



Building an Inclusive Economy

NFIS ANNUAL REPORT 2018





**NATIONAL
FINANCIAL INCLUSION
S T R A T E G Y**

Access for ALL 

**Annual Report
2018**

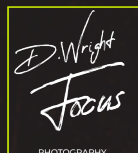
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Abbreviations and Acronyms

AGD	Accountant General's Department
AML/CFT	Anti-money laundering/Counter-financing of terrorism
BOJ	Bank of Jamaica
CAC	Consumer Affairs Commission
CDD	Customer Due Diligence
DBJ	Development Bank of Jamaica
DTI	Deposit Taking Institutions
ERPS	Electronic Retail Payment Services
FISC	Financial Inclusion Steering Committee
FSC	Financial Services Commission
FTC	Fair Trading Commission
JMB	Jamaica Mortgage Bank
IDB	Inter-American Development Bank
KYC	Know Your Customer
MEGJC	Ministry of Economic Growth and Job Creation
MOFPS	Ministry of Finance and the Public Service
MICAF	Ministry of Industry, Commerce, Agriculture and Fisheries
NFIS	National Financial Inclusion Strategy
NHT	National Housing Trust
OTA	Office of Technical Assistance, United States Department of Treasury
PIOJ	Planning Institute of Jamaica
STATIN	Statistical Institute of Jamaica



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Animation done by George Hay

Foreword



The Hon. Nigel A. Clarke, MP, D.Phil., M.Sc., B.Sc.
Minister of Finance and the Public Service
Chairman of the National Financial Inclusion Council

The Government launched the National Financial Inclusion Strategy in 2017 to enable a wide cross-section of Jamaicans to be included in the economic reform agenda. Financial inclusion is critical to the sustainability of the Jamaican economy.

Jamaica's commitment to progress has seen a repositioning of Ministries, Departments and Agencies that utilize technology that can deliver faster services to our consumers. For the entrepreneurs seeking to do business, through the work of agencies such as Bank of Jamaica, the Development Bank of Jamaica and the Jamaica Business Development Corporation, it has proven easier to access business development services.

The National Financial Inclusion Strategy covers a range of matters critical to making a friendly business environment. Easier methods of online registration, electronic payment services and simplified customer due diligence requirements for account opening are examples of the regulatory changes that were achieved during the 2018/2019 financial year.

It is not enough to make processes simpler, if we do not engage in the long-term strategy of investing in the financial empowerment of our people.

In May 2018, with the assistance of the Inter-American Development Bank, Jamaica developed the National Financial Literacy Action Plan, with a specific focus on the youth.

Having developed the National Financial Literacy Action Plan, we must now implement it. Every Jamaican must be exposed to the nuances between savings, investments, pensions, insurance and credit facilities. To be truly empowered, our firms and citizens must understand how to access appropriate financial products and services. Through the implementation of regulatory safeguards, such as the Banking Services (Deposit Taking Institutions)(Customer Related Matters) Code of Conduct, consumers can improve their knowledge of their rights and responsibilities.

Ongoing communication with our stakeholders is necessary to achieve acceptance of this new business environment. To encourage investment

in financial products, persons must have the confidence that they understand the risks and consumer protection safeguards offered by the regulators. For those households and firms to engage with financial service providers, there must be a commitment to understanding the needs of the both sides of the market – the consumers and lenders.

The lack of complete information on the credit profiles of consumers, impedes financial institutions in their credit risk assessment processes, particularly in relation to micro, small and medium-sized enterprises (MSMEs). While there was an impressive expansion in the percentage of the population that is covered by credit bureaus, it is recognized that more must be done to reduce the information asymmetry between lenders and borrowers. A consumer's credit risk profile, which is informed by the credit behavior of the consumer in paying utilities, school fees and loans, can greatly assist in the credit risk management processes of lenders. A robust credit reporting framework also encourages better financial consumer behavior practices, as it incentivizes consumers to become informed about their credit score and how to build a positive credit history.

To improve the credit reporting legislative framework, Bank of Jamaica commenced its review of the Credit Reporting Act in 2018. This is an important part of Bank of Jamaica's financial inclusion agenda, as reforms which encourage reciprocity of accessing credit information of consumers; standardization of credit reforms and robust consumer protection mechanisms have the potential to enhance access to credit for MSMEs.

Credit reporting is part of the supporting infrastructure for financial inclusion, as is secured financing.

Our secured transactions regime must be enhanced, so that firms can use innovative products, such as reverse factoring and asset based lending to support micro, small and medium-sized enterprises.

In 2018, under the Access to Finance Programme, the Development Bank of Jamaica's work on the feasibility of the electronic factoring platform was supported by the efforts of Bank of Jamaica

and the private sector. The electronic factoring platform will support the use of reverse factoring, which leverages the credit profile of anchor firms to provide working capital financing to MSMEs, thereby improving the trade credit terms for MSMEs that supply anchor firms. The electronic factoring platform is a needed initiative to improve supply chain financing for our MSMEs, who are affected by their inability to provide complete credit information to lenders.

I am heartened that in 2018, Bank of Jamaica, in collaboration with the International Finance Corporation and the Ministry of Industry, Commerce, Agriculture and Fisheries began the work of updating its regulatory guidance to commercial banks on the management of credit risk, expected credit losses and provisioning. As at the date of the publication of this report, I am pleased that Bank of Jamaica has issued its Standard of Sound Practice for Problem Asset Management and Provisioning for Expected Credit Losses to make specific reference to the Security Interests in Personal Property Act. No longer does Bank of Jamaica prescribe a list of acceptable collateral for use by its regulated entities.

Financial inclusion is fundamentally about creating the business environment for all players in the economy, regulators, consumers, large enterprises, MSMEs, commercial banks, credit unions, micro-finance institutions, money service businesses, payment service providers and Fintech companies.

Our work to advance financial inclusion is ambitious, but we are determined to create the enabling environment for businesses and citizens through the National Financial Inclusion Strategy to make Jamaica the preferred location to do business in the Caribbean.

Hon. Nigel A. Clarke, MP, D.Phil., M.Sc., B.

Chairman, National Financial Inclusion Council







Richard Byles
Governor, Bank of Jamaica

Bank of Jamaica is committed to promoting financial inclusion to take advantage of the improvements in the economy. The key thrust of the National Financial Inclusion strategy is to give Jamaican businesses and citizens the opportunity to access financial products and services which allow them to manage their business needs and build wealth.

Critical to the achievement of the National Financial Inclusion Strategy is ensuring that Bank of Jamaica and its partners, create the enabling environment for businesses and citizens through appropriate regulation and policy interventions, which would encourage the private sector to develop, innovative products for this new economy.

In advancing work on financial inclusion, Bank of Jamaica seeks to capitalise on emerging technologies, such as distributed ledger technology in both finance and regulation (RegTech) through strategic partnerships with the private sector. Bank of Jamaica will pivot to a more responsive regulatory model, being proactive in its research on digital finance, anti-money laundering regulatory models and taking a risk-based approach to supervisory oversight.

Financial Inclusion covers a range of dimensions, such as payments, credit, savings, investments and insurance. To be truly financially included, means that consumers must be empowered through financial education and literacy, as well as developing the consumer protection mechanisms for users of financial services, particular in the banking and payment services.

In 2018, Bank of Jamaica began the task of reviewing the Credit Reporting Act to determine how it may best enhance the use of the credit bureaus to better build the credit profile of businesses and citizens. It is anticipated that the outcome of this process will allow for wider coverage of the credit using adult population, so that lending institutions can manage the credit risk pricing process. Bank of Jamaica understands that improving the enabling environment requires partnerships between consumers and financial institutions. We embrace having frank conversations with all our stakeholders, so that we can identify the solutions that advance capital market development and expansion of financial services to the underbanked.

At the same time, the regular gathering of data which measures both demand and supply side indicators of financial inclusion is necessary to identify what are the barriers to expanding private sector credit and usage of new products. Bank of Jamaica encourages collaboration between diverse participants in the financial sector, particularly on information on business models, delivery of services using technology and the type of collateral which is best suited to each category of end-user.

Bank of Jamaica has been charged with the responsibility of coordinating the implementation of the National Financial Inclusion Strategy. This work, will result in a new Central Bank, which is responsive to the needs of its stakeholders.

Greater transparency in the regulatory processes and policy development can only encourage increased public confidence and stakeholder satisfaction in Bank of Jamaica.

Bank of Jamaica sits at the apex of the financial regulatory system. It is staffed and built by Jamaicans for Jamaican firms and households. The Financial Inclusion Strategy is translating complex concepts of monetary policy and supervisory oversight into language that every Jamaican can understand, means that all empowered.

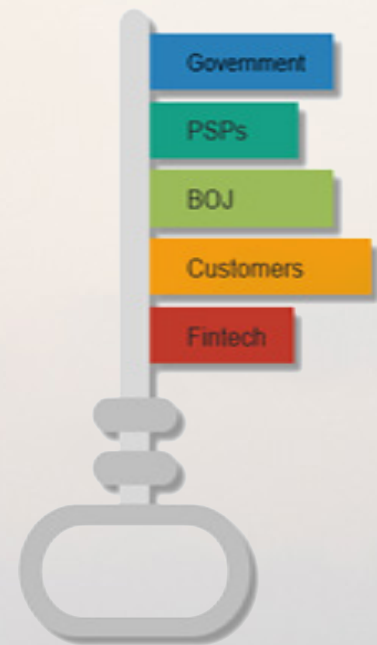
Bank of Jamaica is committed to building an inclusive economy for all Jamaicans. It is not enough to refer to our obligations to Vision 2030. Bank of Jamaica will implement the changes needed in our policies and regulatory oversight to achieve the sustainable development goals and foster an environment for business expansion while preserving financial stability. Join us on this journey.

Richard Byles, Governor

Bank of Jamaica

NATIONAL FINANCIAL INCLUSION STRATEGY

Sustainable Development Goals linked to Financial Inclusion



Key SDGs – 4 Quality Education, 8 Decent Work and Economic Growth, 9 – Industry, Innovation and Infrastructure, 10 – Reduced Inequalities





Message



Melanie Williams

Financial Inclusion Technical Secretariat, Bank of Jamaica

Priorities for the NFIS

Fintech

Suitable Products

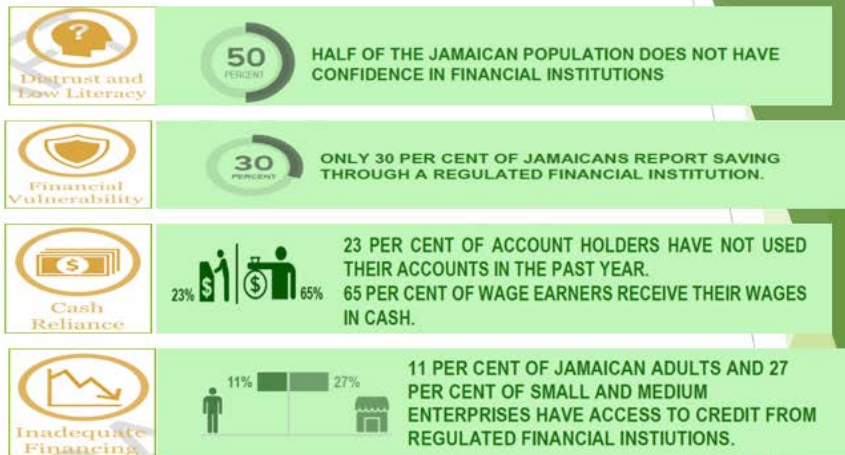
Digital Payments

Access to Finance

Graded KYC/CDD rules

Consumer Protection

Financial Literacy



The vision of the National Financial Inclusion Strategy (NFIS) is to achieve an inclusive financial system in which every adult and enterprise has access to, and is able to make full use of a range of suitable and affordable financial services.

The NFIS seeks to give Jamaicans the tools they need to become financially capable, build wealth, establish businesses and have increased confidence in regulated financial institutions. Financial inclusion focuses on improving the credit reporting infrastructure, encouraging capital market development and digital payments, while pursuing the goal of proportionate regulation to achieve financial growth while maintaining financial stability.

One the chief goals of NFIS, is financial empowerment, which seeks to place the consumer as the focal point of this new economy, through the creation of new market conduct driven regulatory policies, creating the environment for diverse payment facilities and taking active steps to dismantle the barriers to financial access and usage of financial products.

Under the leadership of the Minister of Finance and the Public Service, in his capacity as Chairman of the National Financial Inclusion

Council, there has been a concerted effort to improve our communication about financial inclusion and it means for Jamaican citizens and businesses.

In July 2018, at the second annual meeting of the National Inclusion Council, Bank of Jamaica launched its animated public service announcement on the National Financial Inclusion Strategy – which was the brainchild of the Minister of Finance and the Public Service.

Since then, Bank of Jamaica through the Financial Inclusion Technical Secretariat and in partnership with the Communication team of the Ministry of Finance and the Public Service (MOFPS); has engaged in its outreach via television, social media and town halls to increase the public's awareness of what it means to be financially included and financially empowered.

For successful empowerment of our consumers, Bank of Jamaica made the decision to go to the public and have discussions with them about their rights and responsibilities. This was the first thrust of our stakeholder engagement, which began in collaboration with MOFPS.

Bank of Jamaica has also supported the work of its NFIS partners, such as the Consumer Affairs Commission, Jamaica Deposit Insurance Corporation and the Financial Services Commission to sensitize the public about their rights under the existing Financial services legislation.

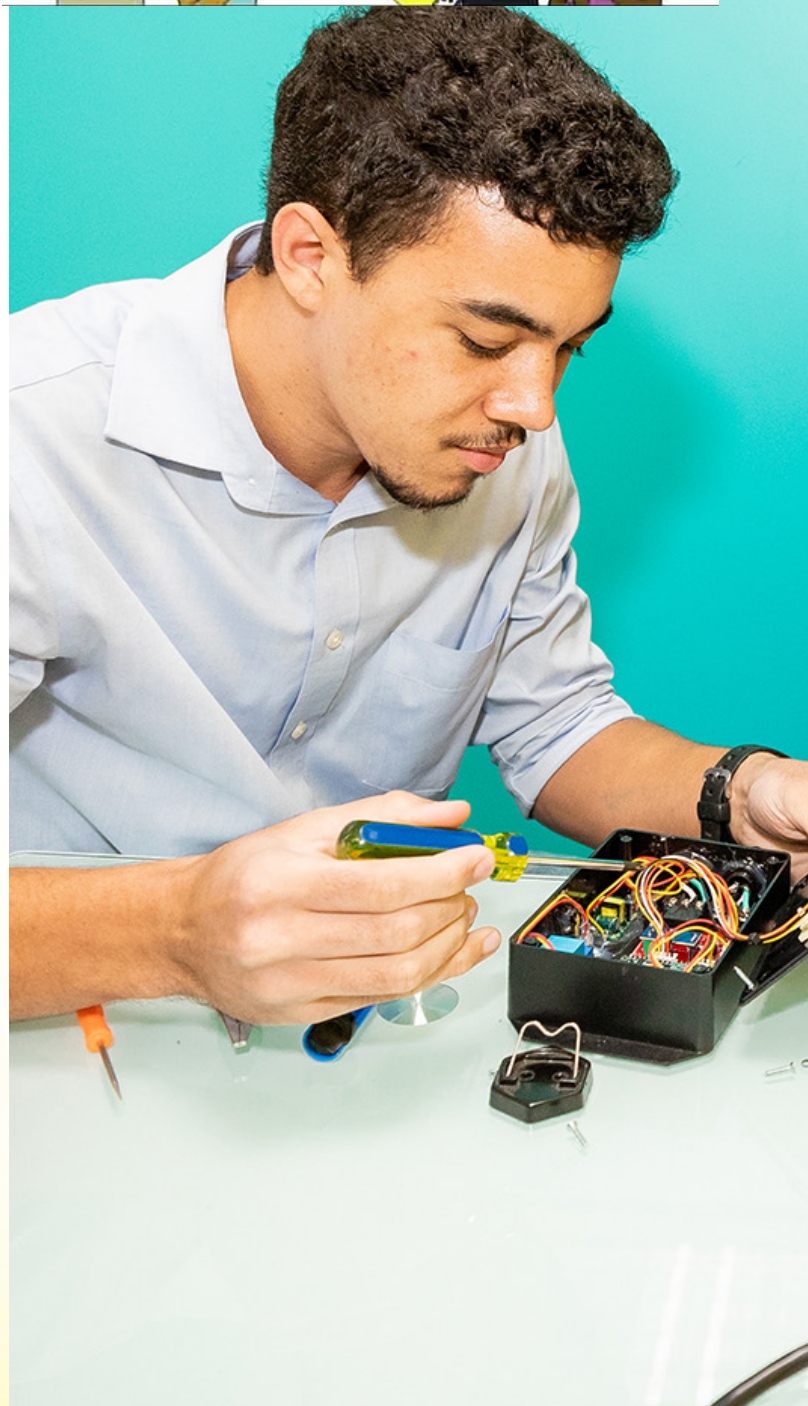
As part of the efforts to strengthen the coordinating role of the Financial Inclusion Technical Secretariat, Bank of Jamaica expanded the Secretariat to include additional resources who are focused on policy research and development, monitoring and evaluation and communication.

In engaging with the public, we have learnt much about the public's perception of the formal financial system. When faced with complicated documents to obtain access to financial services, be it credit facilities or savings accounts, persons feel intimidated or worse yet – frustrated. Our complex anti-money laundering and counter-financing of terrorism guidance to the industry must be revised to allow for simplified customer due diligence requirements. In 2018, Bank of Jamaica in partnership with the Ministry of National Security and the Ministry of Finance continued its work to achieve amendments to the Proceeds of Crime Act to allow for simplified customer due diligence requirements to be included in the regulatory framework.

To address the public's desire for greater consumer protection in the financial services industry; the public sector entities that form part of the National Financial Inclusion Strategic Network, invested much of their time in creating policy proposals for improving consumer protection and financial literacy.

In addition, Bank of Jamaica supported the work of its financial inclusion partners in developing proposals to reduce informality, increase the use of secured transactions and access to finance. In 2018, the National Housing Trust continued its work on improving access to housing micro-finance solutions, while seeking partnerships with credit unions and other institutions to reach our target beneficiaries – lower income contributors who need loans for home improvement and expansion.

In 2018, as will be seen from an examination of the impact and intermediate indicators, progress was made towards increasing the access points





for financial services and utilization of electronic retail payment services.

After the first year of implementation, it is heartening that the commitment of the NFIS partners and their private sector counterparts, the term “financial inclusion” is now part of the national discourse and informs policy development efforts. The successful implementation of the National Financial Inclusion Strategy has been a team effort – and requires the contribution of all stakeholders who have a vested interest in making Jamaica the place to live and raise families.

We are at the beginning of a journey to Jamaica’s achieving its sustainable development goals. Our continued progress towards empowerment of all Jamaicans will depend on our determination to achieve the objectives of the NFIS.



NFIS Brand Ambassador Theodore Henry and the Financial Inclusion Technical Secretariat interacting with the Public



NFIS Brand Ambassador Tishauna Mullings interacting with one of our future Financial Leaders

Executive Summary

After the first year of the successful implementation of the National Financial Inclusion Strategy, Jamaica continues to enjoy the benefits of greater consumer confidence and innovation in the business environment. With new entrants into digital finance under the Electronic Retail Payment Services, there is an increased urgency on the part of Government of Jamaica and Bank of Jamaica to build the enabling environment for innovation and interconnectivity in the delivery of financial services to all consumers. Only by understanding the needs of the consumers, have financial service providers harnessed the opportunities for greater efficiencies through product design and customer service. To be included, is to be empowered.

In 2018, the GOJ's Access to Finance project led by the Government of Jamaica and the Development Bank of Jamaica ensured progress on the eight MSME Finance action items. The Ministry of Finance and the Public Service and the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAF) advanced the MSME Growth agenda, including preparing policy proposals for reducing informality; improving the operationalization of the Security Interests in Personal Property Act and the efficiency of the National Collateral Registry with the support of the International Finance Corporation.

Through collaboration with MICAF and Bank of Jamaica, there were extensive consultations on the creation of updated supervisory guidance on credit risk management processes to be utilized by deposit taking institutions and ensuring a principles based approach was taken to the utilization to collateral, including moveable assets under SIPPA's secured transactions regime.

In 2018, the FISC Working Groups continued their work on consumer protection and financial literacy. In May 2018, the National Financial Literacy Action Plan was developed with technical assistance from the Inter-American Development Bank. Bank of Jamaica also submitted its policy proposals to create a consumer protection framework for its regulated entities, including deposit taking institutions.

The Housing Finance Working Group continued its work on the National Housing Policy and Housing Micro-Finance solutions, which offered a wider range of financial products through the National Housing Trust and select credit unions.

Four impact indicators improved, while incomplete data prevented accurate measurement of Financing for Growth indicators, particularly for agriculture finance.

Details of the work done by our Financial Inclusion Partners are featured throughout this report.



Introduction



In 2018, Bank of Jamaica followed through on its commitment to improve protections for consumers through an intense focus on developing proposals for a regulatory framework for consumer protection. The policy proposals for creating a consumer protection framework centered on designing additional protections for persons receiving services from deposit taking institutions, beyond that of requiring disclosure of information.

Starting in January 2018, Bank of Jamaica, in partnership with the Office of Technical Assistance of the US Treasury held a series of stakeholder consultations that concluded in March 2018 on the various options to be pursued for consumer protection. Key stakeholders which were consulted included the Ministry of Finance and the Public Service, the Consumer Affairs Commission, the Fair Trading Commission, the Financial Services Commission, the Jamaica Deposit Insurance Corporation, the Planning Institute of Jamaica and the Statistical Institute of Jamaica. Private Sector stakeholders, such as the Jamaica Cooperative Credit Union League were also consulted. The policy proposals were submitted to the Ministry of Finance and the Public Service in October 2018.

The matters discussed with stakeholders included designing recommendations for Bank of Jamaica's market oversight in the delivery of financial services, investigative and enforcement powers and resolution of consumer complaints, as well as identifying the various options for effective dispute resolution of consumer complaints. These policy proposals sought to create additional legal safeguards from those articulated in the Banking Services (Deposit Taking Institutions) (Consumer Related Matters) Code of Conduct, 2016. The Code of Conduct requires Bank of Jamaica's regulated entities to put in place processes to manage consumer complaints and disclose key contractual terms, such as the methodology of calculating interest payments to consumers.

In 2018, Bank of Jamaica and the Ministry of Education, Youth and Information led the effort to develop the National Financial Literacy Action Plan. With the assistance of the Inter-

American Development Bank, from February 2018 to May 2018, work intensified on the identification of the key objectives and the design of an action plan for delivery of financial educational content to the youth, both those in school and those at risk.

MSME Finance action items made significant progress during 2018, under the leadership of the Ministry of Finance and the Public Service, and the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAFA) and the Development Bank of Jamaica.

In January 2018, the Government of Jamaica executed an agreement with the World Bank for strengthening the Credit Enhancement Facility which is administered by the Development Bank of Jamaica. The execution of this agreement followed the 2017 agreement entered into by the Government of Jamaica with the Inter-American Development Bank for capital support for the Credit Enhancement Facility. Both agreements form part of the Access to Finance Project which aims to expand loans and business support services to MSMEs.

MICAFA also enhanced its MSME policy development arm, through additional resources for its dedicated MSME Office, which undertook work on launching an online resource portal for MSMEs on the Ministry's official website. Work also advanced on reducing informality, improving the secured transactions regulatory framework and research on the potential use of unclaimed funds to promote MSMEs.

In 2018, Bank of Jamaica, through the Retail Payments and Financial Infrastructure Working Group, advanced its work on electronic retail payments through the development of research papers on commitment savings and digitization of Government Welfare Payments. In collaboration with Development Bank of Jamaica, Bank of Jamaica staged a conference on promoting digital finance – a call for financial inclusion in June 2018. In July 2018, Bank of Jamaica in conjunction with CGAP held a three-day conference for regional Central Banks on regulatory enablers for financial inclusion.

In keeping with the Government of Jamaica's commitment to create a competitive environment for the delivery of banking services, the Government commissioned a banking

competition study, which began in October 2018. The objectives of the banking competition study are to measure the extent of competition between traditional regulated banks and other providers of credit, such as credit unions and micro-finance institutions. The study's objective is to provide updated information on impediments to financial inclusion, including regulatory barriers that may be impacting the expansion of electronic retail payments and digital financial solutions.

Through workshops and seminars, Bank of Jamaica sought to strengthen its institutional capacity to effectively manage consumer complaints, implement public sensitization on financial regulatory matters and promote greater awareness of credit reporting.

While these work-streams focused on the public sector, the Financial Inclusion Technical Secretariat spearheaded research on demand side surveys to measure consumer behaviour and financial literacy. This research informed the design of demand side questionnaires as Bank of Jamaica seeks to strengthen its data infrastructure to measure progress on financial inclusion. It is anticipated that the results of these surveys will aid in the design of appropriate interventions to promote financial inclusion.



Update on the National Financial Inclusion Strategy

During 2018, the FISC members of the and the Working Groups continued their work on implementation of the action items under the NFIS Pillars.

The four NFIS pillars are:

- Financial Access and Usage;
- Financial Resilience;
- Financing for Growth; and
- Responsible Finance.

These pillars are supported by the foundation of Supporting Financial Infrastructure, which seeks to create the environment for delivery of financial services to the public. Each of the fifty-three action items are grouped under the four NFIS pillars.

An examination of the progress of the project activities, demonstrates that the NFIS Pillar of Financing for Growth advanced much more aggressively in relation to the other NFIS Pillars during 2018.

Progress on the Financing for Growth action items was driven by the implementation of the MSME Finance action items, by the MSME Finance Working Group.

Most notably, progress on the eight MSME Finance action items was accompanied by work on key NFIS action items that sought to improve the Supporting Infrastructure for Financial Inclusion.

The Consumer Protection and Financial Capability Working Group achieved significant progress on its deliverables, as it pursued the policy proposals for the consumer protection framework for deposit-taking institutions, payment service providers and money service businesses. The Consumer Protection and Financial Capability Working Group also completed work on the National Financial Literacy Action Plan.

The detailed discussion of the pillars is in the Appendix.



Monitoring and Evaluation Framework

For the period under review, the Financial Inclusion Technical Secretariat reviewed data on the intermediate and impact indicators. These are measured annually as a method of tracking progress on the NFIS objectives.

Impact Indicators

The required period for conducting the measurement and evaluation of each impact factor varies, from annual, to biennial and triennial measurements being mandated.

The period of review is the annual performance of the relevant impact indicators during the calendar years of 2015 to 2018.

Table 2 shows the impact indicators which are to be measured annually. These indicators focus primarily on the Financial Access and Usage pillar and on the Financing for Growth pillar. As can be seen from a review of Table 2, each impact indicator had a baseline figure measured in 2015 and the intended target for 2020.

The review of the data demonstrates that there has been a gradual improvement in four indicators from the 2015 baseline figures. These are:

- (a) Number of deposit accounts with commercial banks per 1,000 adults;
- (b) Number of electronic retail payments (via commercial banks) per capita per year;
- (c) Number of access points per 1,000 square kilometer; and
- (d) Number of access points per 10,000 adults.

As can be seen from Table 3, the year on year change in select impact indicators shows the most significant improvement happening in the indicators that measure the dimension of financial access. Financial access is measured through geographical distribution of access points and bank account ownership. Usage of digital financial services through electronic retail services done via commercial banks, also

reflects the increased consumer confidence in the payment solutions presented by online banking and point of sale access.


Despite these positive indicators, the ratio of deposits to GDP has steadily declined since 2015. The level of unclaimed funds reported by commercial banks has stagnated at 0.9 for the past 2 years, i.e. 2017 and 2018. These results may be due to a number of factors, such as low interest rates on deposits and relatively high fees on select banking services, which incentivize customers to seek investment opportunities in the capital markets rather than save. While the use of electronic retail payments increased slowly, consumers prefer cash as a means of transferring value, due in part to its anonymity and universal acceptance.

As investments in capital markets are another measure of financial inclusion, the National Financial Inclusion Council instructed that data be obtained on the annual investment in the capital market from the Jamaica Stock Exchange (JSE) and in the Jamaica Central Securities Depository Limited (JCSD) for the period 2017 to 2018.

Information provided by the JSE indicates that the number of initial public offerings has steadily increased from 2015 to 2018. Please see Table 4.

In keeping with the Government's policy to promote financial inclusion through expanding the number of investors in the equities market, Table 5 tracks the year on year growth of investors on the JSE. As at the end of 2017, there was a 86.51% increase in the number of investors from the previous year. The trend of new investors entering the equities market continued in 2018, with a 10.37% increase in investors as at December 2018.

As expected, there has concurrent growth in the number of accounts maintained at the Jamaica Central Securities Depository. Please see Table 6.

A close-up photograph of a fisherman's hands sorting through a large catch of fish on a boat. The fish are piled in a wooden tray and a metal bucket. The fisherman is wearing a blue and white striped shirt. The background shows the ocean and the boat's structure.

With regard to the other impact indicators, a key indicator is the value of private sector credit extended by deposit taking institutions to medium, small and micro-sized enterprises. For the review period of 2018, private sector credit flows to MSMEs worsened from its 2017 figures. Using the national definitions for each category, as at end December 2017, 13.90% of private sector credit was extended to MSMEs. This figure contracted as at the end of December 2018 to 10.70% of private sector credit.

There is incomplete data on two indicators, namely, the value of loans to the agricultural sector and the value of outstanding residential mortgages as a percentage of GDP. The data and information received is for deposit-taking institutions (DTIs) only.

Table 1: Status of NFIS Impact Indicators

Pillar	Impact Indicator	Baseline 2015	2016	2017	2018	Target 2020	Source
Financial Access and Usage	Number of deposit accounts with commercial banks per 1,000 adults	1152	1078	1583*	1629	1500	BOJ
	Unclaimed deposits (for 7 years or more) to total deposits (%) - DTIs	1.2	1.3	0.9	0.9	0.5	BOJ
	Number of electronic retail payments (via commercial banks) per capita per year	33	37	39	52	50	BOJ
	Number of access points per 1,000 sq. km	3073	2484	2715	3302	5000	BOJ
	Number of access points per 10,000 adults	136	128	139	169	240	BOJ
	Individual Deposits (%GDP) – DTIs & Credit Unions	28	29	25.7	25.8	31	BOJ
Financing for Growth	Value of loans to MSMEs (as % of total private sector credit) – DTIs (Fiscal Year Basis)*	11	N/A	13.90* (revised data)	10.7	12	BOJ
	Value of loans to agricultural sector (as % of total lending) – DTIs + NPCB	2.4	1.5	1.2* (DTIs only) (revised data)	1.8 (DTIs only)	4.0	BOJ/ NPCB
	Value of outstanding residential mortgages – DTIs, Credit Unions and NHT (%GDP)	21	7.6	8.2	6.7*** (DTIs and Credit Unions only)	30	BOJ/NHT

Notes:

*This reflects data for deposit-taking institutions only.

Table 2: Year on Year % Change of Select NFIS Impact Indicators

Impact Indicators	2015	2016	2017	2018
Number of deposit accounts with commercial banks per 1,000 adults	1152	-6.42%	46.85%	2.91%
Unclaimed deposits (for 7 years or more) to total deposits (%) - DTIs	1.2	8.33%	-30.77%	0.00%
Number of electronic retail payments (via commercial banks) per capita per year	33	12.12%	5.41%	33.33%
Number of access points per 1,000 sq. km	3073	-19.17%	9.30%	21.62%
Number of access points per 10,000 adults	136	-5.88%	8.59%	21.58%
Individual Deposits (%GDP) – DTIs & Credit Unions	28	3.57%	-11.38%	0.39%

Source: BOJ

Intermediate indicators

As part of the monitoring and evaluation framework, there are ten intermediate indicators, which measure Jamaica's progress towards financial inclusion throughout the project's timeline. See Table 3.

Of these, for the period under review, four intermediate indicators are moving in a positive direction towards the 2020 targets, and in some cases exceeded the targets. These are:

- a. The number of remittance agents (determined by location);
- b. The percentage of the adult population covered by the credit bureaus; and
- c. The number of micro, small and medium-sized enterprises supported by the Partial Credit Guarantee (PCG).

In contrast, other indicators stagnated, most notably the percentage of land plots that were registered in 2018; and the number of micro-insurance products, which are in the market place. The stagnation in the expansion of micro-insurance products has been caused, in part, by the resource constraints in the developing the legislation to support the regulation of micro-insurance providers and product offerings. The regulator continues to work closely with the Inter-American Development Bank to develop its policy proposals on micro-insurance.

In keeping with the decision of the Chairman of the National Financial Inclusion Council, key intermediate indicators included the number of initial public offerings that have listed on the Jamaica Stock Exchange and the public's participation in the equities market. Based on data received from the stock exchange, since 2017, there has been a 44.44% year on year (YOY) decline in the number of new listings on the Main Jamaica Stock Exchange for 2018, with a 40% YOY increase in the number of new listings on the Junior Stock Exchange for that period. The bond market stagnated during the years 2017 – 2018, in terms of new listings. The total number of new listings increased YOY by 6.25% in 2018. Please see **Table 4** and **Table 5** for further information.



Table 3: Status of Intermediate Indicators as at December 2018

Pillar	Intermediate Indicator	Baseline	2016	2017	2018	Target 2020
FINANCIAL ACCESS AND USAGE	Percentage of direct benefit transfers payments transmitted via electronic retail payment products (using PATH beneficiaries as a proxy)	11	13	13.71	12.37	28
	Number of remittance agents (by location)	402	422	425	453	450
FINANCIAL RESILIENCE	Number of micro-insurance products	25	7++	7++	7++	50
FINANCING FOR GROWTH	Percentage of the adult population covered by credit bureaus	22	22	25	43	40
	Percentage of land plots registered	59	59	60	60	65
	Number of MSMEs supported by Partial Credit Guarantee (PCG) Programme	51	77	65	140	300
	Per cent of NHT contributors accessing benefits through NHT	34	43	38	26.5	60
RESPONSIBLE FINANCE	A: Per cent of financial consumer complaint cases resolved (of those received)	76	53*	56	58	N/A
	B: Number of complaints received (via BOJ, FSC, CAC)	214	195	223	211	N/A

Source: BOJ, CAC, DBJ, FSC, MLSS, NHT

Notes:

*The data set for 2016 is incomplete, as BOJ was unable to confirm the percentage of complaints, which was resolved in 2016.

++ Currently, there are no approved micro-insurance products in Jamaica, as the current legislative framework does not address micro-insurance business. The figures presented are insurance products offered in Jamaica that have some of the characteristics of micro-insurance product as per the intended framework.

Table 4: Number of New Listings in the Jamaica Stock Exchange

Number of New Listings				
	2018	2017	2016	2015
Main Market	5	9	5	1
Junior Market	7	5	6	1
USD Equities Market	4	1	1	0
Bond Market	1	1	1	0
TOTAL	17	16	13	2

Source: Jamaica Stock Exchange

Table 5: Number of Investors trading on the Jamaica Stock Exchange

Year	Number of Investors	YOY% change
2015	3412	-
2016	7991	134.20%
2017	14904	86.51%
2018	16450	10.37%

Source: Jamaica Stock Exchange

Chart 1: Number of Investors in Jamaica Stock Exchange

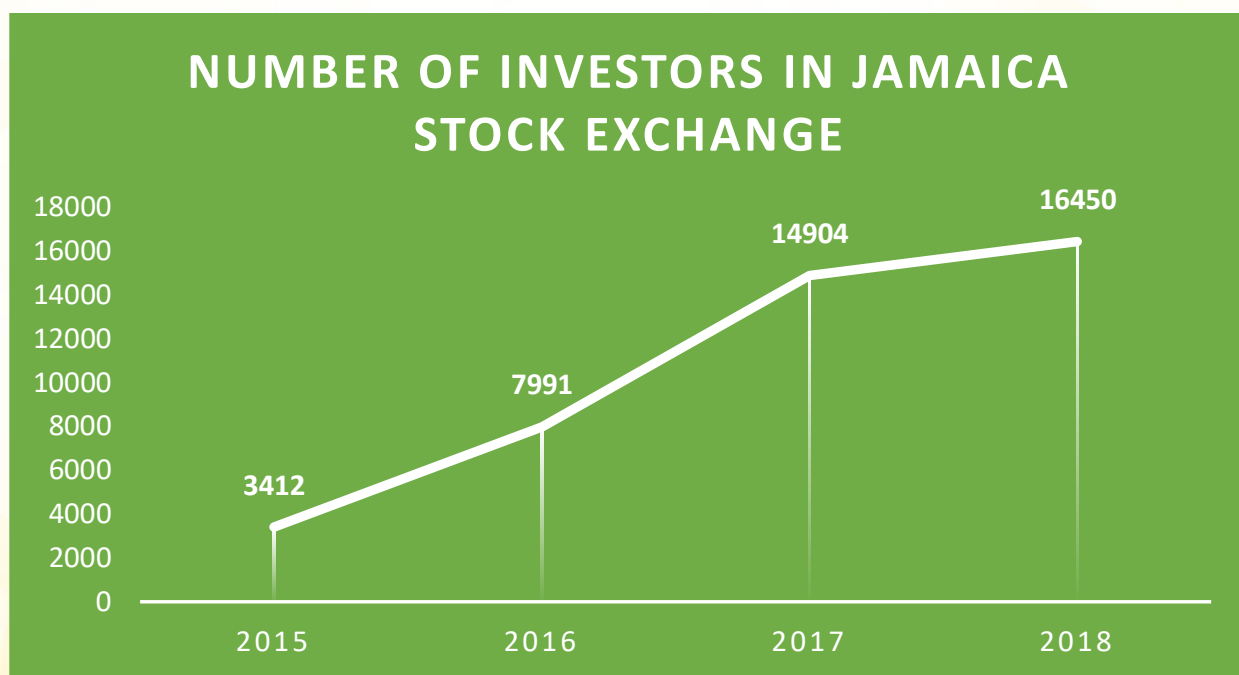
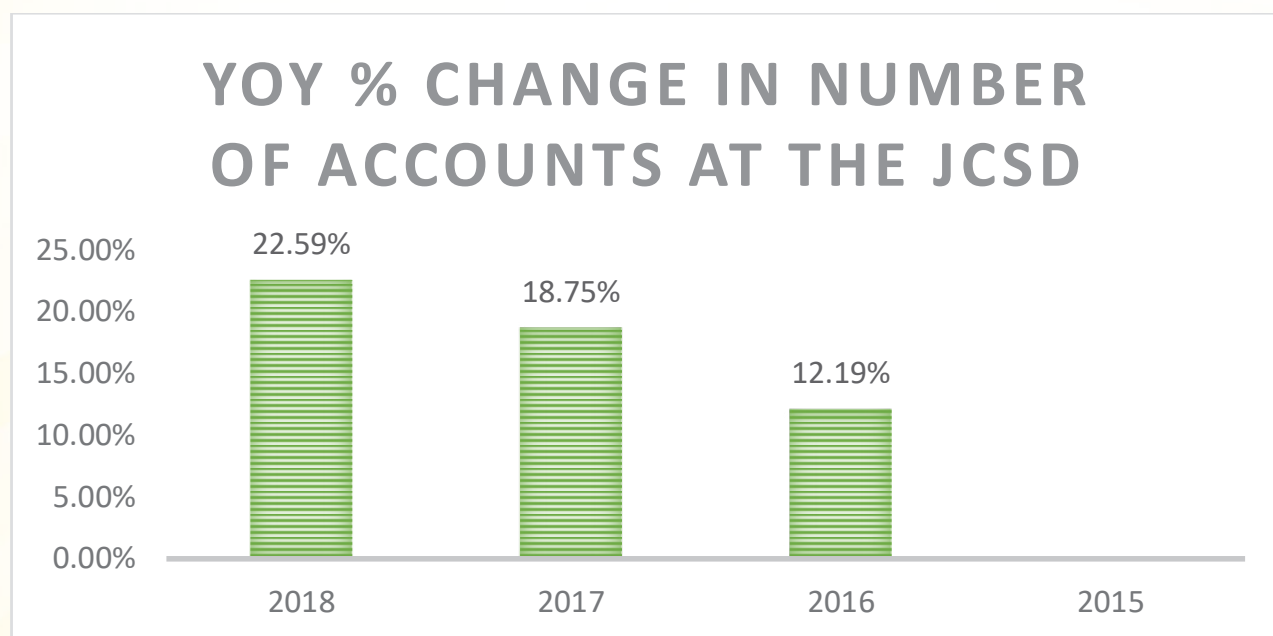


Table 6: Number of Accounts held at the Jamaica Central Securities Depository

Number of Accounts Held at the JCSD				
Year	2018	2017	2016	2015
TOTAL	199,145	162,443	136,798	121,932

Source: Jamaica Stock Exchange

Chart 2: Year on Year change in number of accounts at JCSD



Changes in the Governance Framework

The Council is chaired by the Minister of Finance and the Public Service. Its other members are the Governor of the Bank of Jamaica, in his capacity as the chair of the Financial Inclusion Steering Committee ("FISC"), the Financial Secretary and the members of the FISC. Please see Figure 1.

Bank of Jamaica continued its role in chairing the Financial Inclusion Steering Committee. There were three meetings of the Financial Inclusion Steering Committee, which were held on 1 May 2018 and 9 November 2018.

Reporting to the Financial Inclusion Steering Committee are four Working Groups, the Retail Payments and Financial Infrastructure Working Group, the Consumer Protection and Financial Capability Working Group, the MSME Finance and Agriculture Finance Working Group and the Housing Finance Working Group. All four working groups met in 2018.

In November 2018, there was a change in the leadership of the Retail Payments and Financial Infrastructure Working Group, as Deputy Governor Livingstone Morrison retired from Bank of Jamaica. The new chairperson of the Retail Payments and Financial Infrastructure Working Group is Deputy Governor Natalie Haynes, whose portfolio includes Banking, Currency Operations and Financial Markets Infrastructure Oversight.

Efficiency gains in the administration of the Working Group meetings were achieved by leveraging technology to have virtual meetings, so that valuable productive time could be spent on reviewing the status of implementation and policy discussions while minimising loss of productive time to travel. It is expected that these administrative efficiencies will be extended to the periodic meetings of the Financial Inclusion Steering Committee.



Figure 2: 2018 NFIS Leadership Team



The FISC Working Group Chairs for 2018/2019

– the Team behind the NFIS



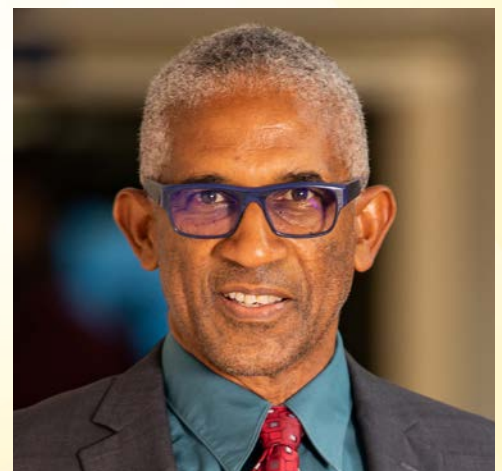
Mrs. Natalie Haynes
*Deputy Governor, Bank of Jamaica
Chair of the Retail Payments
and Financial Infrastructure
Working Group*



Mrs Nicolette Jenez
*Chair of the Consumer
Protection
and Financial Capability
Working Group*



Mr Milverton Reynolds
*Chair of the MSME
Finance
and Agriculture Finance
Working Group*



Mr Donald Moore
*Chair of the Housing
Finance
Working Group*



Financial Inclusion Technical Secretariat

The Financial Inclusion Technical Secretariat is a dedicated project unit that is provided by Bank of Jamaica, with the mandate of monitoring the implementation of the NFIS portfolio of project activities, as well as coordinating the activities of the NFIS partners through the Financial Inclusion Steering Committee. Periodic reports are submitted to the Minister of Finance and the Public Service in his capacity as chair of the National Financial Inclusion Steering Committee.

The Financial Inclusion Technical Secretariat's functions include:

- (i) Conducting policy research on matters under the NFIS and providing policy positions to promote the NFIS objectives of greater financial inclusion;
- (ii) Collaborating with the NFIS stakeholders (public sector; private sector and non-governmental organisations) in implementation of the NFIS;
- (iii) Coordinating the meetings of the Council, the FISC and the Working Groups;
- (iv) Obtaining technical assistance to build Bank of Jamaica's internal capacity to implement its assigned NFIS action items;
- (v) Arranging conferences, workshops and seminars to build the institutional capacity of the NFIS participating entities to execute the relevant financial inclusion objectives;
- (vi) Monitoring and evaluating progress towards the NFIS objectives, through measurement of the NFIS impact indicators and intermediate indicators;
- (vii) Publishing periodic reports on the

status of project implementation, including annual reports on the NFIS project; and

- (viii) Hosting town hall meetings and other methods of communication and outreach to promote greater awareness of the NFIS, its relevance to Jamaicans and MSMEs.



Figure 3: Structure of the Financial Inclusion Technical Secretariat



The Financial Inclusion Technical Secretariat



From left to right: Ms. Ashley Bishop, Legal analyst, Mrs. Trudy-Ann Newby, Administrative Assistant, Ms. Melanie Williams, National Financial Inclusion Coordinator, Ms. Kadah Harriott, Monitoring & Evaluation Officer; and Ms. Elise Spencer, Research Analyst

Conferences, Workshops and Seminars

(a) In March 2018, the Financial Inclusion Technical Secretariat, in conjunction with the Office of Technical Assistance hosted a series of stakeholder consultation meetings on financial services consumer protection. Participants included representatives from the Ministry of Finance and the Public Service; Bank of Jamaica, the Consumer Affairs Commission (CAC), the Fair Trading Commission (FTC); the Financial Services Commission; and the Jamaica Deposit Insurance Corporation.

(b) In March 2018, the Financial Inclusion Technical Secretariat facilitated the participation of Bank of Jamaica at the National Consumers League Town Hall meeting on World Consumer Rights Day: Making Digital Marketplaces Fairer.

In March 2018, the FI Secretariat with the assistance of MICAFA, and the International Finance Corporation arranged for two representatives of Bank of Jamaica to attend the APEC Secured Transactions Workshop. Subsequently, with the permission of MICAFA, a representative from Bank of Jamaica attended the thirty-third session of UNICITRAL Working Group VI (Security Interests), New York held from 30 April to 4 May 2018.

(c) In June 2018, the Financial Inclusion Technical Secretariat and the Payment Systems Department of Bank of Jamaica; and the Development Bank of Jamaica hosted the BOJ/DBJ Conference on "A Call to Action: Driving Financial Inclusion with Digital Payments". Ninety-three (93) participants attended the conference, which explored the following topics:

- (i) Promoting financial inclusion through electronic retail payment services,
- (ii) Steering micro, small and

medium sized enterprises into the digital age,

(iii) Digitizing Jamaica through payment innovations; and

(iv) Consumer protection and best practices in a digital age.

(d) In July 2018, the Financial Inclusion Technical Secretariat and the Payment Systems Department of Bank of Jamaica in partnership with the Consultative Group Against Poverty ("CGAP") hosted a seminar on "Regulatory Enablers for Digital Finance", which included representatives from four regional central banks, who were members of the Fintech Working Group established by Caribbean Central Bank Governors. There were 30 participants in the workshop. The workshop examined the benefits of leveraging Fintech solutions to advance financial inclusion. Topics included:

- (i) Introduction to the Regulatory Framework for Inclusive Digital Financial Services;
- (ii) Non-bank e-money issuers;
- (iii) Use of Agents;
- (iv) Consumer Protection in a Digital Era;
- (v) Dynamics between Policies and Businesses; and
- (vi) Risk-based approach (Tiered AML/CFT requirements)

(e) In September 2018, On 25 – 27 September 2018, at the Global Youth Economic Opportunities Summit, the FI Technical Secretariat presented on the National Financial Inclusion Strategy and the development of the National Financial Literacy Action Plan and the interim National Financial Literacy Strategy. The latter initiative will be implemented by

the Ministry of Education, Youth and Information (MOEYI), and is being branded as the Jamaica Financial Empowerment Programme (JFEP). Co-presenters were representatives of MOEYI and Ms. Danielle Hopkins, of IF Consulting Limited. For additional resources, please see the link below:

http://www.boj.org.jm/financial_sys/national_financial_inclusion_strategy.php

<https://www.youtube.com/watch?v=T6R57Qzlx8E>



on TV Jamaica, RJR, Irie FM

<https://youtheconomicopportunities.org/resource/10035/financial-empowerment-role-everyone>

 YouTube



@CentralBankJA

- (f) In October 2018, the Financial Inclusion Technical Secretariat participated in the Caribbean Microfinance Alliance's Forum. Topics covered include:
 - (i) Disaster Risk Management;
 - (ii) "Going Green";
 - (iii) Going Digital;
 - (iv) Social Performance Management;
 - (v) Access to Funding;
- (vi) AML/CFT Compliance; and
- (vii) Knowledge Sharing.
- (g) In December 2018, the Financial Inclusion Technical Secretariat presented Jamaica's experience in developing and implementing the National Financial Inclusion Strategy at the World Bank conference on "NFIS Toolkits: Developing & Operationalizing National Financial Inclusion Strategies for the Digital Economy". For additional resources, please see the link below:

<https://www.worldbank.org/en/topic/financialinclusion/brief/developing-and-operationalizing-a-national-financial-inclusion-strategy-training-materials>

For further information on Bank of Jamaica, please see:

Research and Policy Development

- (a) In March 2018, the Financial Inclusion Technical Secretariat completed its research paper on financial literacy in schools, which was shared with the Inter-American Development Bank. In May 2018, the Inter-American Development Bank provided technical assistance through the firm IF Consulting Limited to the Ministry of Education, Youth and Information for the preparation of a National Financial Literacy Action Plan and Interim Strategy. The Financial Inclusion Technical Secretariat, in collaboration with members of the Consumer Protection and Financial Capability Working Group contributed its policy recommendations to inform the paper.
- (b) In May 2018, the Financial Inclusion Technical Secretariat, with the assistance of the Office of Technical Assistance, US Department of Treasury ("OTA") and other stakeholders, including CAC and FTC finalised its research paper on DTI Consumer Protection models and policy proposals enhancing the regulatory framework for consumer protection. This paper informed the concept note on DTI consumer protection which was submitted by Bank of Jamaica to MOFPS.
- (c) In November 2018, the Financial Inclusion Technical Secretariat prepared a research paper on digitization of government welfare payments, a summary of which was presented at the National Payments Council.



Executive Director for Communications, Noel Greenland discussing financial inclusion with a student

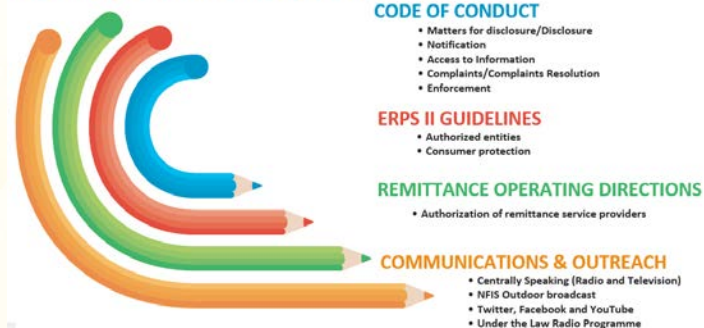
Communication and Outreach

Bank of Jamaica was assisted by the Communication teams of the Ministry of Finance and the Public Service, led by Mrs. Elaine Oaxmendi-Vicet, in its public outreach and engagement in 2018.

As part of its financial inclusion engagement with the public, Bank of Jamaica sought to educate the public on its regulatory powers.

BANK OF JAMAICA

Regulatory Mechanisms to protect the consumer



Below are some of the highlights for 2018.

- (a) On 27 July 2018, Bank of Jamaica hosted the National Financial Inclusion Council Meeting, at which the Annual Report was tabled. The Financial Inclusion Technical Secretariat launched its animated public service announcement on the National

Financial Inclusion Strategy, which was created by Mr. George Hay. A play was staged by the Kenneth Salmon Drama Troupe to promote greater understanding of financial inclusion. The NFIS Brand Ambassadors were also introduced to the public. The NFIS Annual Report for 2017 and the public service announcement may be accessed on Bank of Jamaica’s website using the hyperlink below:
http://www.boj.org.jm/financial_sys/national_financial_inclusion_strategy.php#

- (b) In collaboration with MOFPS, Bank of Jamaica and the NFIS Ambassadors appeared on the MOFPS programme “Let’s Talk Finance” on Nationwide on the following dates:

- (i) 26 July 2018;
- (ii) 8 August 2018;
- (iii) 25 August 2018.

MOFPS also facilitated three (3) programmes on its television series “Finance Matters.” For additional resources, please see the hyperlink below:

<https://www.youtube.com/watch?v=5FZmMSLM6A8>

- (c) In June 2018, the Financial Inclusion Technical Secretariat launched its jingle that is now in rotation on radio stations and used in the outdoor broadcasts.
- (d) MOFPS facilitated Bank of Jamaica’s public sensitization on financial inclusion matters on its television programme “Finance Matters” in June 2018.





IRIE FM has been a critical partner in taking the financial inclusion message to the people through its outdoor broadcasts.



Members of the Financial Inclusion Technical Secretariat engaging with the Public during the Financial Inclusion Road Show.

Key themes for Financial Literacy

Money management

Planning for the Future

Use of Financial Services

Rights and Responsibilities of Consumer dealing with regulated Financial Institutions



Technical Assistance

The Financial Inclusion Technical Secretariat in collaboration with the NFIS Partners, led by MOFPS obtained technical assistance from the following agencies, among others, for the reporting period:

- (a) The Consultative Group Against Poverty/ World Bank on digital finance;
- (b) The Inter-American Development Bank on development of the national financial literacy;
- (c) The International Finance Corporation on secured transactions and asset based lending under BASEL II/III;
- (d) The Office of Technical Assistance, US Treasury on research on DTI consumer protection, interoperability and a national payments switch, commitment savings products and retail payments infrastructure access policy; and
- (e) Mr. David Marston on the development of design of specific financial deepening agenda focusing on the Financial Sector Assessment Programme and deepening of the capital markets.



Pictorial Highlights of NFIS Activities in 2018



The Hon. Dr. Nigel Clarke, Minister of Finance at the 2nd Annual NFIS meeting held 27 July 2018.

Premier of the BOJ Financial Inclusion Play, staged by the Kenny Salmon Drama Troupe



NFIS Ambassador Mr. Theodore Henry, speaking at the 2nd Annual NFIC Meeting, on 27 July 2018



NATIONAL FINANCIAL INCLUSION STRATEGY

Access for **ALL** 



NFIS Ambassador and
Chevening Scholar, Ms.
Tishauna Mullings



The Hon. Minister Fayval Williams, with the Ministry of Finance's Communication Team and the BOJ's Board Secretariat and the Financial Inclusion Technical Secretariat

Mrs. Elaine Oaxmendi Vicet, Head of
Communications, Ministry of Finance and
Mr. Milverton Reynolds, Managing Director
of Development Bank of Jamaica and head
of the MSME Finance Working Group



Melanie Williams, National Financial Inclusion Coordinator, presenting at the World Bank's Conference on the NFIS Toolkit, December 2018



Participants in the BOJ/CGAP Conference on Regulatory Enablers for Digital Finance, July 2018

Participants in BOJ/DBJ Conference on Digital Finance and Financial Inclusion, June 2018





Mrs. Nicolette Jenez, Deputy Executive Director, Financial Services Commission and Head of the Consumer Protection and Financial Capability Working Group; with FSC's Mrs. Nadia Teape and Mr. Dwight Hamilton.



Appendix

Details of activities under the NFIS Pillars

Financial Access and Usage Pillar

There are six action items under the Financial Access and Usage Pillar, which are meant to result in an increase in the number of access points for financial services.

Under the Financial Access and Usage Pillar, the following were the achievements for the period under review:

- a. November 2018 – BOJ issued its updated ERPS Guidelines (ERPS II) which have an effective date of 1 February 2019. The objectives of ERPS II include the promotion of greater financial inclusion and the promotion of competition in retail payment services. ERPS II included revised account limits and daily transaction threshold limits for ERPS products, as well as the requirement for payment service providers to ensure that appropriate systems are put in place to promote consumer protection, privacy and education.
- b. November 2018 – BOJ completed a research paper on the benefits of the digitization of government welfare payments as a catalyst to promote financial inclusion. As a subsequent development, a summary of the key recommendations of the paper was submitted to the National Payment Council at its meeting in February 2019.
- c. November 2018 – The Ministry of Labour and Social Security published its expressions of interest soliciting bids on the provision of benefits with ERPS products.
- d. October 2018 – The Ministry of Finance and the Public Service, with the support of other public stakeholders

procured consultancy services to conduct a banking competition study. The projected date of completion of the study is at the end of September 2019.

- e. August 2018 – BOJ completed its research paper on commitment savings products and consulted with external and internal stakeholders on the proposals through the Retail Payments and Financial Infrastructure Working Group. Further revision of the policy proposals is ongoing.

For the reporting period, there were four authorized ERPS providers operating in the market, which included two commercial banks and two non-deposit taking institutions. BOJ authorized a new ERPS product, Sagicor Swipe in July 2018.

Table 7: Quarterly Performance of EPRS Products for 2018

Date	Total Accounts	Active Accounts	Transaction Volume	Transaction Value(J\$)	E-Money (J\$)
Mar-17	56852	13432	17,561.00	221,650,289.83	11,215,257.65
Jun-17	43823	13310	564,739.00	216,251,596.57	18,173,489.69
Sep-17	43585	13448	471,879.00	209,041,737.55	19,225,836.10
Dec-17	21062	17075	557,097.00	242,946,997.30	19,226,547.63
Mar-18	21901	14607	640,263.93	279,770,384.35	20,300,302.11
Jun-18	37316	15658	708,715.40	322,702,216.70	12,286,371.43
Sep-18	37570	16888	785,846.72	370,750,413.70	13,455,209.56
Dec-18	46482	21745	1,002,094.00	592,930,698.71	21,149,923.47
Total	46482	21745	4,748,196.05	2,456,044,334.71	135,032,937.64

Source: Bank of Jamaica

Financial Resilience Pillar

The Financial Resilience pillar supports reforms that will contribute to increased savings, insurance, and retirement accounts for the low-income and informal segments of the population.

The following were the achievements for the period under review:

- a. March 2018 – FSC finalized its concept paper on micro-insurance and proposed amendments to the Insurance Act and submitted these to the Ministry of Finance and the Public Service. The FSC continues to receive technical assistance from the Inter-American Development Bank in the preparation of a concept paper on proposed micro insurance regulations.
- b. August 2018 – BOJ obtained feedback from public sector stakeholders and the Office of Technical Assistance, US Treasury Department on its research paper on commitment savings. BOJ is revising its policy

proposals based on feedback received.

- c. December 2018 – FSC secured funding for a consultant to assist in the project on micro-pensions. Procurement would be done in April 2019.

Financing for Growth

This pillar has 22 action items which cover the thematic areas of MSME Finance, Agriculture Finance and Housing Finance.

MSME Finance

Under MSME Finance, there are nine action items including matters related to factoring, leasing, venture capital and capacity building of MSMEs.

The following are the updates under this thematic area for this reporting period:

World Bank Access to Finance Project

- a. In January 2018, the Government of Jamaica (GOJ) launched the World Bank Access to Finance project, which is geared toward the improvement of Micro, Small and Medium Enterprises (MSMEs) through the provision of suitable financial products and services. The project is valued at US\$15 million and will be executed over a period of 5 years from January 2018 to January 2023. The project lead is the Development Bank of Jamaica (DBJ).
- b. Project components are:
 - i. US\$5.55M – Capitalization and Enhancements to the CEF including Marketing, Training and Software for AFI qualification assessment,
 - ii. US\$7M – Supporting the establishment of an SME Fund,
 - iii. US\$1.56 – Enabling environment for MSMEs including the development of financial instruments (such as factoring and leasing products); and business development services for MSMEs to improve bankability; and
 - iv. US\$0.89M – Project Management.
- c. As at the end of December 2018, for component 1 of the project, DBJ had completed the project activities which related to the strengthening of the governance of the Credit Enhancement Fund, such as revising the financial model, the internal operational processes and procedures and developing a training plan.
- d. For component 2, on the establishment of a SME Fund, DBJ completed its demand side analysis during the reporting period; and commissioned a review of the private equity/venture capital taxation framework.
- e. For component 3, which focused on creating an enabling environment for MSMEs, DBJ completed its feasibility assessment on factoring in January 2018. The feasibility study for factoring demonstrated that reverse factoring was a viable product offering for the Jamaican market, as it allowed for the credit worthiness of the anchor firm in a supply chain, to inform the advancement of working capital financing to the anchor firms' suppliers. A decision was made by DBJ to pursue this option and the procurement processes for the engagement of a consultant to advise on the design of an electronic factoring platform and the supporting legal and administrative arrangements began in September 2018.
- f. DBJ also completed its market assessment of the viability of financial leasing for MSMEs in January 2018. It was determined that leasing was not a feasible product to promote greater access to finance for MSMEs at this time.
- g. As a subsequent development, the consultancy for the reverse factoring platform began in January 2019. It is anticipated that the procurement processes for the acquisition of the reverse factoring platform will be completed by the third quarter of 2019, and the platform will be acquired in December 2019. There will be a review of DBJ's product offerings, including its Ignite Voucher Programme, to better tailor these to the needs of MSMEs. (move up)

IDB Credit Enhancement Programme for MSMEs

- h. In September 2017, GOJ entered into an agreement with the Inter-American Development Bank to strengthen the CEF, so that it could better serve the interests of MSMEs. The project will be executed in 5 years from September 2017 to September 2022. Under the Project, US\$20 million project that with the objective of improving access to finance for MSMEs in Jamaica. DBJ is the project lead for this programme, which is supported by other financial inclusion partners, including MOFPS, MICAF and BOJ, through the Financial Inclusion Technical Secretariat.
- i. Project components are:
 - i. US\$19.8M – This sum will be allocated during the programme, to be utilized as a capital injection into the CEF to increase the capital base of the fund,
 - ii. US\$200,000.00 – This sum will be used to cover administrative, monitoring and evaluation and external audit costs; and
 - iii. US\$250,000.00 – This grant is to facilitate the procurement of an information technology system that will improve the efficiency and effectiveness of the programme.
- j. For the financial year 2017/2018, US\$2 million (JM\$250 million) was allocated for Project.
- k. During the reporting period of January to December 2018, DBJ granted 140 guarantees, totaling J\$848 million, which supported loans of J\$2.15 billion. Of these guarantees, 36% was supported loans to women-headed MSMEs and 1% supported loans to MSMEs for energy related projects.

Venture Capital

- l. June 2018 – FSC completed its stress testing of private pension plans, as a prerequisite to refining its policy recommendations for amendments to the Pensions (Superannuation Funds and Retirement Schemes) (Investment) Regulations to permit investments in private equity and venture capital funds. The proposals include allowing pension plans to invest up to 5% of their assets in venture capital funds. The policy proposals were submitted in June 2018, to the Ministry of Finance and the Public Sector and were further refined in November 2018, following a series of meetings between the FSC and the Ministry of Finance and the Public Service. In the interim, BOJ prepared its policy proposals on the adjustment of limits for investment in foreign securities under the BOJ Act.
- m. MICAF continues to pursue the consolidation of the institutions, which offer funding to MSMEs. In 2018, MIDA was absorbed into the Ministry, and EXIM Bank was transferred to the Ministry, so that the programme offerings for MSMEs could be improved.

Agriculture Finance

The Development Bank of Jamaica (DBJ) continues to work closely with the National People's Cooperative Bank (NPCB). DBJ currently provides direct loan support, as well as collateral guarantee support to commercial banks, credit unions, NPCB and microfinance institutions for agriculture projects.

NPCB continues to make losses, but at a reduced rate. The institution's 3-year strategic plan included the closure of some branches and reduced opening hours for some. The projections for savings from this exercise has been scaled back, given the need to balance the closure of branches and the institution's ability retain sufficient mass to grow its way out of its financial problems.

After some delays, the branch rationalization programme is expected to commence in July



2019. The DCFS has endorsed the plans and given permission to proceed to undertake the exercise, but in a less aggressive manner, to preserve the ability of the NPCB to adequately serve the agriculture sector.

Since embarking on a sustained collection drive, the NPCB has been able to recoup \$450 million in bad debts. This focus is continuing with the creation of a special committee of the Board to direct the institutions collection efforts.

Governance of the NPCB continues to improve with the upgrading of its Rules, as well as several policies and procedures.

A key NFIS action item is the support of banks, credit unions, the NPCB and micro-finance institutions to develop lending programmes to serve the agricultural sector. DBJ currently provides direct loan support, as well as collateral guarantee support to commercial banks, credit unions, the NPCB and microfinance institutions for agriculture projects. Additionally, funding is provided to the dairy industry through a special line from the Jamaica Dairy Development Board.

For the action item, which requires NICAF and DBJ to promote the private financing of risk-coping investments (water harvesting, ponds, greenhouses), there has been incremental progress on this action item.

In 2018, the GOJ has entered into a Loan Agreement with the IDB for a Loan to assist in financing the Adaptation Programme and Financing Mechanism Project for the Pilot Programme for Climate Resilience.

A part of the Project involves the establishment of a US\$2.5 Mil line of credit known as the Climate Change Adaptation Line of Credit (CCALoC). The DBJ currently plays the role of Fund Facilitator and passes funds through to JN Small Business Loans (JNSBL) for on-lending to MSMEs in the tourism and agri-business sectors across Jamaica to increase resilience to climate change in these sectors. To date a total of J\$231.86 million has been disbursed to JNSBL.

JNSBL reports that the take up of the facility is increasing, and some of the factors impacting uptake are:

- i. Projects of interest for the tourism sector either:
 - a. fall outside of the programme recommenda-

tions, or

- b. require a larger amount to execute project
- ii. Collateral challenges experienced by agricultural project borrowers.
- iii. Businesses operating in the tourism sector have other financial solutions available for larger amounts.
- iv. Lack of knowledge relating to the climate change impact to the micro sector.
- v. Micro and small tourism enterprises affected by zones of special operations and states of emergencies, negatively impacting expansion opportunities.

Housing Finance

In 2017, NHT had revised its income bands to allow lower income contributors access to a wider range of benefits. These adjustments empowered contributors to access benefits at lower interest rates.

In 2018, NHT continued its partnership with Credit Unions to deliver benefits for its lower income contributors. Throughout the period NHT contributors accessed 123,009 benefits. In addition to micro-finance loans, NHT offered a diverse range of loans to encourage home ownership. Benefit types included loans for building on own land (BOL), construction loans, home improvement loans, loans for the purchase of house lots, as well as home improvements. For a detailed breakdown of benefits accessed during 2018, please see Figure 3. It should be noted that joint finance mortgages and micro-finance loans continued to be key benefits that were accessed in 2019.

For the reporting period, NHT collaborated with two credit unions, EduCom and CW&J Credit Union.

For the period of January to March 2018, 21 micro-finance loans with a total of value of J\$ \$13,905,748.00 were disbursed by NHT in partnership with EDUCOM.

For the period January to March 2018, 25 micro-finance loans were distributed

by CW & J credit union, valued at \$14,700,000.00.

For the period April 2018 to March 2019, NHT contributors were able to access 8,712 loans. Please see Table 8 below.

NHT continued its negotiation with other credit unions to expand its micro-finance loan portfolios.

These micro-finance loans were used for a range of purposes including:

- (a) Deposit on property;
- (b) Home improvement;
- (c) Titling;
- (d) Legal costs;
- (e) House deposit;
- (f) Land acquisition;
- (g) Surveyor's report;
- (h) Building land approval and
- (i) Scheme unit deposits.

NHT continues to collaborate with MEGJC in the refinement of the draft National Housing Policy, through the provision of data on the income bands of contributors.

Table 8: Benefits accessed by NHT Contributors from April 2018 – March 2019

BENEFIT TYPE	Number of Loans
MAIN MORTGAGE:	
Build on Own Land (BOL)	458
Construction Loan (CL)	939
Home Improvement (HI)	149
House Lot (HL)	1,199
Serviced Lot (SL)	54
Open Market (OM)	3,277
Scheme (SCH)	693
Others	5
Fifteen Plus	464
SUBTOTAL #1	7,238
Other Loans#1:	
Joint Finance Mortgage (JFM)	1,114
Solar Water Heater	143
SUBTOTAL#2	1,257
Other Loans#2:	
Microfinance Loan	217
SUBTOTAL#3	217
TOTAL	8,712

Source: NHT



Responsible Finance

There are ten action items under this pillar, which fall into the thematic areas of consumer protection and financial capability.

Several action items advanced under this pillar during the reporting period. These are:

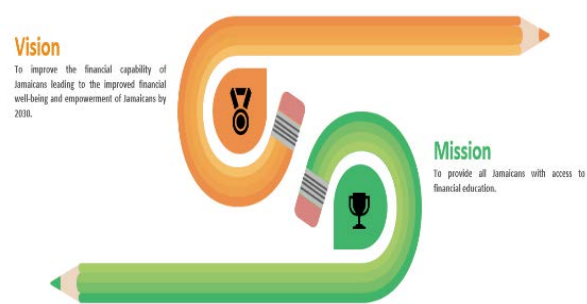
- a. December 2018 – FSC completed the development of a concept paper for strengthening its oversight of non-DTIs. The paper outlined proposed legislative enhancements that are necessary to ensure fair business practices by FSC regulated non-DTIs. The concept paper is to be issued by the FSC to the industry by March 2019.
- b. November 2018 – BOJ retained the services of a consultant to conduct a review of the Credit Reporting Act. As at end of December 2018, the first interim report had been prepared.
- c. October 2018 - With the assistance of the OTA, BOJ developed its policy proposals for the creation of a DTI Consumer Protection legislative framework. The policy proposals were encapsulated in a concept note which was submitted by BOJ in October 2018 to the Ministry of Finance and the Public Service. These policy proposals had been developed with the assistance of other public sector stakeholders, including the CAC, FSC and the Fair Trading Commission. Stakeholder consultation with the public sector and non-governmental organizations began in November 2017 through the Financial Inclusion Technical Secretariat in January, March and June 2018.
- d. September 2018 – The Ministry of Finance and the Public Service retained a firm to conduct a banking competition study, which would determine, among other matters, what factors, if any were affecting the provision of banking services, including credit facilities in the banking sector as well as impacting the inclusion of the unbanked and under-banked in the formal financial system.
- e. July 2018 – The FSC issued its consultation paper on proposed market conduct guidelines to the Insurance industry.

Final comments were received by FSC in September 2018.

- f. May 2018 – This project was led by the Ministry of Education, Youth and Information with the support of a multi-agency sub-working group which included both public and private sector participants. With funding from the Inter-American Development Bank, a consultant was retained to provide technical assistance on the development of the National Financial Literacy Action Plan. Missions were conducted in February to May 2018, and included consultations with financial institutions, regulators, Ministries, departments and agencies and non-governmental organizations. In May 2018, the final National Financial Literacy Action Plan and Interim Strategy was approved by the Ministry of Education, Youth and Information, subject to appropriate budget support being provided.

The vision and mission of the National Financial Literacy Action Plan, also referred to as the Jamaica Financial Empowerment Programme (JFEP) are shown below:

VISION AND MISSION OF JFEP



- g. January 2018 – A sub-working group was formed under the leadership of CAC, which began the work of mapping existing initiatives by CAC, BOJ and FSC to ensure the wide dissemination of information on fees for financial services. Work continued on this sub-project in 2019.

Supporting Infrastructure Secured Transactions

MICAF advanced work on the following action items during 2018:

Review and enhance the collateral registry regulations

- a. July 2018 – MICAF established the Moveable Asset Based Lending (MABL) sub-committee and the Technical Training sub-committee of the project steering committee.
- b. March 2018 – With the assistance of the International Finance Corporation, (the IFC), MICAF completed the review of the impact of Stamp Duty on Commercial and Consumer Transactions and Credit. Registry Assessment and final report were submitted to MICAF, COJ and other relevant stakeholders. Moveable Asset Based Lending (MABL) product cards were developed by IFC and circulated by MICAF to critical stakeholders. The product cards will be used by MICAF in the delivery of the financial institution-focused technical training on moveable collateral.
- c. March 2018 - The first draft of (inclusive of comments from critical stakeholders) reports for the Legal review and operational review of the SIPPA were submitted by the IFC to MICAF in March and April 2018 respectively.

Review and enhance the prudential framework regarding provisioning for SIPPA registered collateral; and amend SIPPA to ensure certainty of priority ownership

- a. In December 2018, MICAF facilitated the participation of BOJ on UNICITRAL's 34th Session of Working Group VI (Security Interests) in Vienna. This allowed for the strengthening of BOJ's institutional capacity in developing prudential guidelines, to promote



the use of moveable collateral in asset based lending in support of the GOJ's financial inclusion efforts. Through MICAF, BOJ was also able to attend a conference in May 2018, on secured transactions and asset based lending.

- b. In February 2018, BOJ published its consultation paper on the proposed **Standard of Sound Practice on Problem Asset Management and Provisioning Requirements (SSP)** in support of facilitating a principle based approach for lending by DTIs. The proposed standard made specific reference to SIPPA, and outlined the factors to be considered by a DTI, as part of its credit risk management processes. In April 2018, MICAF and IFC provided comments on the draft Standard to BOJ. BOJ published the finalized Standard of Sound Practice on Problem Asset Management, Provisioning and Managing expected credit losses in January 2019. There is a transitional period of 12 months for the Standard to take effect.
- c. In February 2018, MICAF received from the IFC a report on the legal framework for secured transactions as established by SIPPA.

Promote the development of a secondary market for repossessed assets, including the establishment of a centralised registry of repossessed assets

July 2018 - MICAF began its stakeholder consultation with private Technology firms on the feasibility of establishing a platform for the sale of repossessed assets. As a subsequent development, in July 2019, MICAF began the procurement process to obtain the services of a consultant to conduct an assessment of secondary markets for moveable collateral in Jamaica.

Undertake an assessment of measures needed to reduce informality

- a. MICAF developed policy options paper to increase the participation of informal MSMEs into the formal sector in September 2018. The paper was circulated to the FISC

members and comments were received in February 2019.

Table the Micro-Credit Bill

- a. Stakeholder consultation on the Micro-Credit Bill led by the Ministry of Finance and the Public Service, continued in 2018. MICAF, FTC and CAC provided its comments to the Ministry of Finance and the Public Service. As a subsequent development, the Bill was tabled in Parliament in February 2019.

Credit Unions (Special Provisions) Bill

For the reporting period, stakeholder consultation continued on the draft Bill.



Credit Reporting

In October 2018, Bank of Jamaica retained the services of a consultant to conduct a review of the Credit Reporting Act.

With the submission of data from a key utility corporation, the percentage of the adult population which was covered by at least one credit bureau increased from 25% as at end 2017 to 43% as at the end of 2018.

The work on this action item began in October 2018, through the engagement of a consultant, who has reviewed the CRA in the context of best international practices. To facilitate the work of the consultant, in October 2018, Bank of Jamaica arranged for a two (2) day town hall discussions with the credit bureaus, credit information providers and the public sector stakeholders, such as the Ministry of Finance and the Public Service.

The objectives of the consultancy, as articulated in the Terms of Reference were:

- (a) Assess the adequacy of the oversight powers of the regulator, particularly in relation to non-deposit taking institutions;
- (b) Provide the basis for policy proposals, which would increase the participation of credit information providers, enhance consumer protection and data safety, expand the use of credit information to support greater financial inclusion; and strengthen the macro-prudential framework in Jamaica.

It was recognized that since over seven years had passed since the enactment of the CRA. While Jamaica's credit reporting framework had helped to create a competitive market, more could be done to include a number of standards on credit reporting as reflected in the World Bank's General Principles for Credit Reporting and the International Finance Corporation's Knowledge Guides. These standards included, among other things:

- (a) treatment of the exclusivity of contracts between credit information providers and credit bureaus;
- (b) timeframe for data retention, particularly in relation to negative data by credit information providers;

- (c) reciprocity arrangements in data sharing between credit information providers and credit bureaus; and
- (d) mandatory participation in the regime.

The intended outcome of the legal review are recommendations which will inform proposed amendments to either the CRA or to industry guidance issued by Bank of Jamaica in its capacity as Supervising Authority.

One policy proposal being considered is whether a mandatory credit reporting framework, will allow for better credit risk profiles being developed for businesses and individuals. Critical to this discussion, is the readiness of additional categories of credit information providers to submit the data to the credit bureaus. At this time, another report is being reviewed by Bank of Jamaica's supervisory division and the Financial Inclusion Technical Secretariat, as well as the Ministry of Finance and the Public Service.

The other matters being considered are:

- (a) Standardization of templates for submission of credit information, consumer complaints, and consumers' consent to disclosure;
- (b) Standardization of the format of credit reports;
- (c) Calculation of scores;
- (d) Creating mechanisms for the training of credit information providers to ensure data quality standards are maintained;
- (e) Permitting sharing of credit information throughout the region;
- (f) Expanding the categories of credit information providers to include other statutory bodies and/entities, such as the Registrar of Companies and the revenue authorities.

Following the completion of the consultancy, it is anticipated that the recommendations will be presented to all relevant stakeholders before policy proposals are developed.

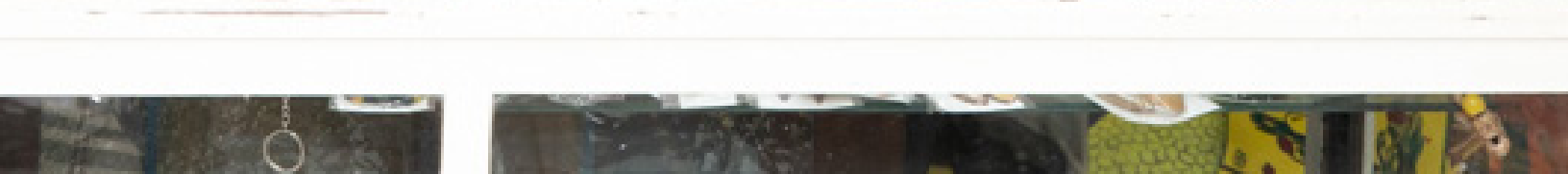


Table 9: Number and Value of Obligations registered in the National Collateral Registry 2015-2018

Filing Year	Currency	Number of Filings	Value of Obligation in original currency of filing
2015	EUR	3	5539759.35
	JMD	21727	74048826348.96
	USD	71	1929485969.55
	Total filings	21801	
2016	EUR	1	1157757.00
	JMD	23826	72711331434.51
	USD	80	2891246198.88
	Total filings	23907	
2017	EUR	1	2229466.00
	JMD	29313	296448267998.22
	USD	114	15801138520.12
	Total filings	29428	
2018	JMD	28954	151254024037.71
	USD	78	12619199851.00
	Total filings	29032	
Total		104168	

2015-2018

Source: Companies Office of Jamaica, National Collateral Registry

Table 10: Status of Credit Information Providers as at 31 December 2018

Activity Indicators		2016	2017	2018
1.	Total No. of CIPS in data sharing agreements with credit bureaus	84	87	94
1.1	<i>Deposit Taking Institutions</i>	10	10	10
1.2	<i>Credit Unions</i>	23	23	23
1.3	<i>Statutory Lending Agencies</i>	5	4	4
1.4	<i>Micro Finance Entities</i>	25	24	27
1.5	<i>Trade Creditors (not covered under the Hire Purchase Act)</i>	10	14	16
1.6	<i>Utility Companies</i>	3	4	4
1.7	<i>Others</i>	8	8	11
2.	No. of CIPs submitting data to credit bureaus	36	41	51
3.	No. of CIPs pulling data from credit bureaus	63	65	70
4.	No. of CIPs pulling data but not yet submitting to credit bureaus	27	26	24
5.	No. of reports issued during the year (inclusive of free reports)	250 122	442 712	466 531
6.	No. of consumers free reports issued per section 15(3) of CRA	5 765	6 758	7 316
7.	No. of account records in credit bureau data base with the largest number at year end	1 070 168	1 525 375	2 032 157
8.	No. of data subjects in credit bureau data base	408 570	467 432	818172
9.	Population coverage* at year end (per cent)	22	25	43
10.	Hit Rate** for CIPs (using credit bureau with highest rate at year end)	72.6	77.2	83.60
11.	Complaints raised by consumers that required correction of information provided by CIPs, as reported by credit bureaus	1 116	2 316	2 762
12.	Complaints raised by consumers with credit bureaus which were subsequently escalated to BOJ	1	0	4
13.	Complaints that were as a result of errors on the part of the credit bureaus	0	0	0

Source: BOJ

Notes: CIPs – credit information providers

* Percentage of population covered by credit bureaus – credit granting population segment - ages 18 - 74 years. Source - Statistical Institute of Jamaica - Demographic Statistics

**Hit Rate represents the percentage of credit report requests that are returned with a credit history
Account Records, Data Subjects and Hit Rate used in table reflect the credit bureau with the largest number at year end



Appendix II

Work of NFIS Financial Inclusion Partners

Bank of Jamaica (Payment Systems)

ERPS 2

The Guidelines for Electronic Retail Payment Services (ERPS 2) provide the framework that supports the implementation of innovative electronic retail payment services. ERPS 2 was published on November 1, 2018 updated the Guidelines which were initially published February 1, 2013.

ERPS 2 includes feedback obtained through a consultative process with stakeholders and updated provisions that reflect new developments in the financial services industry and particularly in the retail payment services sector.

ERPS 2 forms part of an initiative to support innovation and financial inclusion by deepening the payment infrastructure using electronic retail payment products and services.

The major amendments reflected in ERPS 2 are:

- (a) Inclusion of a new definition for payment service providers (PSPs) and various categories;
- (b) an increase in operating limits to support the national financial inclusion objectives related to increased access and use of payment instruments and services;
- (c) increased emphasis on custodian account based payment services that are typically issued by non-bank payment service providers;
- (d) new provision for the treatment of merchants;
- (e) new provisions relating to monitoring, remedial actions and sanctions; and
- (f) new provision to support applicants who are conducting proof of concept studies and pilots.

Interoperability

Jamaica's payment system landscape is in need of interoperability for individual payment systems and payment service providers.

Interoperability exists in the banking system where deposit-taking institutions (DTIs) have established clearing houses such as the Automated Clearing House (ACH) for cheque and electronic funds transfers, and Multilink for debit card payments.

An opportunity exists for authorised electronic retail payment service providers (PSPs) to have a common clearing house or settlement arrangements and effect payments across systems or service providers. In 2018, the Bank commenced discussions on feasible options to enable interoperability, these options include:

- (a) Leveraging the existing infrastructure: that is widening access conditions under which access could be granted to non-participants;
- (b) Develop and implement a central payment switch, which could be owned and operated by an authority or the Government; and
- (c) Authorise an independent entity to own and operate a central payment switch.

Financial Technology (FinTech) Developments

During the review period, Bank of Jamaica engaged in various developmental activities aimed at improving the national payment system. These included the publication of a public awareness statement on Virtual Currencies.

Additionally, the drafting of Fintech Regulatory Sandbox Guidelines was at an advanced stage by end-2018. These Guidelines are aimed at furthering the facilitation of Fintech related innovations and providing a platform to

encourage innovations in financial services as well as to promote competition and financial inclusion.

In addition, Bank of Jamaica chaired a Caribbean Community (CARICOM) Financial Technology Work Group which functions as an advisory group to Central Bank Governors on Fintech related matters.

Bank of Jamaica in collaboration with the Consultative Group to assist the Poor (CGAP), Washington DC conducted a seminar in July 2018 to address the issue of 'Regulatory Enablers for Digital Finance'.

The seminar covered the following issues related to financial inclusion:

- (a) Regulatory Framework for Digital Finance - Key concepts, policy dynamics and digital vs traditional finance;
- (b) Non-Bank eMoney Issuers - E-money vs Digital Money and regulatory issues;
- (c) Agency Arrangements - Agent typology, agent models and regulatory issues;
- (d) Consumer Protection in a Digital Environment - Consumer protection issues and regulatory issues; and
- (e) Protecting Integrity (AML/CFT) - Practical money laundering practices, risk-based approach and international standards.

BOJ/DBJ Conference

Overview

On the 27th and 28th June 2018, Bank of Jamaica in partnership with the Development Bank of Jamaica ("DBJ") hosted a conference under the theme "A Call to Action: Driving Financial Inclusion with Digital Payment." The conference, which was aimed at exploring opportunities for increased financial inclusion through electronic retail payment services, brought together major stakeholders comprising authorized issuers of electronic retail payment services, agents, merchants, microfinance institutions, small and micro entrepreneurs, among other large institutions.

Objectives

The objectives of the conference were:

- i. To generate awareness of the benefits of Electronic Retail Payment Services (ERPS) at the institutional and national level; and the role of these services in advancing broader national financial inclusion objectives.
- ii. To provide a platform for information sharing and dissemination to all stakeholders within the financial ecosystem.
- iii. Bring focus to new developments in the ERPS industry nationally and globally and the future of technology driven financial services.

The responses from conference participants indicated that the objectives of the conference were met, through interactive discussions among issuers and participants and a plan of actions was developed.

Highlights from BOJ/DBJ Conference

Some highlights from the conference included:

- i. Digital payment being a potential win-win strategy for financial inclusion.
- ii. Digital payments can facilitate consumers building a transaction record that can enable loans and financial services. (e.g. via mobile services)
- iii. The need to have appropriate regulation for systems and the protection of the rights of consumers.
- iv. The requirement for systems to be interoperable in order to facilitate increased access and usage.
- v. An acknowledgement that the future requires a truly open ecosystem that will allow clients to access their finances, purchases and transfer funds in real-time and cheaper.
- vi. An acknowledgement that traditional banking services are being challenged by large tech firms with strong customer bases, vast user data pools, agile technology platforms and considerable economic resources.
- vii. The importance of Micro Finance Institutions to effectively serve poorer sectors;



however to continue playing that role in the long run, they need to enter the digital age by embracing new technologies and rethinking their business models.

- viii. The importance of public-private partnerships in creating a sustainable ERPS ecosystem.
- ix. The importance of cybercrime partnerships (police, Government, judiciary, prosecutors, businesses and citizens).

ERPS Approvals

As at the end of December 2018, Bank of Jamaica under the Guidelines for Electronic Retail Payment Services authorized five payment service providers (PSPs), to offer ERPS. Two (2) PSPs are deposit-taking institutions and three (3) are non-deposit-taking institutions. The range of functionalities offered by the PSPs include:

- (a) Peer to Peer transfers;
- (b) Cash In;
- (c) Cash Out at agents and merchant locations;
- (d) Top up (Air time);
- (e) Bill Payment;
- (f) Remittance disbursement;
- (g) POS Transactions;
- (h) ATM Withdrawal; and
- (i) Business to customer payments.

Subsequent development: As at April 2019, the authorized ERPS products that are in market are:

- (j) ePay – issued by Alliance Payment Services Limited;
- (k) NCB Quisk Mobile Money – issued by the National Commercial Bank; and
- (l) Sagicor MyCash – issued by Sagicor Bank Jamaica Limited.

Jamaica Co-operative Credit Union League (JCCUL) discontinued the CONEC ERPS product in November 2017 and Grace Kennedy Payment Services Limited (GKPS) discontinued the GK MPAY product in February 2019.

Office of Consumer Complaints

Over the year, the Office of Consumer Complaints (OCC), the unit with oversight responsibility for implementing and monitoring compliance with

The Banking Services (Deposit Taking Institutions) (Customer Related Matters) Code of Conduct, 2016, participated in three major public education initiatives, as summarized in the table 11:

Table 11: Public Education Events

Event	Venue	Date
World Consumer Right's Day Public Forum "Making the Digital Marketplace Fairer"	Bureau of Standards Jamaica	15 March 2018
RJR Radio Programme - Balancing Justice	RJR Studios	17 April 2018
JDIC Public Forum & Financial Fair	Devon House	17 November 2018

The OCC, on behalf of the Bank of Jamaica, participated in the National Consumers' League of Jamaica's (NCL) Forum on Thursday, 15 March 2018 as part of the NCL's recognition of the 2018 World Consumers Rights Day. The participation of the Bank was in keeping with the deliverable to promote improved consumer protection for consumers of financial services under the National Financial Inclusion Strategy, for which the Bank is directly responsible.

Two presenters from the Financial Institutions Supervisory Division (FISD) of the Bank presented on issues relevant to protecting the financial consumer. Mrs. Sharon Worrell, Director in the Credit Reporting Oversight Department, presented on "Making Digital Marketplaces Fairer under the Credit Reporting Act". Mrs. Meisha Rainford, (Acting) Head in the Office of Consumer Complaints presented on "The Banking Services Code of Conduct, What Does It Mean for You?"

On 17 April 2018, Deputy Governor FISD, Miss Maurene A. Simms, participated in the radio talk show programme "Balancing Justice" on Radio Jamaica (RJR), which was hosted by Mr André Earl. During the interview Miss Simms explained the key tenets of the Code including disclosure of relevant information regarding product and service offerings; provision of reasonable notice of changes in fees and charges, interest rates and terms and conditions, and the establishment of effective mechanisms to address, report and record customer complaints. Additionally, the rights of consumers under the Code were also

outlined during the interview.

The OCC on 17 November 2018 participated in an all-day Financial Fair and Public Forum on the lawns of Devon House which was hosted by the Jamaica Deposit Insurance Corporation under the theme “Empowering Today’s Financial Consumer for the Future”.

Mr George Roper, Supervision Evaluation Expert, FIRD delivered a presentation on behalf of the Bank on Bank of Jamaica’s Role in Regulating Deposit-Taking Institutions with particular focus on the Code of Conduct.

Additionally, brochures on the Code of Conduct have and continued to be distributed at these events and more recently were published in the major newspapers.

Table 12: Categories of Complaints

Account Related	Fraud/Impropriety
Sub-Category	Sub-Category
Deposits Account	Deposit Accounts
Wire Transfer	Withdrawals from Account
Credit Card	Wire Transfer
Withdrawal from Account	Withdrawals via E-Banking
Holding of Funds	Other
Transfer via E-Banking	
Withdrawal via E-Banking	
Recovery of Funds	
Other	

DTIs Consumer Complaints

The Office of Consumer Complaints continued to gather data on the complaints received from consumers in relation to DTIs. For the calendar year ending December 2018, the OCC classified the complaints data based on six categories; namely:

- (a) Fees & Charges;
- (b) Fraud & Impropriety
- (c) Access of Funds
- (d) Loans;
- (e) Account Related; and
- (f) Other.

The categories of Fraud/Impropriety, Account Related and Other are further subdivided as shown below.

As can be seen in Table 13, in 2018, there was

a decline in the complaints related to fees & charges, loans; and “other” categories. The number of complaints that related to accounts increased significantly. As at December 2018, 41% of all complaints for that year were resolved.

Table 13: Deposit Taking Institutions Customer Complaints 2017 - 2018

DTIs Customer Complaints by Category			
Category	# of Complaints Received in 2018	# of Complaints Received in 2017	YOY % Change
Fees & Charges	8	13	-38%
Fraud/Impropriety	16	13	23%
Access of Funds	5	5	0%
Loan	10	13	-23%
Account Related	40	23	74%
Other	7	18	-61%
Total	86	85	1%

Explanatory notes:

Fraud/Impropriety consists of: withdrawals from account; withdrawal from e-banking and other (standing order, cheque encashment)

Account Related consists of: deposit accounts; credit card facilities; transfer via e-banking; wire transfer and other (foreign currency account, KYC requirements, coin deposits).

Other consists of: breach of confidentiality; disclosure of information; RTGS; cheques

Highlights from the Office of Consumer Complaints Public Outreach



The Office of Customer Complaints and the Credit Reporting Oversight Team, Bank of Jamaica participating in the JDIC Public Forum. From left to right: Mrs. Meisha Rainford, Ms. Shereka Smith, Mrs. Sharon Worrell.

Guess The Coin Competition Winner. From left to right: Ruth Howard Right Mrs. Meisha Rainford, Assistant Director, Office of Consumer Complaints.



Miss Shereka Smith, Code of Conduct Officer, engages members of the public during the JDIC Public fair.

Consumer Affairs Commission

The Consumer Affairs Commission (CAC) is one of the organizations charged in the Vision 2030 National Development Plan with responsibilities under National Outcome #8 "An Enabling Business Environment" and National Outcome #12 "Internationally Competitive Industry Structure: Services" to "Strengthen mechanisms to protect consumer rights" and "Improve the operation of the financial sector through greater inclusion, education and protection of economic actors" respectively. Specifically, the Commission was to "Execute a robust financial literacy campaign including the expansion of existing financial education programmes in primary level schools".

Consequently, the CAC is one of the key implementing agencies of the National Financial Inclusion Strategy, in particular the Consumer Protection theme under the Responsible Finance pillar. The actions include the following:

- (a) Enhance the legal and regulatory framework to ensure fair business practices, including disclosure, for all types of financial institutions.
- (b) Compile and widely disseminate information periodically on fees and charges levied by banks and nonbanks.
- (c) Establish an independent dispute resolution scheme for consumers of DTI's, credit Unions and microfinance institutions.
- (d) Adopt a Data Protection Law.
- (e) Develop a comprehensive National Financial Literacy Action Plan.

The Consumer Affairs Commission (CAC) administers the GOJ's Consumer and Public Protection Programme. The CAC is the chief agency within the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAF) charged with the mandate to "provide for the promotion and protection of consumer interests, in relation to the supply of goods and the provision of services in order to ensure protection of life, health and safety of consumers and others..."

As outlined in the Consumer Protection Act (2005), amended 2012, the CAC can:

- (a) Carry out, at the request of a consumer who has been adversely affected, such investigations in relation to the sale of goods or the provision of services as will enable it to determine whether the goods were sold or the services were provided in contravention of the Act and thereafter to make such report and recommendations to the Minister in connection therewith as it thinks fit.
- (b) Carry out, on its initiative, such other investigations in relation to the availability of goods of any class or description, as it thinks fit, and make such report and recommendations to the Minister.
- (c) Collect, compile and analyze information in relation to any trade or business.
- (d) Provide information to consumers on their rights as consumers and any other form of consumer education.
- (e) Implement education programmes for the benefit of consumers, suppliers and service providers.
- (f) Seek to resolve disagreements between consumers and providers.

From a consumer protection perspective, the CAC's primary role in Financial Literacy Education is to:

- (a) Provide consumers with a set of skills, tools and knowledge that enhances their ability to understand sound financial principles, thus empowering them to make informed and appropriate personal financial decisions;
- (b) Help consumers understand how the regulatory framework which supports the financial sector works; and
- (c) Update consumers about developments in the financial sector in regards to:
 - (i) the business practices of the various financial service providers;
 - (ii) the financial products and services that are available and accessible to consumers; and
 - (iii) how these (developments, providers, business practices, products & services) impact consumers' financial welfare.

Consequently, the CAC's financial literacy education focused on the following:

- (a) Personal Financial Management – Budgeting, Saving, Investment, Debt Management (credit cards, loans), Online Security (Identity Theft, Privacy, Scamming, Phishing, etc.), Wise Shopping.
- (b) Regulatory Framework – Microcredit Bill; Bank of Jamaica (amendment bill), 2018; Data Protection Bill.

- (c) Developments in Financial Sector – Micro financing, Mobile Banking; e-banking; Banking Rates and Fees.

The activities included radio interviews, website content and social media posts dedicated to providing financial literacy education as shown below.

Table 14: List of CAC's Financial Education Media Outreach Initiatives

DATE	MEDIUM	TOPIC
January to March 2018	Social Media	<ol style="list-style-type: none"> 1. Harvesting of Data...the case of your risk 2. How Consumer Protection aids SDGs 3. World Consumer Rights Day – Better Digital World 4. Use the Price Inquiry Tool to manage your Spend 5. Consumer Alert! Get your Grocery Prices Survey Results 6. WCRD: Making the Digital Marketplace Fairer 7. Compare prices online (bank fees) via www.cac.gov.jm 8. Do you comparison shop or are you a loyal to a brand? 9. Check out the best prices in our latest Consumer Alert!
March 2018	Radio	10. Making Digital Marketplace Fairer through Access, Security and Protection
April 2018	Radio	11. Financial Literacy in the Digital Age
April to June 2018	Social Media	<p>Watch out for seasonal email scams!</p> <ol style="list-style-type: none"> 12. Reconcile your bank account after each transaction 13. Mind Your Digital Footprint. Don't save banking information online 14. Look out for the CAC Jamaica Banking Survey publication! 15. E-commerce: Making Digital Marketplace Fairer

Source: Consumer Affairs Commission (CAC)



Table 14: List of CAC’s Financial Education Media Outreach Initiatives

DATE	MEDIUM	TOPIC
July to August 2018	Social Media	<ul style="list-style-type: none"> 16. Reconcile Your Credit Card after each Transaction 17. If you think your Account has been hacked... 18. One bank advises: Always contact your bank by phone. Never click on an email link! 19. Check Your Bank Account Balance Regularly 20. Are there transaction fees you don’t understand? 21. Here we go again! Be wary of emails that appear to be from your bank 22. SEASON OF SCAMS...Some deals are too good to be true 23. Be forewarned: Check the currency in which your credit card was charged
September to December 2018	Social Media	<ul style="list-style-type: none"> 24. Shopping for Textbooks: Here’s how to Save! 25. Do You know How Much Your Children’s Textbooks Cost? 26. Winning Consumers Prepare a Budget 27. Online Shopping Using a FREE WiFi? Someone’s watching you! 28. The POWER is in Your Voice 29. Safety Tips for Christmas – JIS Think Tank 30. Use sites with https and a green padlock when shopping online 31. SHOPPING ONLINE? Be vigilant! Do not click on a link! 32. Have you Been Shopping Blind? Use the CAC Price Inquiry Tool to calculate and know BEFORE you go! 33. Did you file a Complaint with the CAC in October? 34. Shoppers warned: Don’t get scammed! Guard Your Card! 35. Is Buying a New Car a Great Idea? 36. Use the Price Inquiry Tool at www.cac.gov.jm

Source: CAC

CAC Town Hall Meetings

Financial Literacy Presentations to the Public

Throughout 2018, CAC made seven (7) presentations to consumer audiences in various parishes seeking to advance financial literacy. Please see Table 7 below.

Table 15: CAC Financial Literacy Presentations at Town Hall Meetings

EVENT	DATE	SUBJECTS/LOCATIONS
Presentation	March 28	Presentation to the members of the Antioch Assemblies of God Church, Windward Road
Presentation	May 30	Financial Services Commission (FSC) Town Hall Meeting at the St. Mark's Anglican Church Hall, Lucea, Hanover.
Exhibition / Presentation	July 27	SDC Business Fair at the Kenneth Grant's Car Park, Albert Town, Trelawny
Presentation	September 24-25	Presentation to the attendees at the Town Hall Meetings arranged by the FSC at the Montego Bay Civic Centre
Exhibition	October 4	Exhibition hosted by the Jamaica Stock Exchange, Montego Bay
Presentation / Exhibition	November 17	JDIC Public Forum & Financial Fair at Devon House Female: 445, Male: 200; Girls : 40 Boys : 25 250 Pamphlets/Brochures distributed
Exhibition	November 30	Exhibition and Presentation at the Pensioners Forum held at their Ocean Boulevard Office

Source: CAC

Publications

The CAC had one (1) magazine article entitled "Towards a Financially Inclusive Society" published in the September – December 2018 Issue of the *Nex Generation Magazine*.

DEMOGRAPHIC PROFILE

Our targeted readers are individuals:

- Age: 25 - 60 • Male & Female • Employed Full-time • Self Employed
- Middle - High Income • Home Owners or Plan to buy a Home
- Car Owners • Travellers

LOCAL DISTRIBUTION: 5,000 COPIES

90% of our printed copies are distributed free within Jamaica (Primarily in Kingston/St. Andrew, St. Catherine & Montego Bay/St. James), reaching:

- Education, Family, Health & Business Government Agencies
- Non-Governmental & Community Based Organisations
 - High Schools & Tertiary Institutes
 - Primary, Prep & Basic Schools
- Hospitals/Medical Centres, Health Centres
 - Professional Associations
- Media Outlets (Radio, Television, and Print)
 - Service Clubs and Civic Associations
 - Micro, Small, and Medium Businesses
 - Corporate Businesses

INTERNATIONAL DISTRIBUTION: 1,500 COPIES

Nex Generation is distributed free to Jamaican/Caribbean Embassies/High Commissions, Businesses, Government institutions, and NGOs who have a special interest in Jamaican/Caribbean development.

- USA - Florida, New York, Atlanta, and Washington DC
 - Canada - Toronto
- UK - London and Midlands

CIRCULATION: 6,500 copies per issue

TOTAL READERSHIP: 50,000 per issue

PASS-ALONG RATE: 8

FREQUENCY: 3 per year

The Audience and Distribution Stats on the Magazine are as follows:

CAC Complaints Resolution

CAC continued to handle complaints related to deposit taking institutions (DTIs) - including Commercial Banks, Building Societies and Credit Unions; and microfinance institutions (MFIs).

For the period January – December 2018, CAC received/handled fifty (50) complaints against financial institutions: 32 complaints against DTIs and 18 against MFIs. This represents a 92% increase over the number of cases handled against financial institutions in 2017, where the total number of complaints against financial type institutions was 26: 15 against DTIs (commercial banks and credit unions) and 11 against MFIs. All 50 financial complaints handled in 2018 were resolved. See Table 16 below for details.

Most Common Complaints against DTIs

Issues raised against DTIs in 2018 were primarily:

- Unexplained fees applied to account transactions - credit card fees/interest calculations on outstanding balances;
- errors on account transactions;
- issues with dormant account fees and problems associated with reactivation of such accounts, general customer service issues, for example, poor response time in relation to requests for information on accounts;
- ATM irregularities in relation to funds not received
- Account / credit card fraud;

Most Common Complaints against MFIs

Issues raised against MFIs were primarily:

- onerous contract terms;
- excessive fees associated with the transaction;
- undisclosed information in relation to contract terms/ fees etc.;
- faulty calculations regarding outstanding balances; and
- Repossession of assets consequent upon loan default without the requisite notice.



Table 16: Consumer Complaints against Financial Institutions handled by CAC

FINANCIAL INSTITUTIONS	DATES	COMPLAINTS HANDLED	COM-PLAINTS RESOLVED
Deposit Taking Institutions (Commercial Banks, Credit Unions, Merchant Banks)	Jan – Jun 2018	25	25
	Jul – Dec 2018	7	7
Microfinance Institutions	Jan – Jun 2018	9	9
	Jul – Dec 2018	9	9

Source: CAC

Table 17: CAC activities in support of the NFIS Action Plan

DATES	ACTIONS
January 2018	- Convened first meeting of Sub Working Group for the Publication of Banking Rates and Fees
March 2018	- Attended 3 meetings with consultant regarding development of the Financial Literacy Education Plan.
April 2018	- Attended Financial Inclusion Steering Committee Meeting. - Met with representatives from the FSC regarding the revised Guidelines on Market Conduct for Insurance Companies and Intermediaries.
May 2018	- Attended Financial Inclusion Steering Committee Meeting
June 2018	- Attended Financial Inclusion Steering Committee Meeting
July 2018	- Attended the Second Annual Meeting of the National Financial Inclusion Council, Terra Nova Hotel
August 2018	- Submitted response to the Attorney General Chambers and the Ministry of Finance & Public Service regarding the Microcredit Bill
October 2018	- Reviewed and provided comments to the Financial Services Commission's Revised Guidelines on Market Conduct for Insurance Companies and Intermediaries - Provided further comments to the Microcredit Bill (Sept 24, 2018 draft) - Participated in FTC's Stakeholder Consultation regarding competition in Jamaica's banking sector.

Source: CAC



Development Bank of Jamaica

Promoting Financial Inclusion in Jamaica through Mobile Money for Microfinance

The Financial Inclusion project, branded, Financial Empowerment and Technological Awareness (FETA) project officially ended in September 2018. Over 2,000 participants were impacted through the project's initiatives, namely, the Voucher for Technical Assistance programme, Electronic Retail Payments Systems (ERPS) conference and financial education and training workshops and seminars for micro and small entrepreneurs. DBJ conducted workshops in ten (10) parishes and were facilitated by The Management Institute for National Development (MIND). Some of the topics covered included developing and managing a budget, tracking income and expenditure, containing expenses and exploring additional income.

In June 2018, DBJ partnered with the Bank of Jamaica and successfully hosted a two-day ERPS conference, themed "A call to action: Driving Financial Inclusion with Digital Payments" which targeted executive level leaders and the general public. The Conference, sought to generate awareness of ERPS benefits at the institutional and national level; explore the role of these services in advancing financial inclusion; provide a platform for information sharing and dissemination to financial system stakeholders; and bring focus to new developments in the ERPS industry and the future of technology driven financial services.

An important component of the Financial Inclusion project was an impact study, conducted by LUMIN Consulting Inc., (formerly UWI Consulting) which showed that from a sample of 532 participants, the average age of the participating micro and small business owner was 46.7 years, with two-thirds being women. 54.2% of participants had some level of secondary education, with males accounting for 53% and females 55% of that group. Several participants possessed tertiary education (overall 34.2%), with males accounting for 33% and females 55% of this group.

As it relates to electronic financial services, over 39% of participants regarded 'convenience' (i.e. making payments anytime), as the most important benefit obtained from electronic financial services. Safety, efficiency, lower cost of conducting business and increased access to financial services were other, but less important, benefits

to be derived from the use of electronic financial services.

Notably, the data showed that the concept of 'Mobile Money Services' was not well understood by participants at the workshops, with only 6% of participants having a clear understanding of this financial product. The vast majority were not sure, or did not respond.

Some of LUMIN Consulting's recommendations are that: (a) extending future workshops over two days; (b) separate workshops for medium-sized enterprises, to assist them in engaging financial institutions; (c) more focus on the benefits and risks of loan and credit financing to the success.



Financial Services Commission (FSC)

The FSC remained committed to the National Financial Inclusion Strategy and continued its drive to implement regulatory reforms that will yield tremendous benefits to the Jamaican populace as seen in other countries that already have inclusive financial markets. Its efforts sought to positively influence the supply of and the demand for financial services and products that are suitable to the underserved by, inter alia, the following:

- (a) Having these products and services readily accessible in a cost effective manner;
- (b) Improving the level of consumer protection;
- (c) Promoting understanding of financial services thus increasing the level of confidence that financial consumers have in the use of financial services as well as in their interaction with non-deposit taking institutions "(NDTIs)"; and
- (d) Strengthening the market conduct standards for NDTIs in their interactions with consumers.

FSC's Education Campaign Empowering Consumers

Empowering consumers of financial services is an essential part of the FSC's role and mandate. The primary objective is to better equip consumers to make informed financial decisions that would enable them to secure their financial well-being. A variety of strategies and communication channels were employed as outlined below:

i. Town Hall Meeting Series

Starting in 2018 and continuing to the end of March 2019, in every other month, the FSC convened a Town Hall meeting with residents in local communities across the island. Retirement planning is high on the agenda of each meeting. Meetings were held in:

- Savanna La-Mar, Westmoreland

- Lucea, Hanover
- Montego Bay, St James
- Ocho Rios, St Ann
- Junction, St. Elizabeth
- Port Maria, St Mary
- Falmouth, Trelawney

In 2018, FSC began educating the public about private pensions and retirement planning. Further, in May 2018, the Pension Fund Association of Jamaica and the FSC's Pensions Division participated in leading discussions around retirement and lifestyle planning. The meetings were organized in collaboration with the Jamaica Stock Exchange (JSE), the Consumer Affairs Commission, and the Jamaica Deposit Insurance Corporation and with the support of the Insurance Association of Jamaica. The Ministry of Finance and the Public Service also participated. The meetings emphasized the need for a three-pronged approach to financial well-being: savings and investments, purchasing insurance and participating in a pension plan.

ii. Conferences and Expos with Influencer Groups

- a. August 2018 - Jamaica Teachers Association Conference – As influencers, teachers are high on the agenda of outreach activities planned by the FSC. They are well-respected members of society and have great influence in the lives of youths, which are a critical target group for the FSC's message of financial inclusion. As such, the FSC has participated in the last three (3) annual conferences which brought together more than 500 teachers from across the island each year.
- b. October 2018 - Nurses' Association of Jamaica (NAJ) Conference – the NAJ typically hosts over 600 nurses and nurse practitioners at its Annual General Meeting and Conference. Nurses are also an influential group at the community level, and so the FSC was on location to engage nurses in dialogue about the role and functions of the FSC and about investing for retirement and other long-term goals.

- c. May 2018 - Jamaica Employers Federation Convention - brings together a diverse range of over 400 participants including CEOs, Human Resource and Industrial Relations practitioners, managers and academics. The FSC is present each year to have one-on-one discussions with these corporate leaders about incorporating financial literacy in personal development programmes for staff.
- d. Jamaica Small Business Expo – The FSC has a longstanding relationship with the Jamaica Business Development Corporation (JBDC). FSC participated in the May 2018 staging of this event. JBDC’s annual Small Business Expo attracted an estimated 10,000 entrepreneurs. Therefore, the FSC is able to reach an extended network of small business owners with its messages on money management.
- e. May 2018 - Jamaica Police Federation Conference – Held in St. Ann, this annual conference attracts approximately 700 men and women employed in the Jamaica Constabulary Force. We share the message of making additional preparations for retirement.

These influencers also act as ambassadors for financial literacy within their respective environments and the wider public. The FSC also engages religious leaders across the island and interacts with various congregations and groups to disseminate modules of financial literacy.

iii. Social Media

FSC launched its social media presence in 2009, with YouTube, followed by its Facebook page in 2011. FSC then expanded into Instagram in July 2018. Social media is a critical platform for FSC’s engagement with Jamaicans in discussions around retirement planning. As part of the overall communication strategy, in 2018, FSC continued to use this platform to promote financial education and as a communication tool for inspiring better individual choices regarding retirement. The FSC has been making strides in growing organic followers of the FSC’s profiles on Instagram, YouTube and Facebook. There are plans to do so more aggressively in the 2019/20 FY.

Our Town Hall meetings and other special public events can be seen live on our social media platforms and are recorded and broadcast on cable television.

iv. IOSCO World Investor Week 2018

World Investor Week (WIW) is an initiative of the International Organisation of Securities Commissions (IOSCO) and its primary objectives are:

- a. To disseminate key messages that further investor education and protection, as well as financial literacy.
- b. To foster learning opportunities for investors.

In October 2018, the FSC and the JSE jointly commemorated WIW as well as National Investor Education Week. The FSC also collaborated with JSE to organize seven (7) events over the period and reached 1,000 persons across the island in face-to-face dialogue and another 500,000 individuals via electronic media. There was a distinct focus on youth – particularly targeting tertiary institutions.

v. Electronic and Print Media Advertising Campaign

- Articles on retirement published in Relunched Newsletter “FSC Invested”
- FSC Minute episodes on Cable, News and Sports
- Radio interviews and sponsorships: RJR Cross Country Road Show
- On-going commercials aired on Kool97FM, Power106FM, Mello FM, and Nationwide News
- Newspaper Features and Advertorials

Schools Financial Education Programme

Since 2011, the FSC has sponsored the participation of approximately 500 high school students in an annual 6-week programme aimed at building financial skills. The ability to manage money, build assets safely and plan for the future, is a core component of a larger set of economic and social assets required to achieve more sustainable livelihoods. In the 2018 Schools

Financial Education Programme, 14 schools and 420 students participated.

All students had the opportunity to be part of a Financial Education Tour and to take part in Essay and Video competitions to demonstrate their new understanding of topics such as budgeting, saving, investing, credit management and avoiding unregistered investment schemes. The programme culminated with an Awards Luncheon that honoured students and their teachers and displayed talented performances by youth.

Complaints Handling

FSC continued to receive and investigate complaints, in keeping with its mandate to protect consumers of financial services from non-deposit-taking institutions. The details are shown in the table below.

Analysis of Complaints – January 1, 2018 to December 31, 2018

	Insurance	Pensions	Securities	Total
Unresolved brought forward from December 31, 2017	27	13	11	51
Total complaints received for period January 1 to December 31, 2018	54	13	4	71
Total complaints reviewed for period January 1 to December 31, 2018	81	26	15	122
Number of cases closed January 1 to December 31, 2018	24	15	2	41
Unresolved as at December 31, 2018	57	11	13	81
Percentage closed	29.62%	57.69%	13.3%	33.6%

Source: Financial Services Commission (FSC)

Highlights of FSC's Schools Financial Education Programme Awards Luncheon



Students from Nain High School share a light moment with President of Junior Achievement Jamaica, Mrs. Alphie Mullings Aiken and Mr. Everton McFarlane while at the FSC SFEP Awards Luncheon.

Denbigh High School students join other audience members in offering a thunderous applause at the end of the programme segment.



A student of Nain High School in St Elizabeth delights in one of the presentations, as her classmates look on.



Student of the Convent of Mercy Academy "Alpha" School, Ms. Dacian Walker reflects on her experience in the SFEP.





Students in the FSC's Schools Financial Education Programme, in a celebratory mood alongside Mrs. Charlette Nugent Eddie – Marketing Officer of the Jamaica Stock Exchange.

Deputy Executive Director of the Financial Services Commission, Mrs. Nicolette Jenez awards the first place prize for the SFEP Essay Competition to Gianna Mighty of Ardenne High School.



The students of Horace Clarke High School pause to share lens time with their Hostess from the University and College Ambassadors.

Highlights of FSC's Town Hall Meetings



Audience members fully engaged during an FSC Town Hall Meeting



Mrs. Ann Marie Trowers Smith delivers a presentation on Planning for Retirement on a Small Income at one of the FSC's Town Hall meetings in 2018.



Senior Marketing Officer Michael Johnson shares useful tips for investing in equities listed on the Jamaica Stock exchange during an FSC Town Hall meeting.

Elaine Oxamendi Vicet - Director, Communication & Public Relations in the Ministry of Finance and the Public Service, Elaine Oxamendi Vicet emphasizes the importance of financial inclusion in a presentation to audience members during the FSC's Town Hall Meeting in Port Maria, St Mary.



Jamaica Deposit Insurance Corporation

Consistent with its public education programme and financial literacy thrust the Jamaica Deposit Insurance Corporation (JDIC/the Corporation) continued to engage with the public on the benefits and protection offered by the Deposit Insurance Scheme to depositors of banks and building societies.

This was done mainly through presentations to public and private sector organizations and the Corporation's ongoing promotional and advertising campaign, including the use of public transportation.

During 2018, the Corporation marked 20 years of operation and among the events staged were two public forums/financial fairs themed - ***Empowering Today's Financial Consumers for the Future*** - held in partnership with Bank of Jamaica, the Financial Services Commission, the Consumer Affairs Commission and the Jamaica Stock Exchange, in Kingston and Montego Bay respectively.

With the continued evolution of financial products and services, the public fora and financial fairs focused on financial education for savers and investors, small entrepreneurs and the unbanked; and included topics such as regulating and protecting deposits, how the stock market works, combatting unregulated financial organizations, cyber security and consumer protection.

Several booth-holders, including financial institutions, participated in the events and provided information on their products and services. As educating youths is key to ensuring that future generations are financially literate, educational and entertaining activities were provided in the Kiddies Village for children in attendance at the Fairs, employing the theme '***Money is also a Pickney Ting***'.



