



Advisory Note

About Us

The Jamaica Special Economic Zone Authority (JSEZA) is an agency of the Government of Jamaica responsible for facilitating the development of Special Economic Zones (SEZs) in Jamaica. The JSEZA was established in 2016 under the Special Economic Zones Act.

The JSEZA as the SEZ regulator has the legislative mandate to development, regulation, construction, supervision, management and control of Special Economic Zones in Jamaica SEZs that serve as an important policy instrument for attracting and stimulating economic growth, development and job creation to Jamaica.

Self-reporting and Monitoring

The Jamaica Special Economic Zone Authority extends warm greetings to our avid readers in another edition of the Authority's "SEZ Advisory Note" as we aim to sensitize our audience on the topic: **Self-Reporting and Monitoring**.



Special Advisory Note

- As we stand in solidarity with our clients, Covid-19 Crisis, The Authority has delated the implementation of the Self Reporting requirements for Single Entities Developer and Occupant has been delayed. The Authority has a clear demonstration of this solidarity did not wish to place any additional regulatory burden on you as we work together to combat Covid-19.
- Therefore, the Self-Reporting for Occupants and Single Entities was delayed until the commencement of calendar Quarter 2.
- This Special Advisory Note is intended to provide Developers, Single Entities and Occupants with guidance and overview of the JSEZA Self-Reporting Instrument.
- **NB.** *The set of Topics below are illustrative and DO NOT NECESSARILY reflect all the questions on the Self-reporting instruments.*

Self-Reporting

- The self-reporting instrument is reflective of the Government’s drive towards sustainable development in Jamaica.
- The JSEZA in implementing the GOJ’s sustainable development policy mandate has divided the self-reporting instrument to reflect 3 areas of sustainable development- Social, Economic and Environmental.
- The self-reporting instrument will be a **digital form** using a login and a password for security, privacy and confidentiality.
- Additionally, for the ease of use, the self-reporting instrument will be auto populated with information provided by clients from their applications and previous self-reports.
- The JSEZA self-reporting instrument is principally but not exclusively based on validating and updating data already provided to the JSEZA by our clients.

SEZ Developers- Reporting Periods

- The Information requested will be on a bi-annual basis: six (6) months, January-June (Period 1) and July-December (Period 2).
- The electronic form is submitted to the Authority by the 15th day of the month after the relevant six months period: July 15 (Period 1) and January 15 (Period 2).

Single Entity Developers & Occupants- Reporting Period

- The information requested is on a calendar quarterly basis: three (3) months, January-, March (period 1); April-June (Period 2); July-September (Period 3) and October-December (Period 4).
- The electronic form is to submitted to the Authority by the 15th day of the month after the relevant calendar quarter; April 15th (Period 1); July 15 (Period 2); October 15 (Period 3) and January 15 (Period 4).

Reporting Topics- Developer

1) Social	2) Economic	3) Environmental	4) Licenses and Permits
<ul style="list-style-type: none"> i) Total number of employees. ii) Number of Male vs Female Employees. iii) Types of Employee (Full-Time, Part-Time, Casual). iv) Total number of employees who are Disabled. v) Age range of employees. vi) Skill levels of your employees (Unskilled, Semi-Skilled, Skilled based on occupation). 	<ul style="list-style-type: none"> i) Rental Rate. ii) Capital Investments made in the reporting period. iii) Capital Investment projected to be made in the next reporting period. iv) Total Revenue for the reporting period. v) Dollar value of 	<ul style="list-style-type: none"> i) The company’s electricity usage. ii) Does the company utilize Renewable energy? iii) If Yes, what is the capacity for renewable energy system? iv) The company’s water usage. v) Company water preservati 	<ul style="list-style-type: none"> i) List of relevant licenses and Permits and expiry dates (fire, NEPA).

- | | | |
|--|---|--|
| vii) Salary range Number (based on occupation). | exports vs sales into the domestic territory. | on practices and capacity. |
| viii) Employment Turnover (Resignations and Terminations). | | vi) Does the company practice recycling? |

Reporting Topics- Single Entity and Occupant

- | | | | |
|--|---|---|--|
| 1) Social | 2) Economic | 3) Environmental | 4) Licenses and Permits |
| <ul style="list-style-type: none"> i. Total number of employees. ii. Number of Male vs Female Employees. iii. Types of Employee (Full-Time, Part-Time, Casual). iv. Total number of employees who are Disabled. v. Age range of employees. vi. Skill levels of your employees (Unskilled, Semi-Skilled, Skilled based on occupation). vii. Salary range Number (based on occupation). viii. Employment Turnover (Resignations and Terminations). | <ul style="list-style-type: none"> i. Capital investments made in the reporting period. ii. Capital investment projected to be made in the reporting period. iii. Total Revenue for the reporting period. iv. Dollar value of exports vs sales into the domestic territory. | <ul style="list-style-type: none"> i. The company's electricity usage. ii. Does the company utilize Renewable energy? iii. If Yes, what is the company's capacity for renewable energy and can it be expanded? iv. The company's water usage. v. Company water preservation practices. vi. Does the company practice recycling? | <ul style="list-style-type: none"> i. List of relevant licenses and permits and expiry dates (Fire, NEPA, CLA). |

Monitoring Governance

The overall framework that JSEZA deploys in monitoring the effectiveness of the SEZ Regime and client compliance is as follows:

Vision	Mission
Self-compliant SEZs where globally competitive firms thrive, driving unprecedented growth and development for all in a logistics-centred Jamaican economy.	Providing effective guidance for SEZ self-compliance through monitoring and enforcement.

Guiding philosophy

JSEZA believes that in monitoring its clients we ought to:

EDUCATE

FACILITATE

REGULATE

For SEZ Self-Compliance

Vision, Mission and Guiding philosophy in action

The guiding philosophy of Educate, Facilitate, Regulate for self-compliance is translated through an escalating set of actions:

Anticipate • Alert • Prevent • Mitigate • Correct • Enforce

Educate	Facilitate	Regulate
(1) Anticipate – locate where a client could have a potential breach.	(3) Prevent – work with the client and other regulatory partners to avoid a breach.	(5) Correct - work with the client and other regulatory partners on a prescribed set of corrective actions.
(2) Alert – inform client through continuous and open dialog.	(4) Mitigate – work with the client and other regulatory partners lessen the impact of a breach on the client and GOJ.	(6) Enforce - work with other regulatory partners to take enforcement actions as guided by the SEZ Act and Regulations and other relevant legislation.

Why We Monitor

How We Monitor

What We Monitor

The following is an indicative list of the objectives of SEZ monitoring framework:

Why?

- **Best practice for Government run fiscal regime to have it** - How do we know the SEZ regime is working? SEZ monitoring is part of GOJ policy of fiscal prudence
- **Transparency and accountability** – Partnership between client and GOJ (through JSEZA) where each holds the other to account; fiscal incentives are the ‘peoples’ money and JSEZA is a responsible and accountable agent
- **Measuring effectiveness** - performance evaluation; cost benefit analysis
- **Future planning** - data driven decision making
- **Knowing the problems facing the investors** – proactive and anticipatory actions by the SEZ regulator

How?

- **Self-reporting** - self-compliance through self-reporting and data collection and analysis
- **Investigation** – site inspection
- **Verification** - through regulatory partners eg. TAJ, JCA, Fire Brigade, COJ, Municipal Corporations, etc
- **Audits** - inspection of books as part of achieving operational excellence and for accountability and transparency
- **Corrective actions** - fixing issues as soon as possible and enforcement action based on data

What?

- **Economic impact** – Capex, GDP contribution
- **Social** – job creation, skills upgrading
- **Environmental** – energy footprint, water usage
- **Terms and conditions agreed** – are entities delivering on what they contractually promised?
- **Fiscal compliance** – TAJ and JCA

The Framework

The SEZ Monitoring Framework is based on three (3) pillars each in turn supported by three (3) components.

Self- reporting	Inspection	Verification
<p>Report – the self-reporting of developers and occupants as mandated by the SEZ Regulations.</p> <p>Update – keep client information as up to date.</p>	<p>Investigation - site inspection and or investigation of incidents and could be joint with other regulatory partners</p> <p>Corrective action - fixing issues as soon as possible and enforcement action based on data and could be joint with a regulatory partner</p>	<p>Licenses and permits – must be kept up to date as part of general legal obligations</p> <p>Information sharing with regulatory partners – cooperation and collaboration with competent authorities facilitates monitoring, compliance and enforcement</p>
<p>Validate – as part of on-going due diligence client information is constantly tested against JSEZA and other regulatory partners' data.</p>	<p>Confirmation – results of investigations and corrective actions are confirmed</p>	<p>SEZ development Framework alignment – policy coherence of GOJ development policies</p>

What does it mean to be SEZ Compliant?

SEZ compliance, simply put, is adherence to Jamaica's laws. However, specific emphasis is placed on Jamaica's Fiscal Laws, Permitting Laws, the SEZ Act and Regulations, and the terms agreed by SEZ entities with the JSEZA. This generally consists of four things:

Type	As evidenced by	Comment
Tax Compliance	A valid Tax Compliance Certificate (TCC) during the period of assessment.	Eg. Timely tax filing and Statutory deductions.
Customs Compliance	JCA No Objection (NOC) <i>*written three months in advance of renewal date.</i>	Eg. No Unresolved Customs Issue.
License and permits compliance	Up to date License and permits and adherence to their terms.	Eg. Fire, NEPA, COJ, etc.
SEZ terms of License Agreement or Authorization	Self-reporting and site inspection based on risk.	Eg. Payment of License Fees, Insurance, adherence to construction timelines.

NB The Examples shared in the comments is not an exhausted list.

Conclusion

The SEZ Monitoring Framework has been developed and is being implemented for achieving the vision of “Self-compliant SEZs where globally competitive firms thrive, driving unprecedented growth and development for all in a logistics-centred Jamaican economy.” The JSEZA will achieve this with your help by providing effective guidance by educating, facilitating, and regulating SEZ entities toward self-compliance.

See what's up next:

We further explore the Self reporting instrument.

“Compliance” is just a subset of “governance” and not the other way around.”
— Pearl Zhu, Digitizing Boardroom: The Multifaceted Aspects of Digital

Connect with us

13 Waterloo Road, Kingston 10,
Jamaica WI
Email: info@jseza.org
1 (876) 619-7392

