

*Tourism Product Development Company Limited*



2013

# Annual Report





*Transforming and enhancing the tourism product*  
Tourism Product Development Company Limited



*Annual Report 2012-2013*





[www.tpdco.org](http://www.tpdco.org)





*Tourism Product Development Company Limited*

# Our Vision

**TPDCo, a world class product development company contributing to a diverse, enhanced tourism product and visitor experience, resulting in an improved quality of life for all Jamaicans.**

# Our Mission

**To facilitate the diversification, development and improvement of the tourism product utilizing an experienced and qualified staff to enhance visitor experience by building consensus and strategic alliances with industry stakeholders in order to engender socio-economic growth.**



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Mrs. Maxine Henry-Wilson  
*Chairman*

**TPDCo - Striving to Achieve Our Mandate.**

In striving to achieve our mandate of improving and diversifying Jamaica's tourism product thereby enhancing the visitor experience, the Tourism Product Development Company Ltd ((TPDCo) met and overcame several challenges during the period under review. Total revenue was \$721.23 Million which represented a 3% decrease from the previous year. However expenditure was also reduced by 12.65% down to \$453.59M which combined with other prudent fiscal measures allowed for the recording of a surplus of \$35.80 Million which was an increase on the previous year in which we recorded a deficit.

Product Quality his department consistently maintained its high standard of assessments and responsiveness to the many and varied partners in the sector. Some 4559 assessments were done, with 3358 meeting the required standard. Corrective action was recommended for those that did not meet the requirements. In its bid to facilitate further development in the sector some 23 consultations were done with new and existing operators and while 4505 applications were processed, 3937 of them were approved by the Jamaica Tourist Board (JTB). Standard

Operating Procedures were developed during the period for several sectors and spa and high angle standards were gazetted as national standards by the

bureau of standards. The department also continued to interface with stakeholders to build alliances and facilitate development. We are proud to have facilitated the entry of six (6) new hotels which added 686 to the destination's room stock. Our HIV programme reached some 2100 workers in five resort areas and while there is still hesitation to participate the feedback has been positive. TPDCo information officers also remained very active over the period with over 385,000 persons utilizing our kiosks.

Product Development did work that was crucial in helping us to maintain our financial viability through an income of just under Forty Four Million Dollars (\$44M). It is noteworthy that earnings were 60% above the 2011 - 2012 figures. An appreciation for the importance of the aesthetics of our resort towns and its impact on the destination's overall appeal made the maintenance and beautification of these areas a priority and our presence was felt. Several projects were completed including major renovations to Devon House, restoration of the Holywell trails and Ocho Rios clock

tower. Ocho Rios also came in for landscaping and rehabilitation of sidewalks. Landscaping of Montego Bay's elegant corridor, restoration of the Olde Fort Heritage park and the Trelawny Parish Church, rehabilitation of Blenheim, cleaning of Negril beaches, upgrading of the Lover's Leap attraction, construction of a biogas digester system at Milk River Hotel and Spa among several other projects which are in progress, showed the department's resilience even in the face of reduced staff.

The Training unit continues to be a dynamic one. In order to facilitate the development of our human capital the unit continued its standardized approach to training. Just over 2500 participants were certified in our leading programme Team Jamaica. 825 persons were certified in various skills areas. This included community groups and participants in the Tourism Summer Intern programme. Among these beneficiaries were Nine Miles, Rastafari Indigenous Village, Institute of Jamaica, Cornwall Courts, Treasure Beach and Jamaica 50 Jubilee. We will continue to be responsive to the industry's needs, while cementing alliances that will assist us in reaching more persons in the industry.

As TPDCo continued to facilitate community based attractions, on-going technical assistance was offered to several locations including Seaford Town, Oxford Caves, Braes River, Nine Miles, Portland Craft Village just to name a few. In keeping with its mandate some 130 directional signs were also installed across the island. Funding from the Tourism

Enhancement Fund TEF of \$12.5 Million allowed for 625 students to benefit from our tourism summer intern programme which provided a sustained exposure and work experience in various aspects of the industry.

The decision taken to forego the merger of the Tourism Enhancement Fund (TEF) and the TPDCo was a move which brought about renewed commitment and vigor among the staff. We can be proud of the work that we have done and the role we have played in facilitating sustainable development in the sector.

I wish to thank the members of the board, management and staff for the commitment they have displayed and the hard work put in over the period. The Tourism Enhancement Fund has become our major source for capital injection required for the execution of many of our projects. We wish to also thank them for a shared vision which will ultimately redound to the advancement of our people.

As we go forward we recognize that public private partnerships will become increasingly relevant not only to our sustainability as a company but to growing the sector and we will continue to pursue this vigorously. We will take the bold steps needed to continue to raise the bar so as to increase our organizational efficiencies, global competitiveness as a destination and to make Jamaica the place to live, work, do business and raise our families.





**Mr. Gairy Taylor**  
*Executive Director (Actg.)*

### **TPDCo remained true to its mission, despite the odds**

At the end of another year it is important to reflect on our successes as well as our challenges in order to chart the way forward. Despite a fall in revenue and capital expenditure the company managed to contain its recurrent expenditures and end the year with a surplus which was very positive compared to the previous year.

The announcement that TPDCo would continue to operate as an independent agency of the Ministry of Tourism and Entertainment was met with a sigh of relief and the veil of uncertainties was lifted to allow team members to move full speed ahead.

It is noteworthy that we were able through our Tourism Summer Intern Programme, to expose over Six Hundred (600) young Jamaicans to the business of tourism and to showcase the Kingston Resort through our newsletter “Kingston Calling.”

The organization’s most valuable asset was celebrated through our staff awards which were held during this period after a three year absence. That coupled with our wellness programme and internal capacity building through training of our own staff in gap areas improved the output in that area.

Our Product Quality Department worked assiduously to effect compliance with standards in the industry in a cost effective manner, in many instances surpassing the planned targets as is borne out in the ensuing report. We continue to work closely with the Jamaica Tourist Board (JTB) and other stakeholders and during this period developed SOPs for several sectors including tour companies, contract carriage, bike rentals, craft, watersports and more. With the Spa and high angle standards now gazetted by the Bureau of Standards this is expected to take full effect. Many partnerships were formed and maintained with a view to improving the product.

The Product Development Department earned some \$43.9 million in management fees which although below projections helped the organization to overcome some of its challenges. Continuous maintenance and beautification of resort areas, upgrades to craft markets, heritage sites, nature-based attractions and places of interest were just some aspects of the work of this department. The formation of a Project Management Office (PMO) and adherence to project management principles and practices allowed for more efficient management of projects given the limited human and financial resources of the department.

The training unit continues to provide customized and standardized training to industry stakeholders through its suite of Skills Upgrading programmes. Of note was the specially designed customer service excellence and supervisory management training for all employees of SADCO (St. Ann Development Company) in preparation for the arrival of the Disney Cruise ship. Team Jamaica training continues to be responsive to the needs of industry with over four thousand, three hundred (4,300) persons being trained and certified to industry standards. Other organizations trained by TPDCo included the Craft Traders from the Kingston Craft Market; Red Cap Porters; Accountant General's Department; in addition to several

hotels who sought intervention in conflict management and customer service.

We continued to collaborate to facilitate development of our community based and heritage attractions across the island with places like Seaford Town, Nine Miles, Braes River, Rio Grande and Lovers Leap coming in for some attention.

It is with heartfelt gratitude that I place on record my sincere appreciation for the work of the team which despite the odds has remained true to its mission of facilitating the diversification, development and improvement of Jamaica's tourism product for the socio-economic advancement of our nation.



# CORPORATE DATA

## REGIONAL OFFICES

### HEAD OFFICE:

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The Tourism Centre, 4<sup>th</sup> Floor  
64-70 Knutsford Boulevard, Kingston 5  
Tel: 968-3441; 968-3626; Fax: 929-8269

### MONTEGO BAY:

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Praise Concourse Plaza, 18 Queens Drive.

Montego Bay, St. James

Tel: 979-7987; 979-7988; 940-0374;  
Fax: 952-2868

### OCHO RIOS:

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Office # 3, Ocean Village Shopping Centre

Ocho Rios, St. Ann

Tel: 974-2093; 974-7705; Fax: 974-2586

### MANDEVILLE

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Suite #5 The Ashlar, 71 Manchester Road

Mandeville, Manchester

Tel: 603-4782-3; Fax: 603-4782

## COMPANY INFORMATION

### WEBSITE ADDRESS:

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[www.tpdco.org](http://www.tpdco.org)

### BANKERS:

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The Bank of Nova Scotia Jamaica Limited

### AUDITORS:

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PriceWaterhouseCoopers

### ATTORNEYS-AT-LAW

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Grant, Stewart, Phillip and Company,  
Andrea Walters

# Board of Directors



*Maxine Henry-Wilson*



*Carol Bourke*



*Sam James*



*David Shields*



*Dr. J Anthony Hall*



*John Claude Wright*



*Nicola Madden-Greig*



*Vana Taylor*

## RESORT BOARD CHAIRPERSONS

KINGSTON METROPOLITAN - James Samuels

NEGRIL - Cliff Reynolds

MONTEGO BAY - Evat Bloomfield

SOUTH COAST - Anthony Freckleton

PORTLAND - Marcia Lawrence

OCHO RIOS - Prof. Dr. Roosevelt Crooks





# Executive Management Team



**Dennis Hickey** -  
Executive Director



**Paul BadreSingh** -  
Director, Corporate Services



**Deanne Keating Campbell** -  
Director, Product Quality



**Allasandra Chung** -  
Director, Attractions  
Development



**Duane Nelson** -  
Executive Human Resource  
Manager



**Beverly Price** -  
Acting Executive Tourism  
Training Manager



**Yvonne Gardner** -  
Chief Information  
Officer



**Paul Brissett** -  
Financial Controller

\* Not pictured: **Edson Johnson** - Chief Audit and Risk Executive



# REPORTS

## Financial Highlights

### Revenues:

Total revenue for the financial year ending March 31, 2013 was \$721.23M representing a decrease of \$22.54 or 3% below the revenue of \$743.77M realized for the financial year ending March 31, 2012. The net decrease in total revenue is due largely to a shortfall in project related revenue within the year.

### Recurrent Expenditures

Recurrent expenditure for the financial year was \$453.59M reflecting a reduction of \$65.70m or 12.65% below the expenditure of \$519.29M recorded for the previous financial year. The overall reduction in recurrent expenditure was due to further operational cost containment measures within the period.

### Capital Expenditure

Total capital related expenditure for the financial year was \$231.86M reflecting a decrease of \$38.66M or 14.29% when compared with the expenditure of \$270.52M for the previous financial year. The reduced spending on capital related projects/programmes within the period was as a result of lower than anticipated project implementation

activities and funding amounts from the Tourism Enhancement Fund.

### Total Assets

Total value of fixed assets acquired within the year was \$3.75M. Net book value decreased to \$18.77M as at March 31, 2013 compared to \$22.31M the previous year.

### Surplus/Deficit

The financial statement is reflecting an overall surplus of \$35.80M (after taxation and depreciation) compared to a deficit of \$46.08M recorded last year. The current surplus is largely attributed to the inclusion of GOJ commitment within the financial statement for staff retro compensation amounts of which \$28M was accrued in the previous financial year. This was necessary to reflect Government commitment to pay these arrears, which were a part of the \$46.08M recorded last year.

The company also received programme support assistance from the TEF towards Tourism Training and Visitor Information Programme.

The Audited financial statements and the figures presented therein has been reviewed and can be relied on as reflecting a true and fair view of the state of the company's affairs as at March 31, 2013.





**Tourism Product Development  
Company Limited**

**Financial Statements  
31 March 2013**

# Tourism Product Development Company Limited

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31 March 2013

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## ***Independent Auditors' Report***

**To the Members of  
Tourism Product Development Company Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Tourism Product Development Company Limited, set out on pages 1 to 21, which comprise the statement of financial position as at 31 March 2013 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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T: (876) 922 6230, F: (876) 922 7581, [www.pwc.com/jm](http://www.pwc.com/jm)*



**Members of Tourism Product Development Company Limited  
Independent Auditors' Report  
Page 2**

***Opinion***

In our opinion, the financial statements give a true and fair view of the financial position of Tourism Product Development Company Limited as at 31 March 2013, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

**Report on Other Legal and Regulatory Requirements**

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive script.

Chartered Accountants  
7 August 2013  
Kingston, Jamaica

# Tourism Product Development Company Limited

## Statement of Comprehensive Income

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2013 \$'000	2012 \$'000
<b>Revenue</b>		359,492	330,631
Other operating income		361,742	412,976
Operating expenses	6	(685,463)	(789,812)
<b>Operating Surplus/(Deficit)</b>		35,771	(46,205)
Finance income	8	53	165
<b>Surplus/(Deficit) before Taxation</b>		35,824	(46,040)
Taxation	9	(16)	(49)
<b>Net Surplus/(Deficit), being Total Comprehensive Income for the Year</b>		35,808	(46,089)



# Tourism Product Development Company Limited


## Statement of Financial Position

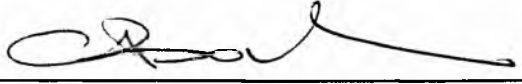
31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2013 \$'000	2012 \$'000
<b>Non-Current Assets</b>			
Property, plant and equipment	10	18,779	22,313
<b>Current Assets</b>			
Receivables	11	61,923	69,170
Cash and bank	12	28,570	19,914
Taxation recoverable		1,730	4,310
		92,223	93,394
<b>Current Liabilities</b>			
Bank overdraft	12	-	11,945
Payables	13	87,500	116,085
Taxation payable		5,059	5,042
		92,559	133,072
<b>Net Current Liabilities</b>		<u>(336)</u>	<u>(39,678)</u>
		<u>18,443</u>	<u>(17,365)</u>
<b>Shareholders' Equity</b>			
Share capital	14	1	1
Capital reserve	15	325	325
Accumulated surplus/(deficit)		18,117	(17,691)
		<u>18,443</u>	<u>(17,365)</u>

Approved for issue by the Board of Directors on 7 August 2013 and signed on its behalf by:

  
 Maxine Henry-Wilson Director

  
 Carol Bourke Director

# Tourism Product Development Company Limited

## Statement of Changes in Equity

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	No. of Shares	Capital Reserve \$'000	Share Capital \$'000	Accumulated Surplus \$'000	Total \$'000
<b>Balance at 1 April 2011</b>	2	325	1	28,398	28,724
Net deficit, being total comprehensive income for the year	-	-	-	(46,089)	(46,089)
<b>Balance at 31 March 2012</b>	2	325	1	(17,691)	(17,365)
Net surplus, being total comprehensive income for the year	-	-	-	35,808	35,808
<b>Balance at 31 March 2013</b>	2	325	1	18,117	18,443

# Tourism Product Development Company Limited

## Statement of Cash Flows

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	2013 \$'000	2012 \$'000
<b>Cash Flows from Operating Activities</b>		
Net surplus/(deficit)	35,808	(46,089)
Items not affecting cash:		
Taxation expense	16	49
Depreciation	7,286	6,954
Interest income	(53)	(165)
Loss on disposal of property, plant and equipment	-	84
Changes in operating assets and liabilities:		
Payables	(28,585)	44,089
Receivables	7,247	4,391
Cash provided by operating activities	<u>21,719</u>	<u>9,313</u>
Tax received/(paid)	2,581	(39)
Net cash provided by operating activities	<u>24,300</u>	<u>9,274</u>
<b>Cash Flows from Investing Activities</b>		
Interest received	53	165
Proceeds from disposal of property, plant and equipment	-	497
Purchase of property, plant and equipment	(3,752)	(2,722)
Cash used in investing activities	<u>(3,699)</u>	<u>(2,060)</u>
Increase in cash and cash equivalents	20,601	7,214
Cash and cash equivalents at beginning of year	7,969	755
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note 12)</b>	<u><u>28,570</u></u>	<u><u>7,969</u></u>



# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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### 1. Identification and Activities

The company was incorporated in Jamaica as a private company on 31 July 1975 and is owned by the Accountant General on behalf of the Government of Jamaica.

The company's principal activities are to facilitate the development of the Jamaican tourism product, promote tourism awareness programmes, set and monitor quality standards for tourism destinations and conduct training for employees in the industry.

The company's operations are primarily financed by cash grants from the Government against operating budgets prepared annually by the company. Income earned from fees charged and the temporary investment of surplus funds are credited to the statement of comprehensive income.

### 2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

#### *Standards and amendments to published standards effective in current year*

Certain new and amended standards and interpretations to existing standards became effective during the current financial year. The company has assessed the relevance of all such new standards and amendments and has determined that none are relevant to its operations.

#### *Standards, interpretations and amendments to published standards that are not yet effective*

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are mandatory for the company's accounting periods beginning on or after 1 April 2013, and which the company has not early adopted. The company has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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### 2. Summary of Significant Accounting Policies (Continued)

#### (a) Basis of preparation (continued)

##### *Standards, interpretations and amendments to published standards that are not yet effective (continued)*

- **IFRS 13, 'Fair Value Measurement'**, (effective for or annual periods beginning on or after 1 January 2013). IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The requirements are similar to those in IFRS 7, 'Financial instruments: Disclosures', but apply to all assets and liabilities measured at fair value, not just financial assets and liabilities. The company does not anticipate that application will impact amounts reported in the financial statements.
- **IFRS 9, Financial instruments part 1: Classification and measurement** (effective for annual periods beginning on or after 1 January 2015) was issued in November 2009 and replaces those parts of IAS 39 relating to the classification and measurement of financial instruments. Key features are as follows:

Financial assets are required to be classified into two measurement categories: those to be measured subsequently at fair value, and those to be measured subsequently at amortised cost. The decision is to be made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

An instrument is subsequently measured at amortised cost only if it is a debt instrument and both the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows represent only payments of principal and interest (that is, it has only 'basic loan features'). All other debt instruments are to be measured at fair value through profit or loss.

All equity instruments are to be measured subsequently at fair value. Equity instruments that are held for trading will be measured at fair value through profit or loss. For all other equity investments, an irrevocable election can be made at initial recognition, to recognise unrealised and realised fair value gains and losses through other comprehensive income rather than profit or loss. There is to be no recycling of fair value gains and losses to profit or loss. This election may be made on an instrument-by-instrument basis. Dividends are to be presented in profit or loss, as long as they represent a return on investment.

While adoption of IFRS 9 is mandatory from 1 January 2015, earlier adoption is permitted. The company is considering the implications of the standard, the impact on the company and the timing of its adoption.

There are no other new or amended standards and interpretations that are issued but not yet effective that are expected to have a significant impact on the accounting policies or financial disclosures of the company.

# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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## 2. Summary of Significant Accounting Policies (Continued)

### (b) Foreign currency translation

#### *i) Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Jamaican dollars which is the company's functional and presentation currency.

#### *ii) Transactions and balances*

Foreign currency transactions are translated in the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

### (c) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

#### **Financial assets**

The company's financial assets comprise receivables and cash and bank balances.

#### **Financial liabilities**

The company's financial liabilities comprise payables and bank overdraft.

The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The determination of the fair values of the company's financial instruments is discussed in Note 3.



# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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### 2. Summary of Significant Accounting Policies (Continued)

#### (d) Property, plant and equipment

Motor vehicles and certain computer equipment are shown at deemed cost, less subsequent depreciation. All other property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is calculated using the straight-line method at such rates that will write off the carrying value of the assets over the period of their expected useful lives as follows:

Office equipment	20%
Office furniture	10%
Motor vehicles	20%

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus/(deficit). Repairs and renewals are charged to the statement of comprehensive income when the expenditure is incurred.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The cost of major renovations is included in the carrying amount of the asset when it is possible that future economic benefits are in excess of the originally assessed standard of performance of the existing asset that will flow to the company. Major renovations are depreciated over the remaining useful life of the related asset.

#### (e) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lower levels for which there are separately identifiable cash flows.

#### (f) Receivables

Receivables are carried at original invoice value less provision for impairment of these receivables. A provision for impairment of trade receivables is made when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest. Bad debts are written off during the period in which they are identified.

#### (g) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, net of bank overdraft.

# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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## 2. Summary of Significant Accounting Policies (Continued)

### (h) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and is recognised in the accounting period in which the services are rendered on a time-proportionate basis. Revenue is recognised as follows:

#### Government grants

Government grants are recognised in the period received and are based on amounts approved by the Ministry of Finance.

#### Sales of services

Fees for services to the Tourism Enhancement Fund are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

#### Interest income

Interest income is recognised on a time-proportionate basis using the effective interest method.

### (i) Employee benefit costs

The company participates in a defined contribution scheme. The pension scheme is funded by payments from employees and by the company. A defined contribution scheme is one in which the company pays fixed contributions, into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the company does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods.

Once the contributions have been paid, the company has no further payment obligations. The company's contributions to the scheme are charged to the statement of comprehensive income in the year to which they relate.

### (j) Payables

Trade payables are recognised initially at fair value and are subsequently measured at amortised cost.

### (k) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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## 2. Summary of Significant Accounting Policies (Continued)

### (l) Leases

#### (i) As lessee

The leases entered into by the company are primarily operating leases. The total payments made under operating leases are charged to other operating expenses in the statement of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

#### (ii) As lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned assets. Rental income is recognised on a straight-line basis over the lease term.

### (m) Income taxes

Taxation expense in the statement of comprehensive income comprises current charges.

The company is exempt from taxation on normal operating activities. Current tax charges are based on interest income and other income not exempt from taxation and are calculated at rates that have been enacted at the statement of financial position date.

Deferred taxation is not recognised in these financial statements as a result of the company's exemption from taxation on normal operating activities and no significant temporary differences in respect of income subject to taxation.



# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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### 3. Financial Risk Management

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the company's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

#### Audit Committee

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The Audit Committee is assisted in its oversight role by the Internal Audit department which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### (a) Credit risk

The company takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the company by failing to discharge their contractual obligations. Credit risk is important for the company's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the company's receivables from customers. The company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to industry segments.

#### ***Credit review process***

Management performs ongoing analyses of the ability of borrowers and other counterparties to meet repayment obligations.

#### (i) Trade and other receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established policies under which each customer is analysed individually for creditworthiness prior to the company offering them this facility.

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The company has no significant concentration of trade or other receivables credit risk.

#### (ii) Cash

Cash transactions are limited to high credit quality financial institutions. The company has policies in place to limit the amount of exposure to any one financial institution.

# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

### 3. Financial Risk Management (Continued)

#### (a) Credit risk (continued)

##### *Exposure to credit risk for trade receivables*

The following table summarises the company's credit exposure for trade receivables at their carrying amounts, as categorised by the customer sector:

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Rental/lease properties	1,205	2,970
Less: Provision for credit losses	( 638)	(2,573)
	<u>567</u>	<u>397</u>

##### *Ageing analysis of trade receivables that are past due but not impaired*

Trade receivables that are less than 30 days past due are not considered impaired. As of 31 March 2013, trade receivables of \$567,000 (2012 – \$397,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables was as follows:

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
31 – 60 days	<u>567</u>	<u>397</u>

##### *Ageing analysis of trade receivables that are past due and impaired*

As of 31 March 2013, trade receivables of \$638,000 (2012 – \$2,573,000) were impaired. The amount of the provision was \$638,000 (2012 – \$2,573,000). It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables was as follows:

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
61 – 90 days	101	409
Over 90 days	537	2,164
	<u>638</u>	<u>2,573</u>

# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

## 3. Financial Risk Management (Continued)

### (a) Credit risk (continued)

#### *Movement analysis of provision for impairment of trade receivables*

The movement on the provision for impairment of trade receivables was as follows:

	2013 \$'000	2012 \$'000
At 1 April	2,573	2,367
Provision for impairment	-	206
Amounts written-off	(1,935)	-
At 31 March	<u>638</u>	<u>2,573</u>

The creation and release of provision for impaired receivables have been included in expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

### (b) Liquidity risk

Liquidity risk is the risk that the company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

#### *Liquidity risk management process*

The company's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure companying if required;
- (ii) Optimising returns on invested cash.



# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

## 3. Financial Risk Management (Continued)

### (b) Liquidity risk (continued)

#### *Undiscounted cash flows of financial liabilities*

The maturity profile of the company's financial liabilities at year end based on contractual undiscounted payments was as follows:

	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	Total \$'000
<b>2013</b>				
<b>Financial liabilities</b>				
Payables	87,500	-	-	87,500
<b>2012</b>				
Bank overdraft	11,945	-	-	11,945
Payables	116,085	-	-	116,085
	128,030	-	-	128,030

Assets available to meet all of the liabilities and to cover financial liabilities include receivables and cash balances.

### (c) Market risk

The company takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the company's exposure to market risks or the manner in which it manages and measures the risk.

#### *Currency risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The company manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The company has no significant exposure to currency risk at 31 March 2013.

# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

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### 3. Financial Risk Management (Continued)

#### (c) Market risk (continued)

##### *Interest rate risk*

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the company to cash flow interest risk, whereas fixed interest rate instruments expose the company to fair value interest risk.

The company has no significant exposure to interest rate risk at 31 March 2013.

#### (d) Capital management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure.

There were no changes to the company's approach to capital management during the year, and this is monitored by the Board of Directors.

The company is not subject to externally imposed capital requirements.

### 4. Fair Value Estimation

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In assessing the fair value of financial instruments, the company uses a variety of methods and makes assumptions that are based on market conditions existing at the statement of financial position date.

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities are cash and bank, receivables and payables.

### 5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

#### (a) Critical accounting estimates in applying the company's accounting policies

In the process of applying the company's accounting policies, management has arrived at no judgements which it believes would have a significant impact on the amounts recognised in these financial statements.

#### (b) Key sources of estimation uncertainty

Management has derived no estimates for inclusion in these financial statements which it believes has a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

### 6. Expenses by Nature

Total direct, administration and other operating expenses:

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Advertising and promotions	694	1,204
Audit fees	1,528	1,300
Bad debt	-	7,865
Bank charges	1,274	949
Beautification projects	205,845	273,452
Depreciation (Note 10)	7,286	6,954
Directors' fees	1,558	1,075
Insurance	2,951	4,453
Legal and professional fees	2,680	5,195
Office	(2,076)	11,795
Rental property and equipment	54,529	49,512
Repairs and maintenance	7,840	4,744
Rio Grande related expenses	19,935	17,144
Lovers Leap related expenses	6,087	-
Salaries and wages	280,626	342,083
Travelling and subsistence	68,701	28,341
Training material	-	189
Utilities	15,874	17,396
Other goods and services	10,131	16,161
	<u>685,463</u>	<u>789,812</u>

### 7. Staff Costs

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and salaries	202,248	232,154
Statutory contributions	11,380	12,064
Pension costs	6,079	5,822
Others	60,919	92,043
	<u>280,626</u>	<u>342,083</u>

### 8. Finance Income

	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest income	53	165



# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

## 9. Taxation

- (a) The company is exempt from taxation on surpluses arising from normal operating activities.
- (b) Taxation is charged on interest and other income received during the year, adjusted for taxation purposes and comprise income tax at 33½%:

	2013 \$'000	2012 \$'000
Current tax	<u>16</u>	<u>49</u>

- (c) Reconciliation of applicable tax charges to effective tax charge:

	2013 \$'000	2012 \$'000
Surplus/(deficit) before tax	<u>35,824</u>	<u>(46,040)</u>
Tax calculated at 33½%	11,941	(15,347)
Adjusted for the effects of:		
Expenses not deductible for tax purposes	228,486	263,265
Income not subject to taxation	<u>(240,411)</u>	<u>(247,869)</u>
Tax charge	<u>16</u>	<u>49</u>

# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

## 10. Property, Plant and Equipment

	Office Equipment \$'000	Office Furniture \$'000	Motor Vehicles \$'000	Computer Hardware \$'000	Computer Software \$'000	Total \$'000
At Cost -						
At 1 April 2011	84,047	21,898	4,071	-	-	110,016
Additions	391	188	-	699	1,444	2,722
Disposals	-	-	(2,486)	-	-	(2,486)
31 March 2012	84,438	22,086	1,585	699	1,444	110,252
Additions	24	245	-	3,478	5	3,752
31 March 2013	84,462	22,331	1,585	4,177	1,449	114,004
Depreciation -						
At 1 April 2011	67,648	12,381	2,861	-	-	82,890
Charge for the year	4,915	1,285	629	41	84	6,954
Relieved on disposal	-	-	(1,905)	-	-	(1,905)
31 March 2012	72,563	13,666	1,585	41	84	87,939
Charge for the year	5,473	1,448	-	271	94	7,286
31 March 2013	78,036	15,114	1,585	312	178	95,225
Net Book Value -						
31 March 2013	6,426	7,217	-	3,865	1,271	18,779
31 March 2012	11,875	8,420	-	658	1,360	22,313

Included in the table above are amounts totalling \$325,000 representing previous Jamaican GAAP revalued amounts of property, plant and equipment which have been used as deemed cost of these assets under IFRS 1 (Note 2d).

# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

## 11. Receivables

	2013 \$'000	2012 \$'000
Trade	1,205	2,970
Prepayments	2,189	2,680
Receivable from Tourism Enhancement Fund	15,640	34,196
Other	43,527	31,897
	<u>62,561</u>	<u>71,743</u>
Less: Provision for impairment	(638)	(2,573)
	<u>61,923</u>	<u>69,170</u>

## 12. Cash and Cash Equivalents

	2013 \$'000	2012 \$'000
Cash and bank	28,570	19,914
Bank overdraft	-	(11,945)
	<u>28,570</u>	<u>7,969</u>

Cash includes amounts held in current accounts and cash on hand which do not attract interest.

The bank overdraft, which is unsecured, results from cheques drawn at year end but not presented to the bank.

## 13. Payables

	2013 \$'000	2012 \$'000
Accrued charges	1,300	2,242
Contractors	13,787	13,704
Statutory payables	20	7,880
Other	72,393	92,259
	<u>87,500</u>	<u>116,085</u>

# Tourism Product Development Company Limited

## Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

### 14. Share Capital

	2013 \$'000	2012 \$'000
Authorised – 100 Ordinary shares		
Issued and fully paid – 2 Ordinary shares	<u>1</u>	<u>1</u>

### 15. Capital Reserve

This represents donation of motor vehicle and computer equipment from the Planning Institute of Jamaica.

### 16. Contingencies and Other Commitments

A lawsuit was filed against the company on February 2, 2004 by Exterior III Constructions Ltd., a former contractor. The claim is in respect of work done on the Portland Craft Village for which final payment of \$5,894,136.02 was not received. The company has filed a counter suit in response, claiming \$9,613,200.39 in damages, interest and cost. After being inactive for several years the company has received referral from the Supreme Court for mediation. The original date has passed and the company is awaiting word from the claimant's attorney as to the schedule for mediation.

No provision has been made in the financial statements in relation to this lawsuit as the likely outcome is unknown at this time.

### 17. Pension Scheme

The company operates a defined contribution pension scheme, which is open to all permanent employees and administered by an outside agency.

The scheme is funded by employee contributions at 5% of salary with the option to voluntarily contribute an additional amount provided that their total contributions to the scheme do not exceed 10% of salary. See Note 7 for the amount recognised in the statement of comprehensive income for the year. Pension at normal retirement age is based on the amount that can be obtained from both the employer's and employees' accumulated contribution, with interest.



# Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

## 18. Related Party Transactions and Balances

(a) The statement of comprehensive income includes the following transactions with government agencies:

	2013 \$'000	2012 \$'000
Ministry of Finance -		
Subvention fee income	<u>359,492</u>	<u>330,631</u>
Tourism Enhancement Fund -		
Subsidy income and project reimbursement	<u>236,145</u>	<u>284,158</u>

(b) Key management compensation:

	2013 \$'000	2012 \$'000
Salaries and wages	30,058	33,167
Gratuity	2,767	9,188
Other short term benefits	<u>14,696</u>	<u>12,724</u>
	<u>47,521</u>	<u>55,079</u>
Directors' emoluments –		
Fees	<u>1,558</u>	<u>1,075</u>

**Tourism Product Development  
Company Limited**

**Supplementary Information  
31 March 2013**

# Tourism Product Development Company Limited

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31 March 2013

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# Tourism Product Development Company Limited

Income and Expenditure

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	Actual \$'000	Budget \$'000	Favourable/ (Unfavourable) \$'000	2012 \$'000
<b>Income</b>				
Government Grant – Ministry of Finance	359,492	350,134	9,358	330,631
Tourism Enhancement Fund	236,145	554,015	(317,870)	284,158
Interest	53	-	53	165
Rio Grande	16,847	-	16,847	18,204
Lovers Leap	2,997	-	2,997	-
Other	105,753	109,964	(4,211)	110,614
Account for Operational Expenditure	721,287	1,014,113	(292,826)	743,772
<b>Special Projects</b>				
Beautification projects	79,427	169,209	89,782	98,753
SET programme	117,396	384,806	267,410	171,763
JADCO and RDC properties	9,022	-	(9,022)	3,217
Rio Grande	19,935	-	(19,935)	17,144
Lovers Leap	6,087	-	(6,087)	-
<b>Departments</b>				
Direction and administration	217,116	136,079	(81,037)	247,998
Training	40,820	68,710	27,890	49,273
Product development	85,654	102,580	16,926	94,186
Inspection and standards	95,392	85,720	(9,672)	100,308
Visitor Information programme	14,614	-	(14,614)	7,170
<b>Grand Total Expenditure</b>	685,463	947,104	261,641	789,812
		67,009	(31,185)	
<b>Surplus/(Deficit) before Taxation</b>	35,824			(46,040)



# Tourism Product Development Company Limited

Special Projects

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Beautification Projects</b>		
All Regions/ Resorts	79,427	169,209
	<u>79,427</u>	<u>169,209</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Sustaining Environment and Tourism (SET)</b>		
Beautification and improvements	117,396	384,806
	<u>117,396</u>	<u>384,806</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>JADCO and RDC properties</b>		
Other expenses	9,022	-
	<u>9,022</u>	<u>-</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Rio Grande</b>		
Other expenses	19,935	-
	<u>19,935</u>	<u>-</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Lovers Leap</b>		
Other expenses	6,087	-
	<u>6,087</u>	<u>-</u>

# Tourism Product Development Company Limited

Departments

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	<u>Actual</u> \$'000	<u>Budget</u> \$'000
<b>Direction and Administration</b>		
Staff costs	149,784	89,874
Travelling and subsistence	26,560	13,520
Rental of property and equipment	19,921	15,083
Utilities	4,311	4,214
Other goods and services	16,540	13,388
	<u>217,116</u>	<u>136,079</u>
	<u>Actual</u> \$'000	<u>Budget</u> \$'000
<b>Training</b>		
Staff costs	10,539	27,508
Travelling and subsistence	5,865	10,212
Rental of property and equipment	10,187	10,534
Utilities	4,719	1,570
Other goods and services	9,510	18,886
	<u>40,820</u>	<u>68,710</u>

# Tourism Product Development Company Limited

Departments (Continued)

Year ended 31 March 2013

(expressed in Jamaican dollars unless otherwise indicated)

	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Product Development</b>		
Staff costs	54,479	68,590
Travelling and subsistence	11,132	9,972
Rental of property and equipment	10,250	16,855
Utilities	2,849	2,000
Other goods and services	6,944	5,163
	<u>85,654</u>	<u>102,580</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Inspection and Standards</b>		
Staff costs	52,240	50,541
Travelling and subsistence	13,022	13,525
Rental of property and equipment	14,166	14,447
Utilities	4,009	2,320
Other goods and services	11,955	4,887
	<u>95,392</u>	<u>85,720</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
<b>Visitor Information Programme</b>		
Staff costs	13,584	-
Travelling and subsistence	98	-
Other goods and services	932	-
	<u>14,614</u>	<u>-</u>

# REPORTS

## HUMAN RESOURCES & ADMINISTRATION

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The year was dedicated to continuing the programme of developing (to international standards) and motivating our most valuable resource, our employees.

### **Performance Management**

We continued to enhance our performance management system which was dovetailed into our annual staff awards function in January 2013. At that function we awarded staff who met and exceeded their objectives, the most outstanding employees per region and the employee and manager of the year. The function was well received by those who attended.

### **Staff Wellness**

The improvement of our comprehensive staff wellness programme included quarterly socials, quarterly staff development lunchtime talks, subsidized gym fees, participation in health activities such as walk and run events. The staff also participated in making contributions to a number of charities in the different regions.

Our wellness programme was such a success that our health insurance usage fell significantly compared to the former period.

### **Training Development**

The organization continues to recognize the value of its human resources and has thus targeted certain critical areas of our business for staff to be trained to international

standards. With this emphasis in mind more than 65 employees received formal training over the period. Review of the training impact is continuous and the required measures to ensure the company has the needed competencies are being taken.

### **Office Facilities Management**

One common factor affecting office facilities has been the financial constraints of the company. Much effort has however been made to keep costs to a minimum by employing innovative solutions, working closely with suppliers and landlords, appealing to staff to be more conscientious in utilizing the various resources, to turn-off lights when not in use and minimizing waste. Repairing furniture and equipment rather than purchasing and also utilizing furniture which were under-utilized in the various regional offices was another means of saving. Another aggressive undertaking was more utilization of courier and bike services to cut the cost of mail delivery.

Updating the inventory of fixed assets was a major task and took several months to complete. The end result however provided a better in-sight as to the value of the company's assets. As it related to the disposal of assets, the sale of items to staff generated income for the company and schools benefited from the donation of furniture and equipment which are no longer useful to the company.

# REPORTS

## PRODUCT QUALITY DEPARTMENT

### Overview

The Product Quality Department as it monitors standards within the tourism sector, seeks to promote the quality of the tourism product and assist all stakeholders and partners to attain/maintain the achievement of a quality tourism product. The department continued its engagement with

supporting regulatory agencies such as the Public Health Department, the Tourism Liaison Police and the Fire Department with a view to representing the concerns of the sector and to effecting compliance with standards at a minimum cost. During the year 2012/2013, the department implemented a number of strategic tasks and quality initiatives in order to meet its established objectives.

OBJECTIVES	ACHIEVEMENTS
<p>1. Develop an effective monitoring system (</p> <p><b>282</b> assessments planned per month = <b>3,384</b></p>	<ul style="list-style-type: none"> <li>▪ Monitored all sub-sectors i.e. Accommodation, Attractions, Water sports Operations, Car Rentals, Bike Rentals, Tour Operations, Travel Agencies, In Bond Shops, Contract Carriage operators and Craft Sites.</li> <li>▪ Completed <b>4,559</b> assessments of entities in the sector. Of these, <b>3,358</b> met the required standards and <b>1,201</b> did not meet the required standards. Reports were provided which highlighted corrective action required in order for entities to remain competitive.</li> </ul>
<p>2. Facilitate tourism enterprises in their development process through consultations.</p> <p><b>24 planned for reporting period</b></p>	<p>Completed twenty <b>(23)</b> consultations with new and existing operations</p>
<p>3. Collecting and collating data on the sector in order to inform and guide development.</p> <p><b>Y,626 planned</b></p>	<ul style="list-style-type: none"> <li>▪ <b>4,505</b> applications processed, <b>3,937</b> were approved by the Jamaica Tourist Board and where applicable, the Board was informed of breaches and issues in the sector.</li> </ul>



# REPORTS

OBJECTIVES	ACHIEVEMENTS
<p>4. Promulgate standards according to market trends and international standards.</p>	<p><b>Standard Operational Procedures (SOP's)</b> for the following entities were completed by the Product Quality team. <i>r Rental/Bike Rental</i></p> <ul style="list-style-type: none"> <li>- <i>Tour Companies</i></li> <li>- <i>Non Hotel</i></li> <li>- <i>Contract Carriage</i></li> <li>- <i>Craft Market</i></li> <li>- <i>Watersports</i></li> </ul> <p>- Draft Hotel SOP has been completed</p> <p>- Draft SOP's for Attractions to be finalized</p> <ul style="list-style-type: none"> <li>▪ <b>Spa Standards:</b> The Spa Standards have been approved and gazetted as National Standards by the Bureau of Standards.</li> <li>▪ <b>High Angle Technique Standards:</b> The High Angle Technique Standards has been approved and gazetted as National Standards by the Bureau of Standards.</li> </ul>

# REPORTS

OBJECTIVES	ACHIEVEMENTS
<p>5. To establish and maintain partnerships with key agencies that play a role in the compliance status of tourism entities.</p>	<ul style="list-style-type: none"> <li>▪ Implemented monthly meetings with relevant agencies in order to collaborate on issues in the sector and to arrive at effective solutions to facilitate development and build alliances.</li> <li>- <b>Ministry of Health</b></li> <li>- <b>Jamaica Fire Brigade</b></li> <li>- <b>National Environment and Planning Agency (NEPA)</b></li> <li>- <b>Jamaica Constabulary Force (Tourism Liaison Unit)</b></li> <li>- <b>Jamaica Hotel and Tourist Association (JHTA)</b></li> <li>- <b>Association of Jamaica Attractions Limited (AJAL)</b></li> <li>- <b>Jamaica Association of Villas and Apartments (JAVA)</b></li> <li>- <b>Private Security Regulation Authority (PSRA)</b></li> <li>- <b>Ministry of National Security</b></li> <li>- <b>Ministry of Tourism and Entertainment</b></li> </ul>
<p>6. To strengthen the knowledge base of team members so that they can better facilitate the sector.</p>	<ul style="list-style-type: none"> <li>▪ Trained staff in order to facilitate development in the sector as follows:               <ul style="list-style-type: none"> <li>- Ministry of Tourism and Entertainment - <b>"Tourism Outlook Seminar"</b> June 15 - 16, 2012 (Montego Bay)</li> <li>- Office of Disaster Preparedness and Emergency Management - <b>"Damage Assessment Workshop"</b> June 26 - 27, 2012 (Kingston)</li> <li>- Office of Disaster Preparedness and Emergency Management - <b>"Damage Assessment Workshop"</b> July 3 - 4, 2012 (Montego Bay))</li> <li>- Bureau of Standards - <b>"Jamaica Standards Network meeting – Spa and High Angle Techniques Standards"</b> <i>September 27</i>, 2012 (Kingston)</li> <li>- Ministry of National Security - <b>"Tourism Security Workshop"</b> October 22- 26, 2012 (Montego Bay)</li> <li>- IFC/NFPA - <b>"Fire Alarm Code Overview Seminar"</b>- October 16 - 17, 2012 (Montego Bay)</li> <li>- Ministry of Health <b>"National HIV/STI Programme 23<sup>rd</sup> Annual Retreat and Planning"</b> November 26 -28, 2012(Kingston)</li> <li>- British High Commission - <b>" Symposium on Assistance to British Nationals in Jamaica"</b> February 19, 2013 ( Kingston)</li> </ul> </li> </ul>

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OBJECTIVES	ACHIEVEMENTS
<p>7. To provide continued oversight support for the development of the Bed and Breakfast sector to industry standards.</p>	<ul style="list-style-type: none"> <li>➤ Assessed nine <b>(9)</b> Bed and Breakfast accommodations, five <b>(5)</b> met the quality assurance standards and of these, three <b>(3)</b> met the regulatory requirements.</li> <li>➤ The Bed and Breakfast Coordinator organized and attended meetings with community groups to inform them about the registration process for the Bed and Breakfast programme and distributed registration kits:             <ul style="list-style-type: none"> <li><b>i. Springhill, Portland -</b></li> <li><b>ii. Manchoneil, Portland -</b></li> </ul> <p><b>Bay View Hotel, Portland</b> - n inter-agency meeting was organized for the Fire and , Public Health Departments and the Tourism Police Liaison Unit to discuss issues regarding the requirements with operators from Petersfield, Westmoreland.</p> </li> <li>➤ The Bed and Breakfast Coordinator made presentations on the programme at the following forums:             <ul style="list-style-type: none"> <li>- Bluefields Bay Area, Tourism Conference: on <b><i>“Chartering its Tourism Destiny”</i></b></li> <li>- Manchester Parish Development Committee, Alligator Pond group; Stakeholders Workshop held in Treasure Beach to review the Cluster Competitiveness Improvement Plan</li> <li>- Jamaica Retirement Exposition held at Manchester High School and Jamaica College</li> <li>-</li> <li>- Portland Resort Board meeting</li> <li>- South Coast Resort Board meeting</li> <li>- Product Quality/Tourism Training Sub-Committee meeting</li> </ul> </li> <li>➤ The Bed and Breakfast Coordinator participated in a cross training exercise at three (3) River Rafting operations in St. Elizabeth as follows:             <ul style="list-style-type: none"> <li>- <i>Irie Safari</i></li> <li>- <i>Black River Safari</i></li> <li>- <i>St. Elizabeth Safari</i></li> </ul> </li> </ul>

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## TOURISM ENTITY MANAGEMENT SYSTEM (tems)

The Tourism Entity Management System (TEMS) was conceptualized to facilitate a more efficient and effective way to manage the monitoring and assessment of tourism entities, the processing of applications for licensing and other data within the tourism sector.

The implementation has had several set backs but with a revised method going forward, it is expected that this will be achieved by August 2014.

## RIVER RAFTING AUTHORITY (RRA)

The River Rafting Authority has been mandated to monitor all gazetted rivers and to ensure that all operators are in compliance according to the River Rafting Authority Act. As such for the reporting period the following has been achieved:

- The River Rafting Authority (RRA) facilitated a training session for the Raft Captains from Rio Grande with HEART Trust/NTA. The Captains were trained in Occupational Health and Safety.
- The Technical Review Sub-Committee (TRC) conducted a consultation visit with the fishermen from Treasure Beach (BREDS Source) in March 2012. They participated in the boat tour offered by this group, from Treasure Beach to the Black River. The fishermen were encouraged to apply for their Rafting Permit

and Raft Captains' Licences as soon as possible.

- By the end of the last quarter of the fiscal year (March 2012 – 2013), the RRA was able to, with the assistance of the Black River Marine Police; de-stabilize the illegal boating tours on the Black River. Fishermen from varying districts in and around Black River were conducting boat tours without the required Permit or Licence from the RRA. Sensitization meetings were held with the Police in Black River throughout the year, but the illegal tours continued. However, in February 2013, the new Superintendent of the Black River Marine Police requested a meeting with the Authority. The aim of the meeting was to familiarize them with the River Rafting Act and the necessary permits/licences needed to conduct boat tours on the river. This effort was a success as after the meeting, the Police were determined in their monitoring of the river and eventually put an end to illegal boat tours.
- In the final quarter of this reporting period, the RRA and representatives from TPDCo met with the fishermen of Black River regarding illegal boat tours. There was resistance from one group; however, with the persistence of the Marine Police regarding monitoring against illegal operators, deterred the fishermen from going on the Black River. The RRA has since received calls from the various groups seeking information on how to apply for the necessary permits and

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licences to operate on the Black River.

- Planning Agency (NEPA) and their Public Liability Insurance Certificate to complete the application.
- The TRC also conducted consultation visits to two (2) entities. Island Gully Falls, which is located in St. Ann and Great Valley Rafting, located in Hanover. The operators were advised on the procedure to apply for the required Rafting Permit and Licences.
- Twelve operators were licensed for the period in review:

## Challenges

- The River Rafting Authority to date has not received application for renewal from two operators
- The Raft Captains at Martha Brae are still refusing to submit their applications for renewals of their Licences and Identification Cards. They have also refused to make payment for their Medical Certificates and Royal Life Saving Society (RLSS) Certificates. The

Captains are insisting that this expense should be paid for by the owner of the entity where they operate - River Raft Limited (Martha Brae). The operator has refused to take on this expense as the Captains are Independent Contractors and not employees of the entity. The issue has been reported to the Ministry of Tourism and Entertainment highlighting these challenges.

## SECTOR REPORT

### Accommodation Sector

As at March 31, 2013 there were one hundred and seventy-five (175) hotels operating in the sector. During the reporting year, one hundred and forty-five (145) were licensed. The department continues to provide operators with notices regarding their expiry dates for health, fire and other regulatory requirements.

The sector has had some challenges and growth during the period. There has been increased cooperation with regard to assessments and some properties have been making an effort to meet the regulatory requirements.

***During the year six (6) new hotels entered the sector and they are as follows.***

Name of Operation	Location	# of rooms
Braco Village Hotel and Spa	Montego Bay	226
Syrynity Place	Montego Bay	21
City View Hotel	Kingston	10
Jewels Runaway Bay Beach & Golf Resort	Ocho Rios	266
Seashore Bay Beach Resort	Negril	128
Bridge Palm Resort Ltd.	South Coast	35
<b>Total</b>		<b>686</b>



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Note: In addition to the above, sixteen (16) Non Hotels (villas/guest houses) entered the sector.

**The final count of hotel accommodations (lic./unlic.) as at March 2013 for the sector included the following:**

Region	# of Hotels	# of rooms
Kingston	16	1,571
St. Catherine	2	119
St. Thomas	3	53
Clarendon	2	13
Manchester	4	141
St. Elizabeth	6	479
St. Mary	8	722
St. Ann	28	4,786
Portland	5	135
St. James	33	6,473
Trelawny	6	703
Hanover	11	3,135
Westmoreland	51	2,258
<b>Total</b>	<b>175</b>	<b>20,588</b>

## Attractions

As at March 31, 2013 there were one hundred and thirty-five (135) Attractions in the sector with fifty-eight (58) of these operations being licensed.

operations in the sector of this fifty-one (51) were licensed.

## Water Sports

As at March 31, 2013 there were one hundred and thirty-five (135) operators in the sector with eighty-nine (89) licensed during the year. For this reporting period there were *no recorded incidents*.

The Product Quality Department continues to provide secretariat support for the Duty Concession programme and is responsible for monitoring the operators that received the duty concessions.

As at March 31, 2013 there were ten (10) Bike Rental operations in the sector. For this reporting period only six (6) operations were licensed.

## Car Rental /Bike Rental

The department assessed and monitored both Car Rental and Bike Rental operations. As at March 31, 2013 there were seventy-eight (78) Car Rental

## Tour Operators

As at March 31, 2013 there were one hundred and twenty-nine (129) Domestic Tour operators. These include tour

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operators with vehicles, destination management companies as well as

independent contract carriage operators that are associated with tour companies such as JUTA, JCAL and Maxi.

## HIV/AIDS PROGRAMME

### INTRODUCTION

This fiscal year (April 2012 - March 2013) the HIV Programme activities were rolled out over a period of nine (9) months, April - November due to reduced funding. Core activities where the unit recognized it would be most impactful were maintained as follows:

- ***Risk Assessments***
- ***HIV Testing and***
- ***Workplace Policy Development.***

Overall feedback from persons benefitting from the HIV programme was positive,

with staff members supporting the activities and requesting continued interaction. The sensitization sessions and risk assessments were particularly well received with workers keen to have more mediums where knowledge could be accessed. Testing figures were not as high as expected based on figures in previous years in relation to the number of testing activities organized with large entities these figures should have been higher. There is also still hesitation to participate in testing by workers engaged in the most high-risk activities. There is also a high level of ignorance amongst the sector about the transmission of HIV from an infected person.

The HIV activities that were convened reached over two thousand one hundred (**2100**) persons in five (**5**) resort areas inclusive of craft vendors, contract carriage operators, Ministry of Tourism agencies and staff as well as Hotel workers from large and small properties.

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## HIV UNIT

### ***Voluntary Counselling and Testing for 'At Risk' Staff Members***

In the tourism sector 'At Risk' staff members are those who engage in activities that have a greater chance of contracting HIV. These include transactional sex, multiple partnerships and unprotected sex. Certain categories of staff have been identified as more likely to be in this group namely water sports, front desk, housekeeping, bar staff, entertainment and spa. A special effort has to be made to encourage participation in HIV testing activities and awareness sessions for these groups of workers.

### ***National HIV/STI Programme Retreat***

The National HIV/STI Programme had its 23<sup>rd</sup> Annual Retreat Planning Review Workshop at the Hilton Rosehall, Montego Bay from November 26 - 28, 2012.

The objectives of the retreat were to:

- 1. To update stakeholders on the impact of the national response to the HIV/AIDS epidemic*
- 2. To examine the framework for integration/sustainability including an update on the National Family Planning Board and National Health Programme merger.*
- 3. To review the current and future plans for the financing of the National HIV/STI Response*
- 4. To present and critically examine the National Strategic Plan 2012-2017*

Funding from the World Bank for some aspects of the programme ended as of December 1, 2012. The current focus is now the vulnerable populations to include Men Who Have Sex with Men (MSM) and Casual Sex Workers (CSWs).

### ***Safer Sex Activities 2013 - Tourism on a Mission to Zero Discrimination***

The HIV Unit coordinated a set of small activities targeted at the workers within the Ministry of Tourism & Entertainment and its agencies. These agencies included the Jamaica Tourist Board (JTB), Tourism Product Development Company Limited (TPDCo) and Tourism Enhancement Fund (TEF).

### ***World Health Week Activities 2013 - Tourism on a Mission to Zero Discrimination***

TPDCo for the first time since the inception of its HIV Programme observed "World Health Week" during the week of April 8 - 12, 2013. The following activities were coordinated by the unit. (1) Placing of the advertorial in the Gleaner during the week leading up to World AIDS Day 2012 with HIV information to include information on HIV related stigma and discrimination on the website and intranet of TPDCo, MOT&E and JTB (2) Wearing of black logo polo shirts entitled "Zero HIV Discrimination in Tourism" on Friday April 12, 2013 (3) Power point presentation on HIV Basic Sensitization for the staff of MOT&E, TPDCo, TEF and JTB (3) Power point presentation on the proper use of male condoms and lubricants by CARIMED.

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## CONCLUSION

Even with a restricted budget and limited time to conduct activities, the presence of the HIV Programme was still felt throughout the sector. The impact that the Stigma and Discrimination advertorial had on reiterating the importance of Work Place Policy development was unmistakable. This momentum has to be used to really push key industry figures to get on board. Though financially the challenges are great as with every governmental programme struggling for scarce resources, through partnerships and ingenuity the programme will go on using whatever resources can be found to

ensure that prevention remains a priority area for the tourism sector.

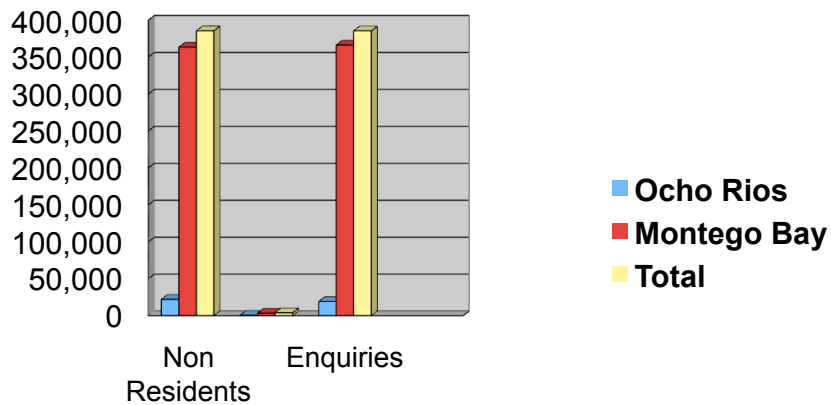
## Visitor Information Programme

The Visitor Information Programme is an essential part of the Anti-Harassment Programme which falls under the mandate and supervision of Tourism Product Development Company Limited.

For this reporting period the following is an estimation of activities at the Information Kiosks islandwide for this reporting period April 2012 - March 2013:

### USAGE OF INFORMATION KIOSKS, MONTEGO BAY REGION (HISTORIC FALMOUTH PIER) & OCHO RIOS

Regions	Number of non-residents that utilize kiosks	Number of residents that utilize information kiosks	Enquiries
Ocho Rios	22,180	569	19,191
Montego Bay & Historic Falmouth Cruise Ship Pier	363,337	3,408	366,285
<b>Total</b>	<b>385,517</b>	<b>3,977</b>	<b>385,476</b>



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## Product Development Department

### Introduction

The Product Development Department is responsible for the initiating, planning, executing, monitoring and controlling of projects in the resort areas across Jamaica. Its role is designed to facilitate minor infrastructural improvements, beautification of the areas and visitors' convenience using a multi-faceted approach.

### Achievements

The department had projected to earn \$55.2M through management fees however, it earned \$33.6M. this was 39% below the projected target and approximately 23% less than last

year's figures. The main contributing factors for this year's short fall was attributed to the postponement and re-scoping of several projects.

### Staffing

The department's achievements were only possible through the hard work of its staff which consists of: project managers, project officers, quantity surveyors, a draftsman and administrative support.

### Budget

For the financial year 2012/2013, the department budgeted approximately \$102.5M to cover expenditure; of this amount approximately \$85M was spent. This was achieved by using cost effective measures in executing its functions; for example, use of emails instead of memos, carpooling, minimum stopovers and restricting traveling to essential purposes only.

### Projects

The following Projects were undertaken during the 2012/2013 period:

KINGSTON RESORT REGION			
Project Name	Project Type	Budget	Status
Electrical Rewiring of Devon House	Place of Interest / Historic Attraction	\$6M	Completed
Termite Treatment at Devon House	Place of Interest / Historic Attraction	\$8M	Completed
Re-roofing of shops at Devon House	Place of Interest / Historic Attraction	\$34M	In Progress
Remodeling of the Devonshire at Devon House	Place of Interest / Historic Attraction	\$8M	In Progress
Restoration of Trails, and upgrade to park at Holywell	Nature Base Attraction	\$4M	Completed
OCHO RIOS RESORT REGION			
Restoration of the Ocho Rios Clock Tower Park and Clock	Place of Interest / Historic Attraction	\$2M	In progress
Landscaping and maintenance of the Port Road,	Beautification	\$5M	Completed

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Landscaping and maintenance of the Port Road, rehabilitation of sides walks in Main Street Ocho Rios	Beautification	\$5M	Completed
Landscaping and Maintenance of the Agualta Vale Round –A-bout	Beautification	\$5M	In progress
<b>PORTLAND RESORT REGION</b>			
Upgrade to the Neville Antonio Park in Port Antonio	Nature Base Attraction / Place of interest	\$12M	In progress

<b>MONTEGO BAY RESORT REGION</b>			
Landscaping of the Elegant Corridor (Rose hall)	Beautification	\$30M	Completed
Restoration of the Old Fort Heritage Park	Nature Base Attraction / Place of interest	\$25M	In Progress
Renovation of the Harbor Street Craft Market	Craft / Place of Interest	\$50M	In Progress
Creation of William Knibb Tour in Trelawny	Place of Interest / Historic Attraction	\$12M	In Progress
Restoration of the Trelawny Parish Church	Place of Interest / Historic Attraction	\$8M	Completed
<b>NEGRIL RESORT REGION</b>			
Landscaping of the Norman Manley Boulevard	Beautification	\$11M	In Progress
Rehabilitation of the Fencing at Blenheim	Place of Interest / Historic Attraction	\$2.1M	Completed
Development of the Norman Manley Sea Park	Nature Base Attraction/ Place of interest	\$134M	In Progress
Cleaning of the Negril Beaches	Beautification	\$2.5M	Completed
Roaring River Attraction and Cave	Nature Base Attraction / Place of interest	\$11M	In Progress

<b>SOUTH COAST RESORT REGION</b>			
Project	Project Type	Budget	Status
Upgrading of the Lovers Leap Attraction	Nature Base Attraction / Place of interest	\$11M	Completed
Construction of a Bio-digester System at Milk River Hotel and Spa	Place of Interest / Historic Attraction	\$5M	Completed
Milk River Pool Complex upgrade	Place of Interest / Historic Attraction	\$5M	In Progress



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## Tourism Training Department

The **objective** of the Tourism Training Division is

- To design, organize and conduct training programmes which will facilitate human resource development in the tourism sector.

The **Goals** of the training and development programmes are:

1. To assist in the development of a standardized approach to tourism training and human resource development by assisting educational institutions in the design and delivery of tourism programmes, e.g. Team Jamaica and Skills Upgrading for institutional strengthening.
2. To provide suitable access to specialized training for the tourism sector through scheduled Open-Sector training, Community groups and In-House training “on demand” by industry stakeholders.
3. To foster Team Spirit and improve the rate of certification for Team Jamaica and Skills Upgrading programmes frontiers

### TRAINING PROGRAMMES YEAR TO DATE

**(April 2012 – March 2013)**

**TEAM JAMAICA** TRAINING:

For the fiscal year **April 2012 to March 2013**, a total of One hundred and thirty-four (134) Team Jamaica training programmes were delivered to two thousand, seven hundred and forty eight (2,748) registered participants. Additionally, during the delivery of these programmes, three hundred and twenty-two (320) persons completed certification through *Make-up* sessions. This brought the number of participants certified during the period to two thousand, five hundred and fifty four (2,554).

**Total Programmes:** 134

**Total Participants:** 2,748

**Total Certified:** 2,553

### **SKILLS UPGRADING:**

Forty-nine (49) Skills Upgrading programmes were delivered to one thousand, five hundred and seventy nine (1,579) registered participants of which eight hundred and twenty five (825) were certified. The total number of participants registered in the Skills Upgrading programmes includes seven hundred and fifty four (754) students involved in the 2012 Spruce-Up programme.

### **Tourism Summer Intern Programme:**

Tourism sensitization sessions were held in all resort areas. A total of seven

hundred and fifty four (754) students participated.

groups, such as from Nine Miles, St. Ann; Rastafarian Indigenous Village, Hah-R-Money Entertainment , Cornwall Court Steel Band Community ), Institute of Jamaica; Treasure Beach; Jamaica 50 Jubilee Village

**COMMUNITY GROUPS:** Team Jamaica Training and Skills upgrading programmes were delivered to representatives from various community

**TRAINING TOTALS TO DATE: 1996 - MARCH 2013**

<b>TYPE OF TRAINING</b>	<b># of Programmes</b>	<b># of Participants</b>
<b>Team Jamaica (1997-2013)</b>	2369	48,835
<b>Skills Upgrading (1996-2013)</b>	798	21,577
<b>Combined Total</b>	3,167	70,412

## ATTRACTIONS DEVELOPMENT DEPARTMENT

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### *Introduction*

During the period under review the Attractions Development Department continued to facilitate the development and improvement of heritage and community based and other attractions as well as signage while contributing to the diversification of the tourism product.

### *Signage*

One hundred and thirty directional signs were installed in Phase 1 of the Signage Project. This was done in collaboration with the National Works Agency.

Phase 2 consists of the installation of 43 attractions signs.

Planning for Phase 3 of the Signage project continued.

### *Heritage/Community Based Tourism* **Community Based Tourism**

#### *Seaford Town*

On going technical assistance was provided to the Seaford Town Community Tourism project. The construction of the sanitary conveniences for the museum was

implemented through funding from the German Embassy.

Working drawings were prepared by TPDco and have been reviewed by the NGO.

#### *Nine Miles*

The Department continued to provide technical assistance to the Nine Miles United Districts Association. Social and infrastructures issues were dominant and these were addressed by the provision of bathrooms in Fowler Town, and the construction of green houses. Persons continued to be trained in Team Jamaica.

The tourism product to be offered continued to be developed including an agro tourism component.

#### *Oxford Caves Community Project*

A project proposal for the use of the One Eye River was made to the Forestry Department. A project proposal to fence the community centre was made to the Community Development Fund of the Ministry of National Security. Meetings continued to be held with the Citizens' Association, TPDCo and the Social Development Commission.

#### *Brae's River*

The launch of the Brae's River product 'Come Meet a Jamaican Village' was held on May 27, 2012.

Technical assistance continued and plans are in place for a Janga and Dasheen Festival in May 2013.

#### *Farquhar's Beach*

Meetings continued to be held with members of the Citizens' Association.

The Milk River Citizens' Association have expressed an interest in assisting with the Farquhar's Beach Cactus Attraction Project.

The project was held in abeyance due to the poor road conditions.

#### *Roaring River Park and Cave*

Negotiations continued during the period under review and culminated in the receipt of a final draft lease document from the Sugar Company of Jamaica. Meetings were held with the community members and site visits were conducted by TPDCo in order to assess the condition of the physical facilities of the attraction, and develop a scope of works.

Funding to the tune of approximately \$12.3M was approved by the TEF to carry out physical improvement works to the facility.

#### *Falmouth Swamp Safari*

The attraction was opened in December 2011 and has been in operation on a daily basis.

Operations of the attraction has been experiencing noise and dust nuisance from the adjoining factory. Consultation with the relevant stakeholders to mitigate these nuisances are taking place.

#### *Rafting on the Rio Grande*

TPDCo has been operating the facility. The attraction is to be renovated and a

private operator will be sought thereafter.

#### *Rafting on the Martha Brae*

The attraction is operational and licensed by the Jamaica Tourist Board. It is currently leased to private operators.

#### *Portland Craft Village*

The site was handed over to the Portland Parish Council in December 2012 by the Honourable Minister, Wykeham McNeill. The Parish Council commenced physical improvements.

#### *Hardwar Gap*

The facility continued to be plagued by a shortage of water. The deplorable road conditions continued to be a challenge to the effective operation of the facility.

The facility is opened from Thursdays to Sundays.

Discussions have been had with the Jamaica Conservation Development Trust (JCDDT) regarding sourcing water from their source and a response is awaited.

Improvement works to the physical facility (deck, kitchen and bathrooms) were carried out by the Concessionaire. The facility was broken into twice and chairs and tables and other goods were stolen.

#### *Lovers' Leap Attractions*

The Attractions was opened on March 12, 2012 after a closure of

approximately eighteen months and continued to be operated by TPDco.

The Attractions is opened seven days per week.

#### *Gunboat Beach*

Due to the Palisades Shoreline Rehabilitation Project, encroachment of the Gunboat site by the National Works Agency made it impossible to commence implementation of the development plan. Meetings have been held with the parties involved with a view to resolve the issues that currently are stalling the project.

### **Other Projects**

#### *National Labour Day Projects*

The department successfully spearheaded the sponsorship of the National Labour Day 2012 Project which included the improvement and repairs to the National Heroes' monuments and landscaping at the Park.

#### *Orange Bay/Black Hill Feasibility Study*

Work continued on the study, however this was severely hampered by the weather conditions, and the time it took for the community development committee to provide information and to facilitate the execution of the site visits. The community consultations were conducted. Schematic designs are being prepared for the various sites.

The area was severely damaged by Hurricane Sandy in October 2012.

#### *National Best Community Competition and Programme*

The department continued its assistance to the programme and was able to

garner sponsorship for approximately 90% of the refreshments for the Awards Ceremony.

#### *Nature Preservation Foundation (Hope Gardens)*

The Department provided technical assistance to the asset utilization committee

#### *Resort Boards*

The Department provided technical assistance to the Resort Boards and prepared the draft document which outlines the operations of the boards.

## MANAGEMENT INFORMATION SYSTEMS

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This year's Annual Report highlights some of the Management Information Systems key achievements working in partnership with other departments across the company.

The department's activities were project driven and assisted other departments within the company to work smarter not harder in fulfilling the tourism mandate – to transform and enhance the product.

The unit's framework and key performance indicators were structured to address the diversity of MIS portfolio.

### IT DRIVING BUSINESS PROCESSES

#### *Tourism Entity Management System (TEMS)*

TPDCo, given its thrust to provide an improved service to the sector and to streamline its processes to be more cost effective and efficient, embarked on the implementation of a comprehensive information system - Tourism Entity Management System (TEMS).

The application is an online system which will enable the **Product Quality** Department to electronically capture all information collected during the licensing and inspection process.

This will provide real time information and alerts that will engender a greater level of efficiency and effectiveness within the department.

The major objectives of this project are to achieve:

- An enterprise-wide system designed with flexibility to support business growth and change
- Reduction in the time it takes to process applications
- Automation of manual processes with resultant savings in time and costs
- Improvements in Inspections and Quality Management business processes
- Improved Document Management and Retrieval
- Improved Reporting.

The project is long term and we are currently in the development stage.

#### *Human Resource Management Capital (HRMC)*

In keeping with the department's objective to improve the delivery of services to staff using modern technology, we identified an HRM Software built on the renowned PeopleSoft platform, aimed at addressing the human resource management needs of the organization.

As a result of this initiative, the company would see improvement in the management of its human capital, through the use of an automated computerized system.

The first phase of the project embarked on during the last fiscal year (2011/2012) was the business requirement gathering process. However due to resource constraints the project was temporarily placed on hold.



The project was reactivated during the last quarter of the financial year, which saw the continuation of the business requirement process. It is slated for completion by March 31, 2014.

### ***Telecommunication Rationalization Programme***

Providing a converged infrastructure where voice and data communication flow over a common transport medium across the Ministry and its agencies, ultimately, linking all PBXs together. Example: TEF, MoT, TPDCo/JTB (*i.e. all regional PBXs*).

The solution is intended to reduce call charges, including cell phone calls which would allow extension to extension dialing across the regions; Providing a framework for future services including VoIP technology, i.e., Video Conferencing.

This is a long term project which will be implemented overtime.

The following were executed during the period:

- Due to the volume of Digicel calls that were being made by personnel from the Training and Product Development Department, Digicel fixed mobile phones were installed across the regions.
- In an effort to capture telephone usage a Call Accounting Systems (**Avotus' ICM**) was installed. The system had the ability to capture, record and assign costs to all telephone usage within the organization.

### ***Network Infrastructure Upgrade***

The current Information, Communication Technology (ICT) infrastructure which supports the organization, the Tourism Enhancement Fund (TEF), Ministry of Tourism and Entertainment and Jamaica Vacations was stretched and required upgrading. This was necessary as most of the systems that support the network became obsolete and were non-compliant with current industry standards.

The project is being funded by the Tourism Enhancement Fund.

### ***Support Services***

MIS continues to provide Information Technology services to the Ministry and its Agencies. Some of the support services that the Agencies currently benefit from include:

- Shared access to Microsoft Exchange Server including maintenance, patching, upgrading, monitoring and problem resolution.
- Managed e-mail services
- File Storage and Archiving;
- Intranet Support;
- Internet Services;
- Security: Anti-virus Protection, Intrusion Detection and Monitoring System;
- Consultancy;

## CRAFT DEVELOPMENT- ANNUAL REPORT

### OVERVIEW:

The most recent survey on craft (STATIN 2007) has revealed that over four thousand seven hundred (4,700) persons benefit directly or indirectly from craft involvement whether through the retailing of the product (craft traders) or through its creation as craft producers.

Most of these products finally reach the market either as curios, items of interest/souvenirs or as utility items mostly consumed by locals.

Regardless of how these items reach the end-user the channel has elements linked to tourism. In fact, tourism is the primary motivation for the production of craft.

Consequently, Craft development fits within Tourism Product Development Company's corporate/development framework and is linked to the objectives of the 2001 Master Plan for Sustainable Tourism Development in Jamaica. The main objectives of this Master Plan being:

I. Growth based on a sustainable market position - which involves the promotion of the unique Jamaican heritage features, including its natural surroundings; its culture; history, historic buildings and sites; and mechanisms that can anticipate and respond to market trends.

II. Enhancement of visitor Experience – This entails the preservation of heritage assets, as well as addressing the root causes and problems associated with harassment; using recreational and entertainment opportunities to enhance the sale of craft items.

III. Community Based development - this objective is being pursued through the involvement of communities in the design, development and management of the tourism product and a wider distribution of benefits so that host communities will take pride in the product and assume responsibility for visitor experience.

IV. Building an inclusive Industry – this approach is founded on the need to ensure that the benefits of tourism growth are spread over a greater portion of the society.

V. Environment sustainability - the underlying principle of this objective is that while the industry provides the basis for economic and social development, care should be taken to ensure sustainability of resource use.

### *Overview*

The TPDCo Craft Development Programme as funded by the Tourism Enhancement Fund (TEF) is designed to strengthen the competitiveness of the Craft Sector and its sub-sectors for a more meaningful and visible contribution to industrial and economic development by increasing its competitiveness.

This will be achieved by strengthening and accelerating all efforts currently underway in the Tourism Product Development Company Plan (A Sustainable Growth Plan for the Craft Industry) for the Development of craft in Jamaica. This Plan is also designed to promote and develop, nation-wide the Craft sector in rural and urban areas, as well as an effective Craft producers/vendors support system for technical, financial and marketing and skills assistance development.

#### ***Aims and Objectives:***

- To transform the visitor shopping experience in craft markets
- Increase arrivals at the markets by 30% in two years
- Increase gross foreign exchange earnings from tourism expenditures increase by at least 10% annually from 2011 to 2012

#### ***Strategies to meet these Aims and Objectives:***

- Development of cultural themes to transform the shopping experience by transforming the quality of the craft markets environment in terms of the culture and structure
- Improving the standard of customer service
- Improving the quality and diversification of the products
- Enhancement of the craft markets' physical environment
- Upgrade and maintain the visitor convenience amenities
- Infrastructural improvement and refurbishing

Having reviewed the above, the following initiatives were undertaken:

#### ***Marketing and Product Development***

With regards to the above, several initiatives have been undertaken with regard to product development relating to specific sites. These include the drafting or design of story boards to showcase Jamaica's sports men and women, culture and history and to tell the "stories" of a particular region.

Mosaics and murals are also designed to create the ambience and to develop the various themes for the different Craft Sites which will be done over a period of time in keeping with the refurbishment of each Craft Market.

Product Lines would be developed along the principal "story". For example, a line depicting Folk Heroes such as Nanny and the Maroons would consist of table mats, table cloths, chess sets, pendants and dolls in pottery, wooden statutes and drums.

Stories would be told in music, dance and song with the craftsmen also demonstrating their skills.

All this would be done in collaboration with the Jamaica Cultural Development Commission (JCDC). The Craft Traders themselves would participate in the traditional songs, drama, music and dances for deeper appreciation of the Jamaican Culture.

Marketing of the product will be targeted at the cruise ship passengers, walk-in visitors and locals. The Marketing Strategy and Strategic Plans

which were prepared by Jamaica Business Development Centre (JBDC) will be implemented as soon as refurbishing is completed at Old Fort Craft Market and subsequently in any other of the Craft markets.

### ***Ocho Rios Craft Conference***

One hundred and twenty three craft traders attended the Craft Conference held at The Anglican Church Hall in Ocho Rios on May, 2012. Several issues were discussed and solutions found to increase sales and to create the quality and variety that is so in demand in the Craft Sector.

### ***Marketing***

During the period May 2012 – March 2013, Marketing Proposals were designed with the assistance of the Information Technology Department and proposals were also requested from reputable marketing consultants for the approval of the then Executive Director for marketing the craft markets, in particular Old Fort Craft Market and would involve the preparation of:

- Brochures
- Communications Plan for at least six(6) Craft markets
- To implement systems for targeting tour operators and cruise ships
- Preparation of information /promotional packages for distribution.

### ***Product Development***

This was a major concern and still is since the poor quality of craft has remained on the shelves of the craft markets. There is still a very obvious lack of variety of craft items to choose from and in some cases “foreign craft” has been Jamaicanized” to provide the variety that is so lacking. Consequently specific plans were also made to target experienced craft producers in the field; who were encouraged to be guided by the cliché “each one teach one.” The craft producers were given ideas and some training specifically related to their area of work as it relates to designs , use of colour ,balance and durability all encompassed in a work of art.

Presently the majority of the products being sold in the Craft Markets include crude unrefined wooden craft items, jewelry, dresses, t-shirt, towels, straw/knitted hats and bags, most of which are at the mature to declining stage of the product life cycle. The new thrust for Old Fort for 2012 -2013 will be for building market share and awareness; vendors will be trained to aim for world class quality and differentiation – trading products and services that are perceived as being unique and Jamaican.

A number of weaknesses have been identified with regards to the products presently being offered in the craft markets as follows:

- Lack of variety
- Poor Quality
- Pricing of articles
- Delivery of products

### ***Training and Product Development***

Product Development is of concern to the Craft Sector as such many young persons are encouraged to join the classes to get new ideas and interest. This is also designed to pass on the skills set. These young persons are attempting a Hamper Basket which is a traditional basket for carrying produce on a donkey or a horse to the market.

### ***Training skills/upgrading***

A Training Proposal was completed for implementation in April 2011. The craft coordinator ensured that maximum benefits were realized from the training. Training was also discussed with officers at Heart Trust/NTA that delivered the courses on site, so as to accommodate the traders. The courses included:

- Entrepreneurship
- Salesmanship and Merchandizing
- Personal Development
- Customer Service

Training Programmes were designed to help operators in the craft market to improve their businesses and to upgrade them towards maintaining international standards.

Training was conducted in Tourism Awareness and Team Jamaica with a strong focus on customer service.

### ***Trash to Cash Training***

Over this period focus was on product development in response to the need for new designs and new materials for craft production. This group in the Trelawny Region was intent on learning the new skills. This training was very successful as products were being sold even while they were being produced.

### ***Management and Operational Restructuring***

With the improvement and refurbishing of Old Fort Craft Market by January 2011, it became necessary to further improve the situation at the market by developing the craft traders, and to improve the physical condition of the facilities and amenities. Following this a simple management structure was put in place managed by the Landlord St. James Parish Council and the Old Fort Craft Market Executives along with some operational restructuring. Critical factors in the operational restructuring components were:

- Establishing a security/safety plan: operators will be required to ensure that the standard minimum requirements are met in terms of provision of safety and security for all occupants and visitors.
- Establishing a maintenance plan: operators will be required to prepare and equip the operations with a structured maintenance plan relating to the maintenance of the physical facilities and

grounds, sanitation and solid waste disposal.

- Establishment of a National Craft Development Committee and Local Craft Development Committees
- Licensing and regulations: this will allow the sites to operate according to the laws and guidelines of government.
- A Memorandum of Understanding with all Landlords of the Craft markets

### **Report on Infrastructural Development of Craft Markets**

Old Fort Craft Market – Regular Meetings were held during the period April 01, 2012 – March 31, 2013 at the St James Parish Council with the Executive Members of Old Fort Craft Market to discuss issues relating to the market. The matter of the name of the Craft Market was raised and a suggestion was made to have the name changed from Old Fort Craft Market to Old Fort Craft and Heritage Park. The Old Fort Craft Vendors Association is awaiting a response from the St James Parish council.

### ***Implementation Plan – Old Fort Craft Market***

Old Fort Craft Market has benefitted from the upgrading, therefore some

aspects of the Business Plan were implemented as related to training and merchandizing. The craft traders at this location are being trained with skills that would serve to enhance the visitors' experience and an opportunity would be provided for Old Fort to be developed as a "model" craft market; from which the others would follow. Old Fort Craft Market is doing well generally and has applied their own marketing strategies to improve the sale of Craft at their market.

The Old Fort Street Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish

### ***Harbour Street Craft Market -***

To-date fifty percent (50%) of the Harbour Street Craft Market has been completed (refurbished). This continues to be of concern as the other traders are still waiting for the completion of their shops. The Harbour Street Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish



- Personal Development

Ocho Rios Craft Market – Between June - July 2012 some progress was made with the upgrading of the Ocho Rios Craft Market. The scope of works for this market included the fencing, upgrading of the pathway, bathroom facilities and shops. Finally the ‘Blue Tarpaulins’ were removed and replaced with practical awnings that can be washed.

The perimeter fencing needs to be repaired as vagrants and intruders constantly plague the market.

To-date the craft market is maintained by the landlord and trees and over growth are manicured to keep the craft site attractive.

The Ocho Rios Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish

There are plans and proposals made for Craft Skills Upgrading to be taught at Ocho Rios Craft Market.

Pineapple Place Craft Market – Plans for the market include the remodeling of some shops on the lower level and the rebuilding of other shops if necessary. Other plans included the upgrading and fencing of the walk way. Measurements were taken by the Quantity Surveyor and costing was prepared in April 2012.

The traders at this Craft Market are very frustrated as there is not enough

business to facilitate one hundred and sixty five (165) persons.

The Pineapple Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish
- Personal Development

Coconut Grove Craft Market – There are very few visitors to this craft market and business has dwindled considerable. Craft Skills based training was conducted at the Coconut Grove Craft Market as a marketing strategy; notwithstanding there is still a very low visitor turn out.

The Coconut Grove Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish
- Personal Development

Musgrave Market Upgrade –During this period the architectural measured survey was completed and was used to generate the Architectural Renovations and the Engineering Services. There is still some discontent with the renovation of this Craft Market. Over the

past months a few yachts have come into harbour at Port Antonio and have been very supportive of the craft traders.

The Musgrave Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish
- Personal Development

#### ***Victoria Pier Craft Market –***

The Victoria Craft Market is finally repaired and the bathroom facilities are in good working order. The craft traders are very grateful for the rehabilitation of this craft market. Presently the traders are making effort to replant flowers and some herbs and spices to enhance the environment. The benches built in and around the grounds are very welcome as visitors to the market find it very relaxing as they sit in front of the sea.

Arrangement was made for the traders at The Victoria Craft Market to be trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish
- Personal Development

#### ***Negril Craft Market (II) –***

The Craft Market vendors were sensitized to the plans in place to improve visibility and their marketing strategy.

Following consultations with the Project Officers the following recommendations were made:

The renovation of the Negril Craft Market will be done on a phased basis.

The Negril Craft market needs some urgent attention as the market is quite worn down. Many of the shops are privately owned and the owners have not repaired them. They are now unsightly. The shops to the front of the craft market are in fair condition.

The following are additional refurbishing needed to the Negril Craft Market

- Replacement of burnt boards and rotten boards
- Repainting of the refurbished shops and all shops
- Repairs to the leaking roofs and replacement of old zinc sheets
- Drainage – redirecting walkways improvement and repairs

The Negril Craft Market was trained in the following courses:

- Entrepreneurial Skills/Business
- Customer Service
- Merchandising
- Spanish

- Personal Development

relates to the production and marketing of craft. Jamaica Business Development Centre was commissioned to prepare Business/Operations Plans for six of the fifteen craft markets namely:

### ***The Tourism Market***

Craft traders are also interested to learn about the Tourism Market that they operate in and they do take notes.. just so they do not forget!!

- Old Fort Craft Market
- Harbour Street Craft Market
- Musgrave Market
- Ocho Rios Craft Market
- Negril Craft Market
- Pineapple Craft Market

### ***Success Craft Market***

Several meetings were had with the Success Craft Market as this market was also on the plan for upgrading. In November 2008, the Success Craft Market was refurbished and repainted and the craft traders are now quite pleased. To date 2012 -2013, there is only sporadic business being done at the Success Craft Market and it is opened only on days that they expect business. A number of opportunities have been offered to the traders but because of infighting they have lost many of these opportunities.

To date only four was completed as it was not necessary to complete the others until the craft market has been refurbished. In this way it would be feasible to implement the Business /Operations Plan.

Craft traders are very interested as they try a new craft skill set. Craft traders are very eager to learn new designs and ideas as it relates to craft development.

### ***Ocho Rios/Coconut Grove Craft Markets:***

Jamaica Business Development Center (JBDC):

The Jamaica Business Development Center (JBDC) and TPDCO have worked together to address the various issues presently affecting the craft sector. TPDCO's role is primarily related to the craft markets and the traders who operate in them; while JBDC's role

### ***Partnership with Jamaica Business Development Centre***

A group of Nigerian Expert Carvers were invited to Jamaica to train our local carvers with new skills over 250 Jamaican carvers benefitted from the training. New tools were introduced and similarly new skills were taught.

### ***Gourd- An endangered product***

The gourd or “pakki” is not as easy to work with as it appears as it gets very hard and needs special techniques to pierce it without breaking it. The traders recognized this during the training. This resource is very scarce and effort will have to be made to produce it as it is in demand for more reason than one.

#### **Development: Cultural Themes to Transform the Shopping Experience**

This component of the Craft Development Plan dealt with the many issues relating to the level of visitor satisfaction. The Craft Development Plan was developed to facilitate improving the standard of the services, the quality of the product and the quality of the physical environment and the visitor convenience amenities to levels that would allow the facilities to meet the standard requirements of quality and licensing agencies. In this regard several initiatives will be undertaken with respect to product development on a phased basis.

Some of these initiatives would include the erection of boards to showcase Jamaica’s sports men and women, culture and history and tell the “stories”. Product lines would be developed along the principle of a particular story, for example a line depicting Nanny of the Maroons would consist of table mats, table cloths, chess sets, pendants and dolls in pottery, wooden statues and

drums. Stories would be told in music, dance and song and the craftsmen also demonstrating their skills.

To further enhance the visitors’ experience to the craft markets the following was suggested to differentiate each market based on its History and the Community in which it is situated; suggestions are as follows:

- Story Boards depicting historical events
- Quality Craft Items –replicating historical sites and characters
- Culture Yard – Religion, Dance, Music, and Cuisine
- Herbs and Spices (develop a place of interest with herbs and spices)
- The National Heroes –highlighting Sam Sharpe (since he originated in Montego Bay )
- Sportsmen and Women
- Nature –St James Flora and Fauna (where possible)

### ***Craft and The Environment***

On a recent conference on Craft on the Environment, it was interesting to learn that the Environment is of particular importance and several discussions surrounded factors affecting the environment and the production of handicraft. With tourism there are increasing demands of goods and services that will affect the environment and nature and the characteristic impact on social development which influences the artisan. Certain communities have been influenced negatively e.g. in Ecuador, Columbia and Bolivia where for years anthropologists have exploited

bricks and trees and has left the artisan without raw materials and cities have been left without plants that were indiscriminately used as raw materials.

should be the environmental studies to handicraft availability.

- Small countries should market green tourism, rain tourism, and nature tourism and save the environment

### ***Interesting Points from the Conference***

- That there is an assimilation process in the culture of objects, where, initially there is a period of “imitation” in which the most interesting and innovative expressions of the material culture of the culture with which we are faced are imitated in their extreme form without a real comprehension of their technical genesis. This initial work of “translation” allows objects to change their identity: they take on different values, and often become “fetish” objects.
- “Souvenirization”: the act of transforming traditional artisanal products into objects for commercial consumption, distorting its origin and purpose, changing its proportions and dimensions, substituting raw materials and techniques, in order to bring it into line with a concept of low – price mass consumption.
- The Commercialization of handicrafts
- As it relates to the environment we don’t need to sell the forest we need to sell “part of our history and craftsmanship”
- The production of Handicraft should be the “country’s culture action to promote marketing and sales and historical sites

### ***The National Craft Development Committee***

The National Craft Development Committee was formed to give direction and advice to the craft sector generally and more specific to ensure that quality craft is produced; and the craft sector becomes more viable.

“to contribute to the diversification and development of the Craft Sector, with a focus on enhancing the Tourism Product by upgrading the infrastructure and facilities supporting the Craft Industry whilst, training Craft Producers and Traders and assisting in the marketing of Craft Products, locally and overseas”

The composition of the National and Local Craft Development Committees was also signed off on to say that the following Agencies/Members should be represented on each committee as follows:

- Project Coordinators –TPDCO
- Presidents –Craft Markets
- Social Development Commission
- H.E.A.R.T
- U.D.C.

- Jamaica Tourist Board
- Licensing Officer –TPDCO

### *Training for Craft Traders*

A major concern has been to arrange developmental training for the craft traders who have not shown much interest in training for the following reasons:

- Frustration at the slow pace of repairs to the craft markets
- Feelings of unfair requirement for trading craft
- Poor working conditions at the market
- Perceived unfair market competition

The objectives of this training are as follows:

- That craft traders will be able to display their goods more professionally
- That craft traders will appreciate and use marketing skills learnt
- That Craft Traders will use the techniques learnt to improve sales
- For Craft Traders to utilize customer service skills

Old Fort traders have benefitted from training in the following areas; the training is presently on hold but should continue as soon as HEART Trust/NTA has identified a replacement to continue the training. Jamaica Business Development Centre has assisted as resource personnel in the training of merchandizing and salesmanship. The

following courses were the highlights of the training:

- Entrepreneurship
- Business Development
- Merchandising and salesmanship for Craft
- Customer Service

### Craft Market Association Meetings

The Craft Coordinator/Specialist attended a number of meetings at the craft markets for various reasons related to the following:

- Disciplinary problems at the site
- Election of Officers
- Update of information on the refurbishing of the market
- Review of the Operations/Business plans
- Licensing and adhering to the rules and regulations
- Planning and organizing for training in the various areas mentioned

Additionally, the Operations Business Plans speaks to “theming “ of each market as a place of interest , this will also be reviewed along with the TPDCO’s team. The Jamaica School for the Visual Arts assisted with the provision of designs for the prototypes. Collaboration was sought with Jamaica Business Development Center for identifying craft producers to be trained to produce items from these designs.

### *Holiday Inn Craft Market*

Congratulations are in order for the traders at Holiday Inn Craft Market who have suffered as a result of the expansion of the road network under the North Coast Highway Upgrading Programme. The Holiday Inn Craft Market had to be relocated due to its close proximity to the upgraded road. The National Works Agency which has the responsibility for reconstructing the market; has given its contribution of five million dollars (\$5M), which the President Ms. Joanne Gardener says has been placed in The Holiday Inn Craft Market's Bank Account. This amount represents The National Works Agency's contribution to the rehabilitation of The Holiday Inn Craft Market. However, TPDCo has been requested to provide assistance with the re-designing and lay-out of the market coupled with the upgrading of the roof.

The Craft vendors at this market worked assiduously to build their market and have achieved it. The Craft Market can be judged as one of the best in the Island. It is well built and the plants enhance the market and are maintained by the traders.

2012 -2013 has seen the Holiday Inn Craft Market grow from strength to strength, they are now in the process of replanting and landscaping the grounds to enhance the craft market.

### *Victoria Craft Market*

The quality of the roof at the market needs refurbishing. To date The UDC has not carried out its commitment to affect the planned upgrading works for the market which is projected at approximately \$19M. Although TEF has approved an amount of \$6M towards the UDC's component (external works) and \$5M for the internal works to be effected by TPDC.

The painting of the main building walls

- Renovation of the Cafeteria and restrooms
- Signage
- Beautification and proposed visual aids for the market (Flat Screen Monitors to display information about the markets)

Recently the painting of the exterior of the main building was done by The Jamaica Defense Force.

### *Conclusion*

It has taken some time to complete the refurbishing of two craft markets as such the other processes that would properly fit following a refurbished craft site could not be implemented or if implemented would not have had the impact that was intended.

The process is clear and is prescribed in the Business/Operations plan and logically so that enhancement follows the refurbishing of the craft site. Notwithstanding, training was started at Old Fort Craft Market as traders were so motivated.



Plans are now in place to capture all the dying craft/art forms through training and to improve to get better benefits from craft by delivering excellent customer service. To this end training is planned to train in craft skill upgrading and in Entrepreneurial skills for craft traders.

In closing there are Business Plans for the Craft Markets that were commissioned to be prepared by JBDC following intense survey. They have not been implemented and there are aspects that could be implemented to enhance the craft market experience.

## Senior Executives' Compensation

FINANCIAL YEAR APRIL 2012 – MARCH 2013

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Traveling Allowance or Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Executive Director	2012 to 2013	-	-	-	-	-	-	-
Deputy Executive Director	2012 to 2013	5,137,028	Gratuity – 1,524,759 Incentive maximum – 438,635	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	8,421,374
Director, Corporate Services	2012 to 2013	4,457,486	Gratuity – 1,224,201 Incentive maximum – 382,056	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	7,751,482
Director, Attractions	2012 to 2013	4,457,486	-	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,938,737
Director, Product Quality	2012 to 2013	3,160,964	Incentive maximum – 273,863	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	4,872,488
Executive Human Resources Manager	2012 to 2013	3,160,964	Incentive maximum – 273,618	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,284,646
Executive Tourism Training Manager	2012 to 2013	-	-	-	-	-	nil	-
Financial Controller	2012 to 2013	3,160,964	Incentive maximum – 273,963	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	4,872,588
Chief Audit and Risk Executive	2012 to 2013	3,160,964	Incentive maximum – 273,618	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,094,451
Chief Information Officer	2012 to 2013	3,160,964	Incentive maximum – 273,963	975,720		Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,284,646

## Directors' Compensation

FINANCIAL YEAR APRIL 2012 – MARCH 2013

Position of Director	Fees	Motor Vehicle Upkeep/travelling or value of assigned motor vehicle	All other compensation including non-cash benefits as applicable
Chairman	262,500.00	92,400.00	354,900.00
Director 1	177,500.00	34,700.00	212,200.00
Director 2	64,500.00	118,800.00	183,300.00
Director 3	101,500.00	20,000.00	121,500.00
Director 4	167,500.00	180,000.00	347,500.00
Director 5	99,000.00	152,100.00	251,100.00
Director 6	135,000.00	153,500.00	288,500.00
Director 7	41,000.00	18,700.00	59,700.00
Director 8	106,500.00	38,460.00	144,960.00
Director 9	89,000.00	58,000.00	147,000.00
Director 10	84,000.00	17,150.00	101,150.00
Director 11	7,000.00	10,000.00	17,000.00
Director 12	88,500.00	9,800.00	98,300.00
Director 13	60,000.00	4,900.00	64,900.00
Director 14	74,000.00	60,250.00	134,250.00





**Tourism Product Development Company Limited Annual Report 2013**  
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