

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	JAMAICA/CCB - Caribbean Group
▪ TC Name:	Jamaica's Tourism Strategy
▪ TC Number:	JA-T1217
▪ Team Leader/Members:	GOMEZ GARCIA, OLGA (CSD/RND) Team Leader; JIMENEZ MOSQUERA, JAVIER I. (LEG/SGO); BONNER, VANESSA VENECHA (CCB/CJA); SAMUELS, ROCHELLE KAYE (CCB/CJA)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	12 Apr 2023
▪ Beneficiary:	The Ministry of Tourism of Jamaica and the Planning Institute of Jamaica
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK (JA-PIOJ-PLANNING INSTITUTE OF JAMAICA)
▪ IDB funding requested:	US\$180,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	CSD/RND - Env, Rural Dev & Disaster Risk
▪ Unit of Disbursement Responsibility:	CCB/CJA - Country Office Jamaica
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Productivity and innovation; Institutional capacity and rule of law

II. Objective and Justification

- 2.1 To develop an updated Tourism Strategy for Jamaica, taking into consideration the new post-Covid 19 challenges and trends, as well as the need of a stronger focus on environmental, social, and economic sustainability and on developing a more climate change friendly tourism sector, both, from a mitigation and an adaptation perspective. For this purpose, this technical cooperation will finance: 1. a set of stakeholder consultations and its corresponding analyses, 2. a tourism governance analysis, 3. the consolidated analysis of all the inputs generated via previous sustainable tourism projects, 4. the elaboration of the tourism strategy, 5. the dissemination of the tourism strategy.
- 2.2 Prior to the Covid-19 Pandemic tourism accounted for nearly US\$4.6 billion or nearly 29% of GDP taking into consideration the sector direct, indirect, and induced effects. estimates that Tourism directly and indirectly accounted for 29% of total GDP (370,000 jobs, 30% of labor force); thus, making it one of the most pivotal sectors for the island nation.

In 2020 due to the global Covid-19 pandemic, tourism had one of the largest contractions of all economic sectors. WTTC data shows that the Caribbean region experience a 53.2% contraction in tourism GDP and lost 25.8% of all tourism jobs during the first year of the pandemic. Figures for 2021 and 2022 show signs of a rebound and reports from the Jamaican authorities expect foreign visitors' expenditure to surpass 2019 levels by

2023. Despite the recovery, but many challenges remain unattended, and some have been exacerbated by the pandemic and/or the impact of climate change.

Some of these challenges are related to outbound markets, product, and geographical concentration, as well as biodiversity loss, coastal erosion, and the degradation of the environment in general. Other important challenges relate to developing a more inclusive tourism sector, that develops strong domestic value chains and a robust SMEs tourism ecosystem. Additionally, the digital transformation of the sector cannot wait longer, including the development of strong knowledge and information systems that are used and incorporated as a main input for public policy design and evaluation, as well as for public and private investment planning. Reinforcing human capital and building a more tourism aware civil society could as well benefit greatly Jamaica and contribute to ameliorate its competitiveness as a tourism destination.

To address these challenges, the Government of Jamaica has requested IDB support to elaborate comprehensive and in-depth diagnostics, to design and execute a stakeholder consultation plan, and to develop a new reformulated tourism strategy. All of the above will be developed under this TC.

This TC is aligned with the current Country Strategy 2022 in the objectives of “Support Social Inclusion of Vulnerable Groups” and “Enhance the effectiveness of public administration”. Moreover, the TC is aligned with the Updated Bank’s Institutional Strategy in Promoting Technology and Innovation, Strengthening the Institutional Governance and Framework, on Promoting the Mitigation and Adaptation to Climate Change, and on Reducing Gender Gaps.

III. Description of Activities and Outputs

- 3.1 **Component I: Tourism Sector Diagnostics and Stakeholder Consultation.** The following activities will be included under this component: a. Analysis of existing data and already developed reports about, or related to, Jamaica’s tourism sector. Identify information and analyses gaps. b. Evaluation of the key stakeholder’s consultation strategy, and adaptation to new trends and findings. Implementation of the stakeholder’s consultation strategy. Develop of an in-depth report summarizing the key inputs and conclusions.
- 3.2 **Component II: Tourism Sector Strategy 2025-2030.** The following activities will be included under this component: Development of Jamaica’s Tourism Strategy 2025 to 2030.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Tourism Sector Diagnostics and Stakeholder Consultation	US\$90,000.00	US\$0.00	US\$90,000.00
Tourism Sector Strategy 2025-2030	US\$90,000.00	US\$0.00	US\$90,000.00
Total	US\$180,000.00	US\$0.00	US\$180,000.00

V. Executing Agency and Execution Structure

- 5.1 As requested by the Jamaican Government, this operation will be executed by the Environment Rural Development and Disaster Risk Management Division (CSD/RND) at the Inter-American Development Bank in close coordination with the Ministry of Tourism of Jamaica.

- 5.2 The main reason justifying the Bank's execution of the project is the knowledge that the institution has acquired in the preparation and execution of this type of study in various borrowing countries. This experience has made it possible to extract important knowledge and lessons learned that are considered to add value to this technical assistance and will also make it possible to expedite its execution given the existing institutional limitations.

In addition, the beneficiary country and the Bank agree that the Bank's contracting of some studies and diagnoses could facilitate and strengthen their independence (for example, with regard to environmental issues).

The activities to be carried out under this operation have been included in the Procurement Plan (Annex IV) and will be carried out in accordance with the Bank's established procurement methods, namely: (a) Contracting of individual consultants, as established in the AM-650 standards; (b) Hiring consulting firms for services of an intellectual nature in accordance with GN-2765-4 and its associated operating guides (OP-1155-4); and (c) Procurement of logistics services and other services other than consulting, in accordance with policy GN-2303-28.

VI. Project Risks and Issues

- 6.1 The most important risks of this project are the inadequate selection of consultants or consulting firms and the potential lack of budget to implement the potential reforms and investments. The Bank will work with the Government of Jamaica to identify monitoring and mitigation measures for these risks, such as: exhaustive review of the terms of reference for the preparation of the different products, multidisciplinary reviews of the different proposals, consultations public meetings with the main stakeholders of the sector, and close coordination with the Ministry of Finance. Likewise, work will be done in close coordination with the sectoral actors to achieve consensus and improve the chances that the reforms will be carried out and maintained over time. It is also expected to strengthen the government's technical knowledge on key sectoral issues.

VII. Environmental and Social Aspects