


Current Status of Public Policies

The Case of Jamaica SMEs



Format of Presentation

- JA SME SECTOR
 - POLICY FRAMEWORK
 - WORK UNDERTAKEN
 - WAY FORWARD
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CASME AGENDA

- Thank you for the systematic approach to regional SME development
 - 2016 regional meeting builds on 2015 priorities
 - Regional approach provides best platform for coordination
 - Development of an index for evaluation should be applauded
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OVERALL COUNTRY GOAL- VISION 20/30

- JAMAICA, A PLACE OF CHOICE TO LIVE, WORK, RAISE FAMILIES, AND DO BUSINESS**
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CURRENT REALITIES (EMERGING ECONOMIES)

- 365-445 million MSMEs ; 285-345 informal
- SMEs contribute to more than 45% of total employment
- Create 4 out of every 5 jobs



CURRENT REALITIES (EMERGING ECONOMIES)

- 70% of all MSMEs lack access to credit
 - Credit gap estimated at US\$1.2 Trillion
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FUNDAMENTAL CHALLENGES TO MSMEs in the REGION

- Vulnerability to natural disasters-
USD34B in losses in 08/09 in region
 - Regional average rank of 85 in World
Bank Doing Business Report (2013)
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MSMEs REALITIES - JAMAICA

- Contribute to 35% of labour force
 - No omnibus policy
 - Contribute 40% to GDP
 - No single legislative framework
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CHALLENGES TO MSMEs GROWTH

- Inadequate access to financing
 - Paucity of research on MSMEs sector
 - No national policy to drive sector
 - No specific ministerial focal point for sector
 - Services to MSMEs fragmented
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DEVELOPING ISSUES

- Draft Policy in place
 - New approach to taxation-tiered
 - Shift toward indirect taxation
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DEVELOPING ISSUES

- JSE Junior Stock Market launched in 2009
 - Between 2009- Dec 2015 market capitalisation reached J\$68B
 - 23 companies listed up to Dec 2015
 - Contribution to GCT increased by 337%;
NIS 120%, PAYE 97%
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MOVING FORWARD (JAMAICA)

- Consider new approaches to develop MSMEs
 - Daniel Babson Entrepreneurship Ecosystem Project (BEEP)
 - Complete omnibus policy
 - Develop overarching legal and regulatory framework
 - Support JSE JM as part of Jas funding architecture
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MOVING FORWARD

- Develop an incentives policy to drive MSMEs growth
 - Review VISION 2030 document to include specific targets and strategies relating to MSMEs
 - Amend procurement policy to specify a set % of business to support MSMEs sector
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MOVING FORWARD (CASME)

- Seek meeting on the margins with CARICOM for MSMEs agenda in Region
 - Strengthen link with COTED at CARICOM
 - Seek technical support of funding partners for development of Index of Evaluation
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INDEX OF EVALUATION

- Provides a basis for measuring performance
 - Contributes to culture shifts in region-encourages discipline to work toward common goals
 - Allows for synergies, cooperation and more effective collaboration across region
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GROWING MSMEs sector CAN MEAN

- Growing GDP
 - Growing employment
 - Growing firm and personal wealth
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EWIN MARION KAUFFMAN'S PHILOSOPHIES

- Treat others how you would want to be treated
 - Share life's rewards with those who make them possible
 - Give back to society
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