

Figure 2: Examples of policy instruments, the Global Economic Governance rules they must follow and Jamaica’s SEZ Regime response

Policy instrument	Global Institution	Global rule affecting policy	Consequences for not adhering	Jamaica’s SEZ reaction/outcome/action/result
Export subsidies	WTO	WTO Agreement on Subsidies and Countervailing Measures (SCM)	Opens up Jamaica being sued at the WTO by other member states.	The SEZ fiscal incentives are by design export neutral.
Free flow of capital	The Financial Action Task Force (FATF) OECD EU The Caribbean Financial Action Task Force (CFATF)	Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF)	Grey or Black listing – making international financial transactions (investment, trade, remittances) more difficult. Loss or reduced investor confidence in Jamaica.	The SEZ Act mandates the JSEZA in its review for an investor to gain status to conduct due diligence and background checks (Section. 21(2)) for money laundering and financial crimes; the financing of terrorism and the manufacture and proliferation of weapons of mass destruction.
Fiscal incentives	OECD (base erosion and profit shifting (BEPS))	base erosion and profit shifting	Grey or Black listing – making international financial transactions (investment, trade, remittances) more difficult. Loss or reduced investor confidence in Jamaica.	Jamaica’s SEZ Regime is under official review and will be required to establish greater investment entry controls and supervision in the form of greater ‘substance requirements’ for investors which creates a greater nexus between investments and presence in Jamaica.
Trade Facilitation	World Customs Organization	The Revised Kyoto Convention	When Jamaica enters it will be obliged to follow its obligations; non-adherence could erode confidence of trading partners and could result in slower clearance of Jamaica goods.	The SEZ Act makes clear unlike the previous Export Free Zones Act that SEZs are under Customs Control.

	WTO	WTO Trade Facilitation Agreement	Non-adherence could erode confidence of trading partners and could result in slower clearance of Jamaica goods.	Jamaica's Trade Facilitation implementation is WTO plus, that is to say the WTO Trade Facilitation Agreement and additional measures, several of which relate to SEZs. An example of which is the high level of Customs facilitation mandated by the SEZ Act and Regulations.
	OECD (Recommendation on Countering Illicit Trade: Enhancing Transparency in Free Trade Zones)	OECD (Clean Zones)	None at this time but this framework could be global best practice for SEZs	None at this time.
Targeted investment in BPO, IT Enabled service and e-commerce*	WTO	WTO Moratorium on Customs Duties on Electronic Transmissions	None at this time however as momentum builds for the lifting of the Moratorium on Customs Duties on Electronic Transmissions at the WTO and unilateral nation levels this is a space that has to be keenly watch, scenario policy planning engaged and national policy positions formulated and promoted globally.	No official position taken at this time however the JSEZA serves on Jamaica's National services Policy Steering Committee where the moratorium is a matter of deliberation and scenario policy planning.
	OECD	BEPS	Grey or Black listing – making international financial transitions (investment, trade, remittances)	Jamaica's SEZ Regime is under official review and will be required to establish greater investment entry controls and supervision in the form of greater 'substance requirements' for investors which creates a greater nexus

			more difficult. Loss or reduced investor confidence in Jamaica	between investments and presence in Jamaica.
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**The GOJ has targeted one or more of these sections in various policy instruments, including but not limited to Vision 2030 (Jamaica's National Development Plan); a Five Year BPO Strategy; the JSEZA P3+ Programme (Priority, Permitted and Prohibited Industries); and the Covid-19 Recovery Taskforce Report.*