

CHAIRMAN'S STATEMENT



Major economic events during fiscal year 2008/2009 have significantly affected the lives of individuals and the operational conditions of both the public and private sectors. The burgeoning financial crisis which came to a dramatic head in 2008 after more than a year of volatile food, energy and commodity prices compounded a series of shocks already being felt around the world. Daily headlines charted the ups and downs of stock prices and chronicled the failures of financial institutions and industrial giants. The growth of Jamaica's economy has been further challenged and the poor, more so than any other group, has been negatively impacted. Nonetheless, we cannot afford to run the risk of reversing progress as it is essential that the economic crisis does not become a crisis of human development. Now more than ever, the Jamaica Social Investment Fund (JSIF) recognizes the need to build human capital so that our nation will have the capacity to weather the storms ahead.

JSIF has sought to continue its poverty alleviation mandate despite the intensification of our local challenges due to the international turmoil. This was done by improving efficiency through obtaining internationally recognized certification and investigating diversification of the JSIF project portfolio. Among the achievements for the 2008/2009 financial year were:

- The attainment of ISO 14001:2004 certification
- Improved operational performance
- Obtaining additional funds

ISO 14001:2004 Certification

JSIF is now ISO 14001:2004 certified which makes the Fund the first government agency in the English-speaking Caribbean to achieve this accolade. In becoming the first regional government agency to achieve ISO 14001:2004 certification, JSIF is not only affirming Jamaica's leadership role in promoting sustainable development but also indicating the country's commitment to a development process where the environment is not compromised. The Government of Jamaica, through the JSIF, has



leveraged its demonstrated commitment to environmentally friendly development to increase bargaining power when conducting negotiations with multilateral and bilateral organizations from which the JSIF receives most of its funding. An additional benefit of this certification is that it provides international validation of the integrity of the sound environmental management practices that JSIF has in place. These practices signal that JSIF's project implementation processes are highly efficient and cost effective, resulting in more communities benefiting from the work done by the organisation through optimal use of available resources and better returns on social investments. The JSIF provides basic infrastructure such as schools, water supply systems, health centres and agricultural feeder roads aimed at boosting economic and social viability and developing underserved communities.

Improved Operational Performance

During the year, the operational performance of the Fund increased exponentially as 190 projects were approved, compared with 77 during the 2007/2008 financial year. This represents an increase of 41% and an approved monetary investment of \$1.767 billion. During the year, the Fund successfully completed 85 infrastructure and social services projects resulting in 83,169 persons benefiting directly.

This year, the impact of the JSIF's interventions was measured by three major donors, namely, the World Bank, the Caribbean Development Bank and the European Union. The reports consistently found that the JSIF continues to have a positive impact on poverty reduction through increased employment opportunities; reduction in violence, hostility and gang conflict; facilitating community empowerment and building social capital. Conversely, more needs to be done to ensure the long term sustainability of community infrastructure and other gains made during sub project implementation as well as the need to strengthen inter-institutional arrangements with other agencies to further enhance the impact of interventions. Efforts will be made in the coming year to address the latter areas as we seek to fully maximise the impact of investments on the poor and vulnerable.

Additional Funding

During the year under review, JSIF's international reputation and integrity in money management and project implementation yielded the following grants:

- The Canadian International Development Agency (CIDA) Basic Needs Trust Fund Fifth Programme bonus grant of US\$0.887 million to carry out additional social infrastructure interventions.
- A European Union grant of just over Euro 1.1 million (approximately J\$115.7 million) awarded by the European Union Banana Support Programme (EU BSP) to provide social and economic infrastructure support to traditional banana-growing communities in four out of six targeted parishes.

The Way Forward

I fully appreciate that the forthcoming year will be difficult for everyone, given the current economic climate and the projections as to how the crisis will unfold, but especially for those who are already living in poverty.

Despite the foreseen challenges, I encourage everyone to look ahead with hope and to tap into that natural resilience that we are wealthy in, to enable and empower us to weather the storms ahead.



The JSIF team gives you its commitment that we will continue to identify and pursue funding opportunities to further assist in the poverty alleviation process as evidenced by the additional funds already garnered. However, it is only with the full commitment of management and staff along with the cooperation of our stakeholders, donor agencies, private and public sector partners and, of course, our beneficiaries, that we will be able to achieve this goal.

As Chairman, I wish to thank my fellow Board members and the management and staff of the JSIF for the dedication and hard work during the year, in service to our country and the poor in particular.

Wesley Hughes, CD, PhD
Chairman

Dated this 25th day of August, 2009