

MINISTRY PAPER No.: _____

**PERFORMANCE OF THE SELF- START FUND FOR FINANCIAL YEAR
2006/2007 AND FOCUS FOR FINANCIAL YEAR 2007/2008**

1.0 Purpose of Ministry Paper

The purpose of this Ministry Paper is to inform Parliament and the public about the performance of the Self-Start Fund (SSF) for the Financial Year 2006/2007 and its strategic focus for the Financial Year 2007/2008.

2.0 Mission, Role and Function

2.1 Mission

The mission of the SSF is to promote human development through self help and self employment.

2.2 Role and Function

The SSF was established to address the needs of persons who were either graduates from the secondary school system or approved Government training programmes, and interested in starting small businesses or expanding the operations of existing small or micro enterprises (SME's). The SSF assists its target group through the provision of credit.

In fulfilling its role, the organization has introduced a number of credit products tailored to the profiles of its clients to facilitate acquisition of working capital and equipment to grow and sustain their businesses.

Poverty alleviation through the creation of sustainable employment is a major focus of the SSF. This area is addressed through business loan products and business training that the SSF offers to its small and micro business clientele.

3.0 Highlights of Performance/Achievements for Financial Year 2006/2007

- i. Disbursement of \$16.5 M to the SME sector
- ii. Facilitation of business loans to three hundred and forty five (345) entrepreneurs within the SME sector
- iii. Creation/preservation of four hundred and twenty four (424) jobs
- iv. Training of five (5) persons from St. James, Clarendon and the Corporate Area to function as business development officers. Through the Entrepreneur Linkage Programme, discussions are in progress

- with a number of tertiary students to also serve as business development officers. In this regard, a MOU has been signed with the University of Technology and others are being pursued
- v. Commencement of re-branding exercise with a committee redefining and repackaging the products and services of the SSF
 - vi. Engagement of the Jamaica Business Development Centre (JBDC) to provide ongoing training for staff, particularly loan officers
 - vii. Commencement of work to identify specific communities for which the SSF will be providing loan financing to micro entrepreneurs

There was no budgetary support for the 2006/2007 Financial Year.

One of the main challenges which the SSF has faced over the years is perception on the part of its target clientele. The view is widely held that the mandate of the SSF is to provide “soft credit” to its target group. During the year, consideration was given to a re-branding of the institution to correct the misconception about its mandate and to re-position the institution.

4.0 Priority Targets and Objectives for Financial Year 2007/2008

- i. Disbursement of \$55 M to the SME sector
- ii. Provision of working capital and fixed assets for three hundred and fifty (350) entrepreneurs
- iii. Creation/preservation of one thousand (1,000) jobs within the SME sector
- iv. Development of a cadre of business development officers island-wide
- v. Provision of greater levels of business advice/monitoring to clients
- vi. Collaboration with JASPEV to provide greater support to specific weak communities
- vii. Initiation of an “Entrepreneur Linkage Programme” with two (2) tertiary institutions
- viii. Improvement in SSF staff training
- ix. Reduction of arrears on active portfolio to ten percent (10%) or less
- x. Continuation of the re-branding of the Self Start Fund.

5.0 Summary of Main Targets for Financial Year 2007/2008

- Loan disbursement: \$55 Million
- Projected number of borrowers: 350
- Average loan size \$157,000

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