



SISTEMA ECONÓMICO
LATINOAMERICANO
Y DEL CARIBE



JAMAICA's Journey

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Cooperación Económica y Técnica

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SELA Seminar on Entrepreneurship



JAMAICA'S JOURNEY

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Who is an Entrepreneur in Jamaica?



Jamaica finalized and adopted its MSME and Entrepreneurship Policy in 2013 .

Jamaica is now reviewing the policy– to reflect three years of experience, new developments, additional research, emerging issues, updated statistics...

Policy emphasis over the past three years of implementation has been MSME issues related to financing, expansion of business development services, markets and an enabling business environment

Focus on these MSME issues underpin and support “entrepreneurship”

Who is an Entrepreneur in Jamaica?



The Policy currently defines an “Entrepreneur” as:

“...a person who relentlessly focuses on an opportunity, either in a new or existing business, to create value for both the customer and the owner. The entrepreneur assumes both the risk and reward for effort and provides an impetus for change, innovation and progress in economic life.”

Who is an Entrepreneur in Jamaica?



The MSME & Entrepreneurship Policy identifies

Innovation and Creativity

as the

BEDROCK

of true entrepreneurship

Who is an Entrepreneur in Jamaica?



Using this Definition of Entrepreneur:

**The formation of an MSME
enterprise is not necessarily
Entrepreneurship**

Who is an Entrepreneur in Jamaica?



Global Entrepreneurship Monitor (GEM) definition of Entrepreneur:

“any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business”

Who is an Entrepreneur in Jamaica?



Using this business centric definition of
“Entrepreneur”:

**All formations of MSMEs would
be classified as entrepreneurial
activity**

Who is an Entrepreneur in Jamaica?



Jamaica's MSME and Entrepreneurship Policy recognizes that most entrepreneurs are

replicative entrepreneurs

that is, businesses based on pre-existing markets, products, models and processes, and....

lacking innovation

Landscape of MSMEs in Jamaica



- 97.6% of all classified business taxpayers in Jamaica are MSMEs
- 2015 Labour Force survey showed that 412,000 Own Account Workers (person who does not employ paid help) accounted for 36.3% of the employed labour force.
- MSMEs (self employed and registered businesses) are estimated to account for over 90% of labour force

GEM Profile of Entrepreneurship in Jamaica



Latest GEM Report for Jamaica is based on 2013 data:

- 25-44 years old and up to secondary level education.
- 55% are male and 45% are female
- Jamaicans have a positive attitude towards entrepreneurship as a career choice.
 - 51% - perceived opportunities
 - 79% - perceived capabilities
 - 40% - intention

GEM Profile of Entrepreneurship in Jamaica



However, **most are necessity based entrepreneurs**, with little growth plans OR plans for little growth:

- 21 % expect to have no one employed in the business in five years
- 18 % expect to have at least two employees in five years
- 16 % expect to have five employees in the in five years.

Interventions to Build a Culture of Entrepreneurship in Jamaica



Promotion of entrepreneurship is handled through a combination of public sector; private sector, IDPs and NGOs

Associations: SBAJ; MSME Alliance; YEA; WENC; WBO.. .

Secondary Education: “Entrepreneurship” added to CAPE syllabus in 2014; Junior Achievement Club; 4H Club (Agriculture)

Tertiary Education: Three main universities offer Entrepreneurship programmes

Business Development Services: JBDC, HEART, Branson Centre, RESET; STARTUP Jamaica...to name just a few...

Interventions to Build a Culture of Entrepreneurship in Jamaica



Government: Vision 2030 NDP; MSME & Entrepreneurship Policy; Dedicated MSME Office; SIPP legislation; Microcredit Bill; SBDC Project; Mobile Business Clinic; National Quality Policy; Tourism Linkage Programmes; Incubators; SEZ Policy; Public Procurement Offsets; Simplified business registration to name some initiatives....

Financing : DBJ with multiple MSME programmes through a network of AFIs; MIDA; ExIm Bank

Media: The Innovators

Challenges (or are they Opportunities?)



- Overcoming the Fear of Failure 27% (GEM)
- Improving financing options for productive MSMEs (especially micro)
- Demystifying market access (domestic and overseas)
- Accreditation of business support services
- Targeting business in agriculture (200,000 farmers)
- Greater emphasis in the areas of STEM (60% of tertiary students study liberal arts)
- Making it easier to start a business

Challenges (or are they Opportunities?)



- Overcoming the fear of formality (taxation is seen as a threat)
- Fostering stronger partnerships across government, private sector and NGOs
- Embracing and understanding the social enterprise sector
- Financial inclusion strategies
- Tackling productivity issues
- Development of KPIs – measurement, a key to monitoring and management



The End