



**Keynote Address by the Hon. Anthony Hylton MP,
Minister of Industry, Investment and Commerce
At
MSME Discount Launch
Courtleigh Hotel,
85 Knutsford Blvd, Kingston 5.
Thursday, 20 November 2014 at 12:30pm**

Salutations and Preamble:

- Mr. Milverton Reynolds, Managing Director, Development Bank of Jamaica
- Mr. Chris Zacca, President, Private Sector Organization of Jamaica
- Mr. Hugh Johnson, President, Small Business Association of Jamaica
- Members of the press;
- Ladies and gentlemen... good afternoon

It is my distinct pleasure to join you for launch of the MSME Discount Card.

Business Dialogue. When I entered the room, I was delighted to see the mixture of students, representatives from the private sector and academics. Your presence speaks of a willingness to work together towards the creation of a strong stakeholder community that is dedicated to strengthening the business environment for entrepreneurs and by extension micro, small and medium sized enterprises (MSMEs).

This dialogue is, therefore, a timely opportunity to unearth ways in which Government and academia can work together to facilitate the strengthening of the capacity of MSMEs seeking to enter the global marketplace. It is also a fitting way to begin Jamaica's Global Entrepreneurship Week celebrations. I use the word celebration deliberately as this week is, indeed, a celebration of entrepreneurs that are dedicated to taking concepts to market in a

bid to create wealth and drive economic growth for our great nation.

Enabling Business Environment

Entrepreneurship is one of the most important inputs in the economic development of a country. As a result, the link is often made between entrepreneurship and the MSME sector, which is the backbone of the Jamaican economy and accounts for 90% of total employment.

Recognising the importance of MSMEs, the Government of Jamaica (GOJ) has implemented various policies and legislation to deal specifically with the creation of an enabling environment for entrepreneurs and the reduction of the impediments they face. Let me take a few moments to highlight some of these policies and legislation:

- The MSME and Entrepreneurship Policy provides a comprehensive framework for implementing programmes and projects to reduce the impediments to entrepreneurial activities

- The Security Interest in Personal Property (SIPP) Act makes it possible for entrepreneurs to use moveable assets such as livestock to secure business loans; and
- The Insolvency Act provides for the rehabilitation of the insolvent debtor under court protection, and will help to remove the stigma and constraints associated with bankruptcy in Jamaica. The ultimate goal is that entrepreneurs will not be stigmatized for taking risks, nor left without remedies when normal business failures occur.

Instead, we are working to create an environment in which risk taking is encouraged and genuine errors, accepted.

The efforts to create an enabling business environment are complemented by the implementation of programmes that give life to the policies and legislation, spearheaded by agencies of the Ministry of Industry, Investment and Commerce. Examples of these include:

- JAMPRO's Export Max programme, which helps businesses that are export ready to access global markets,

- The Business Partnership Programme, coordinated by the Bureau of Standards Jamaica, which works with businesses to become HACCP certified for entry into foreign markets,
- The Jamaica Business Development Corporation (JBDC) Mobile Business Clinic which travels across the island in a bid to decentralise the delivery of business development services. The Mobile Business Clinic also generates awareness of the assistance available to entrepreneurs and demystifies recent business focused legislation. The clinic had its first stop in St. James at the beginning of this month, I personally spent time meeting with entrepreneurs at the clinic. It was humbling to have my ear to the ground and see how the work of the government was making a difference but there remains more to be done.

Ladies and gentlemen, these are just a few examples of what Government is doing on the ground to create an enabling business environment, strengthen the quality infrastructure and prepare MSMEs to enter the global market.

Indeed, the GOJ's commitment has been recognised worldwide, as evidenced in our improvement in the Global Competitiveness Index and more recently, a jump of 36 places in the Doing

Business Index, for Jamaica to become the best location in the Caribbean for conducting business.

However, building competitiveness and activating linkages for MSMEs to enter the global market is beyond the purview of Government. Nor can it be achieved with sectors such as academia and government working in silos. We must employ cross sectorial collaboration. Both sectors already work tirelessly to facilitate the development of MSMEs, and we must work together to facilitate their entry into global markets.

Academic institutions can and must play a critical role in providing business intelligence to support the sector. The recent Mobile Business Clinic was guided by a needs assessment to ascertain the areas of concern among entrepreneurs in each parish before travelling there. This is an opportunity for academia and government to collaborate to better understand the needs of MSMEs.

Institutions such as the University of the West Indies, are knowledge centres of innovative research which is a strong basis for the development of the MSME sector, while highlighting new business opportunities for entrepreneurs. Indeed, most innovation does not require inventing anything new. It is often just a matter of

combining and recombining capabilities across disciplines, organizations, and sectors. We recognise, however, that although innovation is a key element to entrepreneurial activity, it does not on its own facilitate entrepreneurship. There is, therefore, an opportunity for our universities to create incubator programmes to facilitate the move from innovation to entrepreneurship. In this regard, academic institutions are best placed to provide this expertise through an interdisciplinary approach.

The ability of academic institutions to leverage understanding of different markets, along with the policy arrangements to facilitate business development, which government provides, will also increase opportunities for MSMEs to enter the global marketplace. Working collaboratively, therefore, represents a key opportunity for government and academia to create significant, sustained improvements in economic outcomes. This is the tactic we must employ if we are serious about creating a globally competitive economy and ensuring that our MSMEs will be able to sell their products in the global marketplace.

Ladies and gentlemen, to be competitive we must utilise cross-sector collaboration and today is an opportunity to do just that.

It is my firm belief that opportunities such as today's dialogue are critical for the development MSMEs, and of specific importance as

we move towards becoming a logistics centred economy in which the local market is highly integrated into the global market. The increased opportunities to enter global supply and value chains through the impending Special Economic Zones (SEZs) are further testament to the need to collaborate.

In closing, I commend Valerie and the team at JBDC for working tirelessly to put together this event and the activities occurring during Global Entrepreneurship Week. This evening's event and the activities planned for the remainder of the week are a testament to the success that can be achieved through private and public sector partnerships.

To the students gathered here, I implore you to take advantage of the opportunities that this week of activities will provide. Some of you are already innovators and this week is a chance to take the next step to move from innovation to entrepreneurship.

Ladies and Gentlemen, let the dialogue begin!

I thank you

