

Invested

Information for Investors in Securities, Pensions and Insurance

December 2021

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Promoting integrity in the Jamaican Financial Sector.



Schools' Financial Education Programme Kicks Off!

- David Answer, Financial Services Commission

The 2021/2022 edition of the Financial Services Commission's financial literacy initiative targeting youth, the Schools' Financial Education Programme is slated to begin in January 2022!

The programme is celebrating a decade of teaching students about key financial concepts and important financial institutions that operate in Jamaica. Concepts such as saving, budgeting, investing, planning for retirement, the importance of insurance and being a savvy consumer of financial products are major components of the SFEP Curriculum which is presented to the students in interactive presentations done by FSC staff members.

Students are also introduced to key institutions that operate in the Jamaican financial industry like the FSC, the Jamaica Stock Exchange, the Jamaica Deposit Insurance Company, the Bank of Jamaica, the Consumer Affairs Commission and more. This provides them with the knowledge to be confident in the financial sector that operates with integrity and equal opportunity for all its participants. The presentations also provide a basis for a sound financial future typified by sound decision making that will improve their financial outcomes.

The programme has been implemented as a method to improve financial literacy and financial inclusion among our youth, which is a goal of the National Financial Inclusion Strategy; a component of Jamaica's Vision 2030 development plan that seeks to boost participation and trust in the Jamaican financial sector. It also assists the students to develop other professional skills such as public speaking, presentation making, documentation and teamwork. They are challenged to apply their newly gained knowledge in exercises that mimic real life scenarios which will depend on a foundation of prudent financial decision making.

In previous iterations of the programme, a select number of schools from across Jamaica were invited to join us. However, this year the programme has been opened to all schools across the island and students are being invited to enter SFEP's essay competition to vie for valuable prizes. The first twenty teachers to register will receive a stipend for their assistance of the students and are being asked to contact the FSC by emailing us at inquiry@fscjamaica.org with the subject of the email being "SFEP Registration". The email must indicate the school and the name of the teacher who will be assisting the students during the programme. Schools are permitted to three entries per school and winning entries from each county (Cornwall, Middlesex and Surrey) will receive prizes courtesy of the FSC.

SFEP is one of the largest financial literacy programmes that target youth in the region, and it has provided students with the opportunity to become opinion leaders among their peers on topics related to personal finance. The Financial Services Commission believes that equipping our youth with the knowledge to participate actively in the financial sector is a key milestone in realizing Jamaica's development plan and the United Nations' Sustainable Development Goals.

EDITORIAL



To all our stakeholders internal and external local and international we extend best wishes for the season and new year.

Let us all endeavour to communicate more, listen to each other and redouble our efforts to achieve all that we aspire to and in the process inspire.

David Geddes,
Director,
Stakeholder Engagement, Communication and International Relations,
Financial Services Commission.



**GUIDELINES FOR:
CRITERIA FOR AUDITORS**

**The Financial Services Commission
39-43 Barbados Avenue
Kingston 5, Jamaica W.I.
Telephone: (876) 906-3010**

December 2021



LEGISLATIVE REFERENCE:	Sections 21(2) and 64 of the Securities Act Regulation 27 of the Securities (Mutual Fund) Regulations Regulation 4(1) of the Securities (Disclosure of Interest) Regulations Sections 28(1) and 37(1) of the Insurance Act Regulation 79 of the Insurance Regulations Section 12(1) of the Pensions (Superannuation Funds and Retirement Schemes) Act (the "Pensions Act")
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1.0 BACKGROUND

- 1.01 The Financial Services Commission (the "FSC") is responsible for the administration of the statutes relating to the securities, insurance, private pensions and trust and corporate services providers sectors. The respective statutes do not all require the auditor of entities regulated by the FSC to apply for approval of the auditors being used by the entities. However, given the role of, and the rationale behind the auditor throughout the various pieces of legislation, it is implied that that an auditor must be suitable to carry out the function of auditing financial statements and the FSC must be able to rely on the accuracy of the auditor's review.
- 1.02 Section 21(2) of the Securities Act stipulates that a recognized stock exchange shall appoint annually an auditor from a panel of persons approved by the FSC as being qualified by training and experience to audit the accounts of the exchange. Section 64 also specifies that a dealer must appoint an auditor or auditors to audit its dealer's accounts other than a person who is specified as ineligible. A person providing auditing services to a dealer is ineligible if the person is:
- (a) not a registered Public Accountant under the Public Accountancy Act
 - (b) an officer, shareholder or an employee of a dealer
- 1.03 Regulation 27 of the Securities (Mutual Fund) Regulations specifies that a management company or the directors of a mutual fund shall appoint an auditor for the fund who is independent of the management company, the custodian and the directors of the local mutual fund.
- 1.04 Section 28(1) of the Insurance Act stipulates that the accounts of every registered insurer must be audited annually by an independent auditor who shall not be an employee or an officer of the insurer. Section 37(1) also provides for registered insurer, agent and broker to appoint an auditor and Regulation 79 of the

Insurance Regulations states that an auditor is qualified to be appointed to the office of auditor of a registered insurer if he is a fellow in good standing of the Institute of Chartered Accountants of Jamaica.

- 1.05 A person (whether a body corporate or a sole practitioner) who is related to an approved superannuation fund ("fund") or approved retirement scheme ("scheme") shall not be appointed as an auditor of that fund or scheme without the prior approval of the FSC in keeping with section 12 (1) of the Pensions Act.

2.0 OBJECTIVE AND SCOPE

- 2.01 The purpose of these guidelines is to outline the FSC's criteria for the appointed auditor of a regulated entity in determining whether the person appointed is suitable to perform the duties of an auditor. This is to ensure that the skills and resources of the auditor are appropriate for the size, nature and complexity of the regulated entity.
- 2.02 These guidelines apply to persons who audit the accounts of registrants or licensees regulated by the FSC.
- 2.03 This document is to be read in conjunction with all other relevant guidelines and bulletins issued by the FSC, including the:
- Bulletin For Appointment of Auditor – *PR-ADVI-17/9-0001*
 - Guidelines on the Criteria for Auditors and Actuaries to Function in the Insurance Industry – *IR-GUID-09/06-0012*

3.0 CRITERIA

- 3.01 Work performed by external auditors of any regulated entities must be performed by auditors who:
- are properly licensed and in good standing
 - have relevant professional experience and competence
 - have a programme for continuing professional education
 - are subject to a quality assurance review
 - are independent in fact and appearance of the entity being audited
 - are objective and impartial

3.02 ***Properly Licensed and in Good Standing***

An appointed auditor must be a registered Public Accountant under the Public Accountancy Act. The auditor must also be in good standing with the Public Accountancy Board ("PAB") and the Institute of Chartered Accountants of Jamaica ("ICAJ"), if also a member of that institution. Qualified auditors must never have had their auditing licence revoked or suspended by the PAB.

3.03 ***Relevant Professional Experience and Competence***

- 3.03.1 Senior staff of an audit firm must have the required skills and resources commensurate with the scale, nature, and complexity of an entity's operations and the regulatory requirements and standards applicable to the auditing. Partners or any member of the firm signing off on audit engagements, are expected to possess an internationally recognized accounting qualification. For the purpose of this requirement, the following would be considered internationally recognized accounting bodies: the

- (a) Association of Chartered Certified Accountants (ACCA) of the United Kingdom

- (b) Institute of Chartered Accountants of Scotland
- (c) Institute of Chartered Accountants of Ireland
- (d) Canadian Institute of Chartered Accountants
- (e) American Institute of Certified Public Accountants
- (f) any other Professional Body or Institute approved by the Commission.

3.03.2 Having qualified professionals audit regulated entities' financial statements will improve financial reporting and enhance investor confidence that the underlying financial statements include full and fair disclosure. As a general rule, the FSC expects partners to have a minimum of five years auditing experience of financial statements at a management level, in the respective industry sectors or businesses they are auditing.

3.03.3 Regarding the auditing of pension plans, the FSC expects auditors to have at least two years' experience working with approved superannuation funds and retirement schemes and a minimum of five years general auditing experience in total. Further, the FSC may declare auditors with less than two years of experience working with approved funds and schemes in a responsible capacity as suitable, provided that the auditor can demonstrate to the FSC's satisfaction, their ability to adequately carry out the duties expected of a pension auditor.

3.04 ***Continuing Professional Education***

The appointed audit firm should have a program to ensure that its staff maintain professional proficiency through continuing education and training and maintain good standing with their local and international accounting body. The firm should also have policies and programmes to support the continuous awareness of its professional staff on developments in the accountancy profession including relevant local and international pronouncements on accounting, auditing and other relevant regulations and statutory requirements.

3.05 ***Quality Assurance Review***

3.05.1 The auditor (individual or body corporate) must establish a system of quality control designed to provide reasonable assurance of compliance with professional standards as well as regulatory and legal requirements; and that reports issued by the entity or engagement partners are appropriate in the circumstances. The nature of the policies and procedures will depend on various factors such as the size and operating characteristics in the case of corporate entities, hence the systems established will vary, as will the extent of their documentation. It is expected that the system of control should include policies and procedures addressing each of the following elements:

- (a) leadership responsibilities for quality within the firm
- (b) ethical requirements
- (c) acceptance and continuance of client relationships and specific engagements
- (d) human resources
- (e) engagement performance
- (f) monitoring

3.05.2 Internal quality control reviews of the auditor's processes and methodologies should be conducted by experts of the entity on a regular basis. Auditors are expected to comply with the requirements of the ICAJ regarding documents and information to be submitted to the institution.

3.06 ***Independence***

- 3.06.1 Independent auditors play a critical role in enhancing the reliability of financial information by attesting to whether the financial statements prepared by management fairly present the financial position and past performance of a regulated entity in compliance with accepted accounting standards. Auditors should maintain independence, both in fact and appearance.
- 3.06.2 When carrying out an audit, auditors must be independent from the entity being audited and shall not in any way be involved in management decisions of the audited entity.
- 3.06.3 Auditors must not carry out an audit if there is any financial, business, employment or other relationship, including the provision of additional services, with the audited entity that might compromise the auditor's independence. The aim in this regard is to ensure that in providing non-audit service, external auditors do not:
- audit their own work
 - make management decisions for the company
 - create mutuality of interest
 - find themselves in the role of advocate for the audited entity

The auditor, if a corporate body, must have clear and comprehensive procedures for ensuring independence in relation to new engagements.

3.07 ***Objectivity and Impartiality***

- 3.07.1 Auditors must not only be independent of audited entities and other interest groups but also be objective and impartial in dealing with the issues and topics under review. They must also be objective and impartial in fact and appearance.
- 3.07.2 The principle of objectivity imposes the obligation on all professional accountants to be fair, intellectually honest and free of conflicts of interest.

Questions regarding this Guideline may be directed to the:

**Registration, Corporate & Trust Services Division
Financial Services Commission
39-43 Barbados Avenue
Kingston 5
Telephone (876) 906-3010
Facsimile (876) 906-3018
Email: Registration@fscjamaica.org**

Growth & Jobs |

OAS supports JBDC with growth of MSMEs

- Gleaner Online

THE ORGANIZATION of American States (OAS), through its Development Cooperation Fund (DCF), has approved a grant of US\$100,000 to support the Jamaica Business Development Corporation (JBDC) with its project to accelerate the growth of micro, small and medium enterprises (MSMEs) in Jamaica through innovation and technology. This project will be implemented during the OAS/DCF's 2021-2024 project cycle under the theme 'Retooling MSMEs through innovation and technology'.

The JBDC's overall aim with this project is to improve access and dissemination of technological and non-technological tools and resources for micro, small and medium-sized enterprises to ultimately support the reactivation of the economy.

More specifically, it seeks to improve the competitiveness and market reach of at least 100 MSMEs, boost their productivity, and enhance their resilience through the adoption of technological and non-technological tools.

According to Valerie Viera, chief executive officer of the JBDC, "Prior to the COVID-19 pandemic, our clients primarily accessed our services through face-to-face sessions. The physical-distancing restrictions provided an opportunity for JBDC to test the concept of a knowledge bank/virtual campus, through which we deliver a suite of business development courses, counselling, handholding and technical support through our online client monitoring platforms, virtual webinars, workshops, expos and conferences."

Viera noted that the virtual engagement resulted in a significant increase in the number of entrepreneurs who accessed training and business counselling. There was a 32 per cent increase in knowledge-sharing sessions delivered, compared to the previous year, and a significant increase of 457 per cent in the number of attendees participating in the knowledge-sharing sessions. Likewise, the number of clients from counselling and consultation grew by 65 per cent (10,208 clients), while 7,912 consultation hours were had with clients, representing a 20 per cent increase in this activity.

The project components include specific activities geared at improving access to business development training and technical assistance to strengthen start-ups and MSMEs, increasing the number of MSMEs accessing markets. The intervention includes the upskilling of entrepreneurs, creating channels for on-boarding to existing on e-commerce platforms. Another area concerns developing a digital business service platform for MSMEs, which uses artificial intelligence to leverage data to inform business strategy at the micro level and policy implementation at the macro level.

Growth & Jobs | OAS supports JBDC with growth of MSMEs

- Gleaner Online

JBDC, through a public-private partnership with local and international technologists, will develop a digital business service platform. The platform, with artificial intelligence at its core will, among other things, provide digital solutions to MSMEs based on their business and growth model. It will also improve their revenue, provide customer relationship management, back-office support and provide a digital dashboard for entrepreneurs to visualise business health at a glance and generate reports related to sales, operations, inventory, financial statements and cash flow management.

Viera pointed out that access to financing has been a major constraint to expanding the MSME sector, as credit providers have a preference for traditional collateral-based lending. “The development and pilot of the digital business service platform will be the first step in creating a credible and secure system which will be used as the basis to advocate for revenue-based financing as an option for MSMEs.

BOJ executes third rate hike, expects inflation to breach target well into 2022

- Gleaner Online

The Bank of Jamaica on Monday December 20, 2021 increased its key interest rate by 50 basis points to 2.5 per cent, in continued defense of its inflation target.

Annual inflation fell in November to 7.8 per cent, down from 8.5 per cent in October, but the rate is still nearly three percentage points outside the upper end of the target range of 4 to 6 per cent.

The central bank is forecasting that inflation won't return to the target range for another eight to 10 months, that is, up to midsummer 2022.

The December 20 decision is the third upward adjustment in interest rates since September, and the BOJ Monetary Policy Committee, MPC, is telegraphing that more increases are likely. The policy rate was increased from its historic low of 0.5 per cent to 1.5 per cent at the end of September, then to 2.0 per cent in mid-November and 2.5 per cent on December 20.

The Jamaican dollar, meanwhile, has been losing value, making goods and services more costly to procure for businesses and more expensive for Jamaicans to consume. The BOJ is concerned that the currency's volatility could also affect the inflation target. The JMD is now trading at around \$154 to \$155 relative to the US dollar, near its historic highs.

"Accompanying this rate increase, the bank decided to maintain other measures to contain Jamaican dollar liquidity expansion and to ensure that further movements in the exchange rate do not threaten the inflation target," the BOJ said.

The risks to the inflation forecast are assessed to be skewed to the upside "...", the central bank said, while listing the upside risks as stronger pass-through of international commodity and shipping prices to domestic prices, higher inflation among Jamaica's main trading partners and the impact of adverse weather on agricultural food prices, among others.

"The MPC's action was therefore necessary to limit the second-round effects of the commodity price shocks and to guide inflation back within the target range over the next two years," BOJ said.

The next interest rate decision is scheduled for February 18, 2022.

JBDC accelerator programme gets \$60-million investment

- Observer Online

The Jamaica Business Development Corporation's (JBDC) accelerator programme is to benefit from a \$60-million investment aimed at supporting the development of some 60 local entrepreneurs.

Scheduled to begin early 2022, the six-month intensive development programme seeks to target members of the micro, small and medium-sized enterprise (MSME) sector. Cohort four of the programme is to be jointly funded by JBDC and the Development Bank of Jamaica (DBJ).

Melissa Barrett, manager for business advisory services at the JBDC, said the upcoming cohort lines up to be the largest since the programme was first launched in 2017.

"Previously, we engaged a maximum of 20 participants per cohort. We have since increased our capacity to deliver, through additional staffing, consultants and financing. We are elated that the DBJ has agreed to finance \$30 million of the total so we can reach more persons. The total investment is significant in that, we are essentially investing \$1 million in each participant," she said.

The programme, which includes about six modules built around the areas of strategy development, financial management, marketing and sales, operational improvement, digital transformation and business valuation, offers participants the benefit of training, increased networking and financing opportunities along with the prospect of increased sales and business growth.

"One of the high points of the programme is the one-week boot camp to be facilitated by a team of JBDC business development experts, as well as external consultants who are experts in their respective fields. We know that financing is critical for entrepreneurs, so they will also be trained in pitch preparation in order to face potential investors at the end of the programme," Barrett noted.

Through the accelerator programme, the JBDC said it is aiming to impact cohort four participants. This, as it enables businesses to secure annual sales of 10 per cent and upwards and provide them with greater access to financing and links to strategic business partners including angel/institutional investors and fund managers.

The programme seeks to attract entrepreneurs engaged in business for over one year, possessing a scalable business model, earning annual revenues of \$5 million or less and having a management team of over two people to apply before the upcoming deadline of January 7.

Touting the programme's success, Barrett highlighted the successes of past participants and recent recipients of the JBDC's BOSS MAN and BOSS LADY OF THE YEAR award, Carl and Donna-Kaye Sharpe, principals of Chocollor Chocolate, which she said, despite the novel coronavirus pandemic, has been able to scale up their business, utilising the training and development strategies learnt.




JBDC accelerator programme gets \$60-million investment

- Observer Online

She said the entity, which since the pandemic has not only expanded its customer base, has also moved to forge new partnerships including a recent deal with Starbucks to carry Chocollor Chocolate products across their eight local stores.

“The JBDC is immensely proud of the achievements of Chocollor Chocolate,” she stated.



Canada Gives JA\$21M To Support Women Empowerment

- Garfield Angus, Jamaica Information Service

Minister of Culture, Gender, Entertainment and Sport, Hon. Olivia Grange, says Canada's donation of \$21 million to causes of women empowerment will "immensely" aid victims of domestic violence.

Speaking at a handover of the funds at the High Commission of Canada, in St. Andrew on December 6, 2021, Minister Grange said the gift was made by the Canada Fund for Local Initiatives (CFLI) to the Bureau of Gender Affairs (BGA) and seven local organisations to support various community-based projects. These include gender-based violence (GBV) interventions and the coronavirus (COVID-19) response and will "reduce gender inequality".

"This project contributes immensely to peace and restoration for several survivors of gender-based violence and women-led community groups," the Minister said, adding that it will also strengthen local government and community governance structures.

The BGA was officially handed \$3,075,000, to improve the economic and psychosocial support offered at the country's national shelters. All the recipient groups, including the BGA will implement activities to address social and economic issues arising from the pandemic for the 2021 to 2022 period.

The other organisations are International Women's Coffee Alliance, South East Cockpit Country Local Forest Management Committee, Grants Mountain Local Forest Management Committee, Transwave, The Peace Management Initiative, Women of Destiny, and the Northgate Youth and Family Development Foundation.

"The Government remains committed to strengthening civil society as critical stakeholders to Jamaica's development, providing greater protection for women and girls," Miss Grange told her audience.

Canadian High Commissioner to Jamaica Her Excellency Emina Tudakovic, said the programme is geared at "achieving real impact at the community level", and to share and build "important work that we have been doing" to accelerate action and enhance the "collective important work", she said.

The event was also used to officially launch and commemorate 16 Days of Activism Against Gender Based Violence and the National Day of Remembrance and Action on Violence Against Women in Canada.

The Canada Fund supports small-scale, high-impact projects in developing countries, which align with Canada's thematic priority areas for engagement. Projects are selected and approved by the High Commission of Canada in Jamaica.

Anti-Corruption Conference Puts Focus On The Three Cs

- Douglas McIntosh, Jamaica Information Service

Caribbean Development Bank (CDB) President, Dr. Hyginus “Gene” Leon, says governance has been established as a cross-cutting component of the institution’s business strategy.

Noting that promoting good governance has always been at the core of the CDB’s mandate, Dr. Leon said the Bank has a “fiduciary duty” to “ensure that every dollar of development funding reaches its intended beneficiary”.

He was delivering the keynote address to open the CDB’s second annual digital Caribbean Conference on Corruption, Compliance and Cybersecurity, on December 7, 2021.

Dr. Leon said in keeping with its focus, the CDB instituted an internal Strategic Framework for Integrity, Compliance, Accountability in 2015.

He noted that this led to the establishment of an independent office to manage risks posed by malpractices, including corruption, money laundering, terrorist financing, and cybercrime.

“This office helps the CDB to meet its fiduciary duty through internal training, capacity building, fraught leadership, and outreach to our Borrowing Member Countries (BMCs),” the President informed.

Dr. Leon said, externally, the Bank’s 2020-24 Strategic Plan outlines how the institution promotes the adoption of good governance practices as a critical tool to secure sustainable development outcomes consistent with the United Nations (UN) 2030 Sustainable Development Goals (SDGs).

“Among other measures, this entails effective engagement of and supporting our BMCs in identifying and taking relevant action to counter the factors that can disrupt economic development and exacerbate poverty,” he further informed.

Dr. Leon said the Conference, which is the CDB’s flagship event, “is at the vanguard of our efforts to strengthen awareness of benefits and promote good governance as standard practice across institutions in our region”.

“We focus specifically on three aspects related to the broad topic of governance, namely corruption, compliance, and cybercrime. As part of our multifaceted approach, the 3Cs (corruption, compliance, and cybersecurity) conference has been designed to empower our stakeholders to learn, share, and collaborate,” he stated.

Anti-Corruption Conference Puts Focus On The Three Cs

- Douglas McIntosh, Jamaica Information Service

Dr. Leon said, to this end, the CDB has four objectives – identifying and defining the challenges that hinder effective development and determining how solutions can be designed to overcome them; engaging in innovative education to ensure a greater understanding of the nature and impact of corruption on the economic and social development of the Caribbean; designing and delivering enhanced capacity within the CDB and region to strengthen their ability to detect, prevent and investigate corruption and other corrosive conduct; and collaborating with partners to, among other things, create the right environment for learning and sharing.

“This approach will help us to become active creators of knowledge that can inform decision creation,” he maintained.

The two-day conference is being held under the theme, ‘Ending Poverty and Driving Growth... Promoting Good Governance by Curbing Corruption, Money Laundering and Cybercrime in the Caribbean’.

The event has attracted thought leaders from more than 40 countries globally to share and discuss new challenges on and solutions for corruption, compliance, and cybersecurity in the Caribbean.

Speakers will include experienced global anti-corruption practitioners, anti-money laundering specialists, cybercrime professionals, development bankers, policymakers, regulators, law-enforcement personnel, academics, private-sector representatives, and civil society leaders.

Jamaica is one of the 19 CDB Borrowing Member Countries. The entity’s membership also includes four regional non-borrowing members – Brazil, Colombia, Mexico and Venezuela, and five non-regional, non-borrowing members – Canada, China, Germany, Italy, and the United Kingdom

House Approves Regulations To Improve Corporate Governance Of Public Bodies

- Latonya Linton, Jamaica Information Service

The Public Bodies Management and Accountability (Nomination, Selection and Appointment to Boards) Regulations was approved in the House of Representatives on December 7, 2021.

Piloting the legislation, Minister of Finance and the Public Service, Dr. the Hon. Nigel Clarke, said the Regulations represents a seminal tool towards achieving good corporate governance in respect of public bodies.

There are approximately 146 public bodies in Jamaica, which are responsible for significant resources. In addition, there are 54 self-financing public bodies that have revenues that exceed \$325 billion per year.

"So, public bodies have significant responsibilities. With this level of revenues and this level of capital expenditures, public bodies have significant procurement and contracting responsibilities. We depend on the Boards of public bodies for governance and stewardship that oversees the preparation of their budgets and their corporate plans and the achievement of public policy objectives," Dr. Clarke said.

He added that failures in governance, therefore, can have grave consequences.

"The regulations are not perfect, they represent a work in progress towards a more perfect system of governance," Dr. Clarke argued.

He informed that the Financial Secretary will be responsible for the creation of a database of prospective Directors.

"This is pivotal towards meeting the need for transparency in the selection and appointment of prospective directors. Information contained in this database, such as the name, the knowledge, the skills and experience of prospective directors will be subject to due diligence check to determine the veracity of the information," Dr. Clarke informed.

This database will be established within the Ministry of Finance and the Public Service and will be an electronic system. Appropriate staff will be recruited and designated to carry out the duties related to the administration of the provisions of the regulations.

Dr. Clarke said the Financial Secretary will have ultimate responsibility for the administration of the database, adding that the database should be kept in a secure, reliable facility.

He noted that any member of the public may have access to the information, through a request in writing to the financial secretary, but this will be limited to only current directors.

Dr. Clarke informed that a person may be included in the database by nomination by certain interest groups, but this will be subjected to due diligence



House Approves Regulations To Improve Corporate Governance Of Public Bodies

- Latonya Linton, Jamaica Information Service

"But it's not limited to groups such as professional bodies, business associations, trade unions, public-sector agencies representing special interest groups, such as gender affairs, children, youth, consumer affairs and the disabled community," he stated.

"So, not only can people nominate themselves, but professional bodies can put names forward and provide the competencies. What happens, and what has happened over the past several decades, is that public bodies boards are constituted from the minds and the rolodex of the particular minister, and that is a limited basis on which one can be nominated to a board," the Minister added.

Persons can also be nominated by political parties registered under the Representation of the People's Act, members of academic communities, and civil society groups.

"This provision demonstrates our commitment to a participatory form of government, to inclusiveness and diversity and highlights the government's recognition of the need to have a wide cross section of Jamaicans involved and represented in important decision-making towards growth and development of Jamaica," Dr. Clarke said.

He noted that being in the database "doesn't mean that you're automatically on the public body board, you'd have to be selected from the database and then appointed".

The Minister said each board will have a competency profile that outlines the core competencies required.

"The selection procedure will require the financial secretary to prepare a list of all eligible prospective directors from the database who meet the competency profile for the respective boards," he stated.

Meanwhile, the Regulations do not apply to the boards of educational institutions, and they do not apply to ex officio members of boards, who are persons, by virtue of their office, named to be appointed to the boards of public bodies.

Both Leader of the Opposition, Mark Golding and Opposition Spokesperson on Finance, Julian Robinson, supported the legislation

FOR IMMEDIATE RELEASE

OUR to verify computation of JPS bill increase

(KINGSTON, Jamaica; 2021 December 17): The Office of Utilities Regulation (OUR) has received correspondence from the Jamaica Public Service Company Limited (JPS) regarding steep increases in fuel costs and other related charges that are expected to impact customers' bills in the coming months.

Specifically, JPS is attributing the increases to the:

- Higher commodity prices for oil and natural gas internationally;
- Devaluation of the Jamaican dollar to the US dollar; and
- Temporary switch from natural gas to the more expensive automotive diesel oil (ADO) at several plants for a combination of reasons.

The OUR recognizes the potential rate shock to customers but is also mindful that costs pertaining to charges by Independent Power Producers (IPP) and foreign exchange rate movements are direct pass-through to customers. These are explicitly provided for in the Electricity Licence (2016) and the JPS Rate Schedule and as such are not subject to regulatory control.

The OUR, however, has a duty to verify the composition and computation of such charges and how they are applied to customers' bills. As such, we have written to JPS requesting additional information including:

- The rates and charges applied to customer categories for 2021 November and 2021 December;
- Analyses of the increases in fuel and IPP costs arising from the switch from natural gas to ADO; and
- An explanation as to why some plants switched from natural gas to ADO.

The OUR expects to receive all requested information from JPS by 2021 December 24.



FINANCIAL
SERVICES
COMMISSION

MERRY
Christmas
AND A HAPPY NEW YEAR!

**FROM THE MANAGEMENT & STAFF OF THE
FINANCIAL SERVICES COMMISSION!**



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@FSCJAMAICA





The editorial staff of the Invested newsletter welcomes your comments, suggestions and articles as we strive to share financial information with our many stakeholders.

The Financial Services Commission also welcomes invitations to speak at forums as well as community meetings.

Public education and financial literacy are critical elements as we pursue financial inclusion.