

CABINET AGENDA ISSUES – 5 JUNE 2017

The House is asked to note the following matters which were considered by the Cabinet at its meeting held on 5 June 2017:

1. Contract;
2. Annual Report;
3. Increase in the Programme of Advancement Through Health and Education (PATH) Benefit Rates for FY2017/2018;
4. Update on the United Nations World Tourism Organization (UNWTO), Government of Jamaica and World Bank Group Conference on Jobs and Inclusive Growth: Partnerships for Sustainable Tourism;
5. The Generation Licence for the Wigton II Facility;
6. Revised Graduation Strategy – Programme of Advancement Through Health and Education (PATH); and
7. Reports.

Each matter shall be elaborated on in turn.

1. Contract

Amendments to Procurement Arrangements for Bulk Fuel Supplies to Ministries, Departments and Agencies of Government for the Period 1 July 2017 to 30 June 2019

Cabinet approved the establishment of a Closed Framework Agreement with eligible petroleum marketing companies, for the supply of bulk fuel at a fixed mark-up of \$5.20 per litre, plus weekly ex-refinery prices to Government Ministries, Departments and Agencies for the period 1 July 2017 to 30 June 2019.

There are approximately 19 Government entities that will benefit from this framework agreement for the contract period 2017-2019.

2. Annual Report

Cabinet considered the Annual Report of the National Road Operating and Constructing Company Limited for the Financial Year 2015/2016.

The Report will be tabled in Parliament at a later date.

3. Increase in the Programme of Advancement Through Health and Education (PATH) Benefit Rates for FY2017/2018

Cabinet approved increased benefits to beneficiaries of the Programme of Advancement Through Health and Education (PATH) as under, with effect from 1 June 2017:

- (i) an average increase of 30% in the benefits paid to all categories of beneficiaries; and
- (ii) an increase in the base benefit from \$400.00 to \$600.00 per month per child.

PATH, which was implemented in 2002, currently has 365,000 beneficiaries. These increases were arrived at through the formal Benefit Review Mechanism, the most recent of which was completed in November 2016.

4. Revised Graduation Strategy – Programme of Advancement Through Health and Education (PATH)

Cabinet gave approval for a revised graduation strategy for the Programme of Advancement Through Health and Education (PATH) that would include:

- (i) reapplication to PATH, replacing mass recertification, as the recertification procedure for assessing continued eligibility for the programme;
- (ii) starting in 2017, a requirement that PATH families reapply to the Programme after three and a half years of participation;
- (iii) PATH families still eligible for PATH after recertification to continue to receive cash grants;
- (iv) referral of PATH families to Case Management and Steps-to-Work interventions, depending on the eligibility score; and provision of an additional six months of cash grants to those families during the intervention period;
- (v) PATH families no longer eligible for PATH to continue to receive cash grants for six months and then be removed from the Programme; and
- (vi) the establishment of one-stop centres in all Parish Offices of the Ministry of Labour and Social Security for processing reapplications and applications to PATH.

Cabinet also gave approval for the recertification of PATH families enrolled in the Programme from 2002 to 2012, according to a prescribed schedule, effective March 2017, and commencing with families enrolled in the Programme in 2002 and 2003.

The objective of the graduation strategy is to remove from the PATH scheme, families that are no longer eligible for, or in need of, welfare assistance.

5. The Generation Licence for the Wigton II Facility

Cabinet authorized the Minister of Science, Energy and Technology to execute a Generation Licence, thereby granting formal permission to Wigton Windfarm to supply up to 18 Megawatts of electricity to the National Grid, utilizing its Wigton II Facility.

Pursuant to the provisions of section 9(1)(c)(iii) of the Electricity Act, and given the exceptional circumstances that had arisen in relation to the delay in the finalization of a Power Purchase Agreement for the supply of up to 18MW of electricity to the national grid, it was necessary for a licence to be issued to Wigton Windfarm by the Minister with responsibility for energy.

6. Update on the United Nations World Tourism Organization (UNWTO), Government of Jamaica and World Bank Group Conference on Jobs and Inclusive Growth: Partnerships for Sustainable Tourism

Cabinet considered a report from the Minister of Tourism in connection with the planning for Jamaica's hosting of the United Nations World Tourism Organization (UNWTO), Government of Jamaica and World Bank Group Conference titled "Jobs and Inclusive Growth: Partnerships for Sustainable Tourism". This Conference, which will mark the United Nations' 2017 International Year of Sustainable Tourism for Development, is scheduled for the period 27 to 29 November 2017.

The report provided an update on the plans for the Conference, including the establishment of a planning committee; the achievements to date; the conference management and execution services; the financial considerations, including sponsorships; and the next steps.

7. Reports

(i) Audit Commission and Audit Committees

Cabinet noted a presentation by the Chairman of the Government of Jamaica Audit Commission, Mr. Leighton McKnight, that provided an overview of the functions, responsibilities, and legal and institutional framework of the Audit Commission and Audit Committees, and sought the endorsement of the Cabinet for the work of the Commission.

The Audit Commission is the corporate body responsible for overseeing the corporate governance structure of the public sector and providing continued monitoring of, and support to, the Audit Committees. The Chairman indicated that the Financial Administration and Audit Act required that every Ministry, Department, and Executive Agency, as defined by the Act, establish an Audit Committee.

The Chairman advised of the need for improvement in the corporate governance structure, and outlined the challenges faced regarding human resources and the related lack of timely responses to findings which sought to ensure the proper functioning of the Audit Committees. He also spoke to the production of annual Audit Reports and encouraged Ministers to review the Reports.

(ii) Cyber Security in Jamaica

Cabinet noted a presentation entitled "The State of Cyber Security Jamaica: Cyber Crime" which outlined factors related to:

- 1) the increasing use of technology;
- 2) the increasing movement of criminal activity on-line;
- 3) cybercrime activity in Jamaica in 2016, with over US\$100 million in losses;
- 4) the nature of the cyber threats and cybercrime, which included the use of malicious software and fraud;
- 5) over 299 reports to date in Jamaica in 2017 and some US\$31 million in losses, and reports of cyber-attacks since 5 May 2017 on some 19 Government entities and 15 private sector entities;
- 6) the sensitive nature of the matter, in terms of the reputation of companies and

individuals targeted, the information at risk, and the significant losses experienced; which were among the factors that contributed to a reluctance to report, under-reporting, and alternative solutions being discretely sought by the victims of cyber threats and cyber-attacks;

- 7) Jamaica's identified vulnerabilities; strategies already being pursued to address them, in terms of capacity-building, retention of skilled personnel, acquisition of preventative and curative tools and mechanisms, legislative and policy prescriptions, and identification of critical funding; and additional strategies being considered;
- 8) partnerships with external agencies and other Governments to address cybercrime;
- 9) mechanisms for real time tracking of cybercrime threats and activities worldwide and in Jamaica;
- 10) the potential for immense financial, data, and personal losses from cybercrime;
- 11) the nature and pervasiveness of the threat, and the available protective mechanisms; and the consequent imperative for information-sharing between countries, between local and international organizations, and with the public;
- 12) the local investigative capacity, the identification and arrest of major players in cybercrime locally, the increasing sophistication of cybercrime and the cyber threats, and the need for capacity-building to adequately, proactively and effectively respond to the expansion and increasing sophistication of cybercrime and threats;
- 13) the time-sensitive nature of the investigation, prevention and resolution of cybercrime and threats, and the consequent need for mechanisms and protocols for expeditious responses from key entities such as providers of digital services;
- 14) the possible approach of "white-box testing" of Government organizations to identify vulnerabilities and solutions thereto;
- 15) the potential losses which far outweighed the financial requirements for effective preventative, remedial, and personnel solutions and mechanisms for addressing cybercrime and cyber threats; and
- 16) the development of a Cyber Security Strategy and Implementation Plan and the related institutional mechanisms.

The Honourable House is asked to note the foregoing.



Andrew Holness, MP  
Prime Minister  
July 2017