

## *A Practical Introduction to Foreign Hotelier Investment, Management and Operation in Jamaica's Tourism Market*

*By Michel Morgan, published by Hotel Online (April 12, 2019, 12:25 PM)*

*With recent first quarter 2019 reports showing that Jamaica is the first Caribbean island to welcome 1 million visitors and reach approximately \$800 million in foreign exchange earnings within the first 9 weeks of 2019, hospitality industry interests like real estate developers and investors can be assured that Jamaica is maintaining its status as one of the best islands for developing resorts. Indeed, back in 2017 Jamaica's Minister of Tourism, The Honorable Edmund Bartlett, confirmed a 5-year, 5 percent target growth per year goal, which would require bringing 5 million visitors to the island and earning \$5 billion from visitor spending. This goal, which Minister Bartlett referred to as the "5x5x5" growth strategy, is expected to result in an increase of 15,000 additional hotel rooms on the island by 2022, well beyond the 32,000 rooms already in existence. The recent 2019 growth reports confirm that the Minister's goals are on track, and he has been clear that direct foreign investment is a necessary element of the island's projections to reach optimal room capacity.*

*Therefore, it is an opportune time to evaluate some of the legislatively guaranteed investment incentives that the Government of Jamaica ("GOJ") provides to foreign tourism industry interests, all geared toward stimulating investment and growth in the tourism industry. Indeed, several "mega projects" are already underway and taking advantage of these incentives or have already been completed in recent years. The RIU Hotel and Resorts, Hyatt Ziva Rose, Hilton, Marriott Courtyard, and the locally owned Sandals Resorts, are just a few of the island's resorts that are thriving under the GOJ incentives. Further, whether a foreign tourism interest presents as a mere investor, or as an owner, developer or operator, there are local operational issues especially related to labor and employment concerns that should be considered.*