development and testing of the Community Renewal Programme Monitoring and Evaluation information system
- New server environment, Hyper-Converged Infrastructure (HCI), implementation completed and all 37 servers migrated with 50.0 per cent of those servers migrated to upgraded operating systems environment
- The VOIP PBX, Unified Messaging and Call Accounting systems design completed for upgraded platform with additional features for improved performance and lower cost of operation.



Back Row L-R: Ms Stacy-Ann Subani, Librarian; Mr Orett Moncrieffe, Registrar; Mr Ozan Sevimli, World Bank Country Manager; Mrs Sandra Ward, Human Resource Director; Ms Kaye-Ann Robinson, Librarian/ Documentalist; Dr Wayne Henry, Director General; Mr Kirk Philips, Deputy Director General. Seated L-R: Ms Tisha Burges, Registry Clerk; Mrs Odean Cole Phoenix, Technical Information Manager; Mrs Sheneico Eastwood, Librarian

Corporate Planning

The PIOJ remains committed to the GOJ's strategic planning process to strengthen the effective operational integration of policy across the various aspects of sustainable development. As a result, the Corporate Planning process was developed within the framework of the Government's Performance Management and Evaluation System, which was established to transform public service delivery and to ensure that policy and productive capacities are sustained to meet national goals.

Strategic Business Plan

The Strategic Business Plan 2020–2023 reflects the Institute's three-year roadmap with the integration of targets and key performance indicators aligned to its mission, vision and core values and by extension to the national goals and

outcomes. The main objective of the Plan is to improve the PIOJ's policy responsiveness and provide integrated national policy and planning advice towards sustainable development and external cooperation. A major focus of the Plan is the PIOJ's mandate to monitor, evaluate, and report on the implementation of Vision 2030 Jamaica – National Development Plan, the Sustainable Development Goals (SDGs) and the Medium Term Socio-Economic Framework (MTF). The Plan also seeks to close several strategic gaps including: the need to accelerate stakeholder activities towards Vision 2030 Jamaica; upgrade of technology and work practices; staff retention; and budgetary constraints.

Operational Plan

The Operational Plan was designed to provide details for the upcoming year, 2020–2021, based

on the first-year intended results, performance measures and output indicators of the Strategic Business Plan. These were crafted under the umbrella of the Integrated Development Programme, the Institute's approved rationalised portfolio programme of the parent ministry under the MTF. The programme supports the economic planning of the PIOJ.

Enterprise Risk Management

The PIOJ recognises the importance of Enterprise Risk Management (ERM) to ensure that the uncertainty and complexity of its operations are managed and outcomes are optimised. The Institute has developed an ERM Policy that is guided by the GOJ Enterprise Risk Management Policy and aligned with the ISO 31000 Risk Management Standards. This policy outlines the structure, responsibilities and accountabilities for managing risks within the organization.

Risk management provides a forward looking approach to managing uncertainty across the Institute's diverse functions and programmes, with attention to areas of foresighting and business continuity planning. The process requires understanding of the context for managing risks and tailoring an approach to suit the Institute's specific context and operational priorities. In so doing, attention was focused on the following categories: External and Internal Fraud; Programme Execution, Delivery and Process Management; Business Disruption and System Failure; Publications; Advisory and Operating Practices; Damage to Physical Assets; and Employment Practice and Work Place Safety.

Facilities & Environmental Stewardship

The role of the Facilities Management Unit is to ensure that the organization's work environment functions optimally and is compliant with local

and international standards. This was accomplished with the execution of projects designed to improve the aesthetics of the building environment while ensuring a safe and healthy workspace.

Projects

- **HVAC System Assessment:** an assessment of the Heating, Ventilation and Air Conditioning (HVAC) system (this included chillers, air handler units on each floor, duct lines, and vents) was conducted to aid in determining any issues and how to resolve same.
- **Energy Efficiency – LED Lighting Reconfiguration:** New energy efficient recessed lamps were installed and is a continuation of the organization's Energy Reduction Programme.

Safety Training

- **Fire Safety** – Security Officers and Janitors were trained by the Jamaica Fire Brigade on fire safety. Special reference was made to the PIOJ Building and application of procedures. Safety Wardens from PIOJ and the Integrity Commission also participated in other fire safety training..
- **Earthquake Safety** – Representatives from the Office of Disaster Preparedness and Emergency Management (ODPEM) led an Earthquake & Hurricane Sensitization Session. Safety Wardens from PIOJ and the Integrity Commission participated in all sessions.

Routine Maintenance

- The routine cleaning of air condition diffusers, filters, lighting fixtures, cubicles and carpet throughout the building continued.

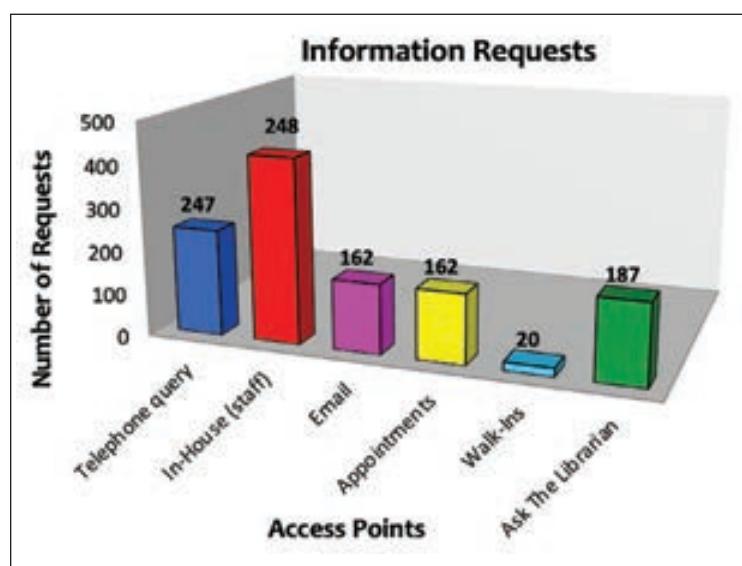
Information & Records Management

The Wesley Hughes Documentation Centre (WHDC) serves as the focal point of the Govern-

ment Libraries and Information Network (GLINJa) to provide information services and resources to the staff of the Institute, planners, policymakers, decision makers and other users of government information.

Reference Services

The Documentation Centre provided information to 1136 customers, compared with 869 in 2018. The diagram below outlines the customer profile of the Documentation Centre.



Government Libraries and Information Network of Jamaica (GLINJA)

The Government Libraries and Information Network of Jamaica held a sensitization session in April focused on “How to Identify Fake News”. Presenters were Professor Anthony Clayton, Alcan Professor of Caribbean Sustainable Development Institute for UWI, Mona Institute for Sustainable Development; and Damien Satterthwaite, Caribbean Representative, EbscoHost.

A Pre-Symposium was held in September under the theme “Ensuring Quality Assurance in Government Libraries: Highlighting the Significance

of Grey Literature”. Topics covered were Green Paper, White Paper, Ministry Papers, Grey Literature, Quality Assurance, and Research and Data for Policy Writers.

Access to Information

There was continued compliance under the Access to Information Act with nine requests received and satisfied..

Records Management

The Institute began its Records and Information Management (RIM) Implementation programme as a part of Cohort 2 with the GOJ RIM Implementation project. The GOJ, through the RIM Programme, is in the process of strengthening public institutions to deliver efficient and effective RIM Services.

Seven HOPE Interns from the Youth Employment in Digital and Animation Industries (YEDAI) Project and two from the Graduate Work Experience Programme (GWEP) assisted the Documentation Centre to survey 8 589 records across three Divisions (Director General's Office, Social Planning & Policy Research and Corporate Services).

Office Services

The Office Services Unit contributed to the Institute achieving its mandate by providing services in five main areas – Office Accommodation, Asset Management, Fleet Management, Events Management and Procurement.

Pension Portfolio Management – Pooled Investment Fund (PIF)

The Pension Plan is managed jointly by the PIOJ Pension Plan Board of Trustees and Sagicor Life Jamaica Limited. As at December 2019, the Fund stood at \$2 194 million with a membership of 125 comprising 94 active members, 15 active pensioners and 16 deferred pensioners.

B. PUBLICATIONS AND PROMOTIONS

The PIOJ communication activities focused on building awareness of several thematic areas and was supported through a number of projects and engagements including social media. The PIOJ communication unit utilises four corporate social media accounts: Facebook, Instagram, YouTube and LinkedIn.

Facebook – continues to inform and share with the public, information relating to the activities of the Institute. This includes the streaming of Quarterly Press Briefings and the Dialogue for Development consultations. The engagement data show that posts with photos of PIOJ employees engaged in work activities received the highest engagements.

Instagram – the business account has garnered 924 followers since it was opened in 2018 and the top engagements were where group photos of staff on different engagements or assignments were shared.

LinkedIn – this account, created in August 2019, promotes collaboration in a professional environment among stakeholders to further awareness of PIOJ's programmes and policies.

National news media – garnered hard news coverage through the hosting of events, news, interviews with senior directors and technical officers, sponsored radio programmes; and also published articles from the Institute's main publications (*Economic and Social Survey Jamaica* and the *Jamaica Survey of Living Conditions*) and topical issues that had an impact on the country.

Quarterly Press Briefing – consistently garnered publicity in the national news media through direct coverage and publishing of information released at briefings held in February, May, August and November. Live streaming was on the PIOJ YouTube channel and Facebook page, as well as the Ministry of Finance and the Public Service website.

Dialogue for Development 2019 – public consul-



A section of the audience at the Dialogue for Development Series consultation held at the St John's Anglican Church, Ocho Rios on Thursday, December 5, 2019

tations under the Dialogue for Development Series began in 2007. This year's theme was "Ageing and Development: Exploding Myths, Exploring Opportunities". The objectives were:

- To examine the social, economic and environmental implications of ageing for sustainable development
- To discuss how ageing can influence policy formulation in various sectors
- To explore the opportunities that ageing offers to the economy and society.

Two consultations were planned for the year, and another plus the Lecture for the upcoming year. The PIOJ partnered with the National Senior Citizens Council for this event. Publicity of the event was through an Outside Broadcast from a radio station with national coverage, full coverage from JIS including live streaming on JIS Facebook and awareness/advertisements through PIOJ social media platforms.

The events were attended by between 150 and 200 persons in Mandeville and Ocho Rios, respectively. On each occasion, persons were mobilised by the National Council of Senior Citizens and the Social Development Commission. Panellists for the consultation were drawn from Ministries, Departments and Agencies and the private sector.

EU Visibility Programme – there was an 18-month programme to highlight the support of the EU to Jamaica. The Programme was executed by the JIS through editorial audio, video and social media content, advertisements on broadcast, Internet and cinema platforms. Personal branded items such as bags and pens were distributed.

Civil Registration and Migration – a 10-part series on broadcast radio station from March to June 2019 was aimed at increasing public knowledge on the National Policy on International Migration

and Development. A total of 25 video clips were loaded on the PIOJ YouTube channel.

Foundations for Competitive Growth Programme – presentation of Report on Establishments took place on September 15, 2019. Approximately 120 persons attended the event, with representatives from the private and public sector umbrella organizations, researchers, academia, and the media.

CARIWAC – June 16 National Family Day. Exposure was through social media posts on the PIOJ platforms. Approximately 831 persons attended.

Community Renewal Programme – the second staging of the Symposium of Best Practices for Community Development was held in November 2019. About 200 persons attended, the majority of whom were from the community of development practitioners and community workers. The video stream of the 2019 symposium, placed on Facebook shortly before the event, did not benefit from adequate promotion.

Labour Market Forum – annual forum held under the theme "Harnessing Labour Migration for Development: Improving Governance Mechanisms". This was in collaboration with the International Organization for Migration.

Economic Growth Forum – hosted the inaugural forum entitled "From Elusive to Inclusive Growth" to share innovative research and generate discussions on how to achieve robust growth in the Jamaican economy. The GIP Research Report 2019 was launched and presentations made on three of the reports.

The PIOJ publications were promoted through displays at a number of internal events, and seminars and exhibitions externally.

The Vision 2030 Jamaica Secretariat continued its work to promote knowledge and capacity build-

ing among stakeholders to better enable them to participate in advancing the achievement of Vision 2030 Jamaica, including the area of Social Responsibility – towards, making “Jamaica, the place of choice to live, work, raise families and do business”. The Secretariat participated in over 56 events as follows:

- Sponsoring, partnering or participating in over 30 expos and conferences.
- Delivering over 30 presentations locally and overseas to international development partners, public and private sector, academia, civil society and other groups.
- Participated in over five media events including radio interviews.

Other activities:

- Vision 2030 Jamaica was the focus for UWI Research Days 2019. Twelve posters were produced to show the alignment of the UWI Mona

Research Agenda to Vision 2030 Jamaica and the Sustainable Development Goals (SDGs). Additionally, the Secretariat also mounted a display booth highlighting this alignment and support for Reducing Plastic Pollution, under the theme: “Driving Research for Social and Economic Development”.

- On March 4, 2019, presentation to Senator Matthew Samuda of 500 reusable shopping bags and 500 reusable drinking bottles for distribution to members of the general public at a handing over ceremony held at the PIOJ.
- Visits to the St. Theresa Preparatory School, Trafalgar Christian Preparatory School, Mountain View Primary School and the Adonijah Group of Schools on Read Across Jamaica Day 2019. The focus was on the environment, which is aligned with the ongoing Vision 2030 Jamaica Corporate Social Responsibility Programme.



Jamaica's demographic trend explained – booth at PIOJ's Dialogue for Development Series held at the GolfView Hotel, Mandeville

- Sixty-two persons participated in beach clean-up activities, spearheaded by the Jamaica Environment Trust (JET), at the Palisadoes GoKart Track, on September 21, 2019, which is recognised globally as International Coastal Clean-up Day.
- Participated in a Tree Planting exercise at the Donald Quarrie High School on October 11, 2019 in recognition of National Tree Planting Day, which was celebrated locally on October 4, 2019. A total of eight trees were planted.

PUBLICATIONS

The annual flagship publication, the *Economic and Social Survey Jamaica 2018* was published. The *Jamaica Survey of Living Conditions 2017* was also produced and tabled in Parliament; work commenced on JSCLC 2018; and the revision of the questionnaire for JSCLC 2020. Among other deliverables were the monthly Inflation Reports; the quarterly *Economic Update & Outlook (EU&O)* which accompanies the quarterly Press Briefing; and two environmentally related newsletters, *Green Team* and *Beginnings*.

C. POLICY AND PLANNING

In keeping with its mandate and critical to its main function, the PIOJ continued to provide timely policy and planning advice to inform the decision-making process of government. This was done within the framework of Vision 2030 Jamaica – National Development Plan and its accompanying Medium Term Socio-Economic Policy Framework 2018–2021 (MTF 2018–2021), which was approved in Parliament.

Vision 2030 Jamaica – National Development Plan

During 2019, the Vision 2030 Jamaica Secretariat

continued to coordinate, monitor and evaluate, and communicate the implementation of the Plan; and report on the country's development results. This included:

- Promoting the alignment of strategic and operational planning across all partners in development – at the national, sectoral and local levels of development – with the MTF 2018–2021
- Strengthening national capacity for monitoring and evaluation and reporting on Vision 2030 Jamaica and the Sustainable Development Goals (SDGs)
- Localization of Vision 2030 Jamaica and the SDGs
- Engaging stakeholders across the island, region and global community in communication, knowledge sharing and social responsibility initiatives.

The main highlights for the year included the approval of the Medium Term Socio-Economic Policy Framework (MTF) 2018–2021: Cabinet Decision No. 6/19 dated March 11, 2019 gave approval for MTF 2018–2021 to be the strategic framework for the medium term to 2021 that will accelerate the achievement of the goals of Vision 2030 Jamaica. MTF 2018–2021, the 4th in succession since Plan implementation commenced in 2009 is the central tenet of the implementation framework of Vision 2030 Jamaica – National Development Plan and is aligned to the overall vision, goals and national outcomes.

That Cabinet Decision also gave PIOJ approval to be the focal point for coordinating the mainstreaming, monitoring and reporting on the 2030 Agenda for Sustainable Development.

The Vision 2030 Jamaica Secretariat started its MTF Road Show in March by engaging MDAs, and civil society organizations on knowledge shar-

ing and capacity building towards aligning their corporate and operational plans with MTF 2018–2021. The organizations engaged included the Ministries of Foreign Affairs and Foreign Trade; Local Government and Community Development; Education, Youth and Information; Culture, Gender, Entertainment and Sport; Justice; Industry Commerce Agriculture & Fisheries; Economic Growth and Job Creation (MEGJC); and Transport and Mining. The Cabinet Office, JAMPRO and Management Institute for National Development (MIND) were also engaged.

The results based management framework that underpins Vision 2030 Jamaica, ensures that Vision 2030 Jamaica is evidence-driven and poised for continuous improvement. Accordingly, monitoring, evaluation and reporting on progress are integral to evidence-based identification of medium-term priorities and transparency and accountability in plan implementation.

Progress in the achievement of the goals and outcomes of Vision 2030 Jamaica is measured through use of national outcome indicators aligned to the 4 goals and 15 national outcomes. These indicators signal the extent to which the

implementation of strategic priorities under Vision 2030 Jamaica is achieving the intended results.

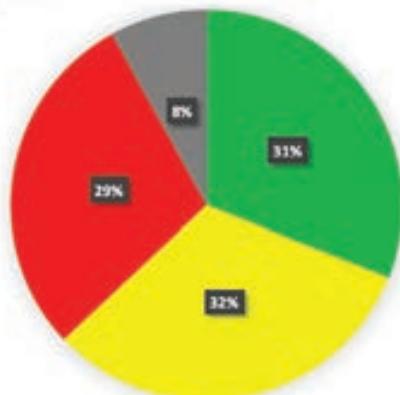
A summary of the progress made under the framework of national outcome indicators and targets for the Vision 2030 Jamaica – National Development Plan indicates that of a total of 75 national outcome indicators, 63.0 per cent have shown improvement over the baseline year 2007 based on data up to December 2019; 29.0 per cent showed no improvement or worsened over the baseline; and 8.0 per cent could not be compared in this way due to lack of agreed targets for the relevant period.

Thematic Working Groups

Monitoring, evaluation and reporting under Vision 2030 Jamaica is supported by Thematic Working Groups (TWGs), which serve as multi-stakeholder consultative institutional mechanisms. The membership of TWGs include the public sector, private sector, academia, civil society and non-governmental organizations and international development partners (IDPs). Over 25 TWG Meetings were convened, including Health, Population, Education and Training, Social Protection/National Social Protection Committee and Hazard Risk Reduction and Adaptation to Climate Change. A Sport TWG established in 2019 played a central role in the development of the Draft *National Results Framework and Monitoring and Evaluation System* for Sport in Jamaica.

Consultations with the TWGs also informed a process to strengthen the Monitoring and Evaluation (M&E) Framework of Vision 2030 Jamaica and the integration of the Sustainable Development Goals (SDGs), which led to the engagement, in December 2019, of a Consultant to advance the process, through support from the European Union (EU). The strengthened Monitoring and

Jamaica's Development Results 2009/10–2018/19





Dr Wayne Henry, Director General, Planning Institute of Jamaica (far left); Senator Matthew Samuda; Ms Elizabeth Emanuel, Former Programme Director, Vision 2030 Jamaica; and Mr Anthony McKenzie, Director of the Environmental and Conservation Division, National Environment and Planning Agency (NEPA) taking a look at the Vision 2030 Jamaica Reusable Bags

Evaluation Framework is to be completed in 2020.

The PIOJ, through support from the United Nations Development Programme (UNDP), led the implementation of the “Advancing the Achievement of the Sustainable Development Goals through Vision 2030 Jamaica” project. The project which commenced in March 2019 and is slated for completion in mid-2020² has four main outputs/outcomes:

- An integrated Online Platform comprising an Electronic Dashboard, Monitoring Tools and database of development indicators for Vision 2030 Jamaica and the SDGs
- A Programme/Project Database – External Cooperation Management Information System (ECMIS)

- A Report comprising a comprehensive analysis of opportunities for innovative financing to support the achievement of Vision 2030 Jamaica and the SDGs, and a Draft Policy Concept to advance the development of a strategic policy-based approach to innovative financing
- Strengthened localization of Vision 2030 Jamaica and the SDGs, largely through “Parish Talk”. This is an islandwide initiative that engages each parish in a one-day event in knowledge/information sharing and capacity building towards increased ownership and understanding, and alignment of local level sustainable development planning with Vision 2030 Jamaica and the SDGs.

At the end of the period, the **Draft Report and Policy Concept on Innovative Financing** were completed and all 14 parishes were engaged in Parish Talk Activities. **Parish Talk 2019** was

²The original end date of the project was December 2019, but the project was extended through GOJ counterpart funding for critical activities.

implemented over the period July–December, and engaged thousands of Jamaicans. It was brought to a close on December 12, 2019 with a Stakeholder Forum, engaging over 100 representatives of Parish Development Committees, Community Development Committees and other community-based organizations in Kingston and St. Andrew.

Foundations for Competitiveness and Growth Project (FCGP)

The FCGP is a Government of Jamaica initiative funded by a World Bank loan to strengthen the Jamaica business environment. During the year, the Foundations for Competitiveness and Growth Project disbursed \$1.126 billion on its portfolio of technical initiatives and operational expenses.

Component 1, Enhancing Competition in the Business Environment

FCGP funded the JAMPRO-led Export Max III initiative, which generated 14 new export contracts/orders and provided 13 SMEs/potential exporters with capacity building support. In addition, the completion of the consultancy for Increasing the Effectiveness of Competition Advocacy resulted in the drafting of nine and signing of three MOUs for greater cooperation in enhancing the efficiency of competition in the marketplace. The project has commenced several initiatives designed to form the foundation on which the imminent Electronic Land Titling system will be built, including consultancies for Information Technology Audit and Security Strategy as well as Legislative Drafting Support. Other initiatives commenced in 2019 included implementing the National Spatial Planning Information Technology (NSPIT) Platform, the contract to Design, Develop and Implement Phase Two of the National Business Portal (NBP) and engagement for Organizational Re-Design of Trade Regulatory

Services in GOJ Border Regulatory Agencies.

Component 2, Facilitating Strategic Private Investments

The project facilitated divestment of Wigton Wind Farm through an Initial Public Offering (IPO) that generated \$5.5 billion for the Government of Jamaica. The divestment and IPO received legal support from attorneys-at-law contracted by FCGP to the Commercial Task Force of the Attorney General's Chambers.

Initiatives that commenced and/or are in progress in 2019 included PPP Advisory services for the Ministry of Health Centres (System) of Excellence for Oncology and Nephrology, and for a reduction of Non-Revenue Water (NRW) in the northern parishes of Jamaica. The project also obtained Cabinet approval to pursue and conclude negotiations with the firm selected to implement the Schools Solar PV Pilot renewable energy programme.

Component 3, Supporting SME Capabilities and Finance

The project achieved the following quantitative results during 2019 and since inception, as indicated in Table 1.

These loans and grants have enabled MSMEs to strengthen their capabilities, improve their productivity and increase employment.

The project has also completed the first ever Jamaica Survey of Establishments, conducted by the Statistical Institute of Jamaica (STATIN). Results of the survey and policy implications were disseminated at a public forum conducted jointly by PIOJ and STATIN on September 25, 2019. The survey identified approximately 17 000 establishments of which 21.0 per cent were importers and 3.0 per cent exporters, underscoring the

Table 1:

Performance	Amount	# of SMEs	# of loans	# of supply chains
Loans in 2019	\$395 million	25	28	N/A
Loans since inception	\$2.424 billion	137	157	N/A
Grants in 2019	\$248 million	63	N/A	8
Grants since inception	\$421 million	371	N/A	18

importance of aggressively pursuing initiatives such as Export Max III.

During its Implementation Support Missions conducted in June and December 2019, the World Bank concluded that project components continued to be well implemented. At the end of each mission, therefore, the Bank rated the project's performance Satisfactory, in terms of progress

towards the project development objective as well as overall implementation progress. In addition, the Auditor General's report on the audit for the fiscal year 2018–2019, conducted during July to August 2019, commented that the project was in compliance with GOJ rules and the Loan Agreement as regards records for fixed assets, cash and bank accounts and payments.



Director General of the Planning Institute of Jamaica (PIOJ), Dr Wayne Henry (far right) told panellists at the September 25, 2019 Presentation of the Report on the 2018 Jamaica Survey of Establishments (JSE) to be assured that the PIOJ and its partners are confident that the JSE 2018 and its successor surveys will contribute significantly to filling the need for data to enhance future business and economic planning and development in Jamaica. The report was initiated by the PIOJ Foundations for Competitiveness and Growth Project. The panel was moderated by Senior Director, Economic Planning and Research Division, PIOJ, Mr James Stewart (far left). Seated L-R: President of the Jamaica Chamber of Commerce, Mr Lloyd Distant Jr; President of JAMPRO, Ms Diane Edwards; Managing Director of the Development Bank of Jamaica (DBJ) Mr Milverton Reynolds; President of the Medium, Small and Micro Enterprises (MSME) Alliance, Mr Donavan Wignal

ECONOMIC

The PIOJ's work was guided by its mandate of *monitoring and evaluating macroeconomic, sectoral, as well as trade related issues and providing timely and appropriate technical advice to the Government of Jamaica and other stakeholders, both locally and internationally.* These were underpinned by the government's thrust to accelerate broad-based economic growth and job creation, while safeguarding the most vulnerable. Concomitantly, the drive to cement and sustain past achievement – to include those associated with recent IMF arrangements, the strengthening of the Growth Agenda, to facilitate stronger economic growth, and maintaining a balance between the existing socio-economic environment, within the context of national and international planning frameworks – continued to guide the activities of the Institute. In support of the foregoing, emphasis was placed on:

- the provision of timely economic updates and projections to support and facilitate informed decision-making in the public and private sectors
- the preparation of economic assessments to guide policy and the decision-making process of government and its agencies
- conducting comprehensive analysis and providing recommendations to industry specific and multi-agency committees and working groups
- tracking Doing Business Reforms and other publications to ensure the country maintains and improves its competitive edge, and assessing the impact on growth.

A number of policy briefs, notes and advice were prepared and provided to government in various areas, which included:

- periodic updates on the performance of the

economy – to include quarterly press briefings – and projections for the medium term for presentation to local and international stakeholders mainly through participation in economic review meetings with International Development Partners

- weekly updates on developments in the global economy, particularly on international and domestic price movements and any impact on the economy for the weekly Programme Monitoring Committee of Cabinet.
- monthly Inflation reports for the PIOJ's Board
- economic and special reports for Cabinet and its Sub-Committees.



PIOJ's Quarterly Press Briefing held on November 21. Seated L-R: Mr James Stewart, Senior Director, Economic Planning and Research Division; Dr Wayne Henry, Director General; Mr Easton Williams, Senior Director, Social Policy Planning and Research.

The preparation, provision and contribution to several policy briefs and notes for Cabinet and other local and international stakeholders were among activities undertaken by the organization. The demand for these were informed by, among

other things, the multiplicity of events/happenings in the local and international arena, which were likely to have an impact on the country or were of particular interest. The Institute supported the preparation of:

- growth projections for FY2018/2019–FY2022/2023 to inform the Government of Jamaica’s Fiscal Policy Paper (FPP)
- Real Sector Briefs — Economic Update and Prospects, as well as, presentations for Cabinet Retreats and IMF Reviews
- Press briefing documents (4) outlining the preliminary performance of the economy for the quarters October–December 2018, January–March 2019, April–June 2019 and July–September 2019
- a Five-Year Trend Analysis, that captured information on GDP and employment performance over the last five years
- an Assessment of the Impact of a 100-year Natural Disaster on Jamaica’s GDP Growth
- brief on the Major Risks and Opportunities for Growth in 2020.

Support was also given in the area of Public Investment Management, as the Secretariat undertook its project streamlining process. In this regard, a number of projects, project proposals and concepts were reviewed including:

- Holland Agro-Economic Zone
- Design & Construction of Waste Transfer Station
- Construction of 15 MGD Rio Cobre Treatment Plant
- Implementation of Electronic Titles
- May Pen to Soursop Turn Road Improvement Project (8.5 km)
- Construction of a Modern Police Headquarters

- Spring Plain St. Jago North and Yallahs West Agricultural Development Project
- Primary & Secondary Schools Infrastructure Expansion
- GOJ Integrated Development Project
- Construction of a new Type A Hospital in St. Catherine.

Other capacity building exercises undertaken to enhance the organization’s output included, training in STATA Software; Technical Writing; Leadership – Building Your Leadership Toolbox; Excel – Level One; and Risk Management. Also, as part of the organization’s research agenda, staff initiated and continued work on several research papers, entitled:

- The Determination of Full Employment Levels (Potential Output)
- Assessment of the Economic Contributions of Investment from China on the Jamaican Economy
- The emergence of Electric Vehicles in Jamaica (Electro-Mobility).

SOCIAL

The PIOJ continued to lead and monitor the social sector, through the formulation and monitoring of the implementation and evaluation of national and sectoral policies, plans and programmes. Major undertakings included the following:

- The development of the Monitoring and Evaluation (M&E) Framework for the National Poverty Reduction Programme (NPRP) was advanced with inputs from the Technical Review Committee (TRC) established to support its finalization. The building out of a NPRP web page was also initiated as a mechanism for strengthened collaboration and communication under the NPRP.

- The implementation of the Data for Development Initiative to succeed the JamStats programme and Vision 2030 Jamaica dashboard of indicators. This initiative uses the Data for All technology to provide an integrated system for capturing data, monitoring and reporting on the progress of Vision 2030 Jamaica – National Development Plan and a select set of SDGs indicators. Partners involved in this enterprise were the PIOJ (Information Systems Unit, JamStats and Vision 2030 Jamaica), UNDP and the Community Systems Foundation. Funding is being provided by the PIOJ and UNDP, while the Community Systems Foundation has been contracted to develop the information system.
- Social Enterprise Initiative – launched in May 2019, in collaboration with the Clarendon Parish Development Committee (CPDC) and the Social and Economic Livelihoods Projects in Kellits, Clarendon. Twenty-two women successfully completed training in small enterprise business development by the Jamaica Business Development Corporation; approximately 50.0 per cent of participants have been making contributions to the National Insurance Scheme; 13 business plans have been developed; and increased economic activities have been undertaken.

The project received endorsements from the Member of Parliament for Northern Clarendon; Mayor of the Clarendon Municipal Corporation; and the Social Development Commission, Clarendon Branch. A spin-off from the initiative resulted in the development and submission of five drama pieces (videos) from youth within the Clarendon Municipal, in the International Plural Plus Youth Video Festival on migration, diversity and social inclusion.

New Projects and Initiatives

- *Kellits Women in Action Group – Social and Eco-*

nomic Livelihoods Projects for migrants affected by labour migration in the Kellits District, Clarendon. Formation of “Kellits Women in Action Group” and launch of business brand KWA chickens under the slogan, “Jamaica’s best home grown chicken”, were achieved.

- *National Policy on International Migration and Development – Spotlight on Migration Radio Series – “Know Before You Go”* aired once a week on RJR for 12 weeks. The aim of the series was to increase public knowledge on the National Policy on International Migration and Development and initiate actions for implementation in nine thematic areas.
- *Global Forum on International Migration and Development (GFMD)* – Coordinated with global partner Migration EU expertise (MIEUX) and International Organization for Migration (IOM) the *Global Forum on International Migration and Development (GFMD) Regional Workshop* in August.

Social Determinants of Health

The Planning Institute of Jamaica in collaboration with UN entities, the Ministry of Health and Wellness (MOHW) and other partners, had as one of its aim to collate evidence on the social determinants of non-communicable diseases (NCDs) in Jamaica, develop and evaluate relevant indicators, and based on findings, provide recommendations for the government to maximize the impact of its NCD-related policies and programmes. This is to ensure the sustainability of measuring and addressing the social determinants of NCDs in Jamaica. The project is expected to be completed in two phases over a six-month period.

During the reporting period, consultations were held with the MOHW, Pan American Health Organization (PAHO) and United Nations Development Fund (UNDP), with respect to engaging



Speaking at the podium is Ms Wanya Illes, Senior Technical Specialist, CARICOM, who presented on the CSME and Labour Mobility in the Caribbean. Seated L-R: Mr David Wan, President, Jamaica Employers' Federation; Mrs Helene Davis Whyte, President, Jamaica Confederation of Trade Unions; Mr Easton Williams, Senior Director, Social Policy Planning and Research Division, PIOJ; Mrs Collette Roberts-Risden, Permanent Secretary, Ministry of Labour & Social Security; Mr Richard Pandohie, President, Jamaica Manufacturers and Exporters Association (Mr Pandohie delivered the Keynote address on Labour Migration: A Jamaican Perspective); Ms Keisha Livermore, Head of Office, International Organization for Migration (IOM), Kingston. PIOJ collaborated with the IOM for the 2019 Labour Market Forum

technical expertise and developing a scope for the Determinants of Health study. A work plan was also developed in collaboration with the partners. A concept note and proposal were prepared and submitted to both PAHO Washington and the Centre for Disease Control and Prevention (CDC) in the USA for technical assistance. The main data for the study will be sourced from the 2012 and 2018 JSCLC. The study was added to the list of national studies that are being considered under the Vision 2030 Jamaica Research sub-committee.

Existing Projects and Initiatives

Mainstreaming Migration into National Development Strategies Project

Implementation of the Joint Global Mainstreaming Migration into National Development

Strategies Project continued. The project was globally rebranded in December 2019, as the "Making Migration Work for Sustainable Development" Programme. The overarching objective for the rebranding of the programme is to strengthen global partnerships toward harnessing development benefits while reducing the negative effects of migration for home and destination countries, and migrants and their families.

Coordination of the National Poverty Reduction Programme (NPRP)

The Poverty Reduction Coordinating Unit (PRCU) continued to monitor and provide technical input to the implementation of the first Medium-term National Poverty Reduction Programme (2018–2021). Through the National Poverty Reduction Programme Committee (NPRPC) and its three

associated Working Groups, participating MDAs and other partners shared information on their programmes and thereby fostered opportunities for collaboration and networking for greater impact. The sharing of relevant data and statistics was also facilitated at this level, and included presentations on the Jamaica Survey of Living Conditions (JSLC) poverty data and the new poverty maps. These data were utilized by NPPR programme partners to inform programme activities including the selection of communities to be targeted for outreach. This is in keeping with the focus on identifying and extending services to target groups towards the achievement of Goal 1 of the National Policy on Poverty (NPP), the eradication of extreme (food) poverty by 2022.

Revision of the National Population and Development Policy and Programme of Action

Jamaica is currently at the advanced stage of the demographic transition, indicated by declines in its child population (0–14 years); expanding working-age population (15–64 years); and increasing dependent elderly population (65+ years). In 2018, the child population accounted for 21.0 per cent; the working age, 69.7 per cent, and the dependent elderly, 9.3 per cent. Jamaica's working age population is presently at its maximum. This situation is typical of a potential "demographic dividend", also called the "window of opportunity". The demographic dividend is the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population (15–64) is larger than the dependent age groups (14 and younger, and 65 and older). This increase can influence economic growth, savings and investment. However, this phenomenon is not automatic, specific policy and programmatic interventions have to be implemented in order for the benefits to be harnessed. Concerning mortality, life expectancy at birth in

the country is almost 75 years, reflecting marked reductions in infant and child mortality. The changes in the population structure, in particular, the declines in mortality and fertility, have resulted in an ageing society.

Based on the changes being experienced in the population, the PIOJ, in 2017, initiated a process for the revision of its Population and Sustainable Development Policy. The revision of the Policy is being done against the background of realising Vision 2030 Jamaica and the Agenda 2030 Sustainable Development Goals. The draft Policy is slated to be submitted to Cabinet for approval as Green Paper in early 2020.

National Transfer Accounts (NTA) Project

As part of the government's commitment to integrating population dynamics into all aspects of development planning, the Institute has implemented activities with technical assistance from the Economic Commission for Latin America and the Caribbean (ECLAC) for the use of the NTA methodology to facilitate better understanding of the relationship between demographic changes and economic development. The utilization of the NTA methodology can shed light on various areas of decision-making for policymakers, such as, pension, health care, education, reproductive health, *inter alia*, and can aid in the monitoring of the Sustainable Development Goals.

JamStats, EduStats and Child protection databases

JamStats continues to fulfil its mandate to provide critical data and indicators for monitoring Vision 2030 Jamaica and other areas of national and sectoral development. For the period of review, updates were made to the JamStats, EduStats and Child Protection databases and Vision 2030 Jamaica dashboard of indicators. Since January

2019 to December 31, 2019, some 42 453 visits were made to the JamStats website. However, these did not include visits to the JamStats database or the two other sector databases.

Major Coordinating Achievements of the NPPR

The following were achieved:

- Held quarterly meetings of the National Social Protection Committee and its three sub-committees
- Updated Social Protection Indicators for JamStats Database
- Co-chaired the Coordination and Data Management Systems committee for the National Strategic Action Plan to Eliminate Gender-based violence (NSAP-GBV). The NSAP-GBV provides an integrated, multi-sectoral and structured approach to addressing the key issues and challenges of gender-based violence.

How has the Scope of the Organization widened in 2019?

The scope of the organization's role continues to widen particularly in the areas of policy development and programme monitoring and evaluation. The following were undertaken:

The PIOJ has traditionally operated directly at the national level while interfacing indirectly through MDAs and NGOs to the sub-national levels. This has been posing some difficulty in ensuring that national policies and programmes in the areas of poverty, social protection and migration are being effectively implemented at all levels. In an effort to ensure efficiency and effectiveness, the PIOJ has been meeting directly with parish councils and other local governance and development institutions to facilitate integrated policy and planning at the sub-national levels. This is being done in

close collaboration with MDAs and other stakeholders at the national level. The Kellits Social and Economic Enterprise Project for harnessing migration for community development is one result of the collaboration.

The PIOJ has been widely recognised as among the best organizations globally in the formulation of national policies, plans and programmes. The PIOJ, in recent years has been placing greater emphasis in the area of monitoring and evaluation. The organization has, over the year, ensured that all the policies, plans and programmes that had been formulated had also developed a robust system of monitoring and evaluation. This has been done for the poverty, social protection and migration policies and programmes. The Institute will also ensure that similar frameworks and mechanisms are developed for the population and senior citizens policies and programmes.

Main Achievements

Integrating Migration into Development Planning:

For the period under review, this project continued its work through the implementation of various activities aligned to the thematic areas of the National Policy on International Migration and Development, at the national and local levels. The following deliverables were achieved in 2019:

Global Forum on International Migration and Development (GFMD) Regional Workshop

- In partnership with the Migration EU expertise (MIEUX) and International Organization for Migration (IOM), Jamaica hosted one thematic regional workshop of the GFMD in August 2019, and participated in other thematic regional workshops between July and October

2019 in Costa Rica and the Republic of Peru, respectively. These events brought together stakeholders across the Latin American and Caribbean region to generate focused regional inputs as well as showcase projects, programmes and policies that are undertaken by governments in the field of migration and development. These regional workshops were preparatory meetings for the Quito Summit which was rescheduled for 2020 in light of civil unrest in Ecuador. Jamaica has been selected as a co-chair for Round Table 3.2 Harnessing Migration for Rural Transformation and Development.

Migration Radio Series

- A 12-week radio series aimed at increasing public knowledge on the National Policy on International Migration and Development was aired on Radio Jamaica. The series, dubbed “Spotlight on Migration Radio Series – Know Before You Go” was aired from March to May 2019. Representatives from the National Working Group on International Migration and Development (NWGIMD), the Kellits Women in Action Group and the Clarendon Development Committee participated in the 15-minute weekly discussion on activities being done by their respective entity toward the implementation of the nine-thematic areas highlighted in the policy, at the national and community level.

Capacity Development

- Facilitated training of 30 migration practitioners in Trafficking in Persons and Human Smuggling, June 2019.

Consultations

The Institute continued to collaborate with others in the execution of national and regional consultations, as follows:

- National Consultation on Migration Govern-

ance Framework (MiGOF) which provides a standard set of indicators to assist countries in defining migration policies to facilitate migration in a safe, orderly and regular manner, June 2019.

- Four consultation sessions held with the National Taskforce on Trafficking in Persons and Sub-committees towards CARICOM Trafficking in Persons Study, September 2019.
- Caribbean Migration Consultation (CMC) for a regional approach to migration and international protection; amended Draft CMC Matrix of Action for Caribbean region December 5–6, 2019.

Labour

Provided Support to the Ministry of Labour and Social Security in the development and finalization of Labour Mobility Studies which looked at pre-departure orientation, supply chain and the legislative construct for labour mobility. Financial and technical assistance were also given to support the staging of the annual labour migration forum.

The organization continued to work closely with the Ministry of Labour & Social Security toward the implementation of recommendations from the Labour Market Reform Commission Report.

Policy

Supported the Ministry of Foreign Affairs and Foreign Trade with the drafting and consultative process to facilitate the submission and tabling of the Diaspora and Development Policy as a Green Paper, August–December 2019.

Modernization of the Civil Registration and Vital Statistics System

The following were accomplished: developed Work Plan for the Vital Statistics Commission

(VSC); and the formulation of two Project Agreements:

- Registrar General's Department (RGD) and the PIOJ for the development of a Divorce Database
- Ministry of Health and Wellness and PIOJ to conduct training with medical records practitioners, RGD coders and other select representatives within the MDAs.

JamStats Multidimensional Poverty in Jamaica

- JamStats Unit presented a paper on the computation for Multidimensional Poverty in Jamaica at the Statistical Symposium 2019, held at the UWI Regional Headquarters, Mona.

Index for Social Protection

- Draft Proposal on the parameters for the development of an Index for Social Protection – the Social Protection Index is being considered as one of the outcome indicators for monitoring the implementation of Jamaica's Social Protection Strategy, and Vision 2030 Jamaica – National Development Plan. Elements are drawn from the Social Protection Monitoring and Evaluation Framework and will incorporate a menu of outcome indicators that express a composite picture of progress in Social Protection over time.
- Updated Social Protection Strategy M&E indicators 2015–2017.
- Convened Technical Review Committees for the Parenting Impact Evaluation and the revised National Senior Citizens Policy.
- Convened technical team through the National Social Protection Committee to support two World Bank studies on Active Labour Market Policy to maximize development impact options and Integrated Social Registry options for Jamaica.

- Initiatives to support gender mainstreaming in the Planning Institute of Jamaica—Staff engagement on the issue of Paternity Leave, men and masculinity issues.

Community Renewal Programme

The CRP is coordinated and monitored by the PIOJ through the Community Renewal Programme Secretariat. It seeks to provide an effective and efficient platform for coordinating and monitoring initiatives that facilitate social transformation and economic development, strengthened governance, improved safety and access to justice in targeted communities.

During the year, the CRP continued the implementation of its Strategic Implementation Plan (SIP) and the operationalization of its Monitoring and Evaluation (M&E) Framework. The period was characterized by the finalization of the CRP Umbrella Memorandum of Understanding (MOU), which will help to strengthen partnerships and accountability for results among approximately 50 existing CRP partners through the formalization of roles, responsibilities and commitments under the CRP strategic framework. In addition, the Secretariat continued to employ its Participatory Action Planning Framework to guide the development of three new community action plans (draft) in consultation with community residents, Ministries, Departments and Agencies (MDAs) of government and non-state actors in Clarendon. To date, the Secretariat has coordinated the development of 16 joint action plans.

The Secretariat successfully mobilized approximately \$17.9 million and US\$10 000 to support 12 key initiatives in target communities and the development of the CRP M&E database system. These included the:



Mrs Marsha Watson-Hylton, Monitoring & Evaluation Specialist, Community Renewal Programme, moderates the Monitoring and Evaluation segment of the Best Practice Symposium held in November 2019. Panelists, seated L-R: Mr Brian Gregory, M&E Specialist, Citizen Security & Justice Programme; Mr Hugo Castillo, M&E Specialist, FHIS Project, Community, Water and Sanitation Institute, Honduras; Mr Jason Dennis, M&E Specialist, Public Investment and Management Secretariat, Ministry of Finance & the Public Service; and Mr Shawn McGregor, Programme Manager, RISE Life Management Services

- Civil Society Boost Initiative II (CSBI II) to be implemented by RISE Life Management in eight target communities in Kingston, St. Andrew and St. James
- British Council Global Entrepreneurship week Social Enterprise Expo
- execution of three National Social Enterprise consultation fora.

Two Jamaica Social Investment Fund (JSIF) community-based grants for J\$6.6 million were secured and \$4.8 million in funding was mobilized for the annual CRP Best Practice Symposium in 2019. The CRP also supported the design and implementation of five catalytic interventions

to address critical needs in target communities. These included the Inter-Agency Network (IAN) Youth Development Programme—to be piloted in three West Kingston communities—and will seek to provide capacity-building support to the Community Development Committees (CDCs) in the areas of project writing and project management, and also to increase youth involvement in the community development process. In addition, it continued to advocate for and influence policies, proposals and the planning processes that advance the community transformation agenda including: Vision 2030 Jamaica Medium Term Socio-Economic Framework; Social Enterprise Legislative Framework; imple-

mentation of the MSME Policy; National Policy; the National Poverty Reduction Programme; and the LED Cottage Industry.

The CRP M&E system has been enhanced by the acquisition and configuration of a web-based M&E portal and database system, which will improve the capacity of the CRP to monitor, evaluate and report on programme results. The Secretariat also delivered training to PIOJ staff, implementing partners and other key stakeholders in the use of the M&E database system, as well as strengthened their capacity to monitor, evaluate and report on initiatives that are aligned with the CRP. Approximately 80 participants from government and non-governmental organizations have benefited, with workshop evaluation results indicating that 100 per cent of respondents found the training effective.

The draft final report for the Caribbean Development Bank (CDB) funded Baseline Study in 17 communities in Kingston and St. Andrew was completed and reviewed. The Baseline Study is intended to increase access to community-level data to better inform programmatic decisions and benchmarks for intended outcomes and impacts of the CRP. The report will be finalized for dissemination by mid-2020. The CRP has also stepped up efforts to increase its visibility through social media, with the development of a webpage and collateral materials.

ENVIRONMENT

The PIOJ continued to advance sustainable development efforts related to the strategic priorities and targets outlined in the Medium Term Socio-economic Framework (MTF) 2018–2021 and Goals 3 and 4 of the Vision 2030 Jamaica – National Development Plan. Technical advice supported by relevant data and information was provided to various Ministries, Departments,

Agencies (MDAs) to support decision-making, dialogue, and action related to recurrent and emerging sustainable development issues. Among the areas supported were hazardous waste management; plastic waste minimization; building resilient cities; sustainable use and management of coastal resources; and climate change adaptation in relation to gender and vulnerable groups. The organization also supported efforts geared towards improving the country's Nationally Determined Contributions (NDCs). In addition, emphasis was placed on the development of geospatial applications to support social housing interventions and population and poverty analysis.

Policy and planning advice was provided through the preparation of nine briefs, concept notes and presentations, and speeches, primarily towards the enrichment of local and international dialogue on disaster risk reduction, climate change, disaster risk financing and resilient cities.

Climate Change

The national sector strategies to “*Improve Resilience to All Forms of Hazards*” and “*Develop Measures to Adapt to Climate Change*,” under Outcome 14 of the MTF 2018–2021 were advanced through a number of resilience building efforts pursued by the organization. These included further strengthening of the hydromet network, contribution to the preparation of two disaster risk-financing strategies, and development of the proposal, “A Jamaican Path from Hills to Oceans” which was submitted to the GCCA+/GPCG. The concept proposes to increase resilience to climate change and reduce poverty by protecting livelihoods through the implementation of an integrated landscape management methodology. In order to increase the country’s direct access to climate financing, the PIOJ assisted with identification and preparation of a portfolio of projects and

programmes for inclusion in Jamaica's first Green Climate Fund Country Programme, and submitted an application for accreditation as a National Implementing Entity to the Green Climate Fund.

The Institute continued its role of National Implementing Entity and Focal Point of the GOJ/Adaptation Fund and the Climate Investment Funds – Pilot Programme for Climate Resilience (PPCR), respectively.

GOJ/Adaptation Fund Programme

The programme, which targets enhancing coastal resilience, protecting livelihood and food security, has been under implementation since 2013 with significant targets being met. In 2019, a number of preliminary activities were undertaken towards the installation of hard engineering structures and bioengineering solutions to reduce coastal erosion along the north-eastern coastal towns of Annotto Bay, Buff Bay and Orange Bay. These included the completion of a site and needs assessment for all three towns; bathymetric surveys; and the design, review and updating of the conceptual designs, as well as a marine benthic assessment in fulfilment of the requirements for beach licences.

Other activities undertaken/completed under the programme, during the year, included:

- Completion and commissioning of 11 distribution networks across 5 parishes to support rain-water harvesting systems previously installed by the programme
- Training of beneficiary farmers in the installation and maintenance of these systems
- Procurement, distribution and planting of approximately 2 700 fruit and timber plants to farmers across four communities in the parish

of St. Mary in support of watershed rehabilitation and restoration

- Commencement of consultancy to update and upscale the current Community Disaster Risk Management (CDRM) Plan for Annotto Bay to a Comprehensive Disaster Risk Management and Climate Change Adaptation Plan. The plan outlines measures to increase the town's resilience to climate change and disaster risks and was prepared with strong community participation as well as input from the relevant technical agencies.

Visibility and communication activities carried out in collaboration with implementing partners focused mainly on raising awareness about the Environmental and Social Safeguards and Gender Policy of AF as well as on the sharing of general environmental information to enhance climate change adaptation and engender community-level buy-in. Among the activities were:

- Three stakeholder consultations held in St. Mary regarding reforestation and plans for the coastal works.
- A Climate Smart Agriculture (CSA) Technology Challenge and awards ceremony for the teachers and students from the top three schools (Guys Hill High, Manning's High and Herbert Morrison Technical High) hosted in collaboration with the Jamaica 4-H Clubs.
- Displays mounted and over 500 brochures distributed to students and the general public at a number of exhibitions and fairs including Jamaica 4-H Clubs National Achievement Expo, Clarendon Yam Festival, St. Thomas Parish Show, and the Multi-Care Environmental Summer Camp, and support provided to Forestry Department's annual Forest Trek and International Coastal Clean-Up Day activities.



Mrs Nadine Brown, Director, Sustainable Development, PIOJ, presenting on 'Accomplishments of the National Programme' at the Jamaica Strategic Programme for Climate Resilience (SPCR) Workshop 4 Results, held in January 2019 at the Terra Nova All-Suite Hotel

Programme for Climate Resilience (PPCR)

As the PPCR focal point, the Institute retained oversight, including monitoring and the preparation of annual progress reports for one regional and three national projects while having direct implementation responsibility for one. The projects are the Improving Climate Data and Information Management Project (ICDIMP), Adaptation and Financing Mechanisms for Jamaica's PPCR Project; the Promoting Community-Based Resilience in the Fisheries Sector Project; Financing Water Adaptation in Jamaica's New Urban Housing Sector Project; and the Investment Plan for the Caribbean Regional Track of the Pilot Program for Climate Resilience.

The ICDIMP achieved the following in support of its development objective of improving the quality and use of climate-related data and information for effective planning and action in Jamaica. Among the achievements were:

- The signing of a US\$2.449 million (\$312 million) contract for the design, supply and installation of the weather radar in Coopers Hill. As a precursor to the installation of the radar, two consultations were held in the community.
- The establishment of an Inter-agency Hydro-met Users Working Group to facilitate the sharing of data and information between entities to ensure the most efficient use of hydro-met resources in fulfilling the various mandates of the entities and the signing of an MOU between two agencies for the sharing of real time data.
- Acceleration of the Climate Change Education Campaign including: six community and school concerts; four artiste training workshops; Read Across Jamaica Day activities; execution of short story competition; and the preparation of 15 Call to Action videos and three videos highlighting the work of the project.
- Roll out of a Public Education Campaign inclusive of the production and distribution of collateral materials in new and traditional media.
- Implementation of the PPCR Jamaica social media campaign which resulted in a total reach of 2 076 155 and 1 567 63 on Facebook and Instagram, respectively. On Twitter, the project had over 400 000 impressions.
- Conduct of a minor KAP survey. It showed an increase in climate change awareness to 91.0 per cent relative to 82.6 per cent in 2012 when the last KAP Survey was conducted. The survey also showed an increase in the percentage (83.3 per cent from 80.7 per cent) of climate aware residents registering concerns regarding climate change and its impact.

Work also advanced on consultancies to conduct a vulnerability assessment of the Health Sector; update the database of the Meteorological Services of Jamaica (MSJ) through a data infilling and recovery of rainfall data exercise; training in Soil Moisture Probe Operations; and the assessment of the MSJ Surface Area Observation Network. Contracts were signed and work commenced for the refurbishing of the MSJ Radar Station and the fabrication and installation of 12 logger boxes to be used for nine new and three upgraded stations for the Water Resources Authority (WRA).

Among the highlights of the project was the airing of a JIS radio feature on the role and benefits of Improving Climate Data and Information Management Project (ICDIMP) investments in technology, which has contributed to the improvement in the WRA's Water Monitoring System. The feature was awarded the 2019 Press Association of Jamaica/Digicel Award for Technology.

PPCR Monitoring and Evaluation: As part of its Strategic Programme for Climate Resilience (SPCR) monitoring and reporting function, the PIOJ hosted Jamaica's SPCR Workshop 4 Results in collaboration with the Inter-American Development Bank (IDB) with resources provided by a US\$40 000.00 grant from the CIF. Some 44 stakeholders, including project beneficiaries, attended the three-day workshop. The objectives were to review the status of the overall PPCR programme to date; document lessons learnt; highlight key project management strategies that could be utilized for more effective project implementation; identify risks and bottlenecks associated with project implementation; and make recommendations for accelerated implementation. The PIOJ also organized and hosted the annual PPCR Monitoring and Reporting Scoring Workshop towards the completion and submission of the country's M&R Scorecards. The event, which was

the fifth since the start of the programme, was attended by 39 stakeholders and included a knowledge sharing session featuring the work of select project beneficiaries.

Contributions to the international climate change dialogue was provided through participation in and contribution to panel discussions at the meetings of the CIF-Joint Trust Fund Committee and PPCR Sub-Committee in Washington, DC as well as technical comments on the proposed governance framework for new programmes to be introduced. As Jamaica is also a part of the regional PPCR, support was provided to the project implementation, monitoring, and reporting processes of the Investment Plan for the Caribbean Regional Track of the PPCR.

Disaster Risk Management

In the area of disaster risk management, the PIOJ continued to give support to a number of projects aimed at building the resilience of vulnerable communities and towns to natural hazards. These included Building Resilience and Adaptation to Climate Change while Reducing Disaster Risk in Peckham, Clarendon and surrounding communities; Strengthening the Disaster Risk Management Capacity of the Portmore Municipal Council; and the Resilient Islands by Design Project. In alignment with the MTF sector strategy to "Modernize the policy and legal framework related to hazard risk reduction", the Institute provided technical inputs to preliminary drafts of the Comprehensive Disaster Risk Management Policy. Technical advice was also provided on preparatory documents for the hosting of the 7th Regional Platform for Disaster Risk Reduction of the Americas and the Caribbean to be held in Jamaica in 2020.

Science, Technology and Innovation (STI)

The PIOJ was designated co-focal point for the NDC Partnership through which Jamaica obtained resources towards raising national ambitions (increasing the target) to reduce greenhouse gas emissions as per the Paris Agreement. The Institute also contributed the preliminary identification of new targets within the energy and other sectors, as well as a proposal to support the assessment and update of the NDCs and development of the NDC Partnership Plan in Jamaica.

Urban and Regional Planning and Geospatial Analysis

Progress made towards promoting sustainable urban and rural development included the preparation of one development brief for updating of the Manchester Development Order, and support to committees for the National Spatial Plan and Jamaica's Third City. The PIOJ also reviewed and provided technical comments on the seven technical papers to inform drafting of the Spatial Plan, and the completion of a Multi-criteria Site Suitability Model for the Third City.

Geospatial technology supported the work of the Social Transfers, Social Services and Infrastructure Sub-Committee of the National Social Protection Committee vis-à-vis the mapping of social housing interventions. GIS was used to geo-locate and spatially represent interventions by different Ministries, Departments and Agencies as well as major non-governmental organizations across the island. The mapping is designed to highlight where gaps exist in the provision of such interventions, and to facilitate better coordination. Other work included the preparation of 14 maps to support identification of proposed sites for reforestation in the Buff Bay/Pencar watershed and the creation of the 2011/2012 Poverty Preva-

lence and Percentage of Population Living in Food Poverty web mapping applications (for data visualisation and dissemination through the Institute's website). Maps were also prepared to support spatial analysis of the agriculture sector and the Director General's participation in public discussions on the environmental and economic benefits of cleaning up the Kingston Harbour.

Consistent with the Institute's function to "Advise the Government on major issues relating to economic; environmental and social policy", advice was provided to over 49 Boards, Councils, Committees and Thematic Working Groups, and technical comments given on 36 policies, plans, programmes and projects, strategies, studies and reports. In addition, staff of the PIOJ participated in nine programmes related to field-based drone training and the use of geospatial software for spatial analysis. Public awareness and understanding of sustainable development and related issues were raised through the delivery of presentations, opening remarks, and panel discussions at several local and international fora including 19 seminars, conferences, workshops and symposia. The PIOJ also received the award for the Best Booth at the Geographic Information Systems Day event hosted annually by the Land Information Council of Jamaica.

EXTERNAL COOPERATION & PROJECT DEVELOPMENT

The PIOJ, in its capacity as interlocutor between International Development Partners (IDPs) and Ministries, Department and Agencies (MDAs), ensured the alignment of Official Development Assistance (ODA)³ with the government's strategic priorities articulated in the Vision 2030 Jamaica – National Development Plan, as well as the Medium Term Socio-Economic Policy Framework (MTF) 2018–2021. The Institute, on behalf

of the Government of Jamaica (GOJ), led efforts to identify financing from the IDPs for public investment projects and budget support programmes; coordinated interventions of the IDPs; provided technical support in project preparation and development; assisted in the negotiation of loans and grants with bilateral and multilateral development partners; and monitored the implementation of projects and programmes.

The work of the organization was facilitated through four units in the External Cooperation Division, viz: Bilateral Cooperation, European Union (EU), Multilateral Financing and Multilateral Technical Cooperation. In 2019, the Institute coordinated and monitored a combined portfolio of new and ongoing projects and programmes of approximately US\$2.1 billion (\$281.9 billion)⁴ through funding in the form of loans, grants and, technical assistance from multilateral and bilateral partners. Disbursements totalled US\$270.0 million (\$36.2 billion). The portfolio was also augmented by government counterpart resources of US\$140.0 million (\$18.8 billion).

Newly approved ODA totalled US\$144.3 million (\$19.4 billion), a decrease of 34.6 per cent compared with the previous year. This decrease was attributed to a reduction in the number and size of loans agreed between the government and the Inter-American Development Bank (IDB) whose portfolio is the largest among the multilateral financial institutions operating in Jamaica. Loan and grant resources totalled US\$65.0 million (\$8.7 billion) and US\$79.3 million (\$10.6 billion), respectively.

³ODA is defined as concessionary loans, grants and technical assistance to developing countries for the promotion of their economic development and welfare as its main objective.

⁴The annual average rate of US\$1.00: J\$134.22 is used throughout this section.

Sectoral Distribution of New Approvals

Of the US\$144.3 million (\$19.4 billion) in new ODA, 65.6 per cent was allocated to *Economic Growth and Job Creation*; 21.8 per cent supported *Human Capital Development*; 10.5 per cent targeted *Effective Social Inclusion and Protection*; 4.0 per cent was assigned to *Improved Security and Safety*; 2.6 per cent was allocated to *Environmental and Climate Change Resilience*. There were no new approvals targeting *Fiscal Prudence and Pursuit of a Credible Economic Programme* (see Figure 1). Approvals from the Multilateral Financing Institutions accounted for the majority of new ODA with funding of US\$87.1 million (\$11.8 billion) (Table 1).

Portfolio Management

The PIOJ continued to focus its efforts on portfolio management in an effort to ensure the achievements of the development objectives of projects and programmes despite fiscal and human resource constraints. Activities included the convening of 77 project implementation review meetings and 14 portfolio reviews. These meetings sought to identify major bottlenecks within programmes and projects, as well as the solutions to improve implementation. Additionally, 82 missions from multilateral and bilateral agencies were coordinated, 30 site visits conducted and 57 project steering committee meetings attended. These activities allowed for a more collaborative monitoring effort by the organization with implementing entities and IDPs. More than 150 technical documents were prepared; 27 of which were briefs done for government officials including the Prime Minister, Minister of Finance and the Public Service, and the Minister of Foreign Affairs and Foreign Trade. Several technical documents were also reviewed by the Institute.

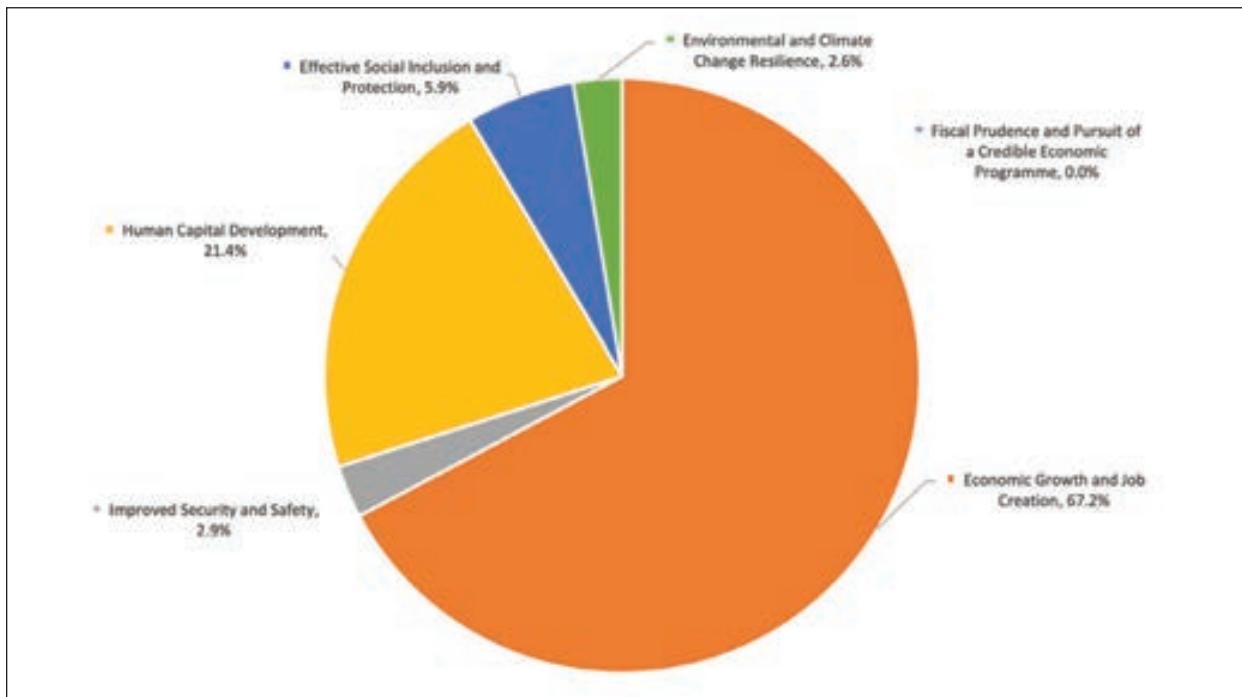


Figure 1. New Official Development Assistance, Cabinet Priorities, 2019

Table 1: Sources of New Official Development Assistance, US\$million^a

	Fiscal Prudence and Pursuit of a Credible Economic Programme	Economic Growth and Job Creation	Improved Security and Safety	Human Capital Development	Effective Social Inclusion and Protection	Environmental and Climate Change Resilience	Total
Bilateral Cooperation	0.0	26.7	4.0	15.7	0.7	0.2	47.3
Multilateral Financial Institutions	0.0	66.7	0.0	11.6	6.6	0.0	85.0
Multilateral Technical Cooperation	0.0	0.3	0.0	2.3	1.0	2.2	5.8
Global Environment Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Climate Investment Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Multi-Donor Fund ^b	0.0	0.9	0.0	0.6	0.0	1.3	2.8
Total	0.0	94.7	4.0	30.2	8.3	3.7	140.9

a - Discrepancies in figure totals due to rounding

b - These are multi-donor trust funds administered by the IDB, including the Capacity Building Initiative for Transparency Trust Fund, Compete Caribbean Partnership Facility, Multi-donor AquaFund, Early Childhood Development Innovation Fund, Nordic Development Fund and Multi-donor Disaster Prevention Trust Fund.

Source: Planning Institute of Jamaica, International Development Partners and the Ministry of Foreign Affairs and Foreign Trade

Highlights

The PIOJ spearheaded and provided technical oversight for a number of critical initiatives aimed at improving the efficiency and delivery of development assistance, as well as strengthening existing partnerships with key IDPs. These initiatives included:

Public Investment Management System: continued to provide technical and operational support to the Public Investment Management System (PIMS) particularly for externally funded projects, through providing inputs into the review of project concepts and proposals.

Development of Country and Regional Strategies: participated in consultations which led to the development of the first Regional Strategic Approach for International Atomic Energy Agency (IAEA) technical cooperation with the Caribbean.

With the end of the World Bank Country Strategy (2014–2019), the Institute commenced discussions with the Bank on the Country Diagnostic Assessment (CDA), which will inform its new Country Partnership Framework (2019–2022).

Coordination of International Development Partners Support: three donor coordination meetings were held involving the PIOJ, IDPS and relevant MDAs. These were: (i) a presentation on Jamaica's development results for the MTF period 2015–2018 (ii) a presentation and discussion on the new Citizen Security Plan and (iii) a meeting to discuss the government's Climate Change Adaptation and Mitigation agenda in order to identify gaps and opportunities for partnerships.

Focal Point for the Japan Overseas Cooperation Volunteer Programme (JOCV): under the Bilateral Cooperation programme, the organization continued its role as the focal point for the JOCV programme and facilitated the assignment of 13 Japa-

nese volunteers to support strategic interventions in government organizations in the areas of agriculture, disaster response, education, environment, community development and gender, among others.

Office of the National Authorizing Officer: the PIOJ functions as the Office of the National Authorizing Officer (NAO) for the Jamaica–European Union (EU) cooperation programme. The NAO is the Minister of Finance and the Public Service. In functioning as the Office of the NAO, the Institute was responsible for executing and providing oversight to the GOJ-EU cooperation programme. Activities included the:

- preparation and transmission of payment justification dossiers to the EU for two budget support programmes: (i) the first fixed tranche of €2.0 million (\$293.8 million)⁵ for the programme, Addressing Environmental and Climate Change Challenges Through Improved Forest Management in Jamaica; and (ii) the first variable tranche of €650 000 (\$95.5 million) for the Supporting the PFM Reform Programme in Jamaica. The tranches were subsequently disbursed to the Consolidated Fund during the reporting period
- provision of technical support for the efficient implementation of seven projects through participation in site visits, preparation of tender dossiers/bid documents, verification of supplies provided, participation in evaluations and steering committees, and execution of payments to contractors totalling €5.8 million (\$852.0 million)
- facilitation of the negotiation and signing of two contracts to supply medical equipment for High Dependency Units at six hospitals

⁵The Annual Average Exchange Rate of €1.00:\$146.89 was used.



PIOJ Staff, Ms Lorna Sampson and Ms Lisa Sinclair, participated in an international training course for National Liaison Officers and National Liaison Assistants during the period March 4–9, 2019 at the International Atomic Energy Agency Headquarters, Vienna, Austria

throughout the country amounting to €1.8 million (\$264.4 million)

- facilitation of the provisional acceptance of equipment to support the convening and management of cases in the courts throughout the island, as follows:
 - Audio Visual Recording equipment for a cost of €1.9 million (\$279.1 million)
 - Electronic Case Management System costing €1.2 million (\$176.3 million)
- Implementation of the Technical Cooperation Facility VI which provided funding for technical assistance and capacity building for MDAs in areas of mutual priority to the government and the EU Cooperation Programme.

New Approvals

The organization spearheaded discussions with the IDPs for the approval of several initiatives

including the following projects aligned with Cabinet priorities:

Economic Growth and Job Creation:

Second Rural Economic Development Initiative (REDI II): The World Bank approved a loan of US\$40.0 million (\$5.4 billion) to build on the experience and results of REDI I through the strengthening of value chains and the development of tourism clusters, with an emphasis on the linkages between producers/service providers and buyers, to improve economies of scale for small agricultural and tourism enterprises and to mainstream climate resilience.

Boosting Innovation, Growth and Entrepreneurship Ecosystems Programme (BIGEE): A loan of US\$25.0 million (\$3.4 billion) was approved by the IDB to promote sustainable and robust growth among start-ups and Micro, Small and Medium Enterprises (MSMEs) in Jamaica.

Human Capital Development:

- **Support of the Strengthening of Public Health, Primary Care Services and Information Technology Strategies to Address Non-Communicable Chronic Diseases:** Grant resources of US\$11.4 million (\$1.5 billion) was approved by the European Union to support the strategic use of the Chronic Care Model (CCM) to manage chronic diseases in primary and secondary care spaces and to develop a Continuous Quality Improvement strategy amenable to the CCM.

Effective Social Inclusion and Protection

- **Spotlight Initiative: To Eliminate Violence against Women and Girls:** Grants resources of €8.0 million (\$1.2 billion) from the European Union and US\$1.2 million (\$161.1 million) from several United Nations (UN) agencies were approved to support the elimination of violence against women and girls in Jamaica. The project is administered by the UN and is being implemented around six pillars: (i) Legislative and Policy Framework; (ii) Institutional Strengthening; (iii) Social Norms and Prevention; (iv) Quality Services; (v) Data Management; and (vi) Civil Society Organizations and Women's Movements.

Improved Security and Safety

- **Grant-Aid to Enhance Jamaica's Maritime Security:** The Government of Japan approved a grant in the amount of US\$3.7 million (\$496.6 million) for the procurement of two boats each for the Jamaica Defence Force and the Jamaica Constabulary Force. The boats will assist with border patrol by detecting and preventing illicit activities including contraband detection, interception of guns-for-drugs trade and support to anti-trafficking in persons efforts.

Environmental and Climate Change

Resilience:

- The **GEF Small Grants Programme** approved 10 projects amounting to US\$1.7 million (\$228.2 million) to assist with combating deforestation, conserving biodiversity, building resilience to climate change, enhancing conservation mechanisms of the marine ecosystems and renewable and energy efficient technologies.

D. RESEARCH

MODEL DEVELOPMENT AND ANALYSIS

Models are critical to the output of the PIOJ, as the organization continues to utilize them to estimate and project socioeconomic and environment indicators. Consequently, work associated with building, maintaining and enhancing the capabilities of models and tools continued. Work done involved the updating, developing and creating of various models, indicators and indices, which enhanced the work and output of the Institute. Outlined below are some of the tools employed, as well as, the analysis facilitated:

Threshold 21 (T21) Model

- PSIP Policy Paper 2019/20
- Impact of Natural Disasters on Jamaica's GDP

Econometrics

Econometric/time series model was updated and used to:

- Forecast GDP on a quarterly basis for all economic industries
- Inform short to medium-term growth outlook for Fiscal Policy Paper

Other Tools

Templates were created/updated/adapted to:

- Poverty line for 2018 calculated
- Algorithm in R software to:
 - Produce animated graphics
 - Clean and analyse PSIP dataset
 - Interactive graphics
- Mining & Quarrying scenario analysis
- The impact of Petrojam activity on economic growth analysed
- Information on commercial bank maturity profile of loans captured.

As part of the organization research agenda, staff initiated and continued work on several research papers, entitled::

- The Determination of full Employment Levels (Potential Output)
- Assessment of the Economic Contributions of Investment from China on the Jamaican Economy
- The emergence of Electric Vehicles in Jamaica (Electro-Mobility).

SENIOR EXECUTIVE COMPENSATION, 2019

Names and Positions of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Dr Wayne Henry Director General	2019	11 700 360	2 656 109	1 658 577	–	–	–	16 015 046
Kirkland R. E. Philips Deputy Director General	2019	5 393 065	1 121 954	1 658 577	–	–	–	8 173 596
Barbara Scott Deputy Director General	2019	6 158 219	–	1 658 577	517 511	–	–	8 334 307
Claire Bernard Deputy Director General	2019	5 310 026	–	1 658 577	511 623	–	–	7 480 226
James Stewart Director	2019	5 620 927	–	1 658 577	487 062	–	–	7 766 566
Janelle Cox Director	2019	4 882 865	–	1 658 577	376 121	–	–	6 917 563
Sandra Ward Director	2019	4 882 865	–	1 658 577	376 121	–	–	6 917 563
Marcia Blake-Hall Director	2019	5 093 337	–	1 658 577	476 495	–	–	7 228 409
Easton Williams Director	2019	4 576 716	–	1 658 577	439 554	–	–	6 665 847
TOTAL	2019	53 609 381	3 778 063	14 927 193	3 184 486		–	75 499 123

All contracts are in Jamaican currency

■ Appendices

CABINET SUBMISSIONS

- Cabinet Submission on the findings of the 2016 and 2017 JSLC Reports
- Cabinet Submission on the Policy Implications on JSLC 2016 and 2017

NOTES

- Cabinet Note on FY 2018/2019 Annual Report of the National Poverty Reduction Programme

BRIEFS

- Brief for Jamaica's representative at the 5th meeting of the ISCM: Advancing a Common Understanding of Migration Governance across Regions
- Brief to inform Director General's participation in the IMF/World Bank Annual Meeting "Leveraging Migration and Remittances for Development"
- Brief on Poverty Reduction Priorities for Director General's presentation at IMF/World Bank Annual Meetings
- Brief on Parish Level Structure to support the implementation of the Social Protection Strategy and the Poverty Reduction programme at the local/parish level
- Brief on Disability and Development, which provided an in-depth look at some of the serious challenges and gaps that persons with varying disabilities and deafness encounter, as they seek to be part of the Jamaican society. It presents a synopsis of the issues raised in relation to policy gaps, inclusion, quality social services, social and economic participation, infrastructure and

mobility, labour market activation, among others.

- The role of the PIOJ in the Disaster Risk Management Framework prepared and submitted to the Ministry of Finance and the Public Service – support to Jamaica's presentation on "Data and Disasters – Using Information to Reduce Disaster Risk" in the Global Biennial Conference on Small States
- Environmental Benefits of Natural Harbours and Implications for Resilience – input for the GraceKennedy Lecture
- Challenges in GIS – The Local Context – for discussion with the National Spatial Data Management Division
- "Planning Sustainable Cities to meet the SDGs in the Commonwealth" for the Jamaican High Commission in London
- Jamaica's efforts regarding Risk Informed Investments and Economics of Disaster Risk Reduction – Inputs for Minister of Local Government and Community Development participation at the Ministerial Roundtable Sixth Global Platform for Disaster Risk Reduction held in Geneva, Switzerland
- Climate change related programmes and projects being implemented in Jamaica with funding by the EU and other IDPs – speaking notes for the Most Hon Prime Minister (MHPM) for meeting with the Head of the European Union Delegation and Ambassadors of EU countries
- Agriculture and Climate Change – for MHPM's participation in the Bloomberg Global Business Forum

- Samoa Pathway – for MHPM’s participation in the High Level Dialogue on financing for Development and Fire Side Chat on Samoa Pathway
- Responses to guiding questions for MHPM’s participation in Breakfast Meeting of the EN+ Group and Panel Discussion

BOARDS, COUNCILS, COMMITTEES, TASK FORCES, WORKING GROUPS

- Sam Sharpe Teacher’s College Board
- MIND Advisory Board
- On-the-Job Training Consultancy Steering Committee
- Excelsior Community College Board and its Sub-Committees
- Council of Voluntary Social Services Board (CVSS)
- National Steering Committee on Child Labour and its Sub-Committees
- Programme for International Students Assessment (PISA) Committee
- Edu-connect Technical Working Group
- Early Childhood Commission and its Sub-Committees
- Human Resource Committee (HRC) of Cabinet
- National Poverty Reduction Programme Committee (NPRPC)
- NPRPC Extreme (Food) Poverty Working Group
- NPRPC Psychosocial and Human Capital Development Working Group
- NPRPC Economic Empowerment and Infrastructure Development Working Group
- NRP M&E Technical Review Committee (TRC)

- Community Renewal Programme (CRP) Socio-economic Development Technical Working Group
- Programme of Advancement Through Health and Education (PATH) On-the-Job Training Process Evaluation Steering Committee
- PATH
 - Parenting Pilot Impact Evaluation Steering Committee
- National Social Protection Committee (NSPC)
- NSPC Social Transfers, Social Services and Infrastructure Sub-Committee
- UN Medium Term Socio-Economic Development Framework Country Implementation Plan
- National Commission on Violence Prevention
- National Anti-Trafficking in Persons Task Force
- National Oversight Committee – Child Diversion
- Jamaica Social Development Fund Projects Committee
- Dispute Resolution Foundation Board
- Jamaica TIP Report to the US government
- Plan Secure Jamaica – Citizen Security Plan
- National Visa Policy Committee
- International Crime Classification System
- Draft Deportation Policy Review Committee
- Draft Protocol for victims of Human Trafficking
- Plan Secure Jamaica – Citizen Security Plan
- Integrated Crime Reduction Strategic Framework for Jamaica
- IDB Regional Study on Rehabilitation of Offenders
- MFPS and Mission from London to discuss

- market study on economic investment by Jamaican Diaspora
- Meetings with IOM/MLSS/PIOJ to discuss deliverables under the Labour Supply Chain Mapping Consultancy
 - Meeting with consultants for the Free Mobility in the Caribbean Study
 - IOM Courtesy Call with the Director General
 - Planning meeting with Clarendon Parish Development Committee (CPSC) and National Integrity Action for Clarendon Youth Video Festival Initiative
 - Preparatory Meeting for the Hosting of National Consultation on Migration Governance Framework
 - Public Investment Projects Database meeting
 - Caribbean Migration Consultation Regional Workshop
 - National SDGs Core Group Meeting
 - Joint meeting of the Health and Population Thematic Working Groups to review Draft National Population Policy
 - IOM/PAHO/PIOJ for the National Health Research Conference
 - MFPS Budget review meeting
 - Caribbean Migration Consultation
 - Kellits Social Enterprise and Economic Livelihoods Steering Committee
 - The Latin American and Caribbean Workshop on Assessing the Economic and Fiscal Consequences of Ageing Populations (September 9–11, Santiago, Chile)
 - Regional Seminar on Demographic Transition (September 12–13, Santiago, Chile)
 - Reviewed JCCM Communications and Governance Manual and provided comments to PAN-CAP-CVC-COIN Tag in Guyana
 - Programme Monitoring Committee
 - Essex Valley Agricultural Development Project
 - Jamaica Access to Finance Programme Project Steering Committee
 - Technical Working Group for Active Labour Market Programmes
 - Income Security Sub-Committee
 - Socio-Economic Development Thematic Working Group
 - Business Development & Capacity Building Sub-Working Group
 - Technical Working Group – Agriculture/Tourism
 - Technical Working Group – Manufacture/Tourism
 - Jamaica Dairy Development Board
 - Deployment of Renewable Energy & Improvement of Energy Efficiency in the Public Sector
 - Public Sector Management Committee
 - Economic Growth Council
 - Deployment of Renewable Energy & Improvement of Energy Efficiency in the Public Sector
 - Jamaica Productivity Centre – Board of Directors
 - Jamaica Energy Council – Board of Directors
 - Social Enterprise Policy Committee Group
 - National Poverty Reduction Programme Committee
 - Universal Fund Board of Directors
 - Statistical Institute of Jamaica – Board of Directors
 - National Working Group on International Migration and Development and its Sub-Committee: Data Sharing and Information Systems to review project on regional migration database and Labour Mobility

- GEF 6 Project Technical Working Group
- National Population and Development Policy TWG
- Third City Planning Committee
- Third National Communication – Additional Activities Board
- Llandewey/Ramble Environment and Disaster Mitigation Initiative Project (LREDMIP)
- World Wetlands Day Committee
- Land Information Council of Jamaica
- Resilient Islands by Design Project Technical Working Group
- Building Resilience and Adaptation to Climate Change while Reducing Disaster Risk in Peckham, Clarendon and surrounding communities PSC
- Integrated Management of the Yallahs/Hope River Watershed PSC
- Technical Support to Eligible Parties to produce the Sixth National Report (6NR) to the CDB
- State of the Environment Report Technical Working Group
- National Spatial Plan Technical Working Group
- Social Transfers & Social Services and Infrastructure Committee
- Social Registry Technical Working Group
- Integrated Community Development Project (ICDP) Steering Committee
- Strengthening the Disaster Risk Management Capacity of the Portmore Municipal Council PSC
- National Council on Ocean and Coastal Zone Management (NCOCZM)
- 2017 State of the Jamaican Environment Report TWG
- National Spatial Plan TWG
- Ministry of Health: National Drinking Water Quality Management Programme (National Consultation)
- National Ramsar Committee
- Supporting the Assessment and Update of the NDC and the development of NDC Partnership Plan in Jamaica Project
- National Emergency Response GIS Team (NERGIST)
- ENGENDER Project Appraisal Committee
- Recovery Planning Committee
- Advancing Social Protection Delivery Systems and Economic Inclusion in Jamaica Steering Committee
- 7th Regional Platform for Disaster Risk Reduction of the Americas and the Caribbean
- ACP-EU-CDB Strengthening the Disaster Risk Management Capacity of the Portmore Municipal Council PSC
- Plastic Waste Minimization Project Steering Committee
- The National Adaptation Plan (NAP) Caribbean Regional Workshop
- Implementing Enabling Activities for the ratification of the Kigali Amendment (Montreal Protocol on Substances that Deplete the Ozone Layer)
- IWEco Project Steering Committee
- Parade Gardens Cottage LED (light emitting diodes) Industry Project Steering Committee
- The Sixth National Report to the Caribbean Biodiversity (CDB)
- Third National Communication – Additional Activities Board
- Climate Change Focal Point Network
- Project Steering Committee for the Special

- Area/Sub-Regional (Innswood to Church Pen)
- Spatial Development Plan project
- Comprehensive Disaster Risk Management Policy Working Group
- Inclusive Growth Index Technical Working Group
- Peace Corps Project Advisory Committee
- JDVRP Steering Committee
- GAW & GIS Day Committee
- National Conservation Trust Fund Committee
- National Forest Management & Conservation Plan Advisory Committee and EU Budget Support Programme Steering Committee
- Climate Change Advisory Board
- PPCR- AP&FM Project Steering Committee
- Joint Clean Technology Fund/Strategic Climate Fund Committee
- Caribbean Regional Track Project Steering Committee
- PIMSEC related committees
- Hosted the following Committees: Improving Climate Data and Information Management Project PSC; GOJ/Adaptation Fund Project Steering Committee Meeting.

POLICY AND PLANNING ADVICE

- Mobile Money Report
- Jamaica's Productivity Performance Summary Report (2000–2017)
- Analysis of the 2017 Poverty Rate
- National Strategic 5-Year Plan to Grow Manufacturing
- FCGP MSME Credit Line Survey Bid evaluation
- Micro, Small and Medium Enterprises (MSMEs) Bid Evaluation

- PSIP Consultancy Terms of Reference
- Jamaica Country Programme Global Climate Fund (GCF)
- Jamaica Survey of Establishments; CRP Baseline Studies Project
- National Diaspora Policy (draft)
- Plan Secure Jamaica
- National Population Policy/Demographic dividend
- World Bank – Country Diagnostic; Public Investment Performance Manual
- Public Investment Performance Report 2017/18
- Evaluation of Growth Related Papers
- Fiscal Policy Paper
- Public Sector Investment Programme Policy Paper
- CRP Community Report: Tivoli Gardens
- Security Strengthening Project
- Community Renewal Programme Baseline Study
- UN Medium Socio-Economic Development Framework Country Implementation Plan
- Jamaica National Crime Victimization Survey
- The development of a comprehensive Monitoring and Evaluation (M&E) Framework for the NPRP advanced
- Continued partnership building and collaboration towards the achievement of priorities under the components of the NPRP, through the NPRPC, working groups and other strategic meetings.
- An M&E workshop targeting agencies implementing programmes under the Medium-term NPRP (2018–2021) was convened. The objectives of the workshop were to receive input from

key stakeholders towards the finalization of the NPRP M&E framework; build consensus around the components of the draft framework; identify M&E gaps and needs; and facilitate knowledge sharing, capacity building and collaboration.

- The first NPRP Annual Report (FY 2018/2019) was finalized and submitted to the Ministry of Finance and the Public Service (MOFPS) for approval and submission to Cabinet.
- The PIOJ and ECLAC, in January, signed a Memorandum of Understanding (MOU) to establish a framework for enhanced cooperation to facilitate exchange of information and opportunities for technical cooperation and collaboration on research, as well as, to strengthen the links between the PIOJ and ECLAC. This MOU formed the basis for collaboration and cooperation on the NTA project.
- A country team for the NTA project was established. An NTA Capacity Building Workshop was held with support from ECLAC to familiarize the country team with the NTA framework and methodology; to support initial efforts in constructing a full set of accounts for Jamaica; and to expose the team to certain extensions and applications of the NTA methodology.
- Annual Labour Market Forum was held under the theme “Harnessing Labour Migration for Development: Improving Governance Mechanisms” in collaboration with the International Organization for Migration.
- Written and Oral Submissions were provided to the Minimum Wage Advisory Commission in its Review of the National Minimum Wage
- Membership on the Human Resources Committee of Cabinet
- Contribution, continuous updates and parti-

pation of review of the International Monetary Fund performance indicators

- Participation in negotiations on social programmes via missions and meetings
- National Policy for the Environmentally Sound Management of Hazardous Wastes (Draft) [Green Paper 2017]
- Draft State of the Environment Report
- Draft Comprehensive Disaster Management Audit Report for Jamaica National Water Sector Policy
- Draft Open Data Policy
- The National Implementation Plan for the Stockholm Convention on Persistent Organic Pollutants (POPs)
- Payment for Ecosystem Services – Report on Land Tenure Proposals for the Spatial Mapping of Involuntarily Returned Migrants
- Inception Report for Climate Landscape Analysis Children and Persons with Disabilities
- Conceptual Framework for Programming Agenda VII Regional Platform America’s and the Caribbean
- Kigali Amendment Baseline Assessment Consultancy
- Implementation Plan for Pilot Project – Plastic Waste Minimization Project
- Jamaica’s National Cooling Strategy (Draft)
- The Watershed Area Management Mechanism (WAMM)
- Multi-hazard Risk Profile and Comprehensive Disaster Risk Plan for Portmore Municipal Council
- 1st Draft Inception Report – Horizon Scanning and Foresighting for the Next City
- GEF Country Strategy (OP7)
- NDC Assessment Report
- Yallahs Hope Watershed Management Units

project – Report on the proposed governance structure for Payment for Ecosystem Services (PES) scheme; Inception and Assessment Reports on the design and implementation of an Integrated Watershed Management GIS Decision Support System

- Climate and Ocean Vulnerability Index – Stimson Centre
- Engagement of women and gender-related groups in the Climate Investment Funds: An Assessment
- Plan Secure Jamaica –“An Opportunity to Advance US-Jamaica Bilateral Cooperation”
- Draft Comprehensive Disaster Risk Management Policy
- Proposal to obtain funding under the World Bank’s PROBLUE Program towards the creation of an enabling environment for fostering Jamaica’s blue economy growth and sustainable use and management of ocean and marine resources
- VII Regional Platform for Disaster Risk Reduction in the Americas and the Caribbean – Draft Agenda, DRAFT Youth Forum Brief; Conceptual Framework
- Review and Updating of the Watershed Area Management Mechanism (WAMM) – Stakeholder Survey Consultation Report
- National Spatial Planning Information Technology (NSPIT) Platform Inception Report and TOR
- Seven Technical papers of the National Spatial Plan
- Mid-project report for the Multi-criteria Site Suitability Model for Jamaica’s Third City
- Geographic Information Systems analysis (analysis of SD issues supported by geospatial

analysis resulted in the preparation of the following:

- Eight maps prepared from the processing of datasets from RADA, MET Service and Agricultural Land Management Division to conduct geospatial analyses of the agricultural sector
- Two maps created for proposed sites for reforestation in the Penn Carr/Buff Bay watershed and the location of the Mason River Savanna Game Reserve
- One map developed to show the Kingston Harbour and the rivers and gullies that drain into it
- One map showing select land use surrounding the harbour
- One map to assist PATH with identifying the location of two communities in Manchester
- Web applications were developed to support:
 - analysis and assessment of the spatial distribution of Social Housing Interventions
 - 2011/2012 Poverty Prevalence & Percentage of Population Living in Food Poverty
- Assistance provided to the Jamaica InvestMap team with obtaining the geospatial datasets required for the project.

CONFERENCES, WORKSHOPS, SEMINARS AND MEETINGS

- UN Office of Sustainable Development 2019 Executive Training course for policymakers on the 2030 Agenda for the SDGs
- ECLAC Regional Seminar on Demographic Transition: Opportunities and Challenges to

- Achieve the SDGs in Latin America and the Caribbean region
- ECLAC/UN DESA Latin America and Caribbean Workshop on assessing the economic and fiscal consequences of population ageing
 - Regional Dialogue on Climate Resilient Fisheries and Costal Community Priorities and Benefits for the Rural Poor and Vulnerable, held in Bridgetown Barbados, November 25–29
 - Global Forum on Migration and Development (GFMD) Fourth Regional Workshop on Supporting Arrival Cities Through Policy Coherence and Multi-Stakeholder partnership held in Lima, Peru, October 16–17, 2019
 - Global Forum on Migration and Development (GFMD) Regional Workshop on Facilitating Social and Economic Inclusion held in Costa Rica, July 24–25, 2019
 - Regional Workshop for the Strengthening for the Production and Analysis of Regional Migration Data held in Guatemala City, August 19–20, 2019
 - Co-presented at Guest Lecture on “Ageing in Jamaica: The Policy Response” at UWI
 - Presented on Jamaica’s Population Situation at PIOJ Dialogue for Development Lecture Series in Mandeville and Ocho Rios
 - NCU Radio Presentation on Jamaica’s Demographic Situation, for the Programme ‘Topical Today’
 - CARIWAC Technical Working Group Meeting
 - Health Thematic Working Group Meeting
 - Population Thematic Working Group Meeting
 - Project Steering Committee Health Systems Strengthening
 - SIDA II National Consultation on Reshaping Cultural Policies for the Promotion of Fundamental Freedoms and the Diversity of Cultural Expressions
 - PEPFAR/CDC prioritization for the national HIV programme
 - Sub-Committee of the National Strategic Plan for HIV
 - National HIV Strategic Plan review (Governance Structure for the HIV Response)
 - HIV Investment Case Discussion
 - Stakeholder Consultation on the Population and Sustainable Development Policy
 - JCCM Communications and Governance Manual Review
 - Stakeholder Interview for the Sustainability Plan with Pharos Health Consultants
 - Reproductive Health Survey Technical Committee Meetings
 - International Health Regulation Advisory Group Committee Meeting
 - Adolescent Policy Working Group Meeting
 - Technical Inter-agency Committee for the 2021 Population and Housing Census
 - Workshop on Strengthening Jamaica’s Capacity to Meet Transparency Requirements under the Paris Agreement
 - National workshop on Water Sector Climate Vulnerability Assessment Methodology
 - Supporting Private Sector Investment for Advancing Climate Action in Jamaica: Micro, Small and Medium Enterprises (MSME) Workshop
 - Adaptation Fund Country Exchange held in Chile during May 6–10, 2019
 - “Uncut Conversations on Climate Change” event hosted by the Climate Change Division –

Two members of staff chaired two panel discussion sessions

- Workshop on Advancing Local Sustainable Development Planning hosted by the Ministry of Local Government and Community Development in collaboration with Cities Alliance, UN-Habitat and UNDP
- Caribbean Climate Modelling Consortium Meeting
- JN Breakfast & Training Launch: Rainwater Harvesting & Greywater Recycling under the Water Project
- Regional workshop on “Climate Resilience in the Water Sector”
- UNEP Disaster Waste Management Workshop
- UNDP Virtual Social Good Summit: Digital Version
- PRE-COP UNCUT 2019 – participated in and chaired Panel discussion
- Public conference and workshop for the Carib-Coast project
- Workshop on the Assessment and Economic Valuation of Coastal Protection Services Provided by Mangroves in Jamaica under the PROFOR Project
- Stakeholder meeting on Assessment of the vulnerability of the Manchioneal Fishery System to Climate Variability and Change: Lesson Learnt
- Stakeholder workshop on the introduction of the e-mobility programme to Jamaica
- GCF Civil Society Knowledge Forum on Climate Finance
- Validation workshop on the project in support of strengthening Jamaica’s Ocean and Coastal Zone Management Sector Policies: baseline survey

- Green Climate Fund Programming Conference, South Korea
- A secondment at the World Bank Headquarters in Washington DC during the period January to June 2019
- A Study Tour to Mexico, in June 2019, for the Integrated Management of the Yallahs and Hope River Watershed Management Project to assess that country’s experience with the Payment for Ecosystem Services approach
- A two-day seminar on Artificial Intelligence in Public Administration, at the Inter-American Development Bank (IDB) Headquarters in Washington, DC, on December 3 and 4, 2019
- Facilitated participation of government representatives in over 100 external meetings, workshops, training and fellowships, under the IAEA cooperation programme

CAPACITY BUILDING/TRAINING

- Macro Forecasting
- Financial Markets Analysis
- Financial Programming & Policies Part I
- Compilation Basics for Macroeconomic Statistics
- Financial Programming & Policies Part II: Macroeconomic Accounts & Analysis
- Macro-Fiscal face to face workshop
- Fiscal Sustainability
- Financial Development & Financial Inclusion
- STATA Software
- Technical Writing
- Leadership – Building Your Leadership Toolbox
- Excel – Level One

- Risk Management
- The Dale Carnegie training entitled Building Your Leadership Toolbox
- Round Table Panel discussion on Sustainable Development hosted by the Jamaica Council for Adult Education
- Training Session on reporting methods for SDG 6 (Clean Water and Sanitation) hosted by STATIN
- NDC Regional Dialogue and LAC Climate week in Salvador, Brazil. Delivered presentation on Sustainable Tourism.
- Performing Spatial Analysis ELA training
- Enterprise Risk Management training hosted by the PIOJ
- Training Workshop on Rainwater Harvesting Risk Assessment and Improving Household Water Security Practice and Design
- Workshop on Financing the Changing Climate in the Caribbean, May 15–17, 2019, St Vincent and the Grenadines – delivered presentation on the major features of the Draft NAMA being prepared for the water sector
- Field-based drone training and ArcGIS training under the Resilient Islands by Design Project

» 2019 YEAR IN REVIEW «



PIOJ Senior Director, Corporate Marketing and Communication, Mrs Marcia Blake Hall and PIOJ Senior Demographer, Mr Andre Richards in an interview with IRIE FM Nicholas Evans for the Dialogue for Development Lecture Series held at the St Johns Anglican Church, St Ann



Back Row L-R: Ms Daniel Douglas, HOPE Intern (seated); Dr Wayne Henry, Director General; Mr Kirk Philips, Deputy Director General; Ms Kaye-Ann Robinson, Librarian/Documentalist; Mr Ozan Sevimli, World Bank Country Manager; Ms Stacy-Ann Subani, Librarian; and Mrs Odean Cole Phoenix, Technical Information Manager. Mr Sevimli was making a courtesy call on the PIOJ's Wesley Hugh's Documentation Centre

» 2019 YEAR IN REVIEW «



Members of the Planning Institute of Jamaica get ready for Forest Trek 2019, which was a 16km hike in the Blue Mountain Forest Reserve (Mount Airy)



PIOJ staff members who participated in the 2019 Land Information Council of Jamaica (LICJ) GIS Day, held Wednesday November 13 at the University of the West Indies, present the Director General, Dr Wayne Henry with the Best Booth trophy that they won at the event. From L-R: GOJ/Adaptation Fund Programme Manager, Mrs Shelia McDonald Miller and Project Accountant, Mrs Kelly-Ann Whervin-Blackwood; Director General, Dr Wayne Henry and Deputy Director General, Sustainable Development and Social Planning, Ms Claire Bernard; Pilot Programme for Climate Resilience (PPCR IPI) Project Assistant, Ms Christena McCarthy and Project Manager, Mr Lehorne Johnson. GOJ/Adaptation Fund Project Assistant, Mrs Teisha Robotham; and other members of the Sustainable Development and Regional Planning team, Urban and Regional Planner, Ms Larytha Fletcher, Sustainable Development Specialist, Mrs Roxanne Valentine Donegan and GIS Analyst Mrs Patrine Cole

» 2019 YEAR IN REVIEW «



The PIOJ was awarded Best Booth during the 2019 Land Information Council of Jamaica (LICJ) GIS Day Expo held at the University of the West Indies in November



Launch of the Emancipation Games 2019. From L-R: Mr Denzil Thorpe, Permanent Secretary, Ministry of Local Government and Community Development; Ms Roxann Linton, Chief Executive Officer, First Heritage Co-operative Credit Union; Dr Wayne Henry, Director General, Planning Institute of Jamaica; and Mr Steven Kerr, Director, Human and Community Development Unit, PIOJ and Coordinator of the Games

» 2019 YEAR IN REVIEW «



The PIO team poses with campers at the MultiCare Foundation's annual Environmental Summer Camp



Mrs Denese McFarlane, PIO's Health Specialist, was the moderator of the "Why Disable Development" panel at the National Social Protection Committee Policy Forum held in November 2019

» 2019 YEAR IN REVIEW «



Members of the Vision 2030 Jamaica Secretariat engage students at the University of the West Indies Research Days 2019



GOJ/Adaptation Fund Programme were among booth holders at the University of the West Indies, Mona Research Days 2019. The GOJ/Adaptation Fund Programme works with fishers, farmers and foresters to promote practices that will improve climate resilience in communities. There are projects in St Ann and the Buff Bay area. L-R: Smiling widely are Mrs Kelly-Ann Whervin-Blackwood; Ms Kaye-Ann Robinson; and Mrs Yvonne Smith-Tracey

› 2019 YEAR IN REVIEW «

2019

ANNUAL REPORT



PIOJ CRP Technical Specialist – Socio-Economic Development, Ms Charmaine Brimm (right) with students of Cumberland High School at the display of their social enterprise project at the GEW Social Enterprise Expo, held on November 18 in Kingston



Students at the GOJ/ Adaptation Fund Programme and Jamaica 4-H Sponsored Schools' Agri Tech Innovation Challenge pose with (L-R): GOJ/Adaptation Fund Programme Manager, Mrs Shelia McDonald Miller; Deputy Director General, Sustainable Development and Social Planning, Ms Claire Bernard; and Director General, PIOJ, Dr Wayne Henry

» 2019 YEAR IN REVIEW «



Pink Day at PIOJ: "The Best Protection is Early Detection". PIOJ staff helped to raise awareness during Breast Cancer Awareness Month on October 11 by wearing pink and purchasing pins



PIOJ participants at the Global Migration Forum in Kingston, share a moment with the Honorary Consul for Ecuador Hon Celia Barreto de Hunter (third from left). Ecuador co-chaired the Global Summit for Migration in November 2019. The forum in Kingston, held from August 14 to 15, focused on migration for rural development and transformation

› 2019 YEAR IN REVIEW «

2019

ANNUAL REPORT



The new IMF Resident Representative to Jamaica, Mr Karim Youssef (right), attended the August 26 PIOJ Press Briefing. Mr Youssef was acknowledged by Director General, Dr Wayne Henry and Senior Director, Economic Planning and Research, Mr James Stewart



On May 16, the PIOJ and STATIN presented the publication, *Mapping Poverty Indicators: Consumption Based Poverty In Jamaica* to stakeholders in the development sector. Photographed after the launch, after making their presentations, were (l-r):World Bank Country Manager, Ms Galina Sotirova; STATIN Deputy Director General, Ms Leesha Delatie-Budair; STATIN Director General, Ms Carol Coy; PIOJ Director General, Dr Wayne Henry; and World Bank Snr Economist at the Poverty Global Practice for the LAC, Mr Juan Carlos Parra

» 2019 YEAR IN REVIEW «



Cabinet granted approval for the award of a contract for USD\$2,449,203.00 to Enterprise Electronics Corporation for the design, supply and installation of an S-Band Doppler capable Weather Radar to be operated by the Meteorological Service of Jamaica (MSJ). A weather radar is an effective system for monitoring weather events, including extreme rainfall, and is essential in providing real time information to the MSJ by detecting precipitation in the atmosphere. It is the single largest contract under the Improving Climate Data & Information Management Project (ICDIMP) funded by the Climate Investment Funds through the World Bank Group



World Bank Director, External Co-operation Management, Ms Joanna Watkins (third from right), receives a copy of the Jamaica Survey of Establishments from Director General of the PIOJ, Dr Wayne Henry on September 25 in Kingston. The PIOJ delivered the policy implications of the report at the function after STATIN gave key findings.

The survey was made possible with funding from the World Bank through the PIOJ's External Co-operation Management Division. Sharing in the moment also are (l-r): Deputy Director General, External Co-operation and Project Development, Ms Barbara Scott; Minister of Industry, Investment, Agriculture and Fisheries, Hon Audley Shaw; Minister of Finance and the Public Service, Dr the Hon Nigel Clarke; and STATIN Director General, Ms Carol Coy

› 2019 YEAR IN REVIEW «

2019

ANNUAL REPORT



From L-R: Professor Gladstone Hutchinson (Facilitator), Ms Laura Levy (Director, Growth Inducement Programme, PIOJ), and Dr Wayne Henry (Director General, PIOJ) at the Economic Growth Forum: From Elusive to Inclusive Growth, held March 14 at the Terra Nova All-Suite Hotel



Panellists at the Economic Growth Forum: From Elusive to Inclusive Growth (L-R): Dr Dianne V. Gordon, Director of Bauxite Lands & Administrator, Bauxite Community Development Programme; Senator Aubyn Hill, Chief Executive Officer, Economic Growth Council; Ms Ruth Chisholm, Jamaica Country Director, FHI 360; Mr Howard Mitchell, OD, Past President, Private Sector Organisation of Jamaica; Mrs Kamesha Blake, Private Sector Development Specialist, Growth Inducement Programme, PIOJ; and Panel Moderator, Mr Gerard Johnson

12° X
68° X
481° X
384° X
874° X
875° X

154° X
154° X
365° X
365° X
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AUDITED
**FINANCIAL
STATEMENTS**

YEAR ENDED DECEMBER 31, 2019



THE PLANNING INSTITUTE OF JAMAICA

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

THE PLANNING INSTITUTE OF JAMAICA

YEAR ENDED 31 DECEMBER 2019

CONTENTS

	Page
Independent Auditor's Report	1 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Comprehensive Income/(Loss)	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 56



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INDEPENDENT AUDITOR'S REPORT

To the Members of The Planning Institute of Jamaica

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Planning Institute of Jamaica (the "Institute"), which comprise the statement of financial position as at 31 December 2019, the statements of comprehensive income/(loss), changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December 2019 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.



INDEPENDENT AUDITOR'S REPORT, CONTINUED

To the Members of The Planning Institute of Jamaica, Continued

Report on the Audit of the Financial Statements, Continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.



INDEPENDENT AUDITOR'S REPORT, CONTINUED

To the Members of The Planning Institute of Jamaica, Continued

Report on the Audit of the Financial Statements, Continued

Auditor's Responsibilities for the Audit of the Financial Statements, Continued

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Ernst & Young
Chartered Accountants
Kingston, Jamaica

18 August 2020

THE PLANNING INSTITUTE OF JAMAICA
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

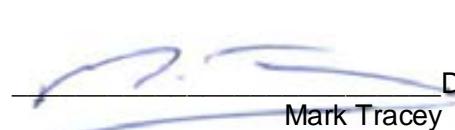
(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2019 \$'000	2018 \$'000
ASSETS			
Non-current assets			
Property and equipment	6	425,284	430,626
Intangible assets	7	9,775	5,156
Retirement benefit asset	8	325,391	295,956
Long-term receivables	9	5,862	6,790
		<u>766,312</u>	<u>738,528</u>
Current assets			
Receivables and prepayments	10	92,272	32,382
International Development Partners funded projects	11	122,275	131,931
Cash and bank balances	11	12,353	23,729
		<u>226,900</u>	<u>188,042</u>
Total Assets		<u>993,212</u>	<u>926,570</u>
EQUITY AND LIABILITIES			
Government's contribution to equity	12	353	353
Accumulated surplus		<u>434,783</u>	<u>406,741</u>
		<u>435,136</u>	<u>407,094</u>
Non-current liability			
Long-term portion - deferred income	13	330,138	346,100
Current liabilities			
Owed to projects	14	89,229	72,335
Payables and accruals	15	123,510	86,605
Current portion – deferred income	13	15,199	14,436
		<u>227,938</u>	<u>173,376</u>
Total Equity and Liabilities		<u>993,212</u>	<u>926,570</u>

The accompanying notes form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 18 August 2020 and are signed on its behalf by:

 Director
Wayne Henry, PhD, JP

 Director
Mark Tracey

THE PLANNING INSTITUTE OF JAMAICA
STATEMENT OF COMPREHENSIVE INCOME/(LOSS)

YEAR ENDED 31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2019 \$'000	2018 \$'000
INCOME			
Government subventions	16	647,725	568,854
Interest income		1,588	2,218
Other income	17	<u>50,347</u>	<u>46,278</u>
		<u>699,660</u>	<u>617,350</u>
EXPENSES			
Staff costs	18	480,486	439,094
Property expenses	18	80,609	91,224
Consultancy and professional fees	18	11,775	13,180
Depreciation and amortisation	6,7,18	33,595	28,042
Other operating expenses	18	84,370	70,625
Finance costs	18	<u>576</u>	<u>-</u>
		<u>691,411</u>	<u>642,165</u>
NET SURPLUS/(DEFICIT)		<u>8,249</u>	<u>(24,815)</u>
OTHER COMPREHENSIVE SURPLUS/ (DEFICIT)			
<i>Other comprehensive surplus (deficit) not to be reclassified to income in subsequent periods:</i>			
Re-measurement gains/(losses) on defined benefit plan	8.4	<u>19,793</u>	<u>(16,581)</u>
TOTAL COMPREHENSIVE SURPLUS/(DEFICIT) ATTRIBUTABLE TO MEMBERS		<u>28,042</u>	<u>(41,396)</u>

The accompanying notes form an integral part of these financial statements.

THE PLANNING INSTITUTE OF JAMAICA
STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	Government Contributions to Equity \$'000 (Note 12)	Accumulated Surplus \$'000	Total \$'000
Balance at 31 December 2017		353	448,137	448,490
Net deficit for the year		-	(24,815)	(24,815)
Other comprehensive deficit	8.4	-	(16,581)	(16,581)
Total comprehensive deficit attributable to members		-	(41,396)	(41,396)
Balance at 31 December 2018		353	406,741	407,094
Net surplus for the year		-	8,249	8,249
Other comprehensive surplus	8.4	-	19,793	19,793
Total comprehensive surplus attributable to members		-	28,042	28,042
Balance at 31 December 2019		353	434,783	435,136

The accompanying notes form an integral part of these financial statements.

**THE PLANNING INSTITUTE OF JAMAICA
STATEMENT OF CASH FLOWS**

YEAR ENDED 31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2019 \$'000	2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net surplus/(deficit)		8,249	(24,815)
Adjustments for:			
Foreign exchange adjustment		(349)	(23)
Increase in expected credit losses	10.1	-	215
Write off of capital work in progress	6	-	809
Deferred income	13	(15,199)	(14,436)
Depreciation and amortisation	6,7,18	33,595	28,042
Interest income		(1,588)	(2,218)
Retirement benefit plan charge	8.3	<u>12,218</u>	<u>6,858</u>
Operating cash flows before movement in working capital		36,926	(5,568)
Decrease International Development Partners funded projects		9,656	42,163
Increase in receivables and prepayments		(59,890)	(5,704)
Project funds encashed	13	-	4,296
Increase in owed to projects		16,894	4,296
Increase/(Decrease) in payables and accruals		<u>36,905</u>	<u>(7,143)</u>
Cash provided by operating activities		40,491	32,340
Contributions to retirement benefit plan	8.7	<u>(21,860)</u>	<u>(22,159)</u>
Net cash provided by operating activities		<u>18,631</u>	<u>10,181</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		1,332	2,227
Acquisition of property and equipment	6	(28,251)	(47,600)
Acquisition of intangible assets	7	(4,621)	(1,923)
Long-term receivables (net)		928	(4,085)
Cash used in investing activities		<u>(30,612)</u>	<u>(51,381)</u>
DECREASE IN CASH AND BANK BALANCES		(11,981)	(41,200)
OPENING CASH AND BANK BALANCES		23,517	64,694
Effect of foreign exchange rate changes		349	23
CLOSING CASH AND BANK BALANCES	11	<u>11,885</u>	<u>23,517</u>

The accompanying notes form an integral part of these financial statements.

THE PLANNING INSTITUTE OF JAMAICA

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

1 IDENTIFICATION

1.1 *General information*

The Planning Institute of Jamaica (the Institute) was established as a body corporate under the Planning Institute of Jamaica Act on 9 April 1984. The registered office of the Institute since April 2008 is at 16 Oxford Road, Kingston 5, Jamaica. Prior to that, the registered office was located at 10-16 Grenada Way, Kingston 5, Jamaica. The Institute is domiciled in Jamaica.

The Institute is funded by grants received from the Government of Jamaica and is exempted from income tax, customs duty, stamp duties and transfer tax.

1.2 *Principal activities*

The objectives of the Institute include:

- (i) Initiation and co-ordination of planning for economic, financial, social, cultural and physical development of Jamaica;
- (ii) Monitoring the implementation of plans so initiated or co-ordinated;
- (iii) Consultancy activities for Government Ministries, Agencies and Statutory Bodies;
- (iv) Management of technical co-operation agreement programmes.

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

2.1 *New and revised Standards and Interpretations affecting the reported financial performance and/or financial position or disclosure*

The Institute applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2019. The Institute has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments were applied for the first time in 2019, they did not have a material impact on the annual financial statements of the Institute.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.1 *New and revised Standards and Interpretations affecting the reported financial performance and/or financial position or disclosure, Continued*

- **IFRS 16 - Leases**

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Institute is the lessor.

The Institute has a property with month to month arrangement and a lease term of 12 months or less. The Institute applied the 'short-term lease' exemptions for this lease.

- **IFRIC Interpretation 23 Uncertainty over Income Tax Treatments**

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 and does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity must determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019. This Interpretation is not applicable to the Institute.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.1 *New and revised Standards and Interpretations affecting the reported financial performance and/or financial position or disclosure, Continued*

• *Amendments to IFRS 9 Prepayment Features with Negative Compensation*

Under IFRS 9, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are ‘solely payments of principal and interest on the principal amount outstanding’ (the SPPI criterion) and the instrument is held within the appropriate business model for that classification.

The amendments to IFRS 9 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. The basis for conclusions to the amendments clarified that the early termination can result from a contractual term or from an event outside the control of the parties to the contract, such as a change in law or regulation leading to the early termination of the contract.

The amendments are effective for annual periods beginning on or after 1 January 2019 and are intended to apply where the prepayment amount approximates to unpaid amounts of principal and interest plus or minus an amount that reflects the change in a benchmark interest rate.

This implies that prepayments at current fair value or at an amount that includes the fair value of the cost to terminate an associated hedging instrument, will normally satisfy the SPPI criterion only if other elements of the change in fair value, such as the effects of credit risk or liquidity, are small. Most likely, the costs to terminate a ‘plain vanilla’ interest rate swap that is collateralised, so as to minimise the credit risks for the parties to the swap, will meet this requirement. These amendments did not have any effect on the financial statements of the Institute.

• *2015-2017 Annual Improvements to IFRS*

Following is a summary of the amendments from the 2015-2017 annual improvements cycle:

IFRS 3 Business Combinations - Previously held Interests in a joint operation

- The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value.
- In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.1 *New and revised Standards and Interpretations affecting the reported financial performance and/or financial position or disclosure, Continued*

• *2015-2017 Annual Improvements to IFRS, continued*

IFRS 3 Business Combinations - Previously held Interests in a joint operation (continued)

- An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2019.

IFRS 11 Joint Arrangements - Previously held Interests in a joint operation

- A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in IFRS 3. The amendments clarify that the previously held interests in that joint operation are not remeasured.
- An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 January 2019.

IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity

- The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.
- An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019. When an entity first applies those amendments, it applies them to the income tax consequences of dividends recognized on or after the beginning of the earliest comparative period.

IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation

- The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.
- An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments.
- An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019.

The above amendments did not have any impact on the Institute's financial position or performance as they are not applicable to the Institute.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.1 *New and revised Standards and Interpretations affecting the reported financial performance and/or financial position or disclosure, Continued*

• *Amendments to IAS 19: Plan Amendment, Curtailment or Settlement*

The amendments to IAS 19 Employee Benefits address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period.

Determining the current service cost and net interest

When accounting for defined benefit plans under IAS 19, the standard generally requires entities to measure the current service cost using actuarial assumptions determined at the start of the annual reporting period. Similarly, the net interest is generally calculated by multiplying the net defined benefit liability (asset) by the discount rate, both as determined at the start of the annual reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

Effect on asset ceiling requirements

A plan amendment, curtailment or settlement may reduce or eliminate a surplus in a defined benefit plan, which may cause the effect of the asset ceiling to change. The amendments clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

This clarification provides that entities might have to recognise a past service cost, or a gain or loss on settlement, that reduces a surplus that was not recognised before. Changes in the effect of the asset ceiling are not netted with such amounts.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 January 2019 and apply prospectively to these changes.

The above amendments did not have significant impact on the Institute's financial position or performance.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.1 *New and revised Standards and Interpretations affecting the reported financial performance and/or financial position or disclosure, Continued*

• *Amendments to IAS 28 Long-term interests in associates and joint ventures*

The amendments clarify that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in IFRS 9 applies to such long-term interests.

The Board also clarified that, in applying IFRS 9, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying IAS 28 Investments in Associates and Joint Ventures. Entities must apply the amendments retrospectively, with certain exceptions.

The amendments will eliminate ambiguity in the wording of the standard. The amendments are effective for annual periods beginning on or after 1 January 2019. This amendment is not applicable to the Institute.

2.2 *New and revised Standards and Interpretations in issue but effective after the year end*

• *IFRS 17 – Insurance Contracts*

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.2 *New and revised Standards and Interpretations in issue but effective after the year end, Continued*

• *IFRS 17 – Insurance Contracts, continued*

IFRS 17 is effective for reporting periods beginning on or after 1 January 2022, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Institute.

• *Amendments to IFRS 3 Definition of a Business*

The amendment help entities to determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments.

The amendments must be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020. Consequently, entities do not have to revisit such transactions that occurred in prior periods. Earlier application is permitted and must be disclosed. The amendments are not expected to have any impact on the financial statements of the Institute.

• *Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform*

The amendments require additional disclosures around uncertainty arising from the interest rate benchmark reform given the potential effects the Interbank Offered Rates (IBOR) reform could have on financial reporting. IBORs are interest referenced rates (e.g. LIBOR) that represent the cost of obtaining unsecured funding, in a particular combination of currency and maturity and in a particular interbank term lending market. Recent market developments have brought into question the long-term viability of those benchmarks. Issues arise for financial reporting in the period before the replacement of existing interest rate benchmarks with an alternative interest rate, which the amendment addresses. The amendments also address the implications for specific hedge accounting requirements of IFRS 9 and IAS 39, which require forward looking analysis and disclosures around the effects on hedging relationships.

The amendments are applicable for annual periods beginning on or after 1 January 2020. The amendments are not expected to have any impact on the financial statements of the Institute.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.2 *New and revised Standards and Interpretations in issue but effective after the year end, Continued*

- ***Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. In December 2015, the IASB decided to defer the effective date of these amendments until such time as it has finalised any amendments that result from its research project on the equity method.

- ***Amendments to IAS1 and IAS 8 Definition of Material***

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. Further, the reference to 'primary users' instead of 'users' in the original standard helped to narrow a wide interpretation of the word 'users'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency. The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have any impact on the financial statements of the Institute.

- ***Conceptual Framework for Financial Reporting***

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard. Its purpose is to assist the IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards. Together with the revised Conceptual Framework, which became effective upon publication on 29 March 2018, the IASB has also issued Amendments to References to the Conceptual Framework in IFRS Standards.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.2 *New and revised Standards and Interpretations in issue but effective after the year end, Continued*

• *Conceptual Framework for Financial Reporting, continued*

The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however, update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.

For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020. The amendments are not expected to have any impact on the financial statements of the Institute.

• *Classification of Liabilities as Current or Non-current - Amendments to IAS 1*

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

Right to defer settlement

The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

Existence at the end of the reporting period

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS, CONTINUED

2.2 *New and revised Standards and Interpretations in issue but effective after the year end, Continued*

- ***Classification of Liabilities as Current or Non-current - Amendments to IAS 1, continued***

Management expectations

IAS 1.75A has been added to clarify that the ‘classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period’. That is, management’s intention to settle in the short run does not impact the classification. This applies even if settlement has occurred when the financial statements are authorised for issuance.

Meaning of the term ‘settlement’

The Board added two new paragraphs (paragraphs 76A and 76B) to IAS 1 to clarify what is meant by ‘settlement’ of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

Settlement by way of an entity’s own equity instruments is considered settlement for the purpose of classification of liabilities as current or non-current, with one exception.

In cases where a conversion option is classified as a liability or part of a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current. Only if the conversion option itself is classified as an equity instrument would settlement by way of own equity instruments be disregarded when determining whether the liability is current or non-current. Unchanged from the current standard, a rollover of a borrowing is considered the extension of an existing liability and is therefore not considered to represent ‘settlement’. The Institute will assess the impact of this amendment for adoption at the effective date for annual periods beginning on or after 1 January 2022.

3 SCOPE OF FINANCIAL STATEMENTS

The financial statements reflect the assets, liabilities and transactions relating to the Administration and Resource Management activities (Recurrent Programme) and the Research and Investigations/Developmental programmes (Capital A Projects) of the Institute only. The financial statements do not reflect assets and liabilities and transactions of special projects (in particular technical assistance programmes) being administered on behalf of various agencies and funded wholly by those agencies or by those agencies and the Government of Jamaica (Capital B Projects).

THE PLANNING INSTITUTE OF JAMAICA

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 *Statement of compliance*

The Institute's financial statements have been prepared in accordance and comply with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

4.2 *Basis of preparation*

These financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of consideration given in exchange for assets.

These financial statements are expressed in Jamaican dollars which is the Institute's functional currency.

The presentation in the notes is broadly in the order of the items in the statement of financial position and the statement of comprehensive loss.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Income and expense will not be offset in the statement of comprehensive loss unless required or permitted by an accounting standard or interpretation, as specifically disclosed in the accounting policies of the Institute.

4.3 *Judgements*

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Institute's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

4.4 *Current versus non-current classification*

The Institute presents its statement of financial position in a current versus non-current classifications.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.4 *Current versus non-current classification, Continued*

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Institute classifies all other liabilities as non-current.

4.5 *Fair value measurement*

Fair values of financial instruments measured at amortised cost are disclosed in Note 22.10.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Institute.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Institute uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.5 *Fair value measurement, Continued*

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1— Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Institute determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.6 *Property and equipment*

Property and equipment are stated at cost, less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets. The costs of the day-to-day servicing of property and equipment are recognised in surplus or deficit.

Depreciation is charged so as to write off the cost of property and equipment less residual values, over the estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in surplus or deficit.

Construction in progress is stated at cost, net of accumulated impairment losses.

The following useful lives are used in the calculation of depreciation:

Building	-	40 years
Leasehold improvements	-	3 years
Furniture, fixtures and equipment (including computer equipment)	-	8-20 years
Motor vehicles	-	5 years

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.7 *Intangible assets*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with acquiring identifiable and unique software products which are expected to generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software costs are amortised using the straight-line method over their useful lives, at a rate of 33.3% per annum.

4.8 *Impairment of long-lived assets*

At the end of each reporting year, the Institute reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in surplus or deficit.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in surplus or deficit immediately.

4.9 *Employee benefit costs*

Pension obligations

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. These schemes are generally funded through payments to insurance companies or Trustee-administered funds, determined by periodic actuarial calculations.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.9 Employee benefit costs, Continued

Pension obligations (continued)

The asset or liability recognised in the statement of financial position in respect of the defined benefit pension plan represents the fair value of plan assets less the present value of the defined benefit obligations at the reporting date. Assets are only recognized to the extent that the present value of the economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan exceeds the fair value of the plan assets less the present value of the defined benefit obligations.

Defined benefits obligations for the plan are calculated annually by independent actuaries. The cost of providing benefits is determined using the Projected Unit Credit Method.

The Institute recognizes actuarial gains and losses, arising from experience adjustments and changes in actuarial assumptions, in the period which they occur, in other comprehensive income.

Current service costs and any past service cost, together with the unwinding of interest on the plan assets and liabilities at the discount rate are included within operating costs through surplus or deficit for the year.

Leave entitlements

Employee entitlement to annual leave is recognised when it accrues to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Institute recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

4.10 Financial instruments

Financial assets and financial liabilities are recognised when the Institute becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities or are recognised immediately in surplus or deficit, as appropriate, on initial recognition.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.10 *Financial instruments, Continued*

Financial assets

4.10.1 Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Institute holds the trade receivables with the objective to collect the contractual cash flows. These cash flows are solely payments of principal and interest (SPPI). A provision for impairment of these receivables is established in accordance to IFRS 9. The amount of the expected credit loss is the difference between the carrying amount and the recoverable amount.

4.10.2 Other financial assets at amortised cost

The Institute classifies its other financial assets at amortised cost, as these assets are held only within a business model, where the objective is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. Other financial assets at amortised cost include cash and bank balances, other receivables and long-term receivables.

4.10.3 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances including short-term deposits with maturities ranging between one and three months from the end of the reporting period. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Cash and cash equivalents are carried in the statement of financial position at amortized cost less provision for expected credit loss in accordance with IFRS 9.

4.10.4 Impairment

The Institute recognises a loss allowance for expected credit losses on trade receivables and other financial assets that are measured at amortised cost applying the expected credit loss model. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Cash and cash equivalents are also subject to the impairment requirements of IFRS 9.

The Institute always recognises lifetime ECL for trade receivables applying the IFRS 9 simplified approach. The expected credit losses on these financial assets are estimated based on the Institute's historical credit loss experience, adjusted for factors that are specific to the debtors as well as the expected changes in factors or conditions affecting the debt at the reporting date, including time value of money where appropriate.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.10 *Financial instruments, Continued*

Financial assets, continued

4.10.4 Impairment (continued)

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are in addition assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Institute's past experience of collecting payments, and increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For all other financial instruments, the Institute recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Institute measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Institute in accordance with the contract and all the cash flows that the Institute expects to receive, discounted at the original effective interest rate.

4.10.5 Write-off

Financial assets are written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Subsequent recoveries of amounts previously written off are recognised in surplus or deficit.

4.10.6 Derecognition of financial assets

The Institute derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity. If the Institute neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Institute recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Institute retains substantially all the risks and rewards of ownership of a transferred financial asset, the Institute continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.10 *Financial instruments, Continued*

Financial assets, continued

4.10.6 Derecognition of financial assets (continued)

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in surplus or deficit.

On derecognition of a financial asset other than in its entirety (e.g. when the Institute retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Institute retains control), the Institute allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised is recognised in surplus or deficit.

Financial liabilities and equity instruments issued by the Institute

4.10.7 Classification as debt or equity

Debt and equity instruments issued by the Institute are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

4.10.8 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

4.10.9 Financial liabilities

4.10.9.1 Financial liabilities of the Institute are classified as other financial liabilities.

Other financial liabilities are initially measured at fair values net of transaction costs and subsequently measured at amortised cost using the effective interest rate method.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.10 *Financial instruments, Continued*

Financial liabilities and equity instruments issued by the Institute, continued

4.10.9 Financial liabilities (continued)

4.10.9.1 Financial liabilities of the Institute are classified as other financial liabilities (continued)

The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, (where appropriate), a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis for debt instruments.

4.10.9.2 Derecognition of financial liabilities

The Institute derecognises financial liability when, and only when, the Institute's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in surplus or deficit.

4.11 *Related party transactions and balances*

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity"):

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.11 *Related party transactions and balances, Continued*

- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan established for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled, or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction includes transfer of resources or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Related party transactions and balances are recognised and disclosed in the financial statements (Note 19).

4.12 *Government grants*

Government grants are not recognised until there is reasonable assurance that the Institute will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in surplus or deficit on a systematic basis over the periods in which the Institute recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary conditions are that the Institute should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to surplus or deficit on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Institute with no future related costs are recognised in surplus or deficit in the period in which they become receivable.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.13 *Revenue recognition*

4.13.1 Sale of goods

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Institute expects to be entitled in exchange for those goods or services. The Institute has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

Revenue is recognised at a point in time in the amount of the price expected to be received by the Institute for publications supplied, as contractual performance obligations are fulfilled, and control of goods passes to the customer. Revenue is decreased by any discounts granted to customers. However, discounts are usually minimal to the overall revenue recognised in the statement of comprehensive loss.

4.13.2 Government grants

The Institute's policy for recognition of revenue from Government grants is described in Note 4.12 above.

4.13.3 Rental income

The Institute's policy for recognition of revenue from operating leases is described in Note 4.14 below.

4.13.4 Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Institute and the amount of the income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

When calculating the effective interest rate the estimates future cash flows consider all contractual terms of the financial instrument, but not ECL.

4.13.5 Building management fees

Building management fees are charged to tenants on the accrual basis as a percentage of annual maintenance expenses incurred.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

4 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

4.14 Leases

The Institute has applied IFRS 16 using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under IAS 17. The application had no effect on the accounting records as none of the leases on its books qualified under IFRS 16. The details of accounting policies under both IAS 17 and IFRS 16 are presented separately below.

The Institute as lessor

The Institute enters into lease agreements as a lessor with respect to its owned property.

Leases for which the Institute is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Policies applicable prior to 1 January 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Institute as lessor

Rental income from operating leases is recognised on a straight-line basis over the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

4.15 Foreign currencies

The financial statements are presented in Jamaican dollars, the currency of the primary economic environment in which the Institute operates (its functional currency).

In preparing the financial statements of the Institute, transactions in currencies other than the Institute's functional currency, the Jamaican dollar, are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognised in surplus or deficit in the period in which they arise.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Institute's accounting policies, which are described in Note 4, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5.1 *Critical judgments in applying accounting policies*

Judgments made by management in the application of IFRS that had a significant effect on the amounts recognised in the financial statements are as follows:

5.1.1 Property and equipment

Management exercises judgement in determining whether the costs incurred can accrue significant future economic benefits to the Institute to enable the value to be treated as a capital expense.

Further judgement is applied in the annual review of the useful lives of all categories of property and equipment and the resulting depreciation thereon.

5.1.2 Allowance for impairment losses on receivables

The Institute recognises an allowance for expected credit losses on its lease receivables using the simplified approach. Lease receivables are assumed to be in default when they are 90 days past due which is also considered to be a significant increase in credit risk since initial recognition, in the absence of more forward-looking information and actual default experience. An impairment of 50% of the outstanding 90 days past due receivable is made and incorporating the time value of money over the expected lease period, and any reasonable and supporting information that is available at the reporting date about current conditions and expected future development affecting collection.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY, CONTINUED

5.2 Key sources of estimation uncertainty

The following is a key source of estimation uncertainty at the end of the reporting period that has a significant risk of causing a material adjustment to the carrying amount of retirement benefit asset within the next financial year.

5.2.1 Retirement benefits

As disclosed in Note 8, the Institute operates a defined benefit pension plan. The retirement benefit asset disclosed in the statement of financial position \$325.39 million (2018: \$295.96 million) in respect of the defined benefits plan is subject to estimates in respect of periodic costs where costs are dependent on returns on assets, future discount rates, rates of salary increases and inflation rate in respect of the pension plan.

The estimated return on pension assets assumption is determined by considering long-term historical returns, asset allocation and future estimates of long-term investment returns. The Institute estimates the appropriate discount rate annually, this rate is used to determine the present value of estimated cash outflows expected to be required to settle the pension and post-retirement benefit obligations. Actuaries are contracted in this regard.

To determine the appropriate discount rate in the absence of high quality corporate bonds, the interest rate on government bonds that have maturities approximating the related pension liabilities was considered.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2019
(Expressed in Jamaican dollars unless otherwise indicated)

6 PROPERTY AND EQUIPMENT

	Freehold Building	Leasehold Improvements	Furniture, Fixtures and Equipment	Motor Vehicles	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost						
31 December 2017	446,669	10,425	260,341	10,419	809	728,663
Additions	-	-	8,040	4,597	34,963	47,600
Reclassification or write-off (Note 6a))	-	-	(2,704)	-	(809)	(3,513)
31 December 2018	446,669	10,425	265,677	15,016	34,963	772,750
Additions	-	-	5,717	-	22,534	28,251
Reclassification or write off (Note 6a))	4,475	-	29,781	-	(37,588)	(3,332)
Disposal	-	-	-	(2,460)	-	(2,460)
31 December 2019	451,144	10,425	301,175	12,556	19,909	795,209
Depreciation						
31 December 2017	116,431	10,425	178,570	10,418	-	315,844
Charge for year	11,167	-	14,730	383	-	26,280
31 December 2018	127,598	10,425	193,300	10,801	-	342,124
Charge for year	11,167	-	18,175	919	-	30,261
Eliminated on disposal	-	-	-	(2,460)	-	(2,460)
31 December 2019	138,765	10,425	211,475	9,260	-	369,925
Carrying Amount						
31 December 2019	312,379	-	89,700	3,296	19,909	425,284
31 December 2018	319,071	-	72,377	4,215	34,963	430,626

- (a) The reclassification and transfer in prior year arose from an asset count exercise that resulted in the establishment of a fixed asset register and the general ledger was adjusted to reflect the related adjusted carrying values. In current year, amounts for computer software were transferred from Work-In-Progress to Intangibles (Note 7 a)).

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

7 INTANGIBLE ASSETS

	Computer Software \$'000
At Cost -	
31 December 2017	9,365
Reclassification	2,704
Additions	<u>1,923</u>
31 December 2018	13,992
Reclassification (Note 7 a))	3,332
Additions	<u>4,621</u>
31 December 2019	<u>21,945</u>
Amortisation –	
31 December 2017	7,074
Charge for the year	<u>1,762</u>
31 December 2018	8,836
Charge for the year	<u>3,334</u>
31 December 2019	<u>12,170</u>
Net Book Value -	
31 December 2019	<u>9,775</u>
31 December 2018	<u>5,156</u>

A useful life of three years is used in the calculation of the amortisation of intangible assets.

- a) In current year, amounts for computer software were transferred from Work-In-Progress to Intangibles. (Note 6 a))

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET

The Institute operates a defined benefit plan for its permanent staff. The assets of the scheme are held separately from those of the Institute in funds under the control of trustees and administered by an insurance company. The plan is funded by contributions made by the employees and the Institute. The Institute contributes the balance of the cost determined periodically by actuaries subject to a minimum of 5% of pensionable salaries. Employees contribute 5% of the pensionable salaries as a basic contribution with an option to contribute an additional 5% of pensionable earnings. The pension benefits are determined on a prescribed benefit basis and are payable at a rate of 2% of annualised salary at exit, times the pensionable years of service.

The next triennial actuarial valuation is due as at 31 December 2021 by Rambaran & Associates Limited, Consulting Actuaries. The present value of the defined benefit obligation and the related current service costs and past service costs have been measured using the Projected Unit Credit Method.

8.1 The principal assumptions used for the purpose of the actuarial valuation were as follows:

	2019	2018
Gross discount rate	7.5%	7.0%
Expected rate of salary increases	4.5%	4.0%
Future pension increases	4.0%	3.0%
Inflation rate	4.0%	3.0%
Minimum funding rate	5.0%	5.0%

Demographic assumptions include assumed retirement age of 65 for all employees which is the normal retirement age. Assumptions regarding future mortality are based on American 1994 Group Annuitant Mortality (GAM94) table with a five year mortality improvement.

The weighted average duration of the defined benefit obligation as at 31 December 2019 is 30 years (2018: 31 years) for active members totalling 93 (2018: 95) and 17 years (2018: 17 years) for deferred pensioners totalling 7 (2018: 6).

The Institute expects to make a contribution of \$11.377 million to the defined benefit plan during the next financial year. Total contribution inclusive of employee contributions is expected to be \$27.261 million.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET, CONTINUED

- 8.2 The amount included in the statement of financial position arising from the Institute's obligation in respect of its defined benefit plan is as follows:

	2019 \$'000	2018 \$'000
Present value of defined benefit obligations	(1,179,225)	(1,059,110)
Fair value of plan assets	<u>2,301,839</u>	<u>1,965,423</u>
Surplus	1,122,614	906,313
Unrecognised asset due to asset ceiling	<u>(797,223)</u>	<u>(610,357)</u>
Net asset recognized in the statement of financial position	<u>325,391</u>	<u>295,956</u>

- 8.3 Amounts recognised in comprehensive surplus (deficit) in respect of the plan are as follows:

	2019 \$'000	2018 \$'000
Current service cost	34,219	32,092
Net interest cost:		
Interest cost on defined benefit obligation	73,311	74,215
Interest income on plan assets	<u>(138,037)</u>	<u>(140,368)</u>
Interest effect of the asset ceiling	<u>42,725</u>	<u>40,919</u>
Net expense recognized in statement of comprehensive surplus (deficit) (Note 18)	<u>12,218</u>	<u>6,858</u>

- 8.4 Amounts recognised in other comprehensive surplus (deficit) in respect of the plan are as follows:

	2019 \$'000	2018 \$'000
Remeasurement gains (losses):		
Actuarial changes arising from changes in financial assumptions (Note 8.5)	78,526	(190,139)
Experience adjustments (Note 8.5)	85,408	231,514
Change in effect of the asset ceiling (Note 8.6)	<u>(144,141)</u>	<u>(57,956)</u>
Net income/(expenses) recognized in other comprehensive surplus (deficit)	<u>19,793</u>	<u>(16,581)</u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET, CONTINUED

- 8.5 The remeasurement gains (losses) in other comprehensive surplus (deficit) are further analyzed as follows:

	2019	Demographic Assumptions \$'000	Financial Assumptions \$'000	Experience Adjustments \$'000	Net \$'000
Defined benefit obligation (Note 8.8)	-		81,329	(102,475)	(21,146)
Fair value plan assets (Note 8.9)			(2,803)	187,883	185,080
Recognised in OCI (Note 8.4)			78,526	85,408	163,934
	2018	Demographic Assumptions \$'000	Financial Assumptions \$'000	Experience Adjustments \$'000	Net \$'000
Defined benefit obligation (Note 8.8)	-		(195,911)	179,623	(16,288)
Fair value plan assets (Note 8.9)			5,772	51,891	57,663
Recognised in OCI (Note 8.4)			(190,139)	231,514	41,375

This remeasurement is on the return on plan assets and excludes any amounts included in net interest expense.

- 8.6 Movement effect of asset ceiling

	2019 \$'000	2018 \$'000
Opening effect of asset ceiling	(610,357)	(511,482)
Interest effect of asset ceiling	(42,725)	(40,919)
Remeasurement recognized in OCI (Note 8.4)	(144,141)	(57,956)
Closing effect of asset ceiling	(797,223)	(610,357)

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET, CONTINUED

8.7 Movements in the net assets in the current period are as follows:

	2019 \$'000	2018 \$'000
Opening balance	295,956	297,236
Amounts charged to income (Note 18)	(12,218)	(6,858)
Employer's contributions	21,860	22,159
Remeasurements recognized in OCI income (expense)	<u>19,793</u>	<u>(16,581)</u>
Closing balance	<u>325,391</u>	<u>295,956</u>

8.8 Changes in the present value of the defined benefit obligation are as follows:

	2019 \$'000	2018 \$'000
Opening defined benefit obligations	1,059,110	933,584
Service cost	34,219	32,092
Interest cost on defined benefit obligations	73,311	74,215
Members' contributions	15,452	14,943
Value of annuities purchased	32,077	-
Benefits paid	(56,090)	(12,012)
Remeasurement – changes in financial assumptions (Note 8.5)	(81,329)	195,911
Remeasurement losses (gains) on obligation for OCI (Note 8.5)	<u>102,475</u>	<u>(179,623)</u>
Closing defined benefit obligations	<u>1,179,225</u>	<u>1,059,110</u>

8.9 Changes in fair value of plan assets are as follows:

	2019 \$'000	2018 \$'000
Opening fair value of plan assets	1,965,423	1,742,302
Members' contributions	15,452	14,943
Employer's contributions	21,860	22,159
Value of annuities purchased	32,077	-
Interest income on plan assets	138,037	140,368
Benefits paid	(56,090)	(12,012)
Remeasurement – changes in financial assumptions (Note 8.5)	(2,803)	5,772
Remeasurement gains on assets for OCI (Note 8.5)	<u>187,883</u>	<u>51,891</u>
Closing fair value of plan assets	<u>2,301,839</u>	<u>1,965,423</u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET, CONTINUED

8.10 The fair value of the plan assets is analysed as follows:

	2019 \$'000	%	2018 \$'000	%
Equity fund	874,765	38	742,709	38
Fixed income fund	361,578	16	260,038	13
Foreign currency fund	316,162	14	303,082	15
Mortgage and real estate fund	358,067	15	408,119	21
Money market fund	49,147	2	47,168	3
Other	342,120	15	204,307	10
Fair value of plan assets	2,301,839	100	1,965,423	100

Majority of the plan assets are invested in the Sagicor Pooled Pension Investment Funds.

The plan assets do not include any of the Institute's own financial instruments, nor any property occupied by or other assets used by the Institute.

8.11 Sensitivity analysis

The present value of the defined benefit obligation was analysed based on a 1% increase or decrease (2018: 1%) in the discount rate applied and the impact on the fund determined. The impact of a 1% increase or decrease (2018: 1%) in the future salary rate on the net present value of the fund was also determined. The table below summarises the results of the analysis:

	2019			
	Discount rate		Future salary	
	1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
Impact on the present value of defined benefit obligations	(159,985)	207,202	77,241	(66,767)
<hr/>				
	2018			
	Discount rate		Future salary	
	1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
Impact on the present value of defined benefit obligations	(148,822)	193,368	76,868	(66,096)

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET, CONTINUED

8.11 Sensitivity analysis, continued

	2019			
	Life Expectancy		Pension increase	
	1 Year Increase \$'000	1 Year Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
Impact on the present value of defined benefit obligations	22,935	(23,149)	138,195	(117,250)
2018				
	Life Expectancy		Pension increase	
	1 Year Increase \$'000	1 Year Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
	19,434	(19,698)	122,096	(103,760)

8.12 Fair value of plan assets:

The five-year trend for the fair value of plan assets, the defined benefit obligations, the surplus in the plan and experience adjustments for the plan asset and liabilities is as follows:

	2019 \$'000	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
Fair value of plan assets	2,301,839	1,965,423	1,742,302	1,379,426	1,174,316
Defined benefit obligations	(1,179,225)	(1,059,110)	(933,584)	(770,832)	(713,017)
Surplus	1,122,614	906,313	808,718	608,594	461,299
Experience adjustments -					
Defined benefit obligations	(58,733)	231,514	313,587	53,371	188,306

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

8 RETIREMENT BENEFIT ASSET, CONTINUED

Risks associated with pension plan and other employee benefit plan

Through its defined benefit pension plan, the Institute is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields; if plan assets underperform this yield, this will create a deficit.

As the plan matures, the Institute intends to reduce the level of investment risk by investing more in assets that better match the liabilities. This process includes monitoring and rebalancing the asset classes and the maturity profile of assets within these classes. The Government bonds largely represent investments in Government of Jamaica securities.

However, the Institute believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Institute's long-term strategy to manage the plan efficiently.

Changes in bond yields

A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

Inflation rate risk

Higher inflation rate will lead to higher liabilities in the event that discretionary pension increases are granted. The majority of the plan's assets are either unaffected by fixed interest securities or loosely correlated with inflation rate, meaning that an increase in inflation rate will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

9 LONG-TERM RECEIVABLES

(a) These include:

	2019 \$'000	2018 \$'000
Staff loans receivable (Note 9(b))	8,816	9,017
Less: Current portion of staff loans included in other receivables (Note 10.2)	<u>(2,954)</u>	<u>(2,227)</u>
	<u>5,862</u>	<u>6,790</u>

(b) Staff loans are in relation to advances for purchase of motor vehicles which are secured by bills of sale on the motor vehicles and are recoverable by instalments through salary deductions. Interest on these loans range from 2% to 3% per annum and have tenure of five years.

10 RECEIVABLES AND PREPAYMENTS

10.1 These include:

	2019 \$'000	2018 \$'000
Maintenance fees (a)	-	10,805
Trade receivables (sale of publications) (b)	90	90
Subvention receivable (c)	67,358	-
Prepayments and deposits	20,207	17,696
Other receivables (Note 10.2)	<u>4,832</u>	<u>4,006</u>
	<u>92,487</u>	<u>32,597</u>
Less loss allowance	<u>(215)</u>	<u>(215)</u>
	<u>92,272</u>	<u>32,382</u>

- (a) Maintenance fees were due and payable from the Government of Jamaica in prior year, which was settled during the current financial year end.
- (b) Trade receivables are past due at the reporting date. However, the Institute considers these amounts to be recoverable based on the credit quality of the debtors amounts which are outstanding. The Institute does not hold any collateral over these balances. The average age of these receivables is 30 days (2018: 30 days).

The average credit period granted on sale of publications is 30 days (2018: 30 days). No interest is charged on outstanding balances. Credit is granted to selected ministries, departments and agencies of government on request and approved by management within limits. Collection is monitored on an ongoing basis. There is no customer that represents more than 5% of total balance of trade receivables.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

10 RECEIVABLES AND PREPAYMENTS, CONTINUED

10.1 These include: continued

(c) Subvention receivable represents amounts accrued which was due from the Ministry of Finance and the Public Service for the month of December 2019 and was received subsequent to the year end in January 2020.

10.2 Other receivables include:

	2019 \$'000	2018 \$'000
Advances to staff	149	-
Current portion of long-term receivables (Note 9(a))	2,954	2,227
Other	<u>1,729</u>	<u>1,779</u>
	<u><u>4,832</u></u>	<u><u>4,006</u></u>

The Institute considers that all amounts classified as other receivables are recoverable.

10.3 Movement in loss allowance

	2019 \$'000	2018 \$'000
Opening balance	215	-
Charge for the year	<u>-</u>	<u>215</u>
Balance at end of year	<u>215</u>	<u>215</u>

11 CASH AND BANK BALANCES

11.1 Cash and bank balances comprise the following:

	2019 \$'000	2018 \$'000
Funds held for recurrent and resource management	4,310	19,681
Building maintenance fund	<u>7,575</u>	<u>3,836</u>
Cash and bank balances	<u>11,885</u>	<u>23,517</u>
Interest accrued	<u>468</u>	<u>212</u>
	<u><u>12,353</u></u>	<u><u>23,729</u></u>
International Development Partners (IDPs) funded projects (see Note 11.2)	<u>122,275</u>	<u>131,931</u>
	<u><u>134,628</u></u>	<u><u>155,660</u></u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

11 CASH AND BANK BALANCES, CONTINUED

11.2 Movement in International Development Partners (IDPs) funded projects:

	2019 \$'000	2018 \$'000
Opening balance	131,931	174,094
Funds received during the year	5,317	5,890
Funds disbursed during the year	<u>(14,973)</u>	<u>(48,053)</u>
Closing balance	<u>122,275</u>	<u>131,931</u>

- 11.3 Bank balances include interest bearing accounts totalling \$126.068 million (2018: \$148.079 million), including a foreign currency deposit amounting to US\$10,162 (2018: US\$9,285). Interest on local currency deposits are at rates ranging between 1.00% and 4.10% (2018: 1.00% and 3.00%) per annum and on foreign currency deposits at an average rate of 0.05% (2018: 1.00%) per annum.
- 11.4 Funds held in bank accounts for International Development Partners (IDPs) funded projects are segregated from the Institute's operating cash resources.
- 11.5 Funds being held in bank accounts in the name of the Institute, but which are not accounted for in these financial statements (Note 3) amounted to approximately \$279.565 million at 31 December 2019 (2018: \$397.210 million). The funds held in these bank accounts are funds received from IDPs for projects implemented by the Institute.

12 GOVERNMENT'S CONTRIBUTION TO EQUITY

This represents the net assets taken over from the National Planning Agency.

13 DEFERRED INCOME

This represents the value of property and equipment (net of depreciation) acquired from special grants received for such purposes (Note 4.14).

	2019 \$'000	2018 \$'000
Balance at beginning of year	360,536	370,676
Grants received	-	4,296
Transferred to other income (Note 17)	<u>(15,199)</u>	<u>(14,436)</u>
Balance at end of year	<u>345,337</u>	<u>360,536</u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

13 DEFERRED INCOME, CONTINUED

	2019 \$'000	2018 \$'000
Current portion	15,199	14,436
Long-term portion	<u>330,138</u>	<u>346,100</u>
	<u>345,337</u>	<u>360,536</u>

14 OWED TO PROJECTS

	2019 \$'000	2018 \$'000
Opening balance	72,335	68,039
Funds received during the year	180,713	149,089
Funds disbursed during the year	<u>(163,819)</u>	<u>(144,793)</u>
Closing balance	<u>89,229</u>	<u>72,335</u>

These include funds owed to projects funded by the Government of Jamaica (GOJ) and/or overseas funding agencies.

Owed to project comprise the following:

	2019 \$'000	2018 \$'000
Community Renewal Programme	19,061	15,147
National Development Plan	25,829	13,920
GOJ - Migration Policy	3,312	4,525
Growth Secretariat	1,843	2,852
Labour Market Reform Committee Secretariat-		
Administration	5,810	5,810
National Poverty Reduction	4,861	5,420
JSLC 2008 Project	2,328	2,973
GOJ Civil Registration & Vital Statistics	11,165	7,915
Vital Statistics Commission	12,942	12,942
Other projects	<u>2,078</u>	<u>831</u>
	<u>89,229</u>	<u>72,335</u>

Amounts received during the year from the Ministry of Finance and the Public Service amounting to \$13.37 million (2018: \$11.04 million) relate to projects which are managed by the Institute but are not recorded in these financial statements.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

15 PAYABLES AND ACCRUALS

	2019 \$'000	2018 \$'000
Short-term employee benefits	46,671	41,335
Other payables and accruals	<u>76,839</u>	<u>45,270</u>
	<u><u>123,510</u></u>	<u><u>86,605</u></u>

The credit period on purchases of goods/services from the Institute's major suppliers ranges from 30 - 60 days (2018: 30 - 60 days). The Institute has financial risk management procedures in place to ensure that all payables are paid within the agreed credit period.

16 GOVERNMENT SUBVENTIONS

Government subventions include recurrent amounts received from Ministry of Finance and the Public Service.

Included in subvention for current year is \$26.64 million for December 2018 which was received in January 2019.

17 OTHER INCOME

	2019 \$'000	2018 \$'000
Rental income – lease	26,368	23,790
Building management fees	5,468	4,915
Gain on sale of publications	885	753
Deferred income (see Note 13)	15,199	14,436
Other	<u>2,427</u>	<u>2,384</u>
	<u><u>50,347</u></u>	<u><u>46,278</u></u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

18 EXPENSES

	2019 \$'000	2018 \$'000
Staff costs		
Salaries and allowances	324,375	308,629
Retirement benefits plan charge (Notes 8.3 & 8.7)	12,218	6,858
Travelling and motor vehicle upkeep	88,887	78,853
Statutory contributions	13,234	12,754
Staff welfare and subsistence	38,270	34,295
Accrued vacation	<u>3,502</u>	<u>(2,295)</u>
	<u>480,486</u>	<u>439,094</u>
Property expenses		
Parking (Note 18 a)	3,242	20,176
Security	13,934	12,388
Utilities	29,909	29,078
Landscaping	539	794
Cleaning and maintenance	10,537	8,159
Insurance	3,327	2,013
Repairs and maintenance	18,085	16,196
Property tax	598	2,013
Subsistence	<u>438</u>	<u>407</u>
	<u>80,609</u>	<u>91,224</u>
Consultancy and professional fees (Note 18 b)	<u>11,775</u>	<u>13,180</u>
Depreciation and amortisation	<u>33,595</u>	<u>28,042</u>
Balance carried forward	<u>606,465</u>	<u>571,540</u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

18 EXPENSES, CONTINUED

	2019 \$'000	2018 \$'000
Balance brought forward	<u>606,465</u>	<u>571,540</u>
Other operating expenses		
Foreign travel	1,562	2,451
Motor vehicle expenses	2,396	2,325
Computer and supplies	12,154	9,915
Postage	110	216
G.C.T. expense	44,429	30,224
Stationery and office supplies	5,273	6,089
Advertising, special events and publications	12,209	10,842
Increase in loss allowance	-	215
Other general expenses	<u>6,237</u>	<u>8,348</u>
	<u>84,370</u>	<u>70,625</u>
Finance Costs		
Interest expense	<u>576</u>	<u>-</u>
	<u>691,411</u>	<u>642,165</u>

a) PARKING

Parking expenses for 2018 included one off expenditure relating to, the renovation and build out of the current car park located at No 9 Oxford Road, Kingston 5, Jamaica, to facilitate parking for PIOJ staff, tenants and visitors. The immediate relocation was necessary due to the sale of the Jamaica Boys Home, which served as the previous parking lot for the PIOJ.

The cost of build-out for the parking lot was \$11.7 million. This cost included the reconfiguration of the parking lot's new entrance/exit and drainage system. This amount incurred by PIOJ was expensed during 2018, as a result of the short-term nature of the rental contract of the parking lot held between PIOJ and its landlord.

Additional car park spaces were acquired to accommodate PIOJ staff, tenants and visitors at the cost of \$4.5 million. These additional car park spaces were given up at the start of the current year as that lease came to an end.

b) CONSULTANCY

Consultancy fees in current year included internal audit fees which increased by \$3.5 million. In 2018, the amount largely accounted for the PIOJ's engagement of consultants to provide technical assistance and guidance in the preparation and implementation of the Strategic Planning Framework costing \$5.1 million. In the prior year, the consultants were contracted for the period 2 July 2018 - 2 November 2018. All deliverables have been accepted and all payments have been made.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

19 RELATED PARTY TRANSACTIONS AND BALANCES

The following transactions were carried out with related parties comprising directors and key management personnel:

	2019 \$'000	2018 \$'000
Salaries and allowances including statutory contributions	72,315	73,220
Pension contributions	<u>3,221</u>	<u>1,809</u>
Directors' fees	<u>407</u>	<u>493</u>

The remuneration of directors and key management is determined by the Ministry of Finance and the Public Service.

20 COMMITMENTS

Capital commitments

	2019 \$'000	2018 \$'000
For acquisition of equipment	-	29,424

In prior year, the Institute entered into a contractual agreement as at 31 December 2018, for the development of Branding Toolkit to change the Institute logo, and improve the website, and subsites. The project was pursued to implement a new hyperconverged server infrastructure. The prior year amount represented a contractual agreement for the retrofitting, paving and drainage improvement of a car park located at 9 Oxford Road. There were no capital commitments as 31 December 2019.

21 LEASING ARRANGEMENTS

The Institute as Lessor

Disclosure required by IFRS 16

The Institute leases part of its owned office building under an operating lease for a term of five years with a five years extension option. The lease includes clauses to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Upward revision clause also applies in the event that the lessee exercises its option to renew. The lessee can terminate the lease on giving one-year written notice of its intention.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

21 LEASING ARRANGEMENTS, CONTINUED

Maturity analysis of operating lease payments to be received:

	2019 \$'000
Year 1	24,093
Year 2	26,141
Year 3	28,755
Year 4	31,630
	<u>110,619</u>

Rental income recognised in surplus or deficit on operating lease during the year is \$26.37 million (2018: \$23.79 million).

Disclosure required by IAS 17

Future contracted minimum rentals receivables under the operating lease as at 31 December are as follows:

	2019 \$'000
Within 1 year	24,093
Later than 1 year and no longer than 5 years	86,526
	<u>110,619</u>

Operating lease rental income during the year 2018 was \$22,205,000.

At the end of the reporting period outstanding commitments for future minimum lease payments under operating leases fall due as follows:

	2018 \$'000
Within 1 year	22,205
After 1 year but less than 5 years	110,619
	<u>132,824</u>

**THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS**

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

21 LEASING ARRANGEMENTS, CONTINUED

The Institute as a lessee

Disclosure required by IAS 17

Minimum lease payments under operating leases in respect of car parks and equipment leased, recognised as an expense during the year totalled \$3.242 million (2018 year totalled \$20.176 million).

Leases are negotiated for an average period of one-year recurring on month to month basis.

22 FINANCIAL INSTRUMENTS, CAPITAL RISK MANAGEMENT AND FINANCIAL RISKS

22.1 *Capital risk management*

The Institute manages its capital to ensure that the entity will be able to continue as a going concern. The Institute is a Government owned entity and its operations are funded by the Government of Jamaica. The Board of Directors is responsible to obtain adequate funding from the Government of Jamaica for its operations to ensure that the Institute meets its operational objectives and remains a viable entity. The Institute's overall capital risk management strategy remains consistent with the prior year.

The capital structure of the Institute consists of accumulated surplus and equity attributable to the Government of Jamaica.

22.2 *Significant accounting policies*

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 4 to the financial statements.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

**22 FINANCIAL INSTRUMENTS, CAPITAL RISK MANAGEMENT AND FINANCIAL RISKS,
CONTINUED**

22.3 Categories of financial instruments

	2019 \$'000	2018 \$'000
Financial assets (at amortised cost) Including cash and bank balances	212,555	177,136
Financial liabilities (at amortised cost) Other financial liabilities	135,900	113,670

22.4 Financial risk management objectives

The Institute's financial risk management policies are directed by the Board of Directors, assisted by a committee of the Board and the senior management. The Institute's activities expose it to credit related risks, liquidity risks and market risks that include foreign currency risks and interest rate risks.

The annual budgeting exercise and the continuous monitoring of the operations of the Institute against the budgets allow the Board and the senior management to achieve its objectives and to manage relevant financial risks that could be faced by the Institute.

22.5 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Institute. The Institute's principal financial assets are cash and bank balances, receivable and long-term receivables.

The Institute holds all its short-term deposits with First Caribbean International Bank Jamaica. This institution is owned by the CIBC Banking Conglomerate with headquarters in Canada which has AAA rating by more than one international rating agencies.

In respect of receivables, the risk is minimised by extending credit to or placing deposits with credit worthy parties. Long-term receivables representing staff loans are secured by bill of sales over motor vehicles financed. Further, unpaid balances are deducted from emoluments due in agreed instalments.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Institute's maximum exposure to credit risk.

The gross carrying amount of the trade receivables balance is reduced by an allowance for expected credit losses.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

**22 FINANCIAL INSTRUMENTS, CAPITAL RISK MANAGEMENT AND FINANCIAL RISKS,
CONTINUED**

22.5 *Credit risk, continued*

The allowance is based on historical loss experience, specific risks identified in collection matters, and analysis of past due balances identified in the aging detail and expectations of future behavior as informed by economics or other environmental situations. As at 31 December 2019, the Institute recorded ECL of \$0.215 million (2018: \$0.215 million).

Cash and cash equivalents are held with reputable banks with ratings of at least BB or B2 and higher, as such management determined that the ECL had no material impact on the financial statements.

22.6 *Liquidity risk management*

Liquidity risk, also referred to as funding risk, is the risk that the Institute will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Directors do not consider that there is a significant liquidity risk because the operations are funded by the Government of Jamaica.

The table below summarises the Institute's remaining contractual maturities for the financial liabilities:

	Carrying amount \$'000	Contractual cash flow \$'000	1 to 12 months \$'000
31 December 2019			
Financial liabilities			
Payables	46,671	46,671	46,671
Owed to projects	89,229	89,229	89,229
	<u>135,900</u>	<u>135,900</u>	<u>135,900</u>
31 December 2018			
Financial liabilities			
Payables	41,335	41,335	41,335
Owed to projects	72,335	72,335	72,335
	<u>113,670</u>	<u>113,670</u>	<u>113,670</u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

**22 FINANCIAL INSTRUMENTS, CAPITAL RISK MANAGEMENT AND FINANCIAL RISKS,
CONTINUED**

22.7 *Market risk*

The Institute's investment activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. (See Notes 22.8 and 22.9).

There has been no change to the manner in which the Institute manages and measures this risk.

22.8 *Foreign currency risk management*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Institute undertakes certain transactions denominated in currencies other than the Jamaican dollar.

The following balances held in United States dollars are included in these financial statements:

	2019 \$'000	2018 \$'000
Cash and bank deposits - United States dollars	<u>8,927</u>	<u>8,154</u>

22.8.1 Foreign currency sensitivity analysis

The Institute's deposits are exposed to the United States dollar. The Institute's sensitivity to 4% revaluation or 6% devaluation (2018: 2% revaluation or 4% devaluation) in the Jamaican dollar against the United States dollar is the sensitivity rate that represents management's assessment of the reasonably possible change in foreign exchange rate in the short-term.

The sensitivity to a 4% revaluation or 6% devaluation (2018: 2% revaluation or 4% devaluation) in the Jamaican dollar against the United States dollar would be a decrease of J\$0.357 million or an increase of J\$0.535 million in net income (2018: J\$0.163 million or an increase of J\$0.326 million in net income).

The foreign currency sensitivity reflects an increase in deposits held in foreign currency.

22.9 *Interest rate risk management*

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

**22 FINANCIAL INSTRUMENTS, CAPITAL RISK MANAGEMENT AND FINANCIAL RISKS,
CONTINUED**

22.9 *Interest rate risk management, continued*

Interest rate sensitivity analysis

Interest rate sensitivity has been determined based on the exposure to interest rates for the Institute's financial assets and financial liabilities at the end of the reporting year as these are substantially the interest sensitive instrument impacting financial results. For floating rate cash deposits, the analysis assumes the amount of asset outstanding at year end was outstanding for the whole year.

An increase/decrease of 1%/1% on Jamaican dollar (J\$) deposits and an increase/decrease of 1%/1% for United States dollar (US\$) deposits represents management's assessment of the reasonable possible change in interest rates in the short-term. In 2018, the assumptions were an increase/decrease of 1%/1% for J\$ deposits and an increase/decrease of 1%/0.5% for US\$ deposits.

If market interest rates had been 1% higher or 1% lower on J\$ deposits and 1% higher or 1% lower on US\$ deposits and all other variables were held constant:

	2019 \$'000	2018 \$'000
Effect on net (deficit)/surplus increase of 1% in interest rate (2018: 1%) (J\$ deposits)	(1,252)	(751)
Effect on net (deficit)/surplus decrease of 1% (2018: 1%) (J\$ deposits)	1,252	751
Effect on net (deficit)/surplus increase 1% (2018: 1%) (US\$ deposits)	(89)	(82)
Effect on net (deficit)/surplus decrease 1% (2018: 1%) (US\$ deposits)	89	82

22.10 *Fair value of financial instruments*

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Generally, judgement is necessarily required in interpreting market data to develop estimates of fair values. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Institute would realise in a current market exchange.

The following methods and assumptions have been used in determining the fair values of financial assets and financial liabilities:

- (i) The carrying amount of cash and bank balances, receivables and payables that mature within one year are assumed to approximate their fair value.
- (ii) The fair values of long-term receivables have not been estimated as these are staff loans to employees at interest rate below market rates.

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

**22 FINANCIAL INSTRUMENTS, CAPITAL RISK MANAGEMENT AND FINANCIAL RISKS,
CONTINUED**

22.10 *Fair value of financial instruments, continued*

Fair value measurements recognised in the Statement of Financial Position

There were no financial instruments that were measured or disclosed subsequent to initial recognition at fair value.

For assets and liabilities that are recognised in the financial statements, the Institute determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Institute has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

	Carrying amount \$'000	Fair values \$'000
31 December 2019		
Financial assets		
Cash and bank balances	12,353	12,353
Receivable and prepayments	72,065	72,065
International Development Partners funded projects (IDPs)	<u>122,275</u>	<u>122,275</u>
Financial liabilities		
Payables	46,671	46,671
Owed to projects	<u>89,229</u>	<u>89,229</u>
	Carrying amount \$'000	Fair values \$'000
31 December 2018		
Financial assets		
Cash and bank balances	23,729	23,729
Receivable and prepayments	14,686	14,686
International Development Partners funded projects (IDPs)	<u>131,931</u>	<u>131,931</u>
Financial liabilities		
Payables	41,335	41,335
Owed to projects	<u>72,335</u>	<u>72,335</u>

THE PLANNING INSTITUTE OF JAMAICA
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2019

(Expressed in Jamaican dollars unless otherwise indicated)

23. SUBSEQUENT EVENTS

On 30 January 2020, the World Health Organization declared the outbreak of a novel strain of Coronavirus (COVID 19), which constituted a ‘Public Health Emergency of International Concern’. This global outbreak, and the response of governments worldwide to it, has disrupted supply chains and activities across a range of industries. The extent of the impact of COVID 19 on the Institute’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Institute’s parent, customers, employees and vendors/suppliers, all of which are uncertain.

The related financial impact and duration of this matter cannot be reasonably estimated at this time.