

MINISTERIAL REMARKS



HON. ANTHONY HYLTON

MINISTER OF INDUSTRY, INVESTMENT &
COMMERCE

LAUNCH OF THE SMALL BUSINESS EXPO

JAMAICA PEGASUS HOTEL

THURSDAY, APRIL 30, 2014 at 10:00 AM

Salutations

- Mr. Silburn Clarke, Chairman, Jamaica Business Development Corporation
- Ms. Valerie Viera, CEO, Jamaica Business Development Corporation
- Mr. Harold Davis, Deputy CEO, Jamaica Business Development Corporation
- Mr. Norman Reid, Senior Assistant General Manager, Retail Banking Division, NCB
- Mr. Donovan Perkins, Chairman, Linkages Council
- Miss Tshani Jaja – Marketing Manager, Jamaica Yellow Pages
- Sponsors
- Representatives of the private sector
- Representatives of the public sector
- Members of the media
- Specially invited guests... good morning

It is with immense pleasure that I join you today for the launch of this year's Small Business Expo. For eight years the Jamaica Business Development Corporation has, through this expo, been fostering the development of the micro, small and medium sized enterprise (MSME) sector.

This year's theme: "Business Linkages: Connecting Jamaica to the World", is particularly fitting, given the policy direction of the Government of Jamaica to support an export-led strategy to drive economic growth and development. Creating business linkages is a key pillar in the implementation of the National Export Strategy, and a critical channel for the expansion of Jamaican businesses.

Ladies and gentlemen, business linkages between international companies and local suppliers contribute to improved competitiveness, and increase trade and investment. It is also a key channel to developing closer integration, openness to trade, stimulating

foreign direct investment (FDI) flows, and helping firms to become part of international production and supplier networks.

The Government is committed to developing the critical policies and programs to strengthen the MSME sector, and better position MSMEs to take advantage of business linkage opportunities.

This is the reason my Ministry has been actively involved in developing the policy framework to support the Global Logistics Hub Initiative in order to position Jamaica as a platform to access global markets and improve trading. The current efforts devoted to developing the policies to support the roll-out of the Special Economic Zones (SEZs) are an integral part of the Logistics Hub Initiative. The SEZs will facilitate business linkages of MSMEs with large-scale enterprises, enabling them to participate in global supply-chains.

The changes in global supply-chain arrangements means that large manufacturing enterprises now purchase a substantial portion of their goods and services from smaller firms. The SEZs will provide opportunities for the MSMEs to bring their products and services to market. This, of course, will enable the MSME sector to create jobs and foster broad-based and inclusive growth, which is an important element of our growth agenda.

Ladies and gentlemen, to successfully facilitate business linkages, building brand awareness and association of the Jamaican brand with quality, competitive pricing and standards are critical. In this regard, agencies under the Ministry of Industry, Investment and Commerce have been playing critical roles; Jamaica Business Development Corporation (JBDC) as the leading agency for MSME capacity building,

Bureau of Standards Jamaica (BSJ) to ensure that our companies meet and adhere to international standards, the Jamaica Intellectual Property (JIPO) and JAMPRO as the international market developer.

The Jamaica Business Development Corporation, through its work in the provision of capacity building services for MSMEs continues to provide businesses with the relevant information to become formalized, obtain the relevant documents to seek financing and expand their operations. Initiatives such as the Mobile Business Clinic- delivering training sessions and seminars- are critical to ensuring that businesses across the country can access its services and later take advantage of opportunities for international business linkages.

The importance of international standards as a pre-requisite for entry into international markets and maximizing on the opportunities of business linkages cannot be overstated. Businesses must meet the critical requirements to trade across borders. The Ministry's initiative to develop our National Quality Infrastructure (NQI) is improvement in this regard.

The development of the National Quality Infrastructure (NQI) involves a highly integrated network of personnel, systems and organizations. With an efficient quality infrastructure, businesses will become more competitive and indeed all enterprises large medium or small are, therefore, encouraged to obtain certification and accreditation in international standards.

The protection intellectual property rights and brand in the marketplace in critical, even as we seek to encourage business linkages. A lot is being done at JIPO in this regard.

The role of JAMPRO as market developer becomes of increased importance to MSMEs when the work of the JBDC and the BSJ are viewed as steps in preparation for MSMEs to make the most of business linkage opportunities. The hope is that more MSMEs will be able to participate and reap the benefits of the Roadshow USA and the Export Max programmes being led by JAMPRO.

The work of the Tourism Linkages Council presents another unique opportunity for our MSMEs to create business linkages with international hotels. The Council which is staffed in part by personnel from the Ministries of Industry, Investment and Commerce (MIIC), Agriculture and Fisheries (MAF) Tourism and Entertainment (MTE), Finance and Planning (MFP) is tasked with enhancing the contribution of the tourism sector to our economy; working with our MSMEs is key in this regard.

The benefits for our MSMEs through business linkages are numerous. It is with this in mind that this year's Expo will feature many opportunities for MSMEs to build their capacity and link with international suppliers. The special features of the Expo include:

- **Panel Discussions:** This will allow local and international business leaders to address topical issues related to international market identity, getting your products ready for international markets, networking, and the use of technology by entrepreneurs to market their brands internationally.
- **FaceTime Workshops:** These free workshops are designed to facilitate discussions on forging critical business linkages, both locally and internationally.
- **The Matchmaker:** This is a new tool designed to develop an electronic database which provides information for buyers and suppliers. Buyers and suppliers will be

encouraged to record the products and services they require, or are able to supply. The electronic database will be used to inform future matchmaking initiatives.

This year, participants of the North Coast Craft Revitalization Project, will be among the beneficiaries of the matchmaking programme. I implore entrepreneurs, large and small firms alike, to take advantage of this matchmaking opportunity.

Ladies and gentlemen, I would like to draw attention to the critical challenge of lack of access to appropriate financing that our MSMEs currently face. Finding a solution to the problem is essential to unlocking investments and driving growth in the sector. In this regard, I have appointed a Task Force that is currently looking at putting in place a plan that is expected to improve access to capital. This plan includes repurposing and recapitalizing Self-Start Fund and Micro-Investment Development Agency (MIDA) to ensure greater efficiency and cost reduction.

The Minister of Finance and I have also begun a dialogue to examine the possibility of utilising the unclaimed funds at the financial institutions and insurance companies to provide funding to the sector. The hope is that these resources will be used to recapitalize the funding agencies of the Ministry so that appropriate financing can be made available to the MSME sector, with proper risk management.

We recognize that the risk profile of MSME firms is a major impediment to financing. Implementing risk management and practices are critical elements of MIDA's new mandate.

As we move ahead with the staging of this important Expo, we could not have done it without our sponsors. Let me, therefore, express my gratitude for the sponsorship we

have received from *National Commercial Bank, the Jamaica Yellow Pages, Herald Printers, FX Traders, Fidelity Motors, Jamaica Observer, Business Access TV, RJR 94/TVJ*, and all our other private and public sector partners.

Let me also commend Ms. Viera and her team at the Jamaica Business Development Corporation for your continued drive and hard work to make this event a signature event for JBDC.

Ladies and gentlemen, I am looking forward to seeing you all at this year's staging of JBDC's Small Business Expo coming up on May 21st.

I thank you