

Jamaica – a brief overview

Jamaica, a fifth largest island country, is an upper middle income nation. The country got independence in the year 1962. It possesses beautiful topography with rainforests and beaches. The country has one of the highest GDP in Caribbean, playing important role in the region. However owing to sluggish growth of merely 1% in its GDP per capita in the past 30 years, Jamaica is considered to be one of the slowest developing countries in the world.

Economy of Jamaica

The economy of Jamaica is mainly driven from its services sector; generating 70% of the country's revenues while tourism sector along with remittances and exports of alumina contributes the remaining 30% of the revenues. These three sectors are considered to be the building blocks for earning foreign exchange reserves for the country. However, exports of alumina was hit by the global turmoil which affected the export earnings to large extent. The economy of Jamaica has been influenced by various factors including unemployment and underemployment on mass level, corruption, gigantic debt to GDP ratio of 130% and high crime rate. This huge public debt has restricted the country from developing its infrastructure and implementing social reform programs. The pile of public debt is mainly associated with Jamaica's bail out efforts of its ailing sectors particularly financial sector. To subside with it, the govt. authorities have started its ambitious reform program by seeking international assistance through International Monetary Fund (IMF) and other donors. The IMF deal requires the government to reform its tax system, eliminate discretionary tax exemptions and waivers, and achieve an annual surplus of 7.5%, excluding debt payments, to reduce its debt below 100% of GDP by 2020. The reform program has started reflecting positive effects, showing improvement in the environment of the country's private sector. The country has also jumped 27 places, standing at 58 position among 189 nations within the category of Doing Business. The credit rating of Jamaica has also been significantly improved in the past few years where its capital markets raised about \$ 2 billion within the international capital markets during the years 2014 and 2015.

Key Industries of Jamaica

Key industries of Jamaica include telecommunications, light manufactures, paper, cement, tourism, agricultural-processing, bauxite/alumina, rum, metal and chemical products.

Jamaica's major trading commodities and partners

The country's main export items include coffee, sugar, chemicals, bauxite, alumina, apparel, beverages, mineral fuels, rum and yams. The key export partners of Jamaica are U.S., Canada, Netherlands, Iceland, Russia and U.K., Brazil, China, Chile and US. The main import items of Jamaica are industrial supplies, machinery and transport equipment, fuel, parts and accessories of capital goods, construction materials, food and other consumer goods. Its major import partners are US, Venezuela, Trinidad and Tobago and China.

Economic Relations between Pakistan and Jamaica

Pakistan and Jamaica have developed excellent diplomatic relations since its independence in 1962. The two countries maintains healthy bilateral relation among each other. In this regard, Pakistani diplomats have made efforts to strengthen and deepen the economic and political relations, building upon the friendship which exists between the two countries.

Bilateral Trade Relations between Pakistan and Jamaica

During Fiscal Year 2015, Pakistan's export to Jamaica stood at \$ 2.16Mn as against exports of \$ 1.87Mn in the same period of last Fiscal Year 2014 showing a growth of 16%. On the other hand, country's imports from Jamaica stood at \$ 1.63Mn compared with imports of \$ 0.66Mn in the preceding year showing a decline of 150%.

Trading Commodities between Pakistan and Jamaica

Pakistan's exports to Jamaica include sports articles and equipments, bed, table, toilet and kitchen linen, not knitted articles of apparel and clothing accessories, woven fabrics of synthetic staple fibres containing, leather articles of apparel and accessories and combustion pistons with Machinery NES. The imports of Pakistan from Jamaica mainly includes iron and steel products, vehicles other than railway, tramway, machinery, electrical and electronic equipments, pulp of wood and fibrous cellulosic material, waste, copper and articles thereof, aluminium and articles thereof, wadding, felt, nonwovens, yarns, twine, cordage, optical, photo, technical, medical apparatus, commodities NES, rubber and articles thereof, tanning, dyeing extracts, tannins, dervis, pigments, essential oils, perfumes, cosmetics, toileteries etc. .

Potential for enhancing bilateral trade relations between Jamaica and Pakistan

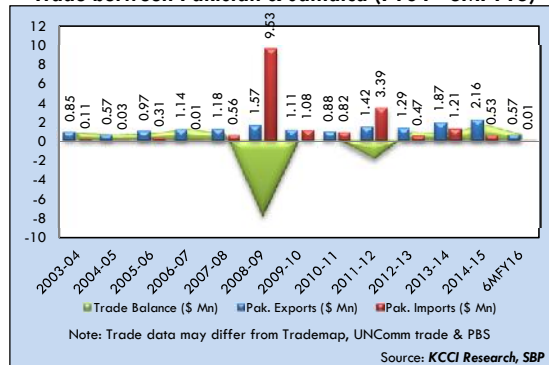
As Jamaican economy is mainly dependent on importing live animals, meat and edible meat, offal, fish, crustaceans, there lies great opportunity for the two countries to increase their bilateral trade.

Economic Indicators

Indicators	Unit	2014	2015	Change
GDP (PPP)	\$ Bn	24.3	24.6	1.07%
GDP per Capita	\$	8,700	8,800	1.15%
GDP growth	%	0.4	1.1	0.70%
Forex Reserves	\$ Bn	2.47	2.70	9.18%
External Debt	\$ Bn	16.6	17.3	4.41%
Exports	\$ Bn	1.48	1.19	-19.57%
Imports	\$ Bn	5.20	4.06	-22.00%
Trade Balance	\$ Bn	-3.72	-2.86	22.97%
Current Account	\$ Bn	-1.0	-0.6	37.91%
CPI	%	8.3	4.2	-4.10%
Unemployment	%	14.2	14.0	-0.20%
Discount Rate	%	-	-	-

Sources: KCCI Research, CIA Factbook

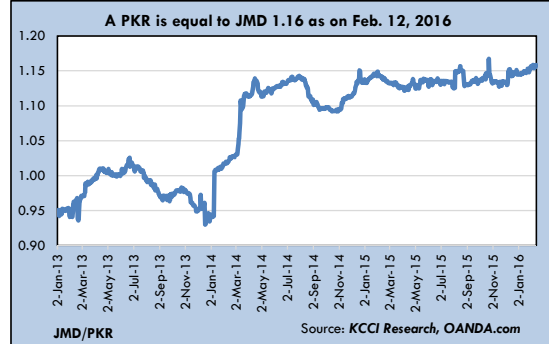
Trade between Pakistan & Jamaica (FY04 - 6MFY16)



Note: Trade data may differ from Trademap, UNComm trade & PBS

Source: KCCI Research, SBP

Jamaican Dollar Vs. Pakistani Rupee

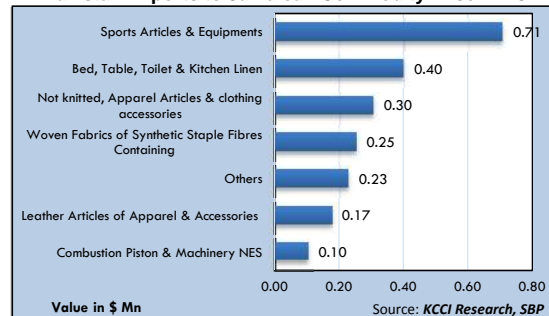


Source: KCCI Research, OANDA.com

Key Memberships

AfDB (nonregional member), Australia Group, BCIE, BIS, CAN (associate), CD, CELAC, FAO, FATF, G-15, G-20, G-24, G-77, IADB, IAEA, IBRD, ICAO, ICC (national committees), ICRM, IDA, IFAD, IFC, IFRCs, IHO, ILO, IMF, IMO, IMSO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), LAES, LAIA, Mercosur, MIGA, MINURSO, MINUSTAH, NAM (observer), NSG, OAS, OPANAL, OPCW, Paris Club (associate), PCA, SICA (observer), UN, UN Security Council (temporary), Union Latina (observer), UNTSO, UNWTO, UPU, WCO, WFTU (NGOs), WHO, WIPO, WMO, WTO, ZC

Pakistan Exports to Jamaica - Commodity Wise FY15



Source: KCCI Research, SBP

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