
III. *DOING BUSINESS IN JAMAICA*

Opportunities for Canadian Products and Services

With an economy based on tourism and mining with very little manufacturing capability, Jamaica offers numerous opportunities for Canadian exporters.

The government is concentrating on updating Jamaica's infrastructure. In co-operation with multilateral development banks and foreign-aid agencies, the government is funding major improvements in the electricity system, telecommunications, water supply, health care, education and transportation. Several major projects are currently being implemented with more on the drawing board.

Jamaica's economy is driven by tourism, and opportunities in the hospitality sector are numerous. Processed food, souvenir items, building materials, restaurant and food-service equipment, and general hotel supplies all find a ready market in this rapidly expanding sector.

Jamaica's manufacturing industries are generally confined to assembly of foreign products with limited local content or to garment manufacture. In both of these areas, opportunities exist for the supply of components. This is particularly true since the 1986 CARIBCAN scheme, an economic and trade development assistance program for the Commonwealth Caribbean, was introduced by the Canadian government. This initiative allows certain Caribbean countries, including Jamaica, duty-free access to the Canadian market for most of their products. A value-added test must be passed to permit duty-free entry. Canadian components imported are counted as the equivalent of Caribbean content.

Channels of Distribution

Most exporters selling to Jamaica hire an agent or distributor. In most cases this is necessary since constant personal follow-up is required to sell in the Jamaican market. Agents will normally market a product to distributors and end users without actually taking possession of goods. Commissions are paid directly by the Canadian supplier to the agency. Distributors, however, will purchase and