



City of Port-of-Spain
Local Area Economic Profile
(Final Report)

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Submitted to:

Permanent Secretary
Ministry of Rural Development and Local Government
Kent House, Maraval, Trinidad and Tobago

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February 29, 2016

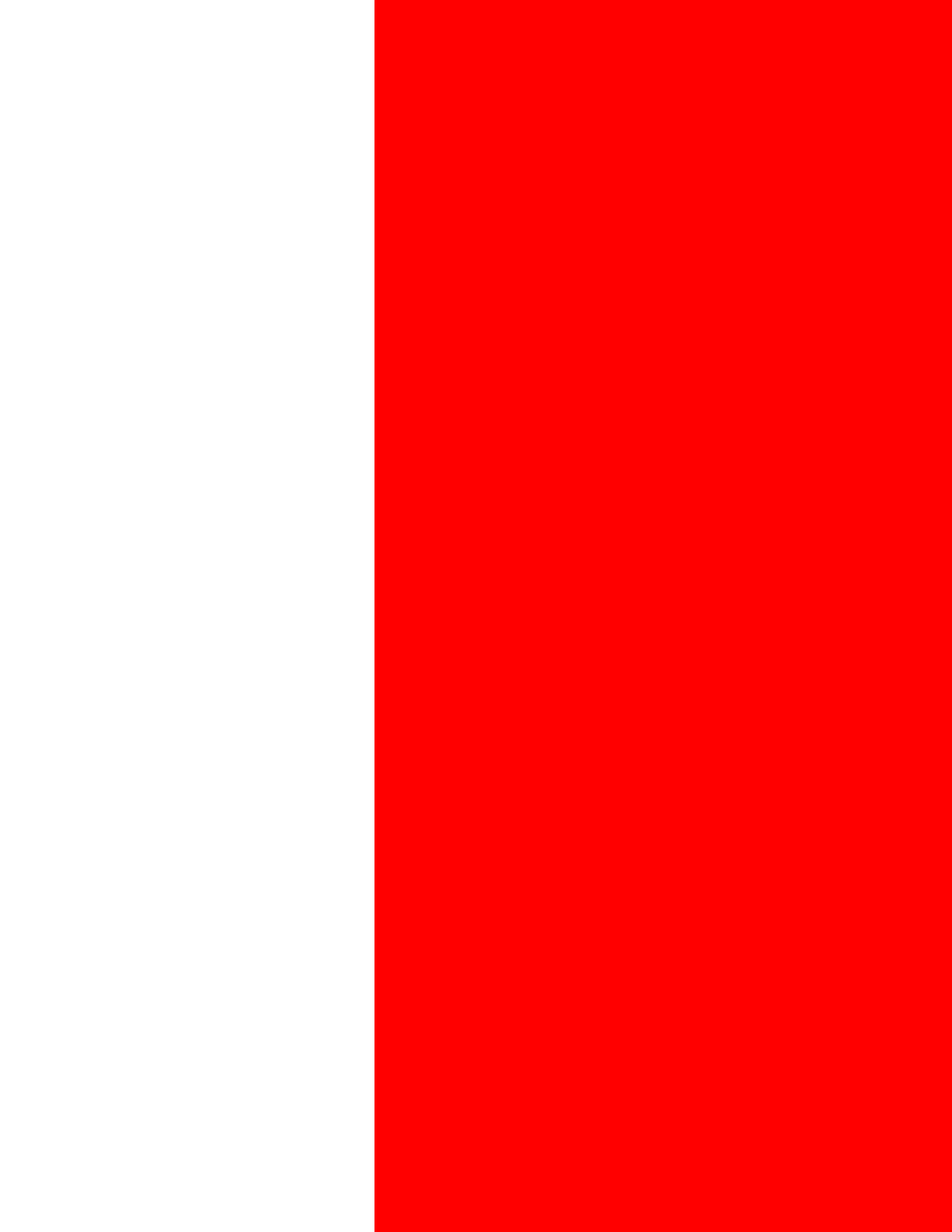


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Acronyms and Abbreviations

APS	-	Adult Population Survey
AMCHAM	-	American Chamber of Commerce
BDC	-	Business Development Company
CAPA	-	Crime and Problem Analysis Unit
CARILED	-	Caribbean Local Economic Development Project
CARIRI	-	Caribbean Industrial Research Institute
CBIs	-	Community-based incubators
CBOs	-	Community Based Organisations
CBTT	-	Central Bank of Trinidad and Tobago
CCTL	-	Columbus Communications Trinidad Limited
CDF	-	Community Development Fund
CED	-	Centre for Enterprise Development
CEO	-	Chief Executive Officer
COSTAATT	-	College of Science, Technology and Applied Arts of Trinidad and Tobago
CSO	-	Central Statistical Office
CXC	-	Caribbean Examinations Council
CYEN	-	Caribbean Youth Environment Network
DOMA	-	Downtown Owners and Merchants Association
ECA	-	Employers' Consultative Association of Trinidad and Tobago
EDB	-	Economic Development Board of Trinidad and Tobago
EDD	-	Enterprise Development Division
EIF	-	Enterprise Investment Fund
ETIIC	-	Entrepreneurial Training Institute and Incubation Centre
GCE	-	General Certificate of Education
GEM	-	Global Entrepreneurial Monitoring
GORTT	-	Government of the Republic of Trinidad and Tobago
GSB	-	Graduate School of Business
HDC	-	Housing Development Corporation

i2i	-	Innovations and Inventions
IBIS	-	National Integrated Business Incubation System
ICR	-	Intelligent Character Recognition
ICT	-	Information and Communications Technology
IDB	-	Inter-American Development Bank
IFF	-	Innovation Financing Facility
INHDI	-	Inequality-adjusted National Human Development Index
IT	-	Information Technology
LAEP	-	Local Area Economic Profile
LARPDU	-	Local Area and Regional Planning and Development Unit
LED	-	Local Economic Development
LEDO(s)	-	Local Economic Development Officer(s)
LEDU(s)	-	Local Economic Development Unit(s)
MCD	-	Ministry of Community Development, Culture and the Arts
MDP	-	Municipal Development Plan
MEL	-	Micro Enterprise Loan
MIC	-	Metal Industries Company
MLG	-	Ministry of Rural Development and Local Government
MOLSED	-	Ministry of Labour and Small Enterprise Development
MOOCs	-	Massive Open Online Courses
MOU	-	Memorandum of Understanding
MSE(s)	-	Micro and Small Enterprise(s)
MSM	-	Micro, Small and Medium
MSME(s)	-	Micro, Small and Medium Enterprise(s)
MTI	-	Ministry of Trade and Industry
MuST	-	Multi Sector Skills Training
NEDCO	-	National Entrepreneurship Development Company Limited
NGO(s)	-	Non-Government Organisation(s)
NHDI	-	National Human Development Index
NSDS	-	National Spatial Development Strategy
POSCC	-	Port-of-Spain City Corporation
PPP	-	Public Private Partnership
PPS	-	Probability Proportional to Size
RDF	-	Research and Development Fund
SAC	-	Stakeholder Advisory Council
SEBA	-	Small Enterprising Business Association
TCPD	-	Town and Country Planning Division

TEA	-	Total Early Stage Entrepreneurial Activity
THA	-	Tobago House of Assembly
TT	-	Trinidad and Tobago
TTD	-	Trinidad and Tobago Dollar
TTCIC	-	Trinidad and Tobago Chamber of Industry and Commerce
TTMF	-	Trinidad and Tobago Manufacturers Association
TVET	-	Technical Vocational Education and Training
UK	-	United Kingdom
UNDP	-	United Nations Development Programme
USA	-	United States of America
USD	-	United States Dollar
UTT	-	University of Trinidad and Tobago
UWI	-	The University of the West Indies
YBI	-	Youth Business International
YBTT	-	Youth Business Trinidad and Tobago

Chapter 1

Introduction

The Local Area Economic Profile (LAEP) for the City of Port-of-Spain¹ was developed with a view to build on the existing Municipal Development Plan and to introduce the Port-of-Spain City Corporation² to the Local Economic Development (LED) approach. The LED approach was introduced to Trinidad and Tobago by the Federation of Canadian Municipalities through its Caribbean Local Economic Development (CARILED) programme in collaboration with the Caribbean Forum of Local Government Ministers, the Caribbean Association of Local Government Authorities and the Commonwealth Local Government Forum.

The LED approach aims not only to *enhance the economic capacity of a local area for the purpose of improving living conditions but also strives to develop a business-friendly environment in which micro-, small- and medium-sized enterprises (MSMEs) could prosper*. This approach has been advocated by the Local Area and Regional Planning and Development Unit (LARPDU) since it creates a framework through which local government, the not-for-profit sectors, the private sector and the local community could work together to improve the local economy. It also provides opportunities for enhancing local competitiveness and encouraging a growth that is sustainable and inclusive.³

The preparation of the City of Port-of-Spain LAEP is the step leading to the development of the Port-of-Spain LED Strategy and the implementation of activities geared towards sustainable local economic development. The profile is meant to provide a baseline of local conditions and an understanding of the external and national context for economic development of the area and its people.

¹ City of Port-of-Spain refers to the geographic area (whose boundaries are applied under Section 4 of the Municipal Corporation Act (Act No. 21 of 1990)).

² Port-of-Spain City Corporation means the body corporate constituted by the Mayor, Aldermen, Councilors and electors of the City of Port-of-Spain to which the Municipal Corporation Act (Act No. 21 of 1990) applies.

³ <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTURBANDEVELOPMENT/EXTLED/0,,menuPK:341145~pagePK:149018~piPK:149093~theSitePK:341139,00.html>

The profile for the City of Port-of-Spain was developed with the aid of quantitative and qualitative methodologies utilised in the LED approach, which captured vital information from a range of stakeholders in the Municipality. The methodologies consisted of the following:

- A review of secondary data for the Municipality including its Municipal Development Plan, the Municipal Investment Plan and the National Medium Term Policy Framework 2011-2014;
- Capacity Workshops to train and sensitise the Local Economic Development Officer (LEDO) about the approach to preparing a LAEP;
- The conduct of a survey of MSMEs (120 enterprises);
- The conduct of discussions with the Chairman and the Municipal Council to glean useful insights into opportunities for LED within the communities of the City of Port-of-Spain;
- The conduct of focus group discussions with micro, small and medium entrepreneurs;
- The conduct of interviews with the State Agencies, Private Sector Agencies and NGOs;
- An analysis of collected data including identification of strengths, weaknesses, opportunities and threats to overall socioeconomic development and MSME development in the Municipality; and
- Preparation of a local economic profile for the City of Port-of-Spain.

1.1 Limitations of the Study

The political climate in the midst of approaching National Elections limited the conduct of the study particularly interaction with stakeholders and the conduct of the survey.

1.2 Content of the Port-of-Spain Local Area Economic Profile

The Profile consists of the following chapters:

1. Chapter One: Introduction
2. Chapter Two: Area Information and Demographics
3. Chapter Three: Natural Resources of Economic Importance
4. Chapter Four: Physical and Social Assets
5. Chapter Five: The Area Economy
6. Chapter Six: Profiling MSME Sector of the City of Port-of-Spain
7. Chapter Seven: Local Governance in the City of Port-of-Spain
8. Chapter Eight: Conclusion and Recommendations

Chapter 2

Area Information and Demography

2.1 Location

The City of Port-of-Spain, the capital of Trinidad and Tobago, is the administrative, political and commercial centre of the country. Situated between the hills of the Northern Range, the Gulf of Paria to the west and Caroni Plains to the south, the Port-of-Spain City Corporation has an area of 12.3 km² (1,345 hectares). This accounts for 0.3 percent of the land mass of Trinidad. Two rivers run through the city, the Maraval River on the west and St. Ann's River on the east. The City of Port-of-Spain is highly urbanised and as such has little undeveloped land with the exception of designated parks. The city is made up of the substantial Central Business District (Downtown/Uptown) as well as the adjacent residential and mixed use districts such as Newtown, Woodbrook, St. Clair, Belmont, St. James, East Dry River and Gonzales. A number of informal settlements areas are located in East Dry River and St. James. The region commonly referred to as East Port-of-Spain includes communities in the City of Port-of-Spain and the Municipality of San Juan/Laventille. East Port-of-Spain communities located within the boundaries of the City include the East Dry River, Sealots, Gonzales and Belmont.

The Municipality is also divided along political (electoral) boundaries into eight Electoral Districts, namely:

1. St. Ann's River North;
2. St. Ann's River Central;
3. St. Ann's River South;
4. Belmont North and West;
5. Belmont East;
6. Belmont South;
7. Southern Port-of-Spain;
8. East Dry River;
9. St. James East;
10. St. James West; and
11. Woodbrook.



Figure 2.1: Location of the Municipality of Port-of-Spain Illustrating the Distribution of Communities

2.2 Population and Household Size

According to the 2011 Population and Housing Census, the population of Port-of-Spain stood at 37,074 persons, representing some 2.8 percent of the national population of 1,328,019 persons. Between 2000 and 2011 Port-of-Spain, similarly to the city of San Fernando and Diego Martin, showed a population decrease of 24.4 percent. This represents the largest regional population decrease. The population of Port-of-Spain is almost equally distributed in terms of gender, with a female population of 19,066 (51.4%) and a male population of 18,008 (48.6%).

The 2011 Census revealed that Port-of-Spain has one of the smallest average household size with an average of 2.9 persons in the 12,333 recorded private households in the city. This showed a decline in the size of the average household since the 2000 Census of 0.3 persons, down from 3.2 persons per household (Table 2.1). A decline in the number of households in the city of 14.9 percent was also reported.

Table 2.1: Changes in Non-institutional Population and Household Characteristics in Trinidad and Tobago and Port-of-Spain, 2000-2011

Country/Region	Non-Institutional Population		Number of Occupied Private Households		Average Household Size		Average Annual Rate of Growth in Population	Average Annual Rate of Growth In Households
	2011	2000	2011	2000	2011	2000	2000-2011	2000-2011
Trinidad and Tobago	1,322,546	1,250,652	401,382	343,180	3.3	3.6	0.5%	1.5%
Trinidad	1,261,812	1,197,426	381,257	328,000	3.3	3.7	0.5%	1.4%
Port-of-Spain	35,914	46,021	12,333	14,487	2.9	3.2	-2.3%	-1.5%

Source: Central Statistical Office (CSO) 2011 Population and Housing Census

2.3 Population Density

In 2011, the City of Port-of-Spain was the most densely populated area of Trinidad and Tobago with a density of 3,090 persons per square kilometre. The region's population density is significantly higher than the national average of 259 person per square kilometre as 2.8 percent of the national population existing in a land area that occupies the smallest land area (0.2% of the total land area of Trinidad and Tobago). As its population dipped, the population density of the region decreased correspondingly from 4,086 persons per square kilometre in 2000. From 2000 to 2011, the City of Port-of-Spain maintained its population density position relative to the other corporations.

Table 2.1: Population Density of the City of Port-of-Spain, 2000 and 2011

Year	Density (Per Sq. km)	Population
1990	3,908	46,901
2000	4,086	49,031
2011	3,090	37,074

2.4 Age Profile and Dependency

Figure 2.2 shows the region's age and sex pyramids for 2000 and 2011, reflecting the changing structure of the population over time. The 2011 pyramids for both the male and female population show growth in the youngest age group (0-4 years). A similar widening of the older age groups is also noted and reflects an aging population.

The population of the City of Port-of-Spain is relatively young, with slightly less than half of the population (47.6%) under 35 years of whom 19.3 percent is between 0 and 15 years. The age group between 10 and 19 years, the majority of whom make up the secondary school age population, accounts for 12.4 percent of the city's population. Persons, 65 years and older, made up 14.8 percent of the total population (Figure 2.2).

The population of dependent groups (all persons aged 0-14 years and 65+ years) decreased from 35.7 percent of the total population in 2000 to 33.3 percent in 2011. Conversely, the working-age population (persons between 15 and 64 years) increased from 64.3 percent in 2000 to 66.7 percent in 2011.

The age dependency ratio (the ratio of the population between 0 and 14 years and 65+ years to the working- age population, between 15 and 65 years) for the City in 2011 stood at 49.9 percent; above the national ratio of 41.9 percent and this was due primarily to increased aging population. This ratio represents an improvement compared to the 2000 figure of 55.2 percent. The child dependency ratio in 2011 was estimated at 27.5 percent, and elderly dependency at 22.4 percent.

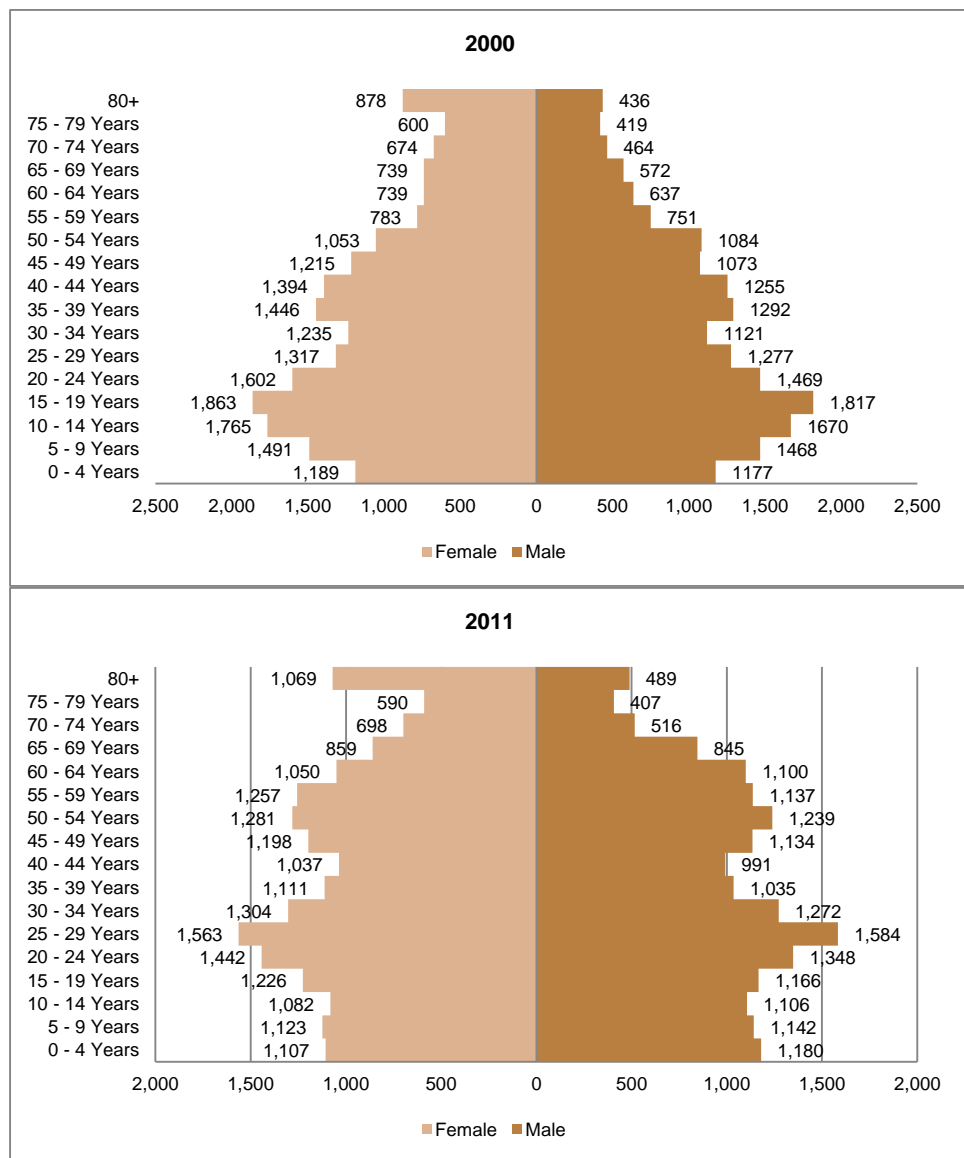


Figure 2.2: Age/Sex Composition of the Population of the City of Port-of-Spain, 2000, 2011

2.5 Ethnicity

Trinidad and Tobago as a country, is a plural society and as such the City of Port-of-Spain's population is diverse in terms of ethnic composition (Table 2.3). Africans, with 51.6 percent of the total population, are the predominant ethnic group, followed by the 'Mixed- Other' group which made up 19.4 percent and East Indian, which account for 9.6 percent (Figure 2.3).

Table 2.2: Percentage Distribution of Total Population of the City of Port-of-Spain by Ethnic Group, 2011

Ethnic Group	Percentage
African	51.6%
Caucasian	1.4%
Chinese	1.0%
East Indian	9.6%
Indigenous	0.3%
Mixed - African/East Indian	10.4%
Mixed - Other	19.4%
Portuguese	0.2%
Syrian/Lebanese	0.4%
Other Ethnic group	0.6%
Not stated	5.1%

Source: CSO 2011 Population and Housing Census

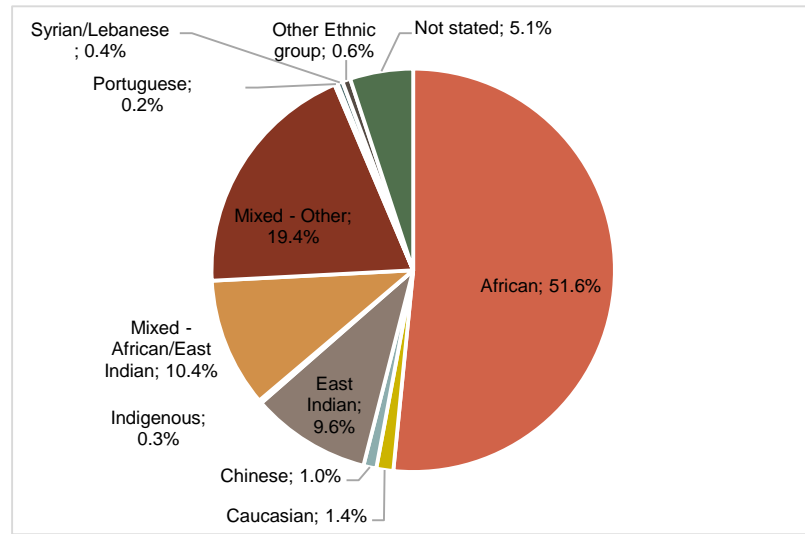


Figure 2.3: Ethnic Composition of the City of Port-of-Spain's Population

2.6 Religious Affiliation

In 2011, Roman Catholic was the largest single religious grouping in the City of Port-of-Spain (39.5% of the population), followed by Anglican (12.5%), Pentecostal/Evangelical/Full Gospel (8%), and Baptist-Spiritual Shouter (7.5%). Interestingly, the groupings 'Other' and 'Not Stated' constituted a significant proportion of the population. Table 2.4 gives a distribution of the population by religious affiliations based on the 2011 Population and Housing Census, while Figure 2.4 shows the distribution of the population for the religious groupings.

Table 2.4: Percentage Distribution of City of Port-of-Spain Total Population by Religious Affiliation, 2011

Religious Group	Percentage
Anglican	12.5%
Baptist-Spiritual Shouter	7.5%
Baptist-Other	0.6%
Hinduism	1.4%
Islam	2.6%
Jehovah's Witness	1.8%
Methodist	1.2%
Moravian	0.3%
Orisha	1.6%
Pentecostal/ Evangelical / Full Gospel	8.0%
Presbyterian/ Congregational	0.6%
Rastafarian	0.5%
Roman Catholic	39.5%
Seventh Day Adventist	2.5%
Other	4.5%
None	2.7%
Not Stated	12.1%

Source: CSO 2011 Population and Housing Census

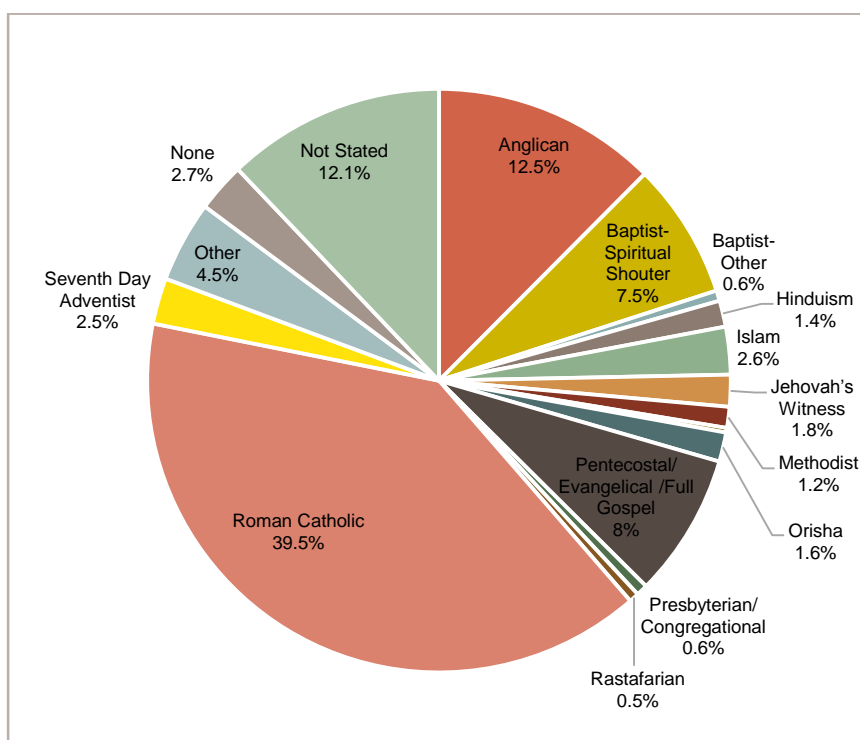


Figure 2.1: Religious Affiliations in City of Port-of-Spain, 2011

2.7 Educational Attainment

According to the 2011 Census, 23.5 percent of Port-of-Spain's population had attained primary-level education which is higher than the national figure (Figure 2.5). Forty eight percent of population of Port-of-Spain had attained secondary and post-secondary, making it 4 percent higher than observed with the national population. Tertiary non-university level educational attainment stood at 5.4 percent and 10.5 percent for those who attained tertiary university-level education. Females outnumbered males from primary to tertiary levels. Table 2.5 shows the educational attainment of the Port-of-Spain population by age group.

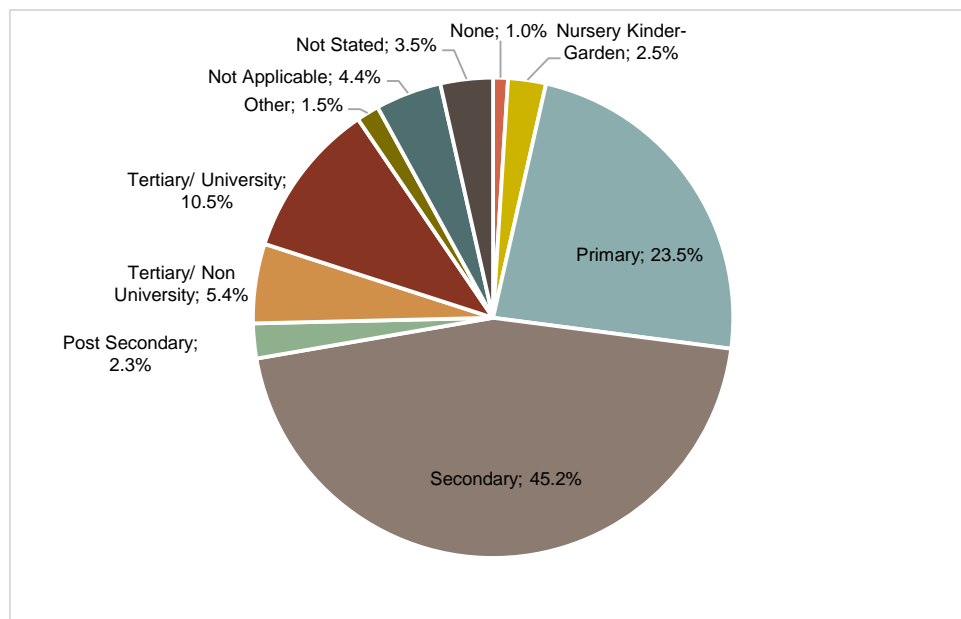


Figure 2.5: Non-Institutional Population of Port-of-Spain by Educational Attainment
Source: CSO Population and Housing Census, 2011

Table 2.5: Non-Institutional Population of Port-of-Spain by Age Group and Educational Attainment

Age	Total	None	Nursery/ Kindergarten	Primary	Secondary	Post- Secondary	Tertiary/ Non University	Tertiary/ University	Other	Not Applicable	Not Stated
Port-of-Spain	35,914	359	915	8,444	16,242	842	1,922	3,776	548	1,598	1,268
0 – 4	2,285	-	675	11	-	-	-	-	-	1,598	-
5 - 9	2,251	38	191	1,989	-	-	-	-	-	-	33
10 - 14	2,150	22	32	1,130	943	-	-	-	-	-	24
15 - 19	2,358	17	1	114	1,901	60	108	104	17	-	35
20 - 24	2,748	16	-	100	1,663	92	291	470	55	-	60
25 – 29	3,103	20	3	250	1,727	74	310	542	66	-	110
30 – 34	2,519	22	-	179	1,430	65	220	443	63	-	99
35 - 39	2,108	7	1	133	1,253	59	190	322	40	-	102
40 - 44	1,990	9	5	175	1,184	59	142	295	36	-	84
45 - 49	2,266	26	1	405	1,173	79	142	310	43	-	88
50 - 54	2,471	30	1	602	1,152	72	131	319	41	-	124
55 - 59	2,352	32	-	634	1,048	67	109	303	52	-	106
60 - 64	2,117	22	-	668	863	63	99	247	42	-	114
65 - 69	1,626	25	1	529	651	50	66	187	27	-	89
70 - 74	1,190	26	-	477	431	36	57	83	26	-	52
75 - 79	971	16	2	404	354	27	26	69	15	-	57
80+	1,409	32	1	642	469	39	30	83	24	-	90

Source: CSO Population and Housing Census, 2011

A look at the highest qualification attained by Port-of-Spain's population showed that some 39.8 percent of those 15 years or older had no qualifications. This group would also include some persons who may not have written examinations to receive certification. Table 2.6 shows that 4.2 percent indicated that their highest qualification attained was school leaving certificate, with another 1.9 percent reporting that they attained Caribbean Secondary Education Certificate (CSEC) Basic as their highest qualification.

Almost 19 percent of the population (18.8%) attained General Certificate of Education (GCE) Ordinary ('O') level/CSEC General or Caribbean Advanced Proficiency Examinations (CAPE)/GCE 'A' Levels as their highest educational qualification, while 6.6 percent were granted Diplomas, Associate Degrees or Equivalent Certification. Another 6.3 percent would have achieved, either a Bachelor's degree, Postgraduate Diploma/Professional Qualification or a Master's degree. Some 0.3 percent of the population 15 years and older earned doctorate degrees. More women attained Bachelors, Masters and professional certification than their male counterparts. This can be seen in Table 2.6.

Table 2.6: Non-Institutional Population of Port-of-Spain by Age Group and Highest Educational Attainment

	Port-of-Spain		Female Population		Male Population	
	No of Persons	Percentage of Population	No of Persons	Percentage of Population	No of Persons	Percentage of Population
Total	35,914	100.0	18,687	100.0	17,227	100.0
None	14,303	39.8	7,065	37.8	7,239	42.0
School Leaving Certification	1,500	4.2	823	4.4	677	3.9
CSEC Basic	692	1.9	367	2.0	326	1.9
GCE 'O'/CSEC Gen/SC	6,044	16.8	3,384	18.1	2,659	15.4
GCE "A"/CAPE/HSC	726	2.0	426	2.3	301	1.7
Diploma or Equivalent Certificate of Achievement	1,756	4.9	962	5.1	795	4.6
Associate Degree Higher Diploma	626	1.7	365	2.0	261	1.5
Bachelor Degree	1,358	3.8	741	4.0	617	3.6
Master Degree	562	1.6	324	1.7	238	1.4
Postgraduate Diploma/ Professional Qualification	321	0.9	179	1.0	142	0.8
Doctorate	92	0.3	41	0.2	51	0.3
Other	293	0.8	174	0.9	118	0.7
Not Stated	7,639	21.3	3,836	20.5	3,803	22.1

Source: CSO Population and Housing Census, 2011

About 51 percent of persons in the age groups 20-24 years to 40-44 years had qualifications of CSEC/GCE 'O' levels and above. About 53 percent of the population in the 20-24 age grouping had obtained CSEC/GCE "O" level passes and above, demonstrating higher levels of educational qualification compared to the older age groups. Further, as much as 28 percent of the population within the age group of 15-19 years to the 54-59 years reported that they did not have any certification, thereby placing them in a "low skill trap" where they are not likely to participate in certification programmes on their own unless motivated to do so.

2.8 Living Conditions in Port-of-Spain

The United Nations Development Programme (UNDP)/CSO Trinidad and Tobago Human Development Atlas notes, “*Giving people the choice to enjoy a long and healthy life; being educated; having access to resources that enable one to live in dignity; and being able to participate in decisions that affect one’s community are core capacities for human development.*” The National Human Development Index (NHDI), developed by CSO is based on Human Development Index (HDI) developed by UNDP and measures the level of human development of Trinidad and Tobago and its sub-regions, using three basic dimensions of human development – a long and healthy life, knowledge, and a decent standard of living. Figure 2.5 shows the NHDI for the various regions within the country. Port-of-Spain was ranked among the highest with an NHDI at 0.728. Measurement of the Inequality-adjusted NHDI (INHDI)⁴ ranked Port-of-Spain as the second highest in the country with respect to human development with a value of 0.655 (Figure 2.6). With regard to the dimensions of health, education and income for the INHDI, Port-of-Spain was ranked among the highest.

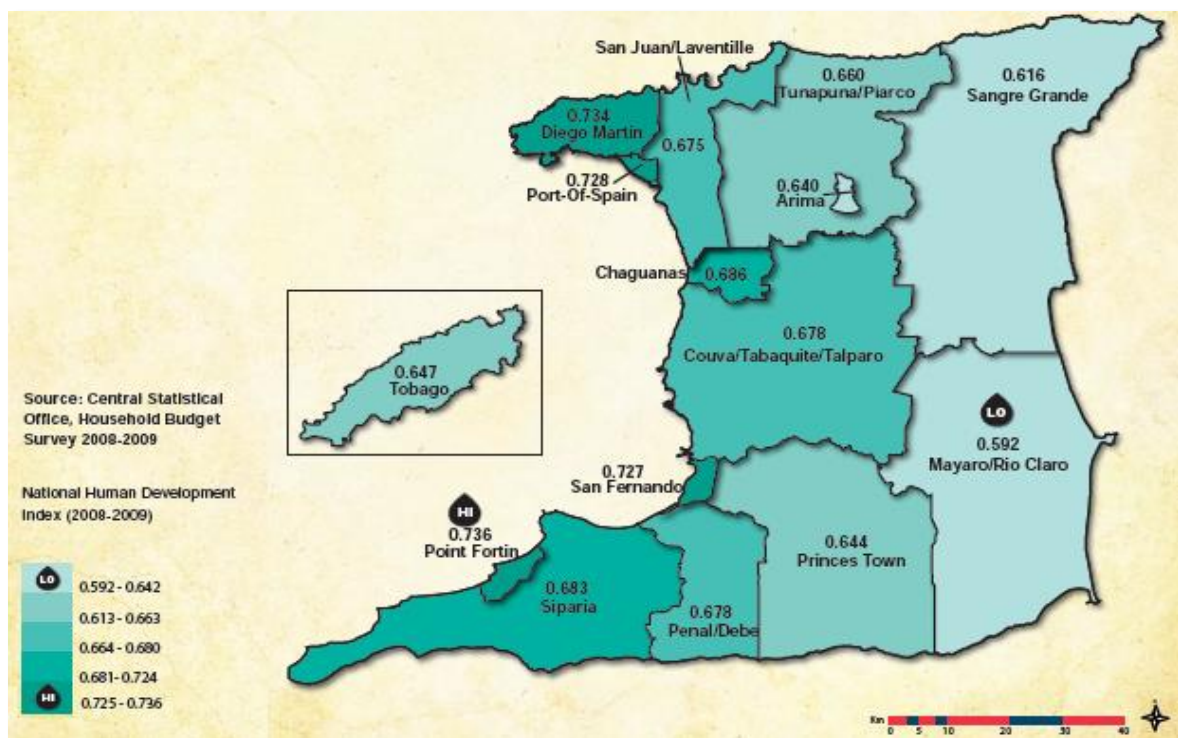


Figure 2.6: National Human development Index 2008/2009 by Administrative Regions
Source: Trinidad and Tobago Human Development Profile, 2012

⁴ Trinidad and Tobago Human Development Profile, 2012. Web site source:
http://www.planning.gov.tt/sites/default/files/content/mediacentre/documents/Human_Development_Atlas.pdf.

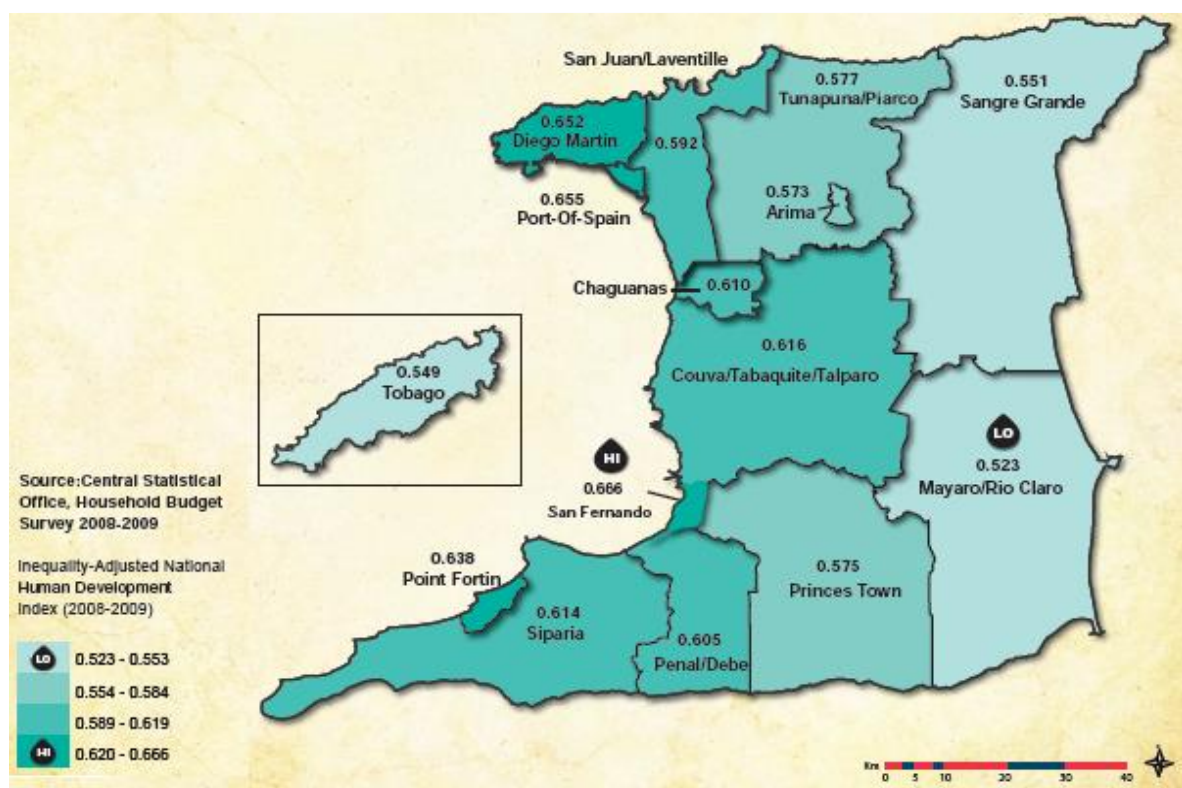


Figure 2.7: Inequality-adjusted National Human Development Index 2008/2009 by Administrative Regions
Source: Trinidad and Tobago Human Development Profile, 2012

Table 2.7 presents statistics highlighting living conditions in Port-of-Spain taken from the Trinidad and Tobago Human Development Atlas. The Atlas provided information on the NHDHI and its dimension indicators which were disaggregated at the sub-regional level to compare levels and disparities among different sub-populations within the country. Data from the Atlas highlight the following:

- Port-of-Spain had a higher than national average household income per capita per annum.
- Port-of-Spain, with an education attainment rate of 99.4 percent for both females and males between the ages of 6 and 16 years, was among the top four regions with the highest education attainment rate. The city also had one of the highest educational attainment rate (78.1%) for persons above 17 years and older who have attained secondary level education and higher.
- Port-of-Spain was among the regions that scored the highest in the gender inequality index indicating that gender inequality was higher in Port-of-Spain compared to other regions in the country.
- Port-of-Spain had Multidimensional Poverty Index (MPI) comparable to the national average.
- Port-of-Spain had one of the lowest female labour force participation rate in the country (44.1%).
- Port-of-Spain recorded a low life expectancy, lower than the national average of 73.2 years for both sexes; 63.6 years for males; and 71.8 years for females. However, Port-of-Spain has a relatively low incidence of chronic diseases of 20.6 percent.
- Consumption of iodised salt was average in Port-of-Spain, indicating that children from the island were at low risk of iodine deficiency disorder, which in turn can decrease susceptibility to miscarriages and still births.

- The City recorded the fifth highest population percentage without adequate sanitation facilities,⁵ with 7.6 percent of its households.⁶

Table 2.7: Various Statistics on Living Conditions in Port-of-Spain

Indicators	Value	Rank and Rating out of the Country's 15 Administrative Regions
Total population, 2011	37,074	4 th (low-medium)
National human development index, 2010	0.728	13 th (high)
Population having chronic illnesses ⁷ , 2008/2009 (%)	20.6	3 rd (low)
Primary and secondary educational attainment rate ⁸ , 2008/2009 (%)	99.4	4 th (high-medium)
Secondary and higher educational attainment rate ages 17 and above, 2008/2009 (%)	78.1	14 th (high)
Household income per capita (TTD/USD)	28,653/ 6,216	10 th (medium-high)
Inequality-adjusted national human development index, 2010	0.655	14 th (high)
Gender inequality index, 2010	0.364	13 th (high)
Adolescent fertility rate ⁹ , 2010	55.9	13 th (high)
Multidimensional poverty index (MPI), 2006	0.015	7 th (low-medium)
Intensity of multidimensional poverty, 2006 (%)	25.8	5 th (low-medium)
Incidence of multidimensional poverty, 2006 (%)	5.8	7 th (low-medium)
Life expectancy at birth, 2010 (years)	67.7	15 th (low)
Households in which a child died, 2006 (%)	5.3	14 th (high)
Population without electricity, 2006 (%)	1.5	4 th (low-medium)
Population access to without clean drinking water, 2006 (%)	0.8	5 th (low-medium)
Population access to without improved sanitation ¹⁰ , 2006 (%)	7.6	5 th (medium-high)
Households not consuming iodised salt (%)	66.6	12 th (medium-high)
Labour force population – male (%)	68.2	14 th (low)
Labour force population – female (%)	44.1	13 th (low)

Source: Trinidad and Tobago Human Development Profile, 2012

⁵ Trinidad and Tobago Human Development Profile, 2012. Web site source:

http://www.planning.gov.tt/sites/default/files/content/mediacentre/documents/Human_Development_Atlas.pdf.

⁶ Anecdotal evidence suggests that this situation may have greatly improved over the last eight years.

⁷ The chronic illnesses include: Heart Disease, Cancer, HIV/AIDS, Lupus, Kidney Disease, Sickle Cell Anemia, Lung Disease, Epilepsy, Neurological Disorder, and Clinical Mental Disease.

⁸ Primary and secondary educational attainment rate refers to the percentage of children between ages 6-16 who have attained primary or secondary school level of education.

⁹ Number of birth among women 15-19 years per 1,000 women (CSO: Population, Social and Vital Statistics Division 2010)

¹⁰ Population without Access to improved Sanitation Facilities (2006) Population without access to improved sanitation facilities refers to the proportion of the population with sanitation facilities that are not improved or sanitation facilities which are improved but shared with other house-holds (the toilet is shared) (Ministry of the People and Social Development, Multiple Indicator Cluster Survey III, 2006). Improved sanitation facilities for excreta disposal are the followings: flush or pour-flush to a piped sewer system, septic tank, or latrine; ventilated improved pit (VIP) latrine and pit latrine with slab.

2.9 Crime

The Human Development Atlas acknowledges that “*Crime and Violence continues to be one of the most critical areas that need to be addressed in the context of national development. Economic growth and meaningful democracy will not be possible unless crime and violence is brought under control and all citizens can feel safe and secure.*”

The 2010 Citizen Security Survey showed that in Port-of-Spain, compared to all other areas, had the higher than average number of victims of crime (37.6%) within the last 10 years, and persons reporting that crime was a problem in their community (58.8%). Yet, only 18.8 percent of Port-of-Spain’s respondents indicated that there was a gang in their neighbourhood. Residents in Port-of-Spain also did not feel safe and this was reflected in the survey by a small percentage of persons who felt very secure (2.4%). Furthermore, more than six out of 10 respondents felt fearful in the last year about the possibility of becoming a victim of crime (64.7%) and did not have much confidence in the police services to effectively control the crime problem in the country (49.4%).

According to statistics on crime and violence in the various police divisions compiled by the Crime and Problem Analysis Unit (CAPA) of the Trinidad and Tobago Police Service, Port-of-Spain had the highest level of reported serious crime per 100,000 persons in the country (4,800 reports).

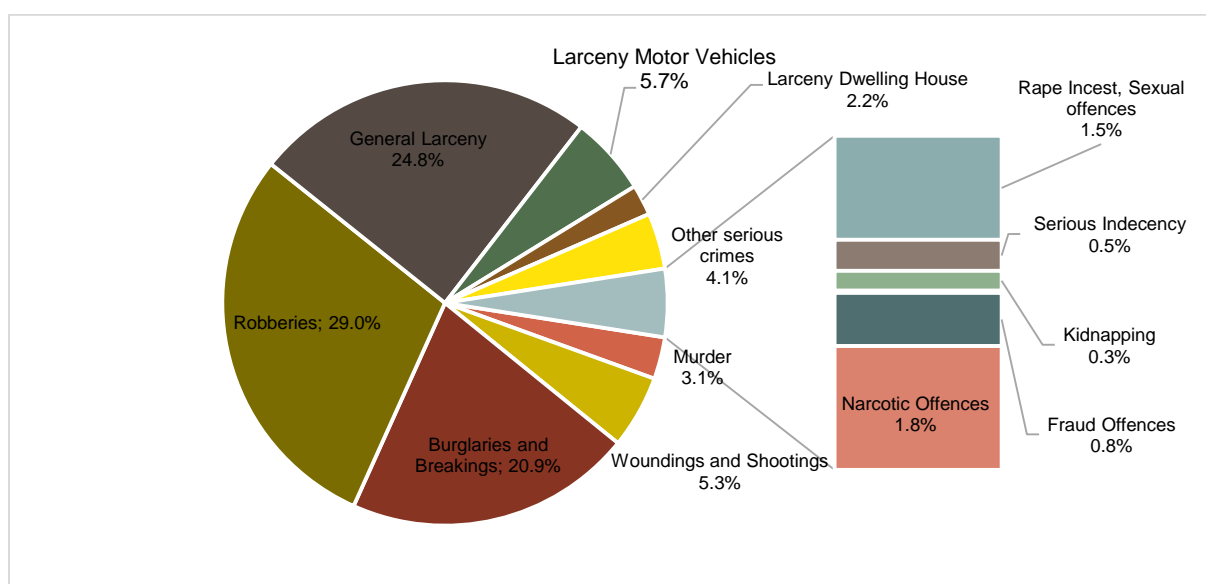


Figure 2.2: Share of Serious Crimes by the Type of Crime in Port-of-Spain, 2010
Source: Trinidad and Tobago Human Development Profile, 2012

The serious crimes of major concern in Port-of-Spain included burglaries and break-ins, general larceny and robberies, with 1002.9, 1188.7 and 1391.8 reported cases per 100,000 persons, respectively. With the highest number of reported cases, it would also be important to pay particular attention to Murder (146.4), Wounding and shootings (255.1), Serious Indecency (22), Kidnapping (14.2), Kidnappings for ransom (1.6), Larceny of Motor vehicles (275.5) and dwelling house larceny (107.1 reported cases).

Chapter 3

The City's Natural Resources

The City of Port-of-Spain, the nation's capital, serves as the country's primary retail and administrative centre and the financial services centre for the country and the Caribbean region. This coastal city is also the hub of major industrial and port shipping services.¹¹

There are many historical buildings and neighbourhoods within Port-of-Spain, including the Magnificent Seven on the west of the Queen's Park Savannah as well as districts such as Belmont and Woodbrook, which provide a yet unharnessed asset base for heritage and cultural tourism. Additionally, once a year, the city transforms into the main stage for Carnival celebrations where thousands gather, from home and abroad, to revel through the streets.

3.1 Land Use and Resources

The most striking natural feature of the Port-of-Spain region is the Northern Range, which bounds the city in the north and stretches around to the east and west. In the south lies the Gulf of Paria which experiences increased runoff, effluent, and improper sanitation practices threatening to its water quality.

The City of Port-of-Spain consists almost exclusively of Residential/Commercial/ Recreational land uses. There is no agricultural land use in the city unlike the neighbouring regions of San Juan/Laventille and Diego Martin with which it is both physically and functionally integrated. There is great pressure for increased residential density and increased conversion of land reserved in sensitive hillside areas to residential. Likewise, within the CBD, commercial activity is taking over prime residential communities.¹² The Queen's Park Savannah is the largest of several parks that offer some relief to the highly urbanised landscape of the capital region. These green, open spaces are multi-purpose in function as they not only act as recreational grounds but also supplement the natural drainage of this flood-prone region.

3.2 Fresh Water Resources

Tremendously urban, there is little in the way of fresh water resources within the capital. The region is drained naturally by the Maraval and St. Ann's Rivers leading to the Gulf of Paria.

¹¹ Port-of-Spain Municipal Development Plan, MLG 2010

¹² Port-of-Spain Municipal Investment Plan, MLG 2012

3.3 Coastal and Marine Resources

There are small surviving patches of mangrove which fringe the environmentally-sensitive coastline from Sea Lots to Mucurapo. Continued pressure for developable land over the years, has resulted in periods of land reclamation beginning as early as 1803.

Chapter 4

The City's Physical and Local Assets

4.1 Concentration and De-concentration

As a capital city that has been the seat of Government and public administration since the earliest colonial period, it is not unexpected that Port-of-Spain would have an infrastructure that has been built up over the years, and has attracted concentration as new activities emerged over time. The city's recent history in physical planning has been reflected in centripetal and centrifugal forces operating in contention, and this has had implications for the physical infrastructure.

On the one hand, commercial establishments that previously were located in the city centre have moved their operations to the suburbs and to districts on the periphery of the city. In the last decade, however, the political administration in power sought to place Port-of-Spain on the map of international finance, by laying the infrastructure for its becoming a financial centre. The Government was also vying for the headquarters of a number of international agencies, including the Free Trade Area of the Americas.¹³

A number of office blocks were constructed with associated multi-level car parks during the period on the last surge in revenues from oil and gas. The water-front was transformed with the building of the Hyatt Hotel, which is fully owned by the Government of the Republic of Trinidad and Tobago (GORTT), and joins with the Hilton Hotel in providing the upscale hotel accommodation in the country: this latter is also owned by GORTT. The opening of the Hyatt Hotel allowed the Government to host two major international conferences in 2008 – the Commonwealth Heads of Government Conference and the Summit of the Americas.

The National Centre for the Performing Arts was also constructed and has the capability of hosting conferences as well as theatrical and other staged performances. It is the largest such facility in the country.

The result is now reflected in a city with a mix of ultra-modern buildings along with a range of earlier colonial and immediate post-colonial buildings, with streets that were laid out as far back as the Spanish colonial period. Even as some residents move out and businesses move out, space and buildings are converted to new uses, better fit for purpose. Altogether the city has developed its own

¹³ https://en.wikipedia.org/wiki/Free_Trade_Area_of_the_Americas

distinctiveness that sets it apart from any other location in Trinidad and Tobago and elsewhere in the English speaking Caribbean.

4.2 Physical Infrastructure

It has always been a priority to ensure that the most modern of infrastructure is rolled out in Port-of-Spain first or at the earliest. The City is well supplied with a telecommunications infrastructure: the Telecommunications Services of Trinidad and Tobago (TSTT) and Columbus Communications Trinidad Limited (CCTL) are the main providers and have some of their major infrastructure in the city, in addition to their head offices.

4.2.1 Storm Water Management

With the concentration of built-development, heavy convectional rain events often create flooding. The authorities have not yet solved the problem of flooding in the City, notwithstanding the investment that has been made in recent years in building of drains to handle major run-off. The lower reaches of the City in particular are subject to flooding and substantial damage has been occasioned by weather events in recent years. Indeed, any threat of severe weather prompts an early exodus of commuters who are reliant on the public transport system. Such episodes also result in losses of stock among road-side informal businesses that ply their trade on pavements and store fronts in the city.

4.2.2 Port Facilities

The port of Port-of-Spain that was once the gateway to imports and exports of the country has ceded some of that role to Point Lisas in the south of the island. The inter-island regional traffic with the neighbouring islands continues to be centred in Port-of-Spain, along with the inter-island ferry services between Trinidad and Tobago and the water-taxi service between Port-of-Spain and San Fernando. The port now provides a cruise ship terminal capable of berthing a number of vessels at the same time. A special area of the Port-of-Spain docks serves vessels plying between Trinidad and Tobago, and the neighbouring islands and Guyana.

4.2.3 Industry, Finance, Commerce and Distribution

There is little by way of industrial activity in the city any longer. This might be limited to the ice factory, a few small bakeries, printing operations and power generation by T&TEC, which is due to be phased out presently. The down-town area is dominated by commerce, with commercial banking, finance and insurance in sections of the west of the main city centre. The main banking institutions have their head offices in the city.

There are mini-malls within the city, one larger Mall at Long Circular, and a shopping centre at Ellerslie Plaza. Automotive display and sales areas for new vehicles as well as automotive supplies and parts dealerships are also located in the city.

The city remains a locus for commerce and distribution attracting businesses, and formal and informal sales people from elsewhere in the country, offering their services and products to the resident

population and to the much larger clientele from elsewhere, for whom Port-of-Spain is a centre for shopping. There are a number of dry-goods stores catering to the clothing, footwear, and cosmetic needs of the population.

There are a few locations earmarked for small scale commerce and distribution operators – the old central market on George Street and the Drag Mall. There is a substantial number of traders who use the store fronts of established businesses and pavements in the conduct of their business, much to the annoyance of these established businesses. At the close of the business day, the informal business operators totally dominate the pavement space and conduct their operations well into the night.

The Central Market in Port-of-Spain is the largest produce market in the country, and serves not only the residents of Port-of-Spain but a wide public that comes from many communities outside of the city to secure fresh supplies of meat, fruits and vegetables. Some of this trade is conducted by immigrants and temporary visitors from the neighbouring islands, with supplies brought in weekly from these islands.

4.2.4 Housing

The population of the city centre decreased between 2000 and 2011. The average household size has also been falling. There has been little expansion in housing accommodation in the city centre. There is substantial disparity in the quality of housing in the city, which includes the highly cramped dwelling units of Sea Lots, much of which is comprised of wood and make-shift materials, to the elite and spatial homes of St. Clair.

On the south-east of the city abutting the commercial district of Port-of-Spain are the flats and apartments available mainly to low income households, and managed by the Housing Development Corporation (HDC). These date back to the first initiatives on the part of the State in addressing the housing needs of the urban population following the Second World War. There is more recent flatted accommodation further to the south east, on the foot-hills of Laventille. There are dwelling units that intersperse these efforts at state managed housing, some of which are tenements dating back to the early 20th century, and patterned after the barrack room lodgings that housed slaves in the 19th century. Some of this can still be found in Harpe Place and other communities in the east of the city.

Mainly single family residences are the accommodation units available in Belmont and Gonzales on the east of the city and in Woodbrook and St. James which are still areas with mainly residential accommodation. In Newtown, residential accommodation has been yielding to office and similar non-residential usage in recent years.

While there has been some expansion of housing in the other communities, with the exception of some HDC units in Mucurapo and Cocorite, this has been largely private sector based. The HDC has been more vigilant in the maintenance of this type of housing, deploying crews including workers in these communities to engage in painting and repairs to buildings, thus avoiding the descent into urban blight in these communities.

Of some significance in the last two decades, has been the building of elite accommodation on the West of the city as No. 1 Woodbrook Place. This represents high rise housing in the city, which might start a trend in urban living accommodation not only in Port-of-Spain but also in neighbouring communities to the west.

4.2.5 Transportation

Transportation demand can be disaggregated into the internal transportation within the city and transportation to and from the city. The former is served largely by pirate taxis and minibuses. However, the Public Transport Service Corporation has in recent years introduced smaller vehicles to service some routes in the city, including services that involve travel across the city rather than from community to the city centre. However, dependability and regularity remain problems in the servicing of such routes. Some communities are served only by so-called PH vehicles, ie unregistered taxis in the form of passenger cars and minibuses. In the case of services to Laventille, only PH vehicles ply this route.

The services from the city to other towns and communities are provided by a mix of PTSC buses, including stretched buses, carrying over 60 passengers, and minibuses owned by private operators and some plying along the bus route, and also pirate registered taxis plying services to neighbouring communities like Morvant and Diego Martin.

Many commuters utilise their own private vehicles in travel into and around the city, which altogether contribute to massive traffic snarls in the city as citizens commute to work, conduct business and take children to the many schools in the city. There is little reliance on bicycling, which might be viewed as risky as a mode of transport.

4.2.6 Hotels

The largest hotels in the country are situated in the city. The two largest are owned by the Government and operated respectively by the Hilton International and the Hyatt Group. The other international marques are the Radisson and the Marriott Courtyard. The hotels cater largely to business tourism with most guests visiting to conduct business, attend conventions and international conferences and for official business. There are also a number of small hotels and guest houses including bed and breakfast establishments in the city.

4.2.7 Entertainment, Restaurants and Bars

There is a theatre life, even though performances are not according to any set schedule in the various theatre spaces. The Government has invested in facilities for the performing arts. National Academy for the Performing Arts has been built to provide high quality performance conditions: however, it has had to be closed for repairs. Queen's Hall also offers quality space for choirs, dance and theatrical performance. The auditorium of the Central Bank also is used for theatrical work and there are a number of smaller theatres – Little Carib Theatre and the Trinidad Theatre Work-shop.

There are a number of night clubs and watering holes in the city serving different types of public. Private members' clubs that cater to those interested in gaming exist and are now legal. Port-of-Spain has a large number of restaurants and eating establishments and bars across the City.

In addition to the franchised establishments like KFC, McDonalds, and TGIF, there are local restaurants, some of which are concentrated on the entertainment strip on Ariapita Avenue, in Woodbrook, and the Cipriani Boulevard. With regard to cuisine, there is a great variety offered. The Boulevard and the Avenue are also favourite watering holes that are popular with young people of Port-of-Spain and environs and even further afield.

4.2.8 Sports

Some of the major sporting facilities of the country are located in the city. The Jean Pierre Complex hosts netball competitions. The Hasely Crawford Stadium hosts major soccer tournaments and athletic competitions, with facilities that meet international standards. The Queen's Park Oval is the location for the hosting of international cricket. The Queen's Park Savannah is the largest park in the country, and serves the purpose of outdoor sport and recreation for the general public – soccer, cricket, athletics, and rugby are the main forms of sport engaged there.

4.2.9 Official Buildings

With Port-of-Spain being the seat of Government, located there are the National Parliament, several Government Ministries with their office complexes, the Magistrates' and High Courts, the Caribbean Court of Appeal, the Police Headquarters Barracks, the country's largest Fire Station and the Fire Department and the National Library Service. The oldest jail in the country, the Royal Jail still houses a prison population, although new facilities have been built elsewhere. The City Council is of course, situated in the city.

4.3 Social Infrastructure

4.3.1 Hospitals and Health Services

The Port-of-Spain General Hospital is at the apex of public health services in the city, providing secondary and tertiary care to the residents in the city and the surrounding communities. There are also the St. James Hospital that specialises in cancer care, and the St. Ann's Hospital which provides psychiatric care. There are a number of private hospitals as well, some of long standing – the Seventh Day Adventist Community Hospital and the St. Clair Medical Services – and others of more recent vintage. There are a number of clinics and specialised medical service providers operating in the city and attracting a clientele from across the country.

4.3.2 Educational Facilities

Relative to its resident population, the City is well supplied with primary and secondary school places. This is due in part to historical factors. The religious bodies were dominant in the supply of primary

school places in the 19th century, in service of their flock. The state followed suit in the 20th century to serve the growing population of the city. At the secondary level also, religious bodies were the first to establish institutions, with the Roman Catholics being initially dominant: St Mary's College and St. Joseph's Convent were established in the 19th century. Queen's Royal College was the only state run institution in the 19th century. These early schools set the standard in the early years of primary and secondary education, for emulation by those that were established subsequently. As the demand for secondary education expanded in the early to mid 20th century, the supply was met by a number of private secondary schools. These largely disappeared as the state moved to universalize secondary education provision.

As Port-of-Spain expanded its role as a centre of commerce and business in addition to its role as the seat of government, many employees in the city have chosen to bring their children to school with them. Thus, the school enrolment in Port-of-Spain includes substantial numbers of students and pupils who do not reside in the city. Moreover, at the secondary level, there are a number of so-called prestige schools located in the city, with a tradition of success at the national examinations. Except for Queen's Royal College, the state owned institutions have not acquired similar prestige so far. However, these institutions have permitted the universalization of access, to students in the city and neighbouring communities.

The post-secondary and tertiary educational facilities are under the control of the state. The John Donaldson Technical Institute was established in 1961 to provide technical and vocational education in north Trinidad. It has been incorporated into UTT, with the establishment of the latter as an umbrella for a range of tertiary/post-secondary education and training. The facility retains a specialization in a number of technical, engineering and construction fields. There is also another UTT facility that specializes in the performing arts and is located at NAPA. Of course, these institutions in their central location in the city of Port-of-Spain, serve the entire nation.

4.3.3 Other Social Facilities

The major social facilities in the city include the Hospitals – Port-of-Spain General, the St. Ann's Hospital and the St. James Hospital. They all provide the resident population and the nation at large, with secondary and tertiary health care services. Other facilities of note are the sporting facilities, namely the Hasely Crawford and Jean Pierre Complex which are used for national tournaments, and the Queen's Park Savannah which provides for out-door recreation and hosts the main stage for the annual Carnival celebration, with the Parade of the bands and the steelband competitions. There are the facilities for the performing Arts – NAPA and Queen's Hall - and the Emperor Valley Zoo, and the Botanical Gardens. There are two museums – the National Museum and the Museum of the City of Port-of-Spain. The headquarters of the National Library Service and the main Library of the nation are located in Port-of-Spain also.

4.3.4 Historic Facilities

The city has a number of historic buildings and sites some dating back even to the early 19th century. The official residence of the President was the Governor's residence since¹⁴ the early years of British Colonial Rule. The Magnificent Seven located on the west of the Queen's Park Savannah are part of the National Trust.

In this category of historic buildings can be placed two places of worship - Trinity Cathedral and the Cathedral of Immaculate Conception, All Saints Church - the two oldest secondary schools - St. Mary's College and Queen's Royal College, a number of parks, some celebrating the Queen of Britain in the 19th century, colonial Governors or officials – Victoria Square, Woodford Square, Lord Harris Square – and even Columbus, who named the island as a possession of the King of Spain. What is today, its central business district retains the footprint of earlier settlement by the ex-colonial masters, of Spain, with street names and places – Chacon Street and the Cabildo from the Spaniards and Squares and Parks from the British. The east of the city was settled predominantly by the ex-slaves, and parts of the west by the former indentured workers brought in from India after Emancipation.

In sum, the city of Port-of-Spain retains its uniqueness as a result of its physical assets, some dating back to its foundation as the port of entry of a colonising Europe of the southern most island of the Caribbean archipelago.

¹⁴ It was in the Queen's Park Savannah that the ex-slaves assembled in 1834 to protest against being required to submit to a period of 'apprenticeship' at the formal end of slavery.

Chapter 5

The Local Area Economy

This section of the document elaborates on key components of the economy of the City of Port-of-Spain. The first subsection provides the general review of the economic performance of Trinidad and Tobago while other subsections highlight the economic drivers in the town and the issues faced in their performance and operations.

5.1 Gross Domestic Product of Trinidad and Tobago

The economy of Trinidad and Tobago witnessed reduced growth over the period January to September 2014 of 0.7 percent, which followed on a period of sustained expansion of 2.1 percent in the fourth quarter of 2013 - see Table 5.1 below. An unanticipated decline in the performance of the energy sector during the first two quarters of 2014 was the most important factor contributing to the sluggish growth observed. Nevertheless, this was largely offset by continued growth in the non-energy sector for the same period. Increased production in petrochemicals and natural gas in the third quarter resulted in an expansion of the energy sector of 2.8 percent subsequent to the previous two quarters of decline. This third quarter expansion could be attributed to growth of 3.6 percent observed in natural gas production when compared with the same period in 2013 when large-scale maintenance activity occasioned a reduction of 4.6 percent.

The momentum in fourth quarter non-energy sector growth in 2013 of 1.9 percent was sustained into the first three quarters of 2014 where an average growth rate of 2.2 percent was observed. The continued growth resulted largely due to strong activity in the finance, distribution and construction sectors. Substantial increases in local cement sales precipitated average growth rate of 3.1 percent observed in the construction sector over the first three quarters of 2014.

Robust activity in the construction sector was reflective of numerous continuing large-scale public sector developments including but not limited to the Port at Point Galeota, the National Aquatic Centre, the Children's Hospital, and the Point Fortin Highway. Greater production of materials required for construction including cement caused the growth observed in manufacturing sector of 1.2 percent. New car sales drove the growth observed in the distribution sector while resilient activity in commercial banking stimulated financial sector growth of 3.2 percent. At the national level, agriculture grew on average by 3.5 percent for the first three quarters of 2014.

The third quarter of also 2014 witnessed increased inflationary pressures following comparative calm over the three preceding quarters. Inflationary pressures were propelled largely by prices of food and greater spending by consumers as demonstrated by a steep increase in new car sales, robust growth in consumer lending and notable increases in government spending. Headline inflation by the third quarter of 2014 increased from 3.4 percent for the first two quarters to roughly 8.0 percent by the end of the third quarter of 2014.

Food price inflation for the third quarter rose to 18.2 percent up from an average of 4.4 percent over the preceding two quarters of 2014. Increases in the prices of vegetables, fruit and other food products were the primary contributing factors. Furthermore, the most recent official estimates on the labour force have indicated that unemployment was at a historic low of 3.1 percent for the first quarter of 2014. Robust labour force participation and increasing job creation have resulted in the improvement in the unemployment rate when compared to the rate of 3.7 percent observed in 2013. Increases in employment were most notable among personal services, social services and community services. To a lesser extent, increased labour force participation was observed in the agriculture, water and electricity and manufacturing sectors.

Table 5.1: Trinidad and Tobago Selected Economic Indicators

	2009	2010	2011	2012	2013	Jan-Sep-14
Real GDP Growth (%) (2000 = 100) ¹⁵	-3.4	-0.3	-1.2	0.3	2.1	0.7
Energy Sector	1.3	1.8	-3.7	-1.9	0.2	-1.5
Non-Energy Sector	-6.6	-1.8	0.6	1.8	3.5	2.2
Agriculture	-0.7	-15.7	1.2	-2.4	0.3	3.5
Manufacturing	-6.6	0.8	1.7	-1.3	2.6	1.2
Construction	-2.5	-5.8	-2.4	-0.9	3	3.1
Financial Services	-1.8	2.5	0.9	2.5	4.8	3.2
Inflation Rate (%) ¹⁶						
(period average)	7	10.5	5.1	9.3	5.2	4.6
(end of period)	1.3	13.4	5.3	7.2	5.6	7.8
Unemployment Rate (%) ¹⁷	5.3	5.9	4.9	5	3.7	3.1 ¹⁸

Sources: Central Bank of Trinidad and Tobago, Central Statistical Office and Ministry of Finance

¹⁵ Growth rates are derived from the Central Bank's Quarterly Index of Gross Domestic Product

¹⁶ Changes in the Index of Retail Prices (RPI), January 2003 = 100

¹⁷ This represents the average of the four quarters

¹⁸ For the period January – March

5.2 The Area Economy

5.2.1 Key Economic Drivers (Activities)

Within Port-of-Spain, there exists a wide assortment of business enterprises (Table 5.2). Consistent with that which is observed nationally, enterprises in the municipality were concentrated largely in the retail and distribution sector (43.31%) and Finance, Insurance, Real Estate and Business Services (23.78%) sectors. Given that Port-of-Spain is the nation's capital, it is not surprising that these two sectors were the most prevalent among micro, small, medium, and large businesses.

Table 5.2: Distribution of Registered Businesses by Sector and Size

Sector	Size of Enterprise				Branch	Total
	Micro (1 to 5)	Small (6 to 25)	Medium (26 to 50)	Large (50 and Over)		
Assembly Type and Related Industries	0.51%	0.96%	1.55%	1.22%	1.55%	0.80%
Chemicals and Non-Metallic Minerals	0.10%	0.35%	0.00%	1.22%	0.00%	0.24%
Construction	2.34%	4.11%	4.64%	7.76%	1.04%	3.29%
Distribution	48.96%	38.85%	25.77%	28.57%	48.70%	43.31%
Educational and Cultural Community Services	1.78%	2.45%	1.55%	1.63%	2.59%	2.01%
Finance, Insurance, Real Estate And Business Services	21.75%	22.83%	38.14%	28.16%	30.05%	23.78%
Food Processors and Drink	0.46%	1.57%	1.03%	2.45%	2.07%	1.04%
Hotels and Guest Houses	0.61%	0.79%	0.52%	1.63%	0.00%	0.70%
Miscellaneous Manufacturing	0.00%	1.31%	0.00%	0.41%	0.00%	0.43%
Personal Services	17.78%	14.96%	9.28%	12.65%	6.22%	15.54%
Petroleum and Other Mining Industries	1.07%	1.84%	3.09%	4.90%	0.00%	1.61%
Printing, Publishing and Paper Converters	0.82%	1.84%	2.06%	1.63%	0.00%	1.20%
Textiles, Garments, Footwear, Headwear	0.25%	0.79%	1.03%	0.82%	0.00%	0.48%
Transportation, Communication and Storage	3.36%	7.26%	10.82%	6.94%	7.77%	5.40%
Wood and Related Products	0.20%	0.09%	0.52%	0.00%	0.00%	0.16%
Grand Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Central Statistical Office Business Register 2008

Of the businesses formally registered in Trinidad and Tobago, those operating in the Port-of-Spain accounted for 19.4 percent (Table). Enterprises were concentrated largely in Port-of-Spain Proper (50.0%), but were also located in St. James (16.0%), Woodbrook (12.0%), Belmont (6.0%), Newtown (4.0%) and St. Clair (4.0%) (Figure 5.1).

Table 5.3: Businesses in Operation by Municipality

Municipality	Proportion
Arima	3.69%
Chaguanas	5.83%
Couva/Tabaquite/Talparo	11.41%
Diego Martin	8.13%
Mayaro/Rio Claro	2.40%
Penal/Debe	5.64%
Point Fortin	1.61%
Port-of-Spain	19.42%
Princes Town	4.33%
San Fernando	7.54%
San Juan/Laventille	10.75%
Sangre Grande	3.35%
Siparia	4.20%
Tunapuna/Piarco	11.70%
Total	100.00%

Source: Central Statistical Office Business Register 2008

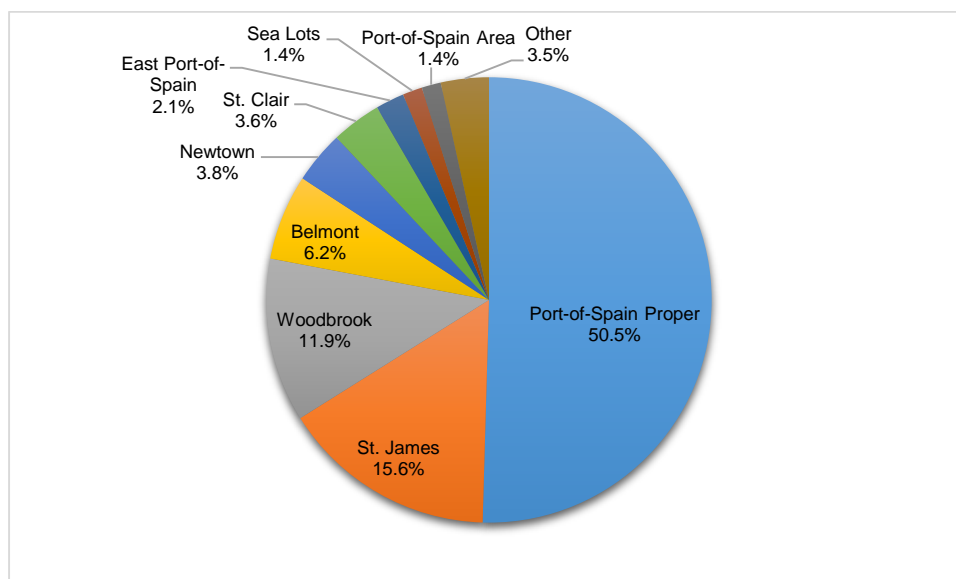


Figure 5.1: Registered Business by Community

Source: Central Statistical Office Central Statistical Office Business Register 2008
Employment and Unemployment Trends

Figure 5.2 below illustrates the breakdown of employed household heads by employment category. The largest share of household heads (35.3%) were employed in Central or Local Government Bodies, while 24.8 percent of household heads worked in Private Enterprise. Interestingly, as much as 24.0 percent of household heads were employed as Own Account Workers, while 9.7 percent were employed with State Owned Enterprises.

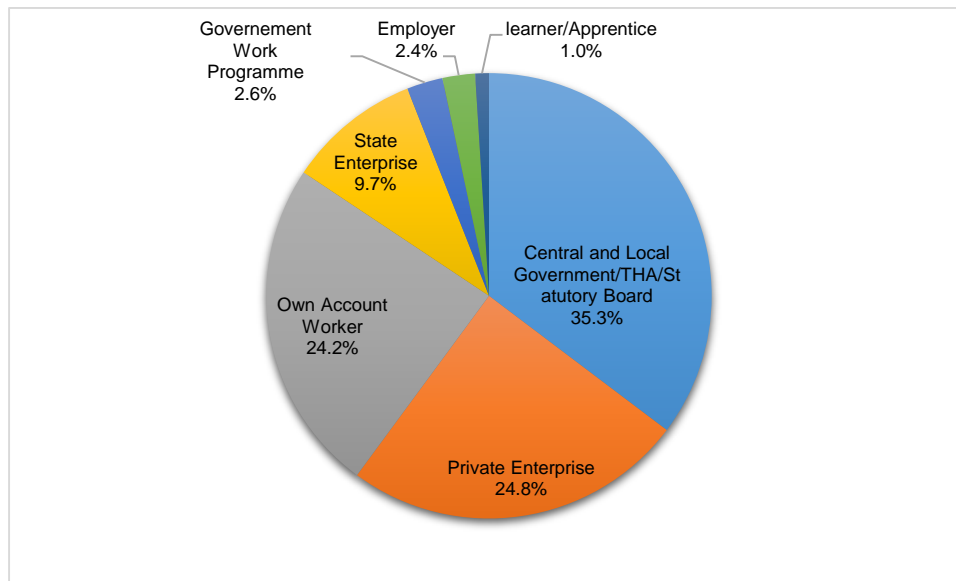


Figure 5.2: Distribution of Household Heads by Category of Worker
Source: Central Statistical Office Continuous Sample Survey of the Population 2014

5.2.2 Occupational Groups

The largest share of household heads were employed as technicians and associate professionals, and comprised 21.7 percent of household heads employed in Port-of-Spain (Figure 5.3). Other major occupational groups include persons employed in Elementary Occupations (19.7), Service and Sales Workers (15.7%), Craft and Related Trade Workers (12.2%) and Clerical Support Workers (11.8%). Only a minority of household heads were employed as Professionals (8.1%), Managers (6.2%) or machine operators (4.7%).

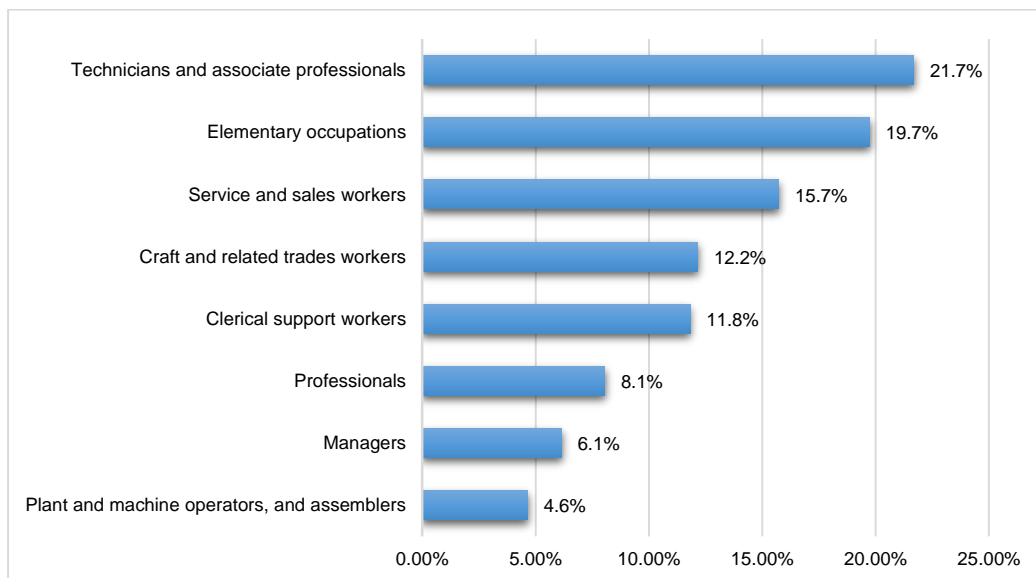


Figure 5.3: Distribution of Household Heads by Main Occupational Group
Source: Central Statistical Office Continuous Sample Survey of the Population 2014

5.3 Key Business Activity

There are a number of features of Port-of-Spain that condition the development of business activity in the city. Being the capital city of Trinidad and Tobago since colonial times accords to Port-of-Spain a historic dominant role in the economic life of the country. As the seat of Government and Administration of the country, there is a range of business activities that thrive on the provision of supplies and services to Government, let alone in catering to the large number of public servants who come to work in the city. There are also the international and regional agencies – United Nations, Inter-American Development Bank, Caribbean Court of Justice, and the embassies of countries with representation in Trinidad and Tobago which are all located in Port-of-Spain.

The largest commercial banks and insurance companies operating in the country are based in Port-of-Spain. Moreover, as Trinidad and Tobago emerged as the largest economy in the Eastern Caribbean, the city with its banks and financial institutions has become a focal point in the transaction of business and financial services in the region. A number of the transnational corporations operating in the oil and energy sector of the country have their headquarters in Port-of-Spain as well. The presence of the largest corporations in Trinidad and Tobago, along with the financial institutions create the possibility for the country being the financial centre for the Caribbean Region.

In that regard, Port-of-Spain as the capital city and seat of Government, has been not only the administrative, business and commercial hub for the country, but also in the making, an international finance and business centre. Even as citizens from other parts of the Trinidad and Tobago form, locate and maintain businesses in Port-of-Spain to take advantage of its role as a dominant urban space, at the same time, the staff of major corporations are engaged in the management of substantial economic and business activity that takes place in the city. The largest fresh produce market in the country is the Central Market in Port-of-Spain, which attracts sellers from all over the country and even from elsewhere in the Eastern Caribbean and Guyana. All of this means that the citizens of Port-of-Spain have to operate in a market place in close quarters with the rest of Trinidad and Tobago, and with a foreign work-force from the region and the rest of the world.

Meanwhile, the city is experiencing a pattern of urbanisation that is not unlike what has occurred in cities in the North Atlantic. The flight of the middle and upper class to the suburbs has left as resident population, poorer communities in the city with the threat of urban blight constantly on the horizon. As such, the communities of Woodbrook and Newtown are vacated of residents who make way for businesses requiring low rise accommodation – professional service companies, specialised legal and medical personnel. But there is also the phenomenon of residential densification with high rise elite dwelling space with One Woodbrook Place as a model. Meanwhile, such residential accommodation in East Port-of-Spain and Belmont experience no such changes. This may have implications both for revenue to, and expenditures by the City Council in respect of these areas.

5.4 Stakeholders in Development Planning

The City Council in the new dispensation of local government, has a remit that extends much beyond the traditional responsibilities of maintaining good order in the physical facilities of the city – streets, Central Market, cemeteries. The newly elected Government has indicated that the City and the other

municipalities in Trinidad will be accorded devolved authority in a system of governance approximating the Tobago House of Assembly Act. Inherent in this expanded remit, will be responsibilities that include social and economic development of Port-of-Spain.

The Council will need to treat with such issues as community development and youth development. There will be need to enlist the support of the Ministries of the Central Government with responsibility for these two areas – community development and empowerment and youth development. This is particularly important in a city where whole communities have a deep sense of marginalisation and neglect.

On the economic front, there is the need for the Council to become involved in the industrial strategy and policy for the area. Indeed, its tax base might include the nature of the economic activity that is conducted in the city. Planning for the city of Port-of-Spain takes on a number of other dimensions beyond the traditional focus. While the City Council and the governance structure are a matter for the registered residents and burgesses living in the city, the running of Port-of-Spain has to involve many more publics than the residents. These include the Chamber of Commerce, agencies like the Downtown Owners and Merchants Association (DOMA), and the professional associations. A substantial amount of the business activity being conducted in the city is under the control of non-residents. The fullest participation of the residents in the economic life of the city requires concerted policies and planning on the part of the City Council. In the absence of these, the residents can find themselves relegated to being witnesses in the development and transformation of their city.

Planning at the level of the Council has to embrace a perspective that recognises that the effective burgesses of the City include many more stakeholders than the residents of the City. Indeed, these burgesses are likely to become key players in the development of the city and in defining the nature of its space. The City Council has to be sensitive to the fact that the city has to manage the claims of all its residents and its wider stakeholder entities in developing, rolling out and implementing its strategic plans.

Chapter 6

Profiling Port-of-Spain's MSME Sector

6.1 Introduction

The development of a vibrant and competitive MSME sector can serve as a key source of innovation, diversification, productivity and economic growth in the City of Port-of-Spain as elsewhere in Trinidad and Tobago. MSMEs tend to mobilise creative energies and identify opportunities that exist, but which may be ignored by larger enterprises. They can pinpoint and create possibilities for pushing outward the production frontier of an economy. The flexibility and resilience of MSMEs in the face of major changes also allow them to adapt more quickly to emerging trends. The Central Bank of Trinidad and Tobago in 2008/2009 undertook a comprehensive study of the small and medium sized business in the country, the results of which were presented in the report entitled, *“Developing Viable Small and Medium-Sized Enterprises in Trinidad and Tobago: Challenges and Priorities - The Structure, Performance and Networks of SMEs¹⁹ in Trinidad and Tobago.”*

Internationally, there is considerable variation about what constitutes a micro, small or medium-sized (MSME) enterprise. There are various definitions in the literature which tend to be largely dependent on the purpose of the study being undertaken at the time, or the use to which the results are to be put by the particular author(s) or organisations. At the time of the study sponsored by the Central Bank, there was no national definition on MSMEs. The study acknowledged that businesses tend to be lumped either into one grouping called the “SME Sector” or further broken down into the subcategories of “micro, small and medium-sized” enterprises.

The report revealed that the definition then currently in use by the Central Bank of Trinidad and Tobago (CBTT), the then Business Development Company (BDC) and the Ministry of Labour and Small Enterprise Development (MOLSED) was based on the Report of the Cabinet-appointed Task Force on Small and Medium Enterprise Development (June 1995) and this considered three factors: number of employees, assets and sales (Table 6.1). Because of the limited information available for SMEs on sales or assets, the Central Bank's study employed the approach of using “at least” the number of employees as a guide for placing a firm into one category or another.

Table 6.1: Domestic Definition of Micro, Small and Medium-sized Enterprises

¹⁹ SMEs - Small and medium enterprises

Size	No. of Employees	TT\$ Assets (Excluding Land and Buildings)	TT\$ Sales
Micro	1 – 5	< \$250,000	< \$250,000
Small	6 – 25	> \$250,000 - <\$1,500,000	> \$250,000 - <\$5,000,000
Medium	26 – 50	> \$1,500,000 - <\$5,000,000	> \$5,000,000 - <\$10,000,000

Source: The Ministry of Labour and Small and Medium Enterprise Development quoted in the Report of the Cabinet Appointed Task Force on Small and Medium Enterprise Development (June 1995) as quoted in the report: Developing Viable Small and Medium-Sized Enterprises in Trinidad and Tobago: Challenges and Priorities – The Structure, Performance and Networks of SMEs in Trinidad and Tobago

According to the CBTT report, which is based on the CSO's Business Register, there was an 11.9 percent increase in MSMEs in the City of Port-of-Spain for the period 2001 to 2007 (Figure 6.1). The largest margin of increase was noted in the number of small enterprises (25.8%). By 2007, 65.6 percent of the MSMEs were micro sized, followed by 29.0 percent and 5.5 percent were categorised as small and medium sized categories, respectively (Tables 6.2 and 6.3). It is reported that many of the MSMEs in micro category operated in the informal sector.²⁰

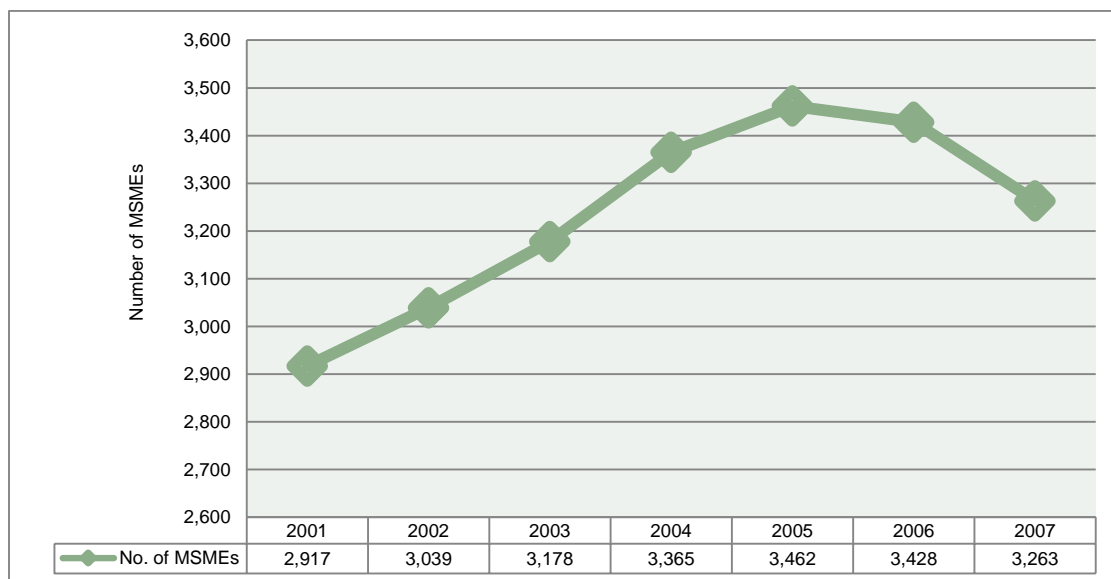


Figure 6.1: Changes in the Number of MSMEs, 2001 to 2007

Source: CSO Business Register as quoted in the Central Bank of Trinidad and Tobago Report: Developing Viable Small and Medium-Sized Enterprises in Trinidad and Tobago: Challenges and Priorities – The Structure, Performance and Networks of SMEs in Trinidad and Tobago

²⁰ As quoted in the CBTT SME Report. The 1995 National Baseline Survey defines an informal business as “a small firm with less than five workers (no more than 2 of whom are regular employees), which does not have any licence, permit or certification to operate” (EIM, 1996 p. 89).

Table 6.2: Distribution of MSMEs and Growth Rate by Size of Enterprise, 2001-2007

Size of Enterprise	Year						
	2001	2002	2003	2004	2005	2006	2007
Micro Enterprises	2,011	2,042	2,127	2,246	2,316	2,264	2,139
Growth Rate (%)	-	1.5	4.2	5.6	3.1	-2.3	-5.5
Small Enterprises	751	838	891	953	966	983	945
Growth Rate (%)	-	11.6	6.3	7.0	1.4	1.8	-3.9
Medium Enterprises	155	159	160	166	180	181	179
Growth Rate (%)	-	2.6	0.6	3.8	8.4	0.6	-1.1
Total MSME	2,917	3,039	3,178	3,365	3,462	3,428	3,263
MSME Growth Rate (%)	-	4.2%	4.6%	5.9%	2.9%	-1.0%	-4.8%

Source: Central Bank of Trinidad and Tobago, Developing Viable Small and Medium-Sized Enterprises in Trinidad and Tobago: Challenges and Priorities – The Structure, Performance and Networks of SMEs in Trinidad and Tobago

Table 6.3: Proportion of MSMEs by Size of Enterprise, 2001-2007

Size of Enterprise	2001	2002	2003	2004	2005	2006	2007
	%						
Micro Enterprises	68.9	67.2	66.9	66.7	66.9	66.0	65.6
Small Enterprises	25.7	27.6	28.0	28.3	27.9	28.7	29.0
Medium Enterprises	5.3	5.2	5.0	4.9	5.2	5.3	5.5
Total MSMEs (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total No. of MSMEs	2,917	3,039	3,178	3,365	3,462	3,428	3,263

6.2 Legislative, Policy and Institutional Framework for MSME Development

6.2.1 Legislative and Policy Framework

The draft Micro and Small Enterprise (MSE) Policy for Trinidad and Tobago places and defines small enterprises as three categories – mini-micro, micro and small businesses. Mini-micro enterprises as defined are the self-employed (owner/manager) with assets of up to TTD 100,000 and an annual turnover of up to TTD 250,000. A micro enterprise is one with five or less persons, an asset base of TTD 100,001 to TTD 500,000, and annual sales of up to TTD 2.0M. Small enterprises, are ones with up to 25-employees, assets of TTD 0.5 to TTD 5.0M, and annual turnover of up to TTD 10.0M (Table 6.4). It was clear from the study that this definition was not widely used.

Table 6.4: Criteria Used to Define Mini-Micro, Micro and Small-sized Businesses

Size of Enterprise ²¹	Number of Employees	Asset Value (TT\$) ²²	Turnover per annum (TT\$)
Mini-micro	≤1 including owner/manager	Up to \$100,000	Up to \$250,000
Micro	≤5 including owner/manager	\$100,001 - \$500,000	Up to \$2,000,000
Small	≤25 including owner/manager	\$500,001 - \$5,000,000	Up to \$10,000,000

Source: Ministry of Labour and Small and Micro Enterprise Development, Enterprise Development Division, 2013. Draft Micro and Small Enterprise (MSE) Policy for Trinidad and Tobago 2013-2016, September 2013.

The Policy provides directives for the registration of MSEs with the MOLSED; mechanisms for financing; and incentive regimes to encourage entrepreneurship and innovation. It also focuses on certain types of business development and support services such as mechanisms that promote the

²¹ MSEs must meet at least two (2) of the stated criteria and must also meet the owner-manager criterion.

²² Asset values exclude land and buildings.

registration of support services; public-private partnerships;²³ the establishment of standards; the adoption and development of information and communications technology (ICT) and other technologies/methods; incorporation of entrepreneurship into curricula of formal education institutions; and establishment of mentorship networks and the creation of green enterprises. Critical to these initiatives is having the necessary development of the physical infrastructure to support growth of the sector.

The Policy also recognises that MSEs and cooperatives can play a major role in social empowerment, poverty alleviation, and social transformation. To this end, one of the directives of the Policy is in the area of Social Empowerment and Inclusion which places emphasis on the participation of women, youth and the disabled in MSE development. The Policy calls for the creation of women's business mentoring networks and partnering of MOLSED with 'groups that address the particular needs of women entrepreneurs.' Such networks are seen as a means of 'measuring the performance of women entrepreneurs and provide a platform for the discussion on the trends, prospects and challenges encountered by women entrepreneurs in the business environment.' Moreover furthering youth enterprise development includes actions such as mainstreaming of youth in the National Integrated Business Incubator System (IBIS), FairShare, and other existing youth enterprise development programmes and collaborating with existing youth business stimulation programmes such as Youth Business Trinidad and Tobago (YBTT).

Given Trinidad and Tobago's drive toward a more sustainable economy, the MOLSED has developed the Green Enterprise Development Policy for Micro and Small Enterprises and Cooperatives. One of the strategies recognises and focuses on measures that would create green MSEs to facilitate and assist greening of specific industries, namely Agriculture, Construction, Creative Industries and Fashion, Energy, Tourism and Waste management. One of the key mechanisms proposed in the policy is the establishment of an Enterprise Investment Fund (EIF) managed by the MOLSED.

There is no small business legislation in Trinidad and Tobago. Instead, MSEs are expected to register under the Companies Act (Act No. 35 of 1995) and are subjected to its stipulations with regard to corporate governance and management. However, the MSEs Sector by definition is comprised of smaller businesses which are more likely to be unincorporated and have a "weak system of accounting" or an "absence of accounts". Indeed, informal sector enterprises (which are a part of the MSE sector) where most women-owned businesses operate are characterised as small scale in terms of employment, non-registration of enterprises and non-registration of employees.²⁴

²³ Public-private partnerships are typically medium to long term arrangements between the public and private sectors whereby some of the service obligations of the public sector are provided by the private sector, with clear agreement on shared objectives for delivery of public infrastructure and/ or public services. Source: The World Bank Group/Public-Private Partnership in Infrastructure Resource Centre, undated. <http://ppp.worldbank.org/public-private-partnership/overview/what-are-public-private-partnerships>.

²⁴ Non-registration of unincorporated enterprises refers to absence of registration under commercial, tax or social security laws, professional groups' regulatory acts or similar laws or regulations established by national legislative bodies.

6.2.2 Institutions and Public Programmes

There is a wide range of State agencies and private sector and non-government organisations which provide products and services geared to the provision of credit and grant funding of products for MSME development and expansion; technical and business training, financial literacy training, mentoring, infrastructural development, information technology (IT), operational support, financing, and networking to facilitate access to local and foreign market.

While, there are agencies and programmes that focus on MSEs, there are other projects and programmes with a broader perspective and apply to the wider business community to facilitate entrepreneurial development. The impact of these support services on the MSME sector needs to be further evaluated and comprehensive mechanisms put in place to better target and reach the many MSMEs out there and people with innovative ideas but lack the motivation, knowledge and skills to turn their ideas into viable businesses.

6.2.2.1 The Ministry of Labour and Small Enterprise Development

The MOLSED oversees the development of the MSE sector through the Enterprise Development Division (EDD). It is the line Ministry for the National Entrepreneurship Development Company Limited (NEDCO), which is the main agency for offering training, loans and other business support for MSEs. Over the past year, through the EDD, the MOLSED has implemented MSE development programmes and established policies to support the sector.

6.2.2.1 Ministry of Trade and Industry

The Ministry of Trade and Industry (MTI) is leading the drive to position Trinidad and Tobago as a manufacturing base, and the business, trade, and financial hub of the Americas, particularly through driving the non-energy sectors of the economy. The Ministry focuses on medium and large business development. The Ministry fulfils this role through the Business Development Directorate aimed at developing and growing business in Trinidad and Tobago. The Directorate, which comprises three Units, is responsible for:

- Addressing issues that would make the business environment more facilitating and transparent and oversight for the development of the sectors – Creative Industry, Food and Beverage, Maritime, Printing and Packaging and Yachting – targeted by Government to diversify the national economy (the Business Support and Facilitation Unit);
- Managing stakeholder relationships and strengthening links with State Agencies which fall under the purview of the Ministry (the Alliances Unit); and
- Issuing licences to the public on items remaining on the import negative list and export negative list and for implementing import duty concessions through Minister's licences' as well as overseeing suspension of the Common External Tariff and the Safeguard mechanism under the CARICOM arrangement (the Trade Licence Unit).

6.2.2.3 ExporTT Ltd, Ministry of Trade and Industry

ExporTT limited is the trade policy implementation agency of the MTI. The company was designated by the Cabinet of the Republic of Trinidad and Tobago to be the sole National Export Facilitation Organisation of Trinidad and Tobago. Its vision is to be the driving force for the development of an internationally competitive and vibrant export sector, which contributes significantly to economic

diversification in Trinidad and Tobago. Through its programmes and activities the agency aims to generate export growth and diversification in the goods and services sectors, to increase in the international competitiveness of local exporters; to develop new exporters across the various sectors of interest; and to expand to new markets, based on market research.

6.2.2.4 The National Entrepreneurship Development Company Limited

NEDCO was established in 2002 to assist small and micro businesses with regard to the accessing of loans for business start-up and expansion purposes. Skills, training and financial support for entrepreneurs are also offered along with business advisory services and information in areas such as Marketing, Financial Management, Business Planning and Records Management. NEDCO implements the National Integrated Business Incubation System (IBIS) on behalf of the MOLSED.

There is a NEDCO office located in Port-of-Spain. Under its loan portfolio, NEDCO assists a wide range of businesses and offers loan entry ceiling up to \$250,000 for first-time borrowers and up to a \$500,000 for second-time borrowers. However, the loan facility does not make funds available for primary agriculture, bars, professional services or casinos. NEDCO funding is specifically designed to assist those who face difficulty in accessing funds from commercial banks or other commercial lending agencies, and as such, its loan facility is characterised by simple procedures and minimal collateral requirements.

6.2.2.5 Entrepreneurial Training Institute and Incubation Centre, NEDCO

The Entrepreneurial Training Institute and Incubation Centre (ETIIC) is an institution under NEDCO, which provides entrepreneurial training, basic support, mentoring, and marketing and distribution support to MSEs. The institute also offers start-up business support, onsite IT, administrative and business services as well as office, computer labs and virtual office services. In addition, users can avail themselves of the reference library services, which have publications covering a range of MSE development and entrepreneurship topics.

6.2.2.6 Micro-Enterprise Loan Facility, Ministry of Social Development and Family Services

The client can also seek the services of the Micro Enterprise Loan (MEL) Facility for accessing business grants and loans for business starts and expansion. The MEL Facility is a community empowerment and poverty reduction initiative, which equips Community-based Organisations (CBOs) to engage actively in promoting sustainable livelihoods among the poor through the provision of micro loans and support to micro entrepreneurs. A grant is given to CBOs to on-lend to individuals in their communities. The individuals start new or expand existing micro enterprises and repay the loans at a minimal interest rate.

This programme aims to contribute to the reduction of poverty by facilitating the creation of sustainable livelihoods; empower CBOs to discharge micro credit services; and support and promote entrepreneurship at the community level. This programme is aimed at persons in receipt of public assistance; persons earning at subsistence level or at the minimum wage; or unemployed persons who live under impoverished conditions. MEL provides borrowers with community based business loan services; business training for all interested persons and after-loan services and business support.

6.2.2.7 National Integrated Business Incubation System

Launched in October 2011, the IBIS developed by the MOLSED aims to provide a unique mix of support mechanisms that assist the growth and success of new and existing MSEs including technical and business training, mentoring, infrastructural development, IT, operational support, financing, and networking to facilitate access to local and foreign market. IBIS incubators may be community-based or commercial. Community-based incubators (CBIs) operate in communities or regions to address poverty, unemployment and other social concerns. Commercial business incubators focus upon high-value and/or high volume businesses with export potential. Seven CBIs have been launched so far out of the 18 incubators planned for the country. Moreover, the Programme partners with academic and research institutions to develop innovation policies to proactively attract entrepreneurs to translate their business ideas into reality. A number of business related entities have signed memoranda of understanding (MOUs) with the IBIS programme including the Arthur Lok Jack Graduate School of Business (GSB), the University of Trinidad and Tobago (UTT) and YTEPP Ltd.

6.2.2.8 Other Incubator Programmes

There are other incubator programmes outside of the IBIS programme, which support the creation and strengthening of MSMEs. The Lok Jack GSB BIZBOOSTER is primarily an SME growth centre and commercial business incubator established by the Arthur Lok Jack GSB and its partners. The BizBooster, a collaborative effort among private enterprise, academia and Government, assists emerging businesses to turn ideas into viable businesses and is responsible for promoting innovation and job creation by providing start-ups with custom-made support services and resources to increase their chances of success. The BIZBOOSTER is that provide innovative start-ups and existing companies with a range of services, financial and non-financial resources for growth, success and sustainability.

With a mission to achieve a 80 percent successful graduation rate for participating clients measured by the trading success and growth they have achieve three and a half years after graduating, the Caribbean Industrial Research Institute (CARIRI) Business Incubator is a programme of its Centre for Enterprise Development (CED). The Incubator supports existing micro and small-business entrepreneurs, and businesses are selected based on their strong growth potential (including in export markets). Once selected, MSE clients enter into a contract with the Centre and are provided with a customised support programme for a fee to accelerate their businesses. The Centre has a number of local and international alliance partnerships including the World Bank, the American Chamber of Commerce, the Inter-American Development Bank, Digicel Trinidad and Tobago Limited, Microsoft and a network of Angel Investors and Mentors based in Singapore, the United States of America (USA), several Caribbean countries, New Zealand, and the United Kingdom (UK), among others.

6.2.2.9 Enterprise Investment Fund

The recently established EIF is a project-based mechanism which aims to provide a strengthened support system for the MSE sector by providing funding to entrepreneurship-support programmes developed by the private sector, academic institutions and other NGOs so that they can utilise their expertise to play a greater role in MSE development.

6.2.2.10 Community Development Fund, Ministry of Community Development, Culture and the Arts

The Community Development Fund (CDF) is a funding source operating out of the Ministry of Community Development (MCD). The CDF, founded in 1996 by the GORTT under a loan agreement with the Inter-American Development Bank (IDB), operates as a basket of grant funding products meant for various forms of poverty alleviation and for promoting community self-sufficiency. Two products provide funding for projects of three to 18 months' duration while another seeks partnership with private sector sponsors. Community business projects are also considered in the CDF model. Moreover, the model contains a business and social enterprise mentorship element, which has been able to attract a small pool of approximately 20 mentors.

6.2.2.11 Green Fund, Ministry of Planning and Development

The Green Fund is the National Environmental Fund of Trinidad and Tobago, established under the Finance Act 2000 through the Miscellaneous Taxes Act. The purpose of the fund is to provide financial assistance to community groups and organisations to undertake activities and projects related to reforestation, remediation, environmental education and public awareness of environmental issues and conservation of the environment. The Green Fund is capitalised through the Green Fund Levy, which is a tax of 0.01 per cent on the gross sales or receipts of companies carrying out business in Trinidad and Tobago. The Green Fund Levy is payable quarterly in each year of income. As at September 30, 2011, the Green Fund stood at \$2.60 billion.

6.2.2.12 Innovation Fund, Ministry of Planning and Development

The GORTT has identified a need to provide financial support to entrepreneurs with original business ideas with the potential to deliver new or improved products and services and address social needs. To this end, the Government has established the Innovation Financing Facility (IFF) to support investments in projects that have the potential to transform research into economic value. As part of this initiative, the "Call for Innovations and Inventions" (or i2i) was launched in 2012 as a competition for innovators and inventors in key economic growth sectors.

6.2.2.13 Research and Development Fund (RDF), ExporTT and Ministry of Trade and Industry

The Research and Development Fund (RDF), managed by ExporTT, is designed to provide support for research, development and technological innovation at all stages of company development. The Facility is geared towards enabling companies to progress from undertaking an initial research project to high-level innovation and Research and Development activity. It serves to encourage the development of an innovative business culture among local businesses with the aim of increasing the rate of new product development. As the RDF falls under the purview of the MTI, there is no specific emphasis on micro and small businesses.

6.2.2.14 FairShare Programme

The FairShare Programme, launched in January 2011 by the MOLSED, is a set-aside programme that enables SMEs to access opportunities to do work with the Government for contracts valued up to TTD 1.0M to SMEs. Simultaneously, the FairShare Programme provides some training to MSEs to improve business management, use of technology and understanding of legal obligations. FairShare utilises an online platform where Government Ministries post opportunities and where MSEs search for and bid on those opportunities. However, SMEs can only register with the FairShare programme for a

maximum of six years. The objective of the FairShare Programme is to create independent and strong MSEs by allowing them to participate in Government spending over a fixed period during which time they should have increased their capacity, skill, product quality and other capabilities. Additionally, the FairShare programme:

- Is an incentive for formalisation because it is only open to registered MSEs, compliant with state regulations;
- Compiles an online registry of micro and small businesses categorised by economic sector;
- Creates a real-time, online listing of all Ministry contracts worth up to a maximum of \$1M;
- Provides automated notification of opportunities to SMEs for the purpose of bidding
- Provides a space for SMEs to market their products and services through online profiles; and
- Offers training to SMEs in procurement, business management and other important areas of relevance to improve their ability to win contracts.

6.2.2.15 Economic Development Board of Trinidad and Tobago, the Ministry of Planning and Development

Established in 2011 and guided by the National Medium Term Policy Framework (MTPF) 2011-2014, the Economic Development Board of Trinidad and Tobago (EDB) is charged with the responsibility of developing business clusters and the development of five economic spaces in Trinidad and Tobago with the aim of achieving economic viability and sustainability in the long term. These clusters focus on financial services, tourism, food sustainability, downstream energy, creative industries, maritime and information and communications technology (ICT). It is envisaged that the development of policy and legislation can occur to structure areas of growth around these identified clusters. The EDB has also identified five specific economic spaces for kindling economic and social transformation, which are referred to as Growth Poles. The five growth Poles are North East Tobago, South Western Peninsula, East Port-of-Spain, North Coast and Central Trinidad. Concentrating on developing clusters in these areas would lead to rapid growth and development throughout the country. Growth poles would be the centres of industry investment as well as enhance job creation opportunities in surrounding communities.

6.2.2.16 Entrepreneurial Training Agencies

Nowadays, having post-secondary and tertiary education is considered essential to improve entrepreneurship, employability and livelihood opportunities. Many post-secondary and tertiary institutions such as The University of the West Indies (UWI), UTT, Arthur Lok Jack GSB, UWI-ROYTEC, YTEPP, NEDCO ETIIC, College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT), etc. all offer various education and training business programmes provide entrepreneurship education, which focuses mainly on business development, which generally consists of technical, financial literacy and skills training.

Over the last decade, the Government as well as the private sector and NGO providers have established a variety of informal and formal technical-vocational education and training (TVET) programmes aimed at increasing the capacity of the citizenry. The Ministry of Education is the main Government agency with responsibility for TVET and this responsibility is executed mainly through YTEPP Limited and Metal Industries Company (MIC) Limited. These programmes also offer some literacy and life skills training.

Multi Sector Skills Training (MuST) Programme offered by MTEST is a specialised craft training Programme designed to develop a cadre of skilled, competent, certified workers in priority sectors of the economy. The Programme, which uses a “work and learn” model, offers onsite and offsite work-based Level 1 (six months) and Level 2 (nine months) training in occupational skills, life skills and functional literacy and numeracy. The programme, which targets 17 to 50 year old citizens, provides a “second chance” to persons who “missed out” on educational and training earlier in their lives.

6.2.2.17 Private Sector and Non-Government Agencies

Employers' Consultative Association

This agency seeks to quality representation for employers and to ensure the strength and success of the Employer Community, which will auger well for the socio-economic well-being of Trinidad and Tobago. The Employers' Consultative Association of Trinidad and Tobago (ECA) was formed with 21 firms in 1960 primarily to assist and support Employers in industrial relations matters and to give them an association that would speak on their behalf on matters of similar interest. Since then, the ECA has built a strong reputation for handling all issues concerning Employers in Trinidad and Tobago. Today, the ECA is still a not-for-profit enterprise whose membership grows yearly and includes companies that belong to a variety of sectors.

Trinidad and Tobago Manufacturers Association

The Trinidad and Tobago Manufacturers Association (TTMF) acts as a representative of the manufacturing sector in dealing with local and foreign governments and in the monitoring of legislation affecting manufacturers. Members are provided with information on all local, regional and international trade related matters of relevance and they act as a liaison between the membership and the Government, specifically the MTI. Members are encouraged to maintain and adhere to the required standards and grades of quality in all manufactured goods and services.

Organisations of Industry and Commerce

There little information on the business organisations that attract and support the membership of MSMEs, particularly the micro mini and micro business operators. There are several references to the Small Enterprising Business Association (SEBA) and the governance role it performs in Trinidad and Tobago on behalf of the MSE sector. However, the study was unable to determine the extent of its influence and the specific role it plays in the MSME sector.

There is the Trinidad and Tobago Chamber of Industry and Commerce (TTCIC) whose main goal is to build a strong and sustainable national economy. The TTCIC has various categories of membership ranging from Bronze which is characterised by companies that earn gross sales of less than TT\$3.0 million to the Diamond category with TT\$100.0 million and more. Members of the TTCIC must be incorporated companies within Trinidad and Tobago and this eliminates from its membership the small companies that are known to operate in the informal sector.

The Chamber provides a range of services to its members and to a limited extent to the general-public including the publication of various monthly Trade Bulletins and Advisories and the signing and issuing of Certificates of Origin. The Chamber lobbies on behalf of the private sector as it speaks out on critical public issues and seeks the interests of the private sector by offering suggestions for policy reformation

and advice to Government on pertinent issues facing the economy and private sector. In addition, the Chamber conducts business related seminars and workshops. The Dispute and Resolution Centre was developed initially by the TTCIC. However, it is now a completely autonomous and neutral organisation, administered by its own Board of Directors providing mediation and conflict resolution services including the conduct of dispute resolution training programmes.

The American Chamber of Commerce (AMCHAM) Trinidad and Tobago is another business organisation, which promotes free and fair trade and investment within the Americas and the Caribbean. Because of its focus, it attracts larger export oriented companies and has a membership of 300 members. The AMCHAM Trinidad and Tobago provides a number of services for its members, which specifically focus on areas such as: enhancement of competitiveness, generation of new business and market access for services/goods, influence on policies and legislation, transfer of knowledge and contribution to sustainable development. There is a strong networking link between local and international member companies, especially with the US Embassy, AACCLA and COCUSA which gives members access to compete in the local and overseas markets.

Youth Business Trinidad and Tobago

YBTT was established in 2000 and is an accredited member of Youth Business International (YBI), an international network of youth business programmes. The focus of the NGO is to provide young persons with opportunities for turning innovative ideas into viable business ventures. YBTT, with the assistance of the local business community and international donor agencies, provides access to loans, entrepreneurial training and business mentorship and has provided support for 63 entrepreneurs in 2014 and approximately 500 since its establishment.

Startup Weekend

Startup Weekend is a global grassroots movement of active and empowered entrepreneurs who are learning the basics of founding startups and launching successful ventures. It is the world's largest community of impassioned entrepreneurs, with events held in over 100 countries and 600 cities worldwide. Trinidad and Tobago has held its annual Startup Weekend for the last three years. The forum facilitates people coming together for weekend-long workshops to pitch ideas, form teams, and start companies. The 2015 event was sponsored by the IDB – through its Demand Solution Model²⁵, the Council for Competitiveness and Innovation, and the Guardian Group. The forum also helps to promote and highlight the role of innovation in enterprise development. However, there is limited information on the number of businesses established because of these events.

²⁵ The IDB -- through the Demand Solutions Model -- is seeking to foster a culture of innovation in Latin America and the Caribbean that will encourage new approaches towards addressing development challenges, while generating an active dialogue on innovation, creativity, and calculated risk-taking. The IDB's Demand Solutions Model is based on "Open Innovation" and relies on using internal and external paths and ideas to develop new solutions.

Credit Unions and Commercial Banks

Credit unions and commercial banks provide loans, credit and advice to individual MSME operators who qualify for their facilities.

6.3 Entrepreneurial Development in Trinidad and Tobago

The Annual Global Entrepreneurial Monitoring (GEM) Report for Trinidad and Tobago, prepared by Arthur Lok Jack GSB, provides information on the perception of the adult general population versus feedback from support agencies on issues relating to entrepreneurial development in the country.

According to the GEM report for Trinidad and Tobago, *the entrepreneurship process begins before the creation of a business. An individual must recognise an opportunity, assemble the necessary resources and have positive beliefs about their capability to take advantage of the opportunity and the likely success of the business.* Societal attitudes towards entrepreneurship are considered important given that *negative societal attitudes towards entrepreneurship can result in barriers to entrepreneurial activity especially during the early stages of entrepreneurship in the areas of social support, financial and business assistance for entrepreneurs.* The Trinidad and Tobago 2014 GEM Report indicated that the percentage of adults in Trinidad and Tobago who reported being aware of good opportunities for starting a business in their immediate environment during the next six months was 58 to 59 percent over the period 2012 to 2014.²⁶ The country ranked fifth highest in Latin America and the Caribbean and 13th highest out of the 68 economies for which such data were available.

In addition, perception about ability to operate a business was rated extremely high, while people's fear of failure was low when compared with other countries. Data have shown that the percentage of adults in Trinidad and Tobago who believe that they are capable of operating a business was 75-76 percent over the period 2012 to 2014. The country was rated among the lowest countries with regard to adult's perception of Fear of Failure as a deterrent to starting a new business. Trinidad and Tobago was ranked among the highest countries in the world on the desirability of entrepreneurship as a career choice (78-80% of the survey respondents for the period 2012-2014).

Despite this positive perspective of the adult population, the 2014 rate of Total Early Stage Entrepreneurial Activity (TEA)²⁷ for Trinidad and Tobago was 14.6 percent, compared to 19.5 percent in 2013 because of a decline in nascent entrepreneurial activity (from 11.4% in 2013 to 8.5% in 2014) and a decline in new business ownership (from 8.5% to 7.4%). The results were explained somewhat by the downward trend in the unemployment rate which fell from 5.0 percent to 3.6 percent over the period 2012 to 2014. This suggests a link between employment/unemployment and entrepreneurial development and despite the results of the APS, people resort to entrepreneurial activities when employment opportunities decline. However, the Trinidad and Tobago TEA rate continues to comprise

²⁶ Based on the results of the GEM Adult Population Survey (APS).

²⁷ Quoting the Trinidad and Tobago GEM report: In the GEM model, the rate of TEA is a combination of 1) the rate of nascent entrepreneurial activity (entrepreneurs in the process of setting up new businesses), and 2) the rate of new business ownership. In the GEM model a new business is one that is up to three and a half years old.

the highest ratio of opportunity driven activity and the proportion of TEA that is necessity-driven continues to be among the lowest in Latin America and the Caribbean.²⁸

The survey of the personnel of key support agencies provided expert opinion that can be compared with the results from the survey of the adult population. Table 6.5 provides their average rating on key areas, which characterise the entrepreneurial environment in Trinidad and Tobago.

Table 6.5: Ratings for the Main Indicators for Entrepreneurship Framework Conditions

Indicator	Rating (1 in 5 rating)
Finance	2.66
National Policy: General Policy	1.81
National Policy: Regulation	2.38
Government Programmes	2.89
Primary and Secondary Education	1.41
Tertiary Education	3.43
R&D Transfer	2.49
Commercial Infrastructure	3.02
Internal Market Dynamics	2.09
Internal Market Openness	2.40
Physical Infrastructure	3.79
Cultural and Social Norms	2.85

6.4 The Port-of-Spain MSME Sector (MSMEs Survey, 2015)

The Port-of-Spain MSME Survey was conducted over the period between April and May 2015 among 120 randomly selected MSMEs operating within the City. The definitions used to categorise the size of the MSMEs were based on the draft Trinidad and Tobago MSE Policy. In conducting the survey, equal numbers of micro-mini, micro and small entrepreneurs were interviewed. The results of this survey are presented in the following categories:

- General Characteristics;
- Size of Enterprise;
- Legal Status;
- Primary Business Activities;
- Employment;
- Markets and Annual Sales;
- Financing and Investment;
- Use of Internet;
- Technical Support;
- Key Issues Faced MSMEs; and
- Impediments to MSME Development.

²⁸ The GEM Report differentiates between people who are pushed into entrepreneurial activity because of unemployment (Necessity-Driven entrepreneurship) and those who enter entrepreneurship by the prospect of opportunity (opportunity driven entrepreneurship).

6.4.1 General Characteristics

Forty one female operators and 79 male operators participated in the Port-of-Spain MSME survey. The majority of MSME operators were between the age of 35 and 55 years (Figure 6.2), with only 14.2 percent of operators indicating they 35 years old or younger (Table 6.6). There were more older male MSME operators (34.2% over the age of 55 years) compared to their female counterparts (22.0%). However, there were more young female operators (19.5%) compared to male operators (11.4%). The data suggest a changing age profile, with more women going into business.

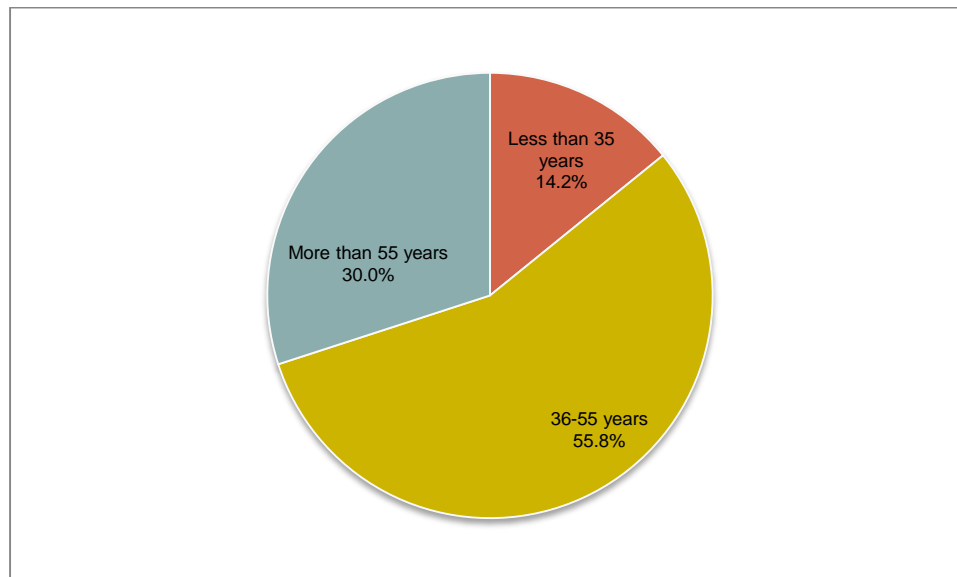


Figure 6.2: Age Breakdown of the Port-of-Spain MSME Operators

Table 6.6: Age Breakdown of Operators by Sex

Sex	35 Years or Less	36-55 years	More than 55 years	Age not given	Total
	%				
Female	19.5	58.5	22.0	0.0	100.0
Male	11.4	54.4	34.2	0.0	100.0
Both Sexes	14.2	55.8	30.0	0.0	100.0

Globally, there are reportedly more male entrepreneurs compared to female entrepreneurs. However, this gap is narrowing, with female entrepreneurship becoming increasingly important for economic growth and poverty alleviation. The trend is similar for Trinidad and Tobago. The Total TEA rate, which is the percentage of adults (including employed people) who are operating or in the process of starting a new business, for Trinidad and Tobago show that more men were reported to be involved than women in early stage entrepreneurship during 2013 to 2010. Compared to their male counterparts women became business owners at an older age and in many instance it was usually done as an action of last resort.

6.4.2 Size of Enterprise

Figure 6.3 shows the size breakdown of MSMEs in the City of Port-of-Spain by sex of the business operators. More female operators were found in the micro-mini to mini size enterprise category (46.3%), while the majority of men operated micro to small businesses.

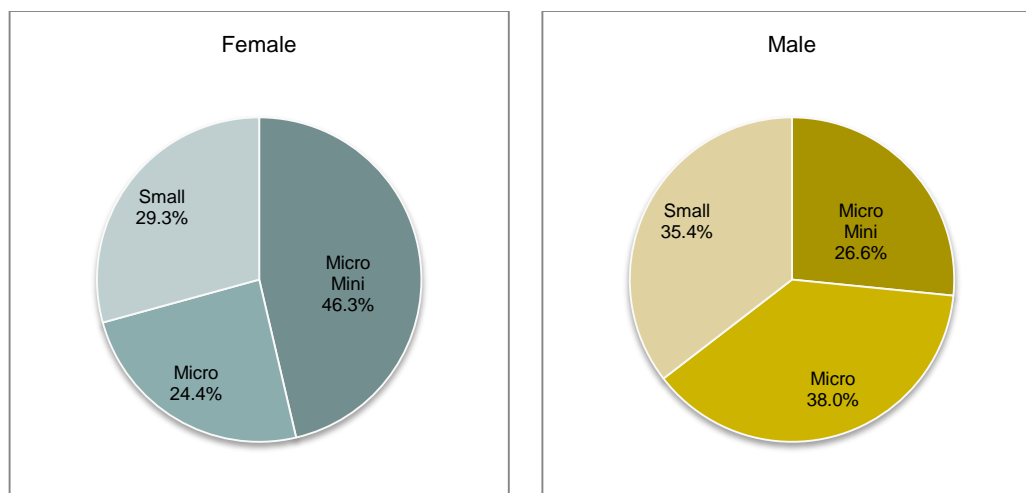


Figure 6.3: Size Breakdown of MSMEs by Sex of the Business Operators

The majority of MSME operators were of Mixed (39.2%), East Indian (26.7%) and African descent (25.0%) (Figure 6.4). The majority of African MSME operators owned mini micro businesses, while the majority of Indian MSME operators owned micro and small sized enterprises (Table 6.7).

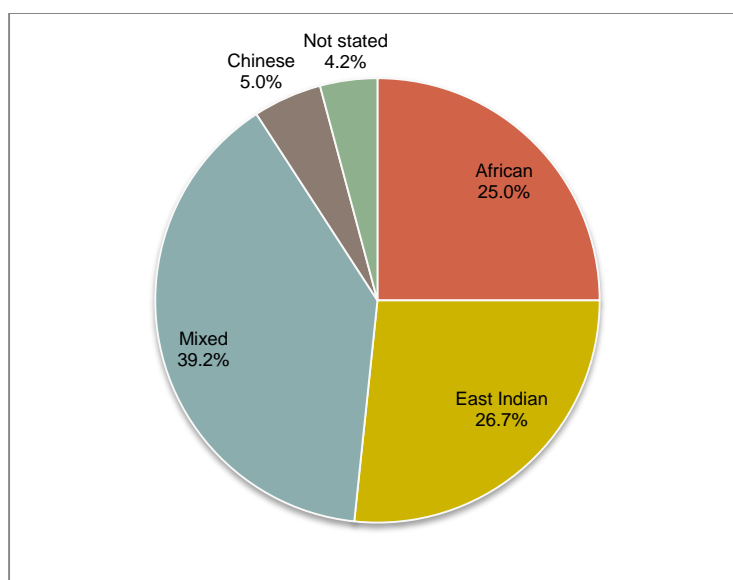


Figure 6.4: Ethnic Breakdown of MSME Operators

Table 6.7: Ethnicity of MSME Operators by Size of Enterprise

Size of Enterprise	African %	East Indian %	Mixed %	Chinese %	Not stated %	Total %

Mini Micro	40.0	27.5	25.0	2.5	5.0	100.0
Micro	22.5	25.0	42.5	7.5	2.5	100.0
Small	12.5	27.5	50.0	5.0	5.0	100.0
Total	25.0	26.7	39.2	5.0	4.2	100.0

The ethnic composition of the MSME operators in Port-of-Spain did not reflect the composition of the resident population of the City (Figure 6.5). The percentage of residents of African was twice compared to African business owners, while the proportion of East Indian business owners was more than twice the resident population. Similarly there was a higher percentage of Asian business owners compared to the level noted in the resident population.

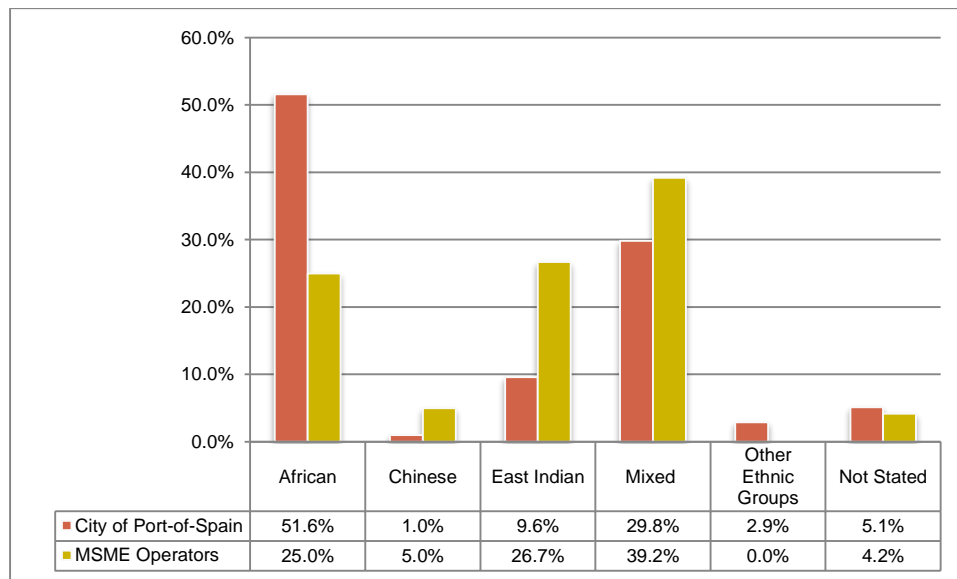


Figure 6.5: Ethnic Composition of MSME Operators Compared to the National Population

6.4.3 Legal Status

The survey showed that as much as 72.5 percent of the businesses were in operation for more than 10 years (Figure 6.6). There was no appreciable difference in the length of time the MSMEs were in existence between female operators and male operators.

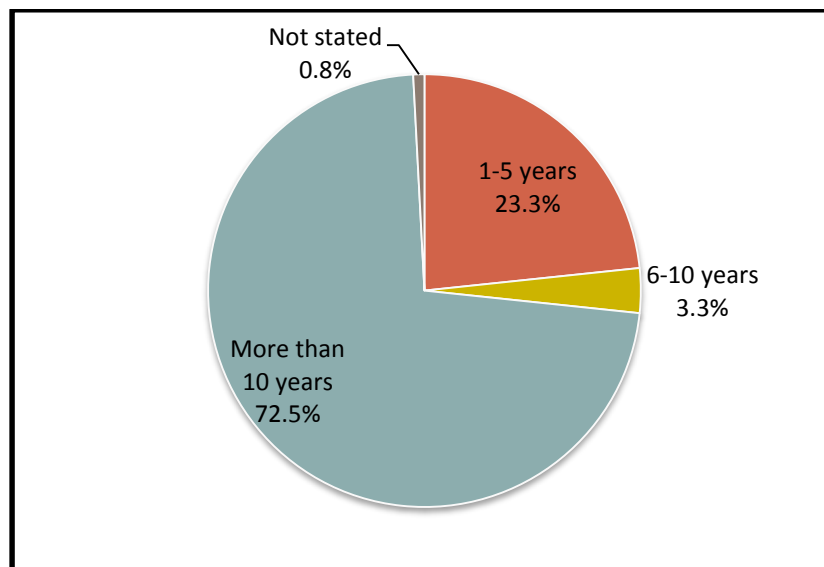


Figure 6.6: Length of Time in Operation

Table 6.8 shows the length of time mini micro, micro and small businesses were in operation. A larger percentage of mini micro-sized businesses (40.0%) were in the early stages of operation, between one and five years, compared to 15.0 percent of micro- and small-sized enterprises. On the other hand, a larger percentage of micro and small business were in operation (85.0% and 80.0%, respectively) in contrast to 52.5 percent of mini micro businesses in operation.

Table 6.8: Length of Time in Business by Size of Enterprise

Size of Enterprise	Length of Time in Business					Total
	One year or less	1-5 years	6-10 years	More than 10 years	Not stated	
	%					
Micro Mini	0.0	40.0	7.5	52.5	0.0	100.0
Micro	0.0	15.0	0.0	85.0	0.0	100.0
Small	0.0	15.0	2.5	80.0	2.5	100.0
Total	0.0	23.3	3.3	72.5	.8	100.0

Registration of businesses is encouraged by support agencies and affords business owners the benefit of State and other programmes. Non-registration or unincorporated enterprises refers to the absence of registration under commercial, tax or social security laws, professional groups' regulatory acts or similar laws or regulations established by national legislative framework.

Some 75.8 percent of the Port-of-Spain MSMEs surveyed were registered. More male-owned businesses (82.3%) were registered compared to female-owned MSMEs (63.4%) (Table 6.9).

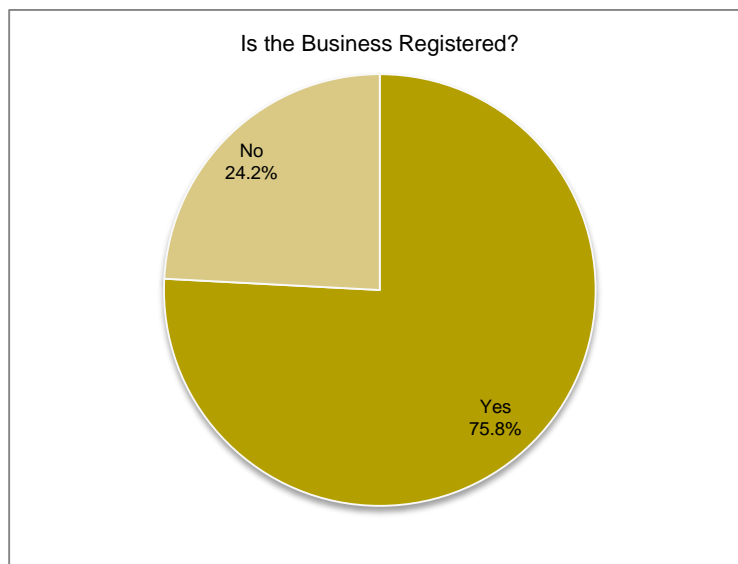


Figure 6.7: Proportion of Registered MSME Businesses

Table 6.9: Registration Status of Enterprises by Sex

Size of Enterprise	Is Business Registered			Total
	Yes	No	Not stated	
	%			
Male	82.3	17.7	0.0	100.0
Female	63.4	36.6	0.0	100.0
Total	75.8	24.2	0.0	100.0

It should be noted that less than a third of the mini micro-sized businesses were registered and therefore operate in the informal sector. While, the number of micro-sized and small-sized enterprises that were registered tripled the number of the registered micro-mini enterprises (97.5.0% each) (Table 6.10).

Table 6.10: Registration Status of Enterprises by Size of Enterprise

Size of Enterprise	Is the Business Registered?			Total
	Yes	No	Not stated	
	%			
Mini Micro	32.5	67.5	0.0	100.0
Micro	97.5	2.5	0.0	100.0
Small	97.5	2.5	0.0	100.0
Total	75.8	24.2	0.0	100.0

The data support the findings of the 2007/2008 Central Bank Study on the MSME sector which noted that the informal sector enterprises (which are a part of the SME sector) are characterised by their small size (in this case their mini micro size) in terms of employment, non-registration of enterprises and non-registration of employees, which was said to be substantial.

Table 6.11 and Figure 6.8 show the registration status of the enterprise based on the length of time that the enterprises were in operation. The older the business, the greater the chance that the enterprise being registered. Some 53.6 percent of MSMEs in operation between one to five years were registered compared to 83.9 percent of MSMEs in operation for more than 10 years.

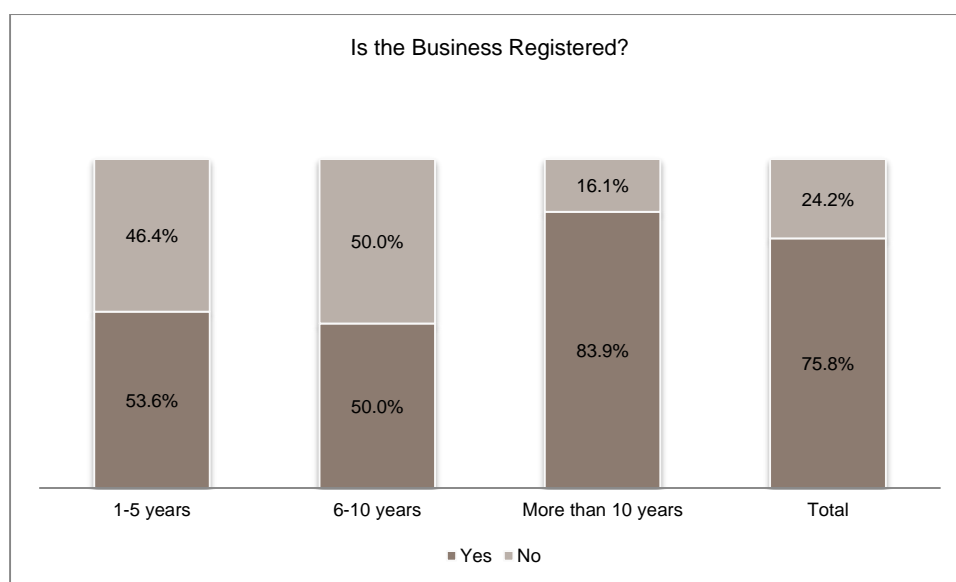


Figure 6.8: Proportion of Registered Micro, Small and Medium (MSM) Businesses by Length of Time in Operation

Table 6.11: Length of Time in Operation by Registration Status of the Enterprise

Length of Time in Operation	Is the Business Registered?			Total
	Yes	No	Not stated	
	%			
1-5 years	53.6	46.4	0.0	100.0
6-10 years	50.0	50.0	0.0	100.0
More than 10 years	83.9	16.1	0.0	100.0
Total	75.8	24.2	0.0	100.0

Though not conclusive because of the number of respondents who did not answer the question (an average of 25% of the respondents), the following patterns about the legal status of Port-of-Spain's MSMEs emerged (Figure 6.9 and Tables 6.12 and 6.13):

- The majority of MSMEs were limited liability companies (40.8%) and sole proprietary enterprises (29.2%). However, the proportion of a given type of legal business varied depending on the size of enterprise. Fifty five percent of the micro-sized enterprises operated as sole proprietors, while 75 percent of small-sized businesses were limited liability companies.
- More male-owned businesses (48.1%) were limited liability companies compared to female-owned businesses (26.8%).
- Just over two thirds of the mini-micro sized enterprises did not state the legal status of their businesses.

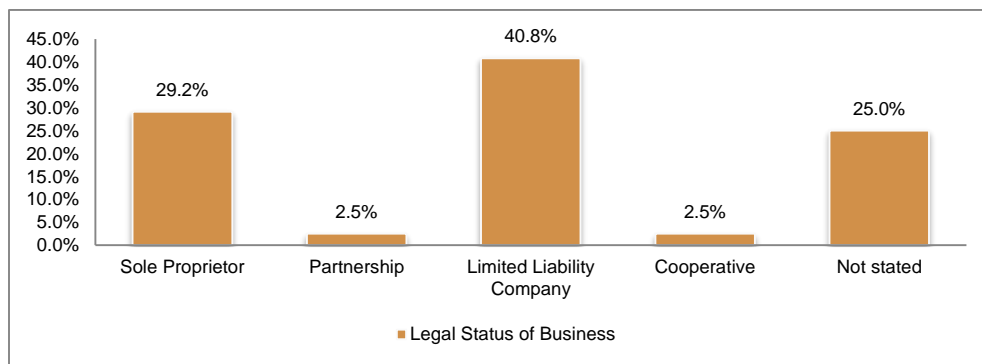


Figure 6.9: Legal Status of MSMEs

Table 6.12: Legal Status of MSMEs by Sex of Operator

Sex	Legal Status of Business					Total
	Sole Proprietor	Partnership	Limited Liability Company	Cooperative	Not stated	
	%					
Male	31.6	1.3	48.1	1.3	17.7	100.0
Female	24.4	4.9	26.8	4.9	39.0	100.0
Total	29.2	2.5	40.8	2.5	25.0	100.0

Table 6.13: Legal Status of MSMEs by Size of Enterprise

Size of Enterprise	Legal Status of Business					Total
	Sole Proprietor	Partnership	Limited Liability Company	Cooperative	Not stated	
	%					
Micro Mini	20.0	0.0	12.5	0.0	67.5	100.0
Micro	55.0	5.0	35.0	0.0	5.0	100.0
Small	12.5	2.5	75.0	7.5	2.5	100.0
Total	29.2	2.5	40.8	2.5	25.0	100.0

6.4.4 Primary Business Activities

The 2007/2008 Central Bank study on MSMEs showed that businesses were operating mainly in the distribution, construction and finance, insurance and real estate business services sectors, with the largest number of firms in Distribution. However in Port-of-Spain, Retail and Distribution (45.8%) was the primary MSME activity, followed by Non-retail Services (25.8%) and Food and Beverage (16.4%) (Figure 6.10).

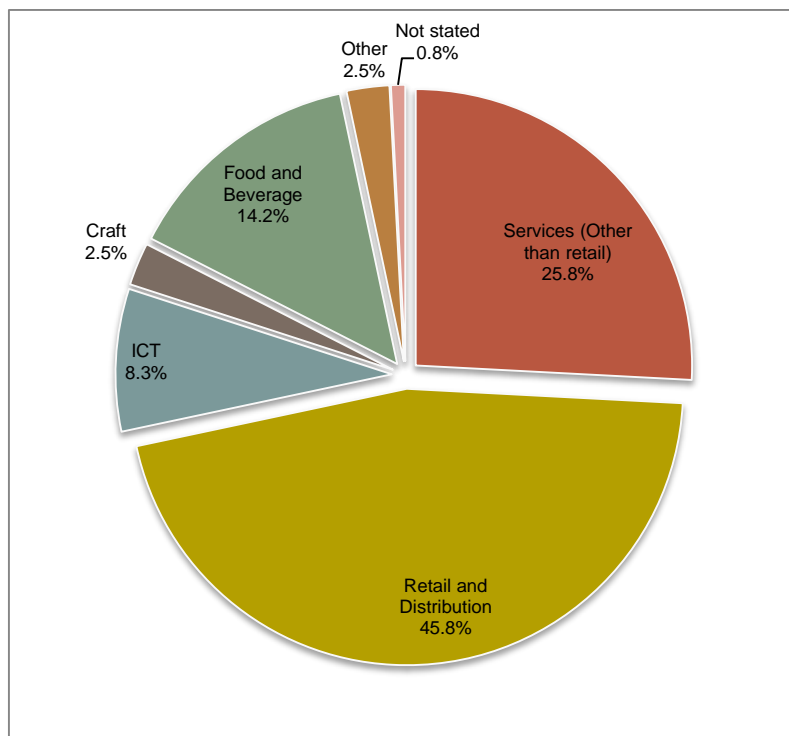


Figure 6.10: Distribution of MSMEs by Primary Business Activity

The Trinidad and Tobago Central Bank 2009 Study on small and medium enterprises (SMEs) highlighted the fact that the women business owners usually are engaged in business activities that were more compatible with their domestic and reproductive roles. Consequently, they choose businesses that are close to home, which allow them to satisfy the competing demand on their time to engage in housework and childcare.²⁹ The survey results support this general observation. The findings showed higher proportion of female-owned businesses in the traditional Food and Beverage sector (22.0%) and the Craft industry (7.3%) compared to the male-owned businesses at 10.1 percent and 0.0%, respectively. There were more male-owned businesses in the ICT sector. The primary MSM business activity by sex of the business operators is presented in Table 6.13.

Table 6.14: Primary Business Activity of MSMEs by Sex of Operators

Primary Business Activity	Category of Business		
	Female	Male	Total
Retail and Distribution	46.3	45.6	45.8
Services (Other than retail)	17.1	30.4	25.8
Food and Beverage	22.0	10.1	14.2
ICT	4.9	10.1	8.3
Craft	7.3	0.0	2.5
Other	2.4	2.5	2.5
Not stated	0.0	1.3	.8
Total	100.0	100.0	100.0

²⁹ Central Bank, 2009. Developing Viable Small and Medium-Sized Enterprises in Trinidad and Tobago: Challenges and Priorities - The Structure, Performance and Networks of SMEs in Trinidad and Tobago. Prepared by Kairi Consultants Limited on behalf of the Central Bank.

Regardless of the size of the enterprise, the three primary activities remained Retail and Distribution Services (Non-retail), and Food and Beverage (Table 6.15). In the case of micro-sized businesses ICT was an additional primary business activity. However, more mini micro-sized enterprises were engaged in Retail and Distribution (65.0%), while more micro-sized enterprises (27.5%) and small-sized enterprises (42.5%) were engaged in Non-retail Services (Figure 6.11 and Table 6.15).

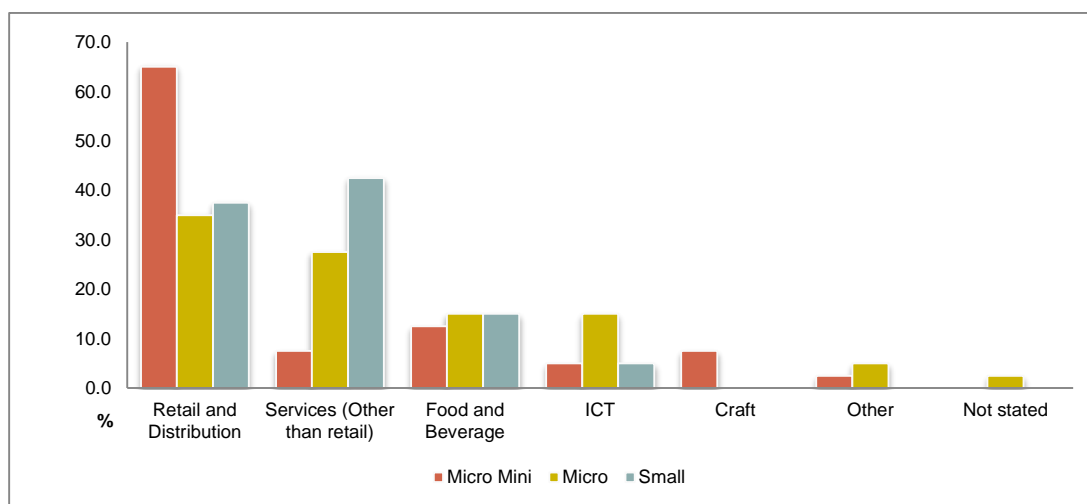


Figure 6.11: Primary MSM Business Activities in Port-of-Spain by Size of Enterprise

Table 6.15: Primary MSME Business Activity by Size of Enterprise

	Category of Business			Total
	Micro Mini	Micro	Small	
	%			
Retail and Distribution	65.0	35.0	37.5	45.8%
Services (Other than retail)	7.5	27.5	42.5	25.8%
Food and Beverage	12.5	15.0	15.0	14.2%
ICT	5.0	15.0	5.0	8.3%
Craft	7.5	0.0	0.0	2.5%
Other	2.5	5.0	0.0	2.5%
Not stated	0.0	2.5	0.0	0.8%
Total	100.0	100.0	100.0	100.0%

6.4.5 Employment

It was noted that there was no appreciable difference in the number of women employed by MSMEs compared to men. The average number of persons employed increased with the size of the enterprise, with small-sized businesses employing five female and four male non-family workers. Family labour remained a key source of labour for mini-micro and micro enterprises. Table 6.16 shows the average number of persons employed in MSMEs in Port-of-Spain based on the size of the enterprise.

Table 6.16: Employment in MSMEs by Size of Enterprise

Type of Employee	Size of Enterprise			
	Micro Mini	Micro	Small	Total
	Mean			
No of Female Family Members Employed	0.51	0.48	0.75	0.58
No of Male Family Members Employed	0.53	1.06	1.11	0.88
No of Female Non-family Members Employed	-	1.44	4.98	2.25
No of Male Non-family Members Employed	-	0.94	4.36	1.86

For most workers, secondary education was their highest educational attainment. However, the highest educational attainment level of workers increased with the size of the enterprise (Table 6.17). The larger sized businesses, the micro-sized enterprises (40.0%) and small-sized enterprises (37.5%) had more employees with tertiary level education.

Table 6.17: Educational Level of MSME Employees by Size of Enterprise

Size of Enterprise	Highest Level Education Attained by Employees					Total
	Primary	Secondary	Tertiary (non-university)	Tertiary (university)	Other	
	%					
Mini Micro	0.0	0.0	0.0	0.0	100.0	100.0
Micro	2.5	57.5	20.0	20.0	0.0	100.0
Small	0.0	62.5	25.0	12.5	0.0	100.0
Total	0.8	40.0	15.0	10.8	33.3	100.0

6.4.6 Markets and Annual Sales

As much as 65 percent of the MSMEs produced goods and/or services for their local communities (Figure 6.12). The Trinidad market (15.0%) and the national market (13.3%) were the next important markets to MSMEs.

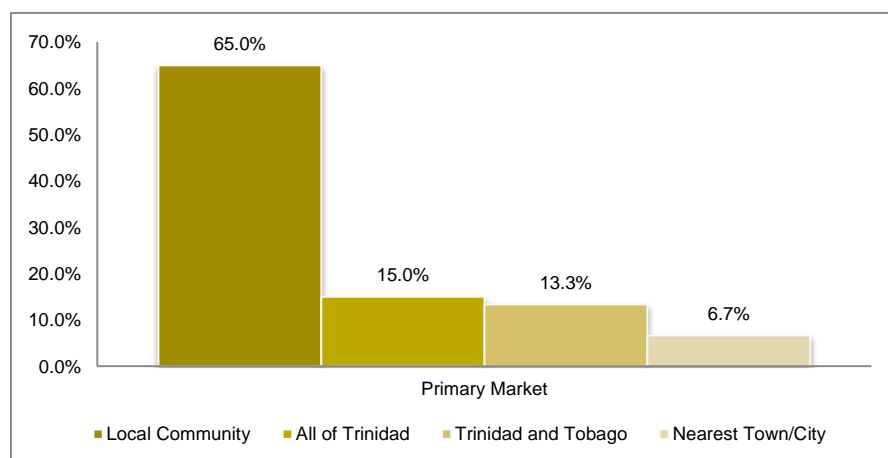


Figure 6.12: Primary Markets of MSMEs

Less than one percent of the respondents exported their products and services. However, there was moderate interest in exporting with over 30 percent of all respondents (31.7%) indicating their desire to do so. This interest increased among micro and small enterprise operators (37.5% each) compared to the mini-micro business owners at 20.0 percent (Table 6.18).

Table 6.18: Interest in Exporting by Size of Enterprise

Would Like to Export	Category of Business			
	Micro Mini	Micro	Small	Total
	%	%	%	%
Yes	20.0	37.5	37.5	31.7
No	80.0	62.5	62.5	68.3
Total	100.0	100.0	100.0	100.0

Some 65.8 percent of the total MSMEs surveyed recorded annual sales of less than TT\$100,000 (Figure 6.13). Male business operators made more sales than female owners (Table 6.19).

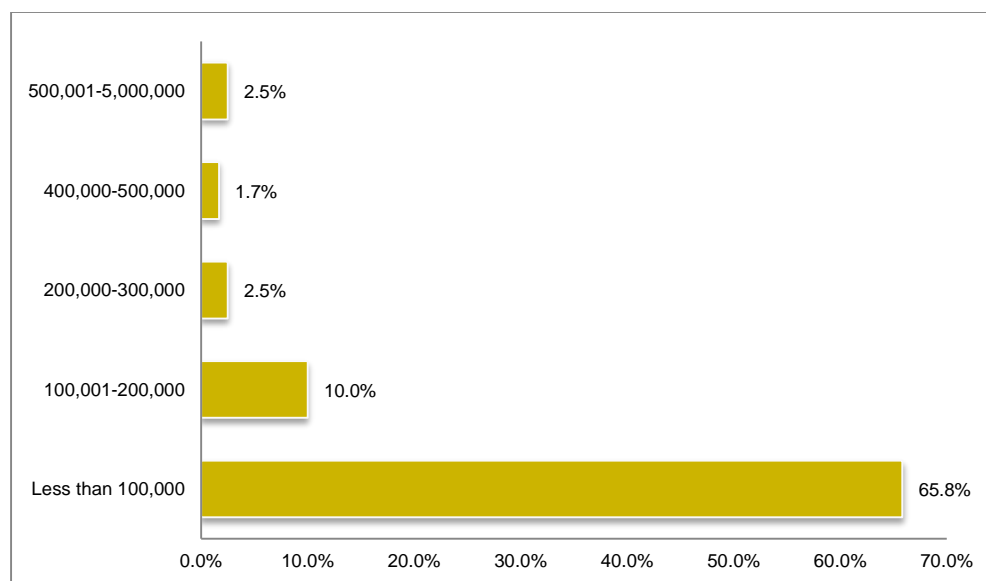


Figure 6.13: Annual MSME Sales (in TT\$)

Table 6.19: Annual MSME Sales (in TT\$) by Sex of Business Operator

Average Annual Sales of Business	Sex		Both Sexes
	Female	Male	
	%		
Less than 100,000	75.6%	60.8%	65.8%
100,001-200,000	4.9%	12.7%	10.0%
200,001-300,000	2.4%	2.5%	2.5%
300,001-500,000	0.0%	2.5%	1.7%
500,001-5,000,000	0.0%	3.8%	2.5%
Not stated	17.1%	17.7%	17.5%
Total	100.0%	100.0%	100.0%

Annual MSME sales increased with increased size of enterprise operation. Some 87.5 percent and 70.0 percent of mini-micro and micro enterprises made less than TT\$100,000 in sales, respectively. On the other hand, 40.0 percent of small-sized enterprises made less than TT\$100,000, while an additional 25.0 percent made between TT\$100,001 and TT\$200,000.

Table 6.20: Annual MSME Sales (in TT\$) by Size of Business Enterprise

Average Annual Sales of Business	Category of Business			
	Mini Micro	Micro	Small	Total
	%			
Less than 100,000	87.5	70.0	40.0	65.8
100,001-200,000	0.0	5.0	25.0	10.0
200,001-300,000	0.0	0.0	7.5	2.5
300,001-500,000	0.0	0.0	5.0	1.7
500,001-5,000,000	0.0	2.5	5.0	2.5
Not stated	12.5	22.5	17.5	17.5
Total	100.0	100.0	100.0	100.0

6.4.7 Financing and Investment

MSM businesses require financing and investment for start-up and expansion. The two key sources of funding for MSMEs were through commercial banks (51.7%) and self-financing or receiving funding from their families (31.7%) (Figure 6.14). NEDCO and NGOs were the third main supplier of financing at 5.0 percent of responses each, followed by credit unions (2.5%).

More male business operators were funded by commercial banks (59.5%) compared to women (36.6%) (Table 6.21). Mini-micro sized enterprises were mainly self financing or family financed (65.0%), while the main financing source for small-sized enterprises was commercial banks. Table 6.22 show the main sources of financing to MSMEs in Port-of-Spain by size of enterprise.

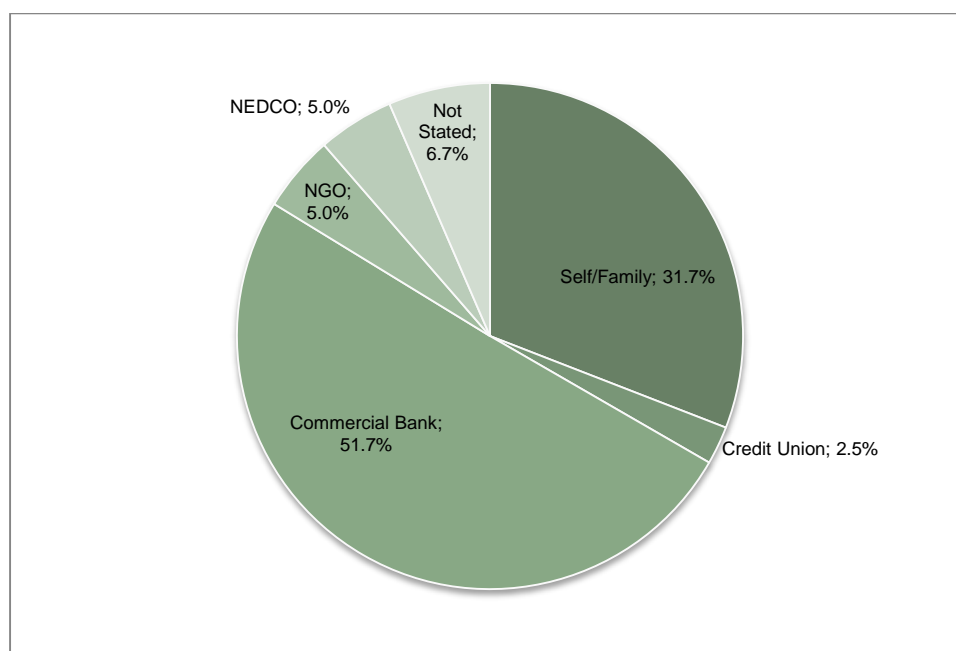


Figure 6.14: Distribution of MSME Financing Received

Table 6.21: Main Sources of Financing to Sex of MSM Operators

Source of Funds	Sex		Both Sexes
	Female	Male	
	%		
Commercial Bank	36.6	59.5	51.7
Self/Family	39.0	27.8	31.7
NGO	9.8	2.5	5.0
NEDCO	4.9	5.1	5.0
Credit Union	2.4	2.5	2.5
Not Stated	9.8	5.1	6.7
Total	100.0	100.0	100.0

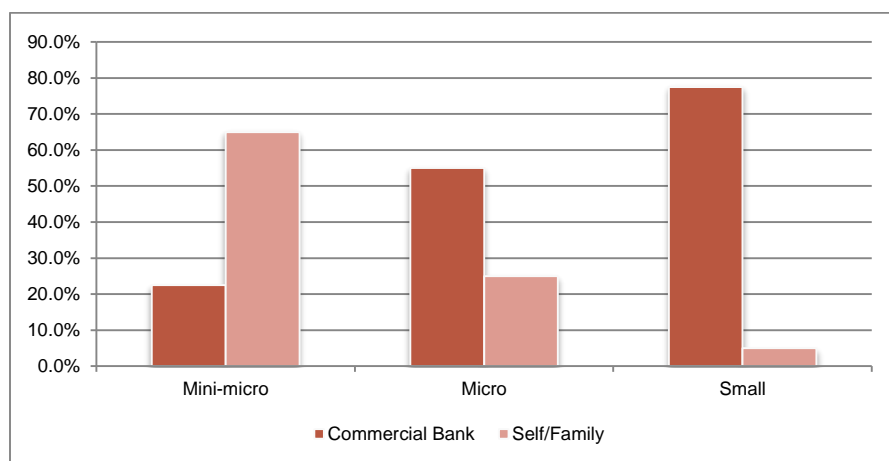


Figure 6.15: Financing from Commercial Bank and Self/Family Sources

Table 6.22: Main Sources of Financing to MSMEs by Size of Enterprise

Source of Funding	Size of Enterprise			Total
	Mini Micro	Micro	Small	
	%			
Commercial Bank	22.5	55.0	77.5	51.7
Self/Family	65.0	25.0	5.0	31.7
NGO	0.0	2.5	12.5	5.0
NEDCO	5.0	7.5	2.5	5.0
Credit Union	5.0	0.0	2.5	2.5
Not Stated	2.5	15.0	2.5	6.7
Total	100.0	100.0	100.0	100.0

Interviews with officers from business support agencies have shown that women's business choices tended to be in activities that require less experience and require lower start-up capital. This was supported by the observation that women usually borrow smaller amounts than men do, and while in some businesses the husbands/male partners represented the "public face" of their businesses, it was the women who were the actual "business operators."

Table 6.23 shows the investments in assets made by business operators. One average, 79.2 percent of the respondents invested TT\$2.0 million or less in their businesses, with 68.3 percent of respondents investing less than TT\$250,000. More female business owners invest less than TT\$250,000 in their businesses.

Table 6.23: Investments in Assets Made in MSMEs by Sex of the Business Operators

Amount Invested in Plant Equipment and Other Assets	Female	Male	Both Sexes
	%		
Less than 250,000	75.6	64.6	68.3
250,001 to 2,000,000	7.3	12.7	10.8
Over 2,000,000	0.0	5.1	3.3
Not stated	17.1	17.7	17.5
Total	100.0	100.0	100.0

The amount invested in businesses increased with increased size of operation. Some 87.5 percent of mini-micro sized businesses invested less than TT\$250,000 in plant equipment and other assets, while 32.5 percent invested between TT\$250,001 and TT\$2.0 million (Table 6.24).

Table 6.24: Investments in Assets Made in MSMEs by Size of Business Operation

Amount Invested in Plant Equipment and Other Assets	Size of Enterprise			
	Micro Mini	Micro	Small	Total
	%	%	%	%
Less than 250,000	87.5	75.0	42.5	68.3
250,001 to 2,000,000	0.0	0.0	32.5	10.8
Over 2,000,000	0.0	2.5	7.5	3.3
Not stated	12.5	22.5	17.5	17.5
Total	100.0	100.0	100.0	100.0

6.4.8 Use of the Internet

World Bank statistics showed an internet user³⁰ rate of 65.1 percent for Trinidad and Tobago in 2014 (Table 6.25). The survey revealed that 60.2 percent of MSMEs in Port-of-Spain access and use the internet (Figure 6.16). This figure is high compared to internet use by MSMEs in other municipalities. However, there is still need to promote the increased use and importance of the internet in MSMEs and reflects the need for training business operators.

Table 6.25: Internet Users (per 100 people) in Trinidad and Tobago, 2010-2014

	Internet Users (per 100 people)				
	2010	2011	2012	2013	2014
Trinidad and Tobago	48.5	55.2	59.5	63.8	65.1

Source: World Bank IBRD-IDA: <http://data.worldbank.org/indicator/IT.NET.USER.P2>

³⁰ Internet users are people with access to the worldwide network

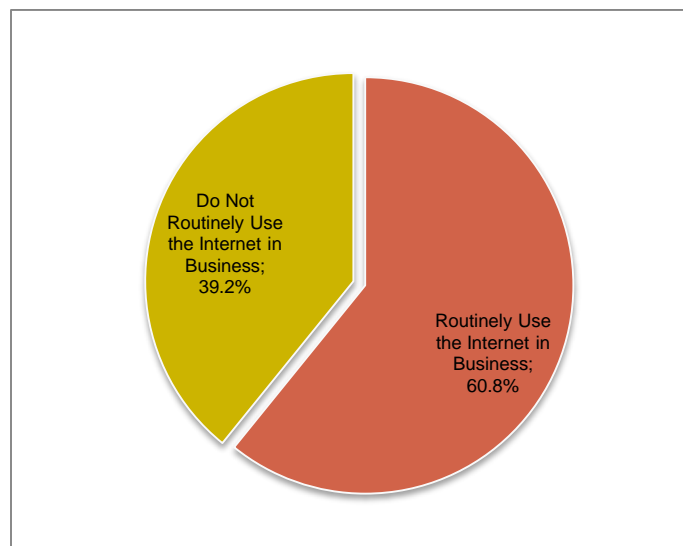


Figure 6.16: Routine Use of the Internet by MSMEs

The survey results revealed that more male owned businesses (65.8%) used the internet routinely than female-owned businesses (51.2%) (Table 6.26). The use of the internet by MSMEs increased with increased size of operation (Table 6.27). At 87.5 percent, small-sized businesses recorded the highest use of the internet compared to micro-sized businesses (62.5%) and mini micro sized businesses (32.5%).

Table 6.26: Routine Use of the Internet by Sex of the Enterprise Operator

Routinely Use The Internet in Business	Size of Enterprise		
	Female	Male	Both Sexes
	%		
Yes	51.2	65.8	60.8
No	48.8	34.2	39.2
Total	100.0	100.0	100.0

Table 6.27: Routine Use of the Internet by Size of the Enterprise

Routinely Use The Internet in Business	Size of Enterprise			
	Micro Mini	Micro	Small	Total
	%			
Yes	32.5	62.5	87.5	60.8
No	67.5	37.5	12.5	39.2
Total	100.0	100.0	100.0	100.0

Respondents mainly used the internet to send and receive emails (98.6% of users); to access market information (58.9%) and product information (53.4%).

6.4.9 Technical Support

The data showed that very few of the respondents surveyed received technical support (Figure 6.17) As much as 83.2 percent of all responses indicated that the respondents did not receive any technical assistance or training.

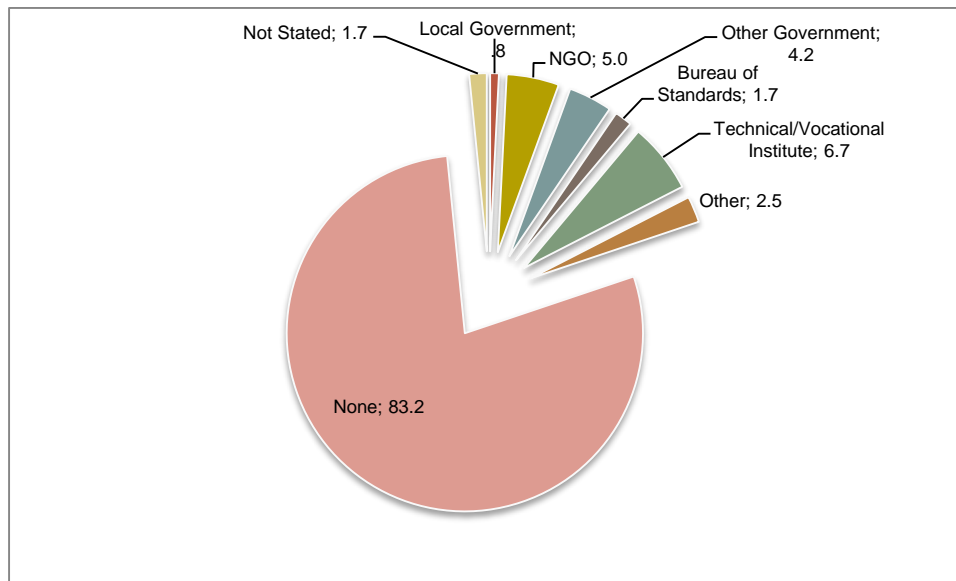


Figure 6.17: Key Sources of Technical Support for MSME Operators

More female business operators (34.1%) received support compared to their male counterparts (14.1%) (Table 6.28). Less mini-micro sized business operators (7.5%) received assistance and training compared to micro- and small-sized business operators (30.0% and 25.6%, respectively).

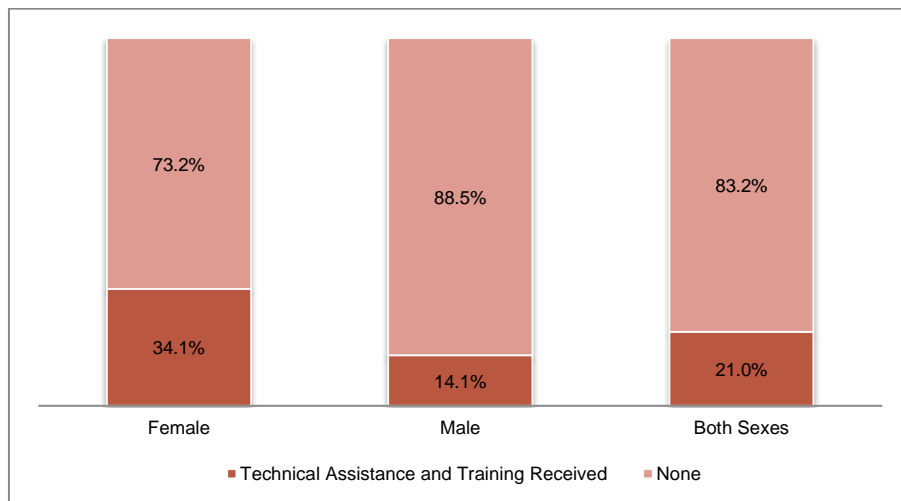


Figure 6.18: Key Sources of Technical Support by Sex of the Enterprise Operator

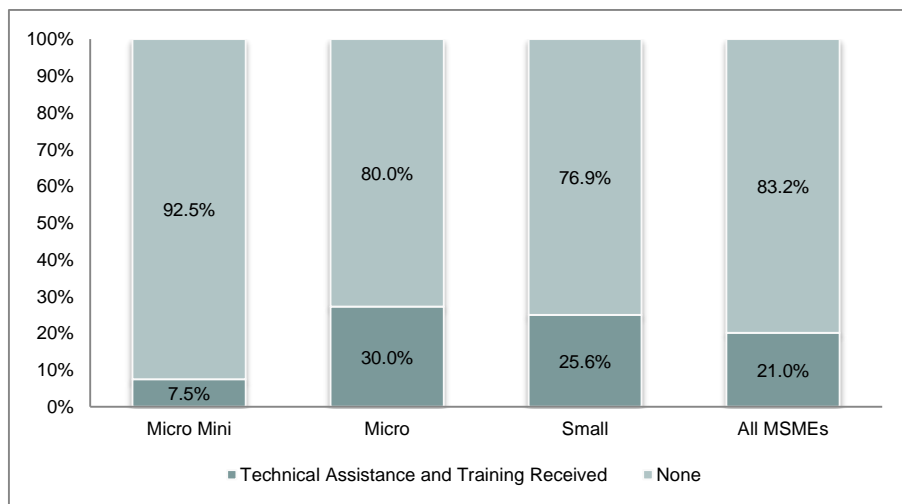


Figure 6.19: Key Sources of Technical Support by Size of the Enterprise Operation

Technical assistance and training to MSMEs cover a number of areas (Figure 6.20). The three top areas that MSMEs had received support were ICT Training (8.3); Market Access (6.7%); Skills Training (5.8%); Market Information (5.8%); and Bookkeeping (5.0%). Other areas of support identified were Business Plan Preparation; Management Training; Product Development; Quality Management; Labelling/Packaging; and Mentoring.

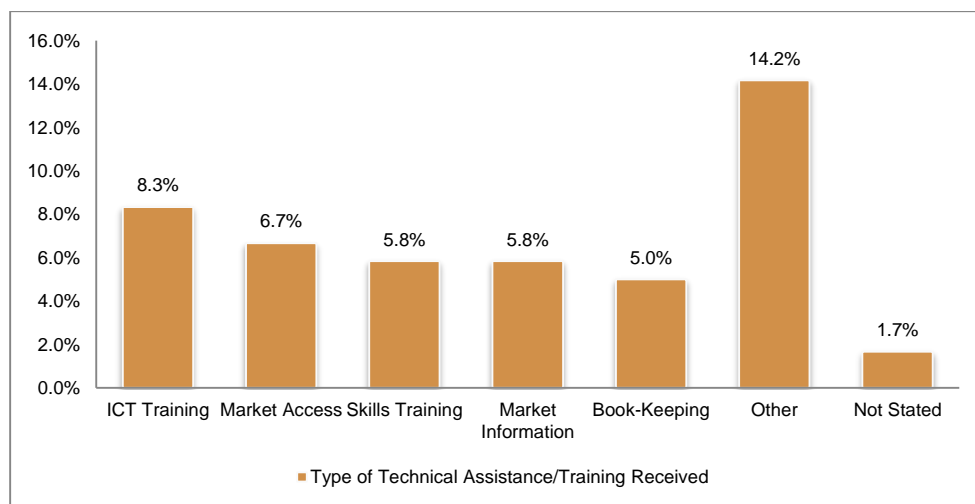


Figure 6.20: Type of Technical Assistance and Training received by MSME Operators

Mentoring is known to play a key role in start-ups and scaling-up existing enterprises. However, less than 1.0 percent of the respondents listed mentoring as an area for the support they received.

Some 38.3 percent of owners indicated that they were members of a business organisation.

6.4.10 Key Issues Faced by MSMEs

When MSME respondents were asked to rate the issues they faced (Figure 6.21), the following were noted:

- Crime, bureaucracy, government regulation and corruption were the most challenging issues faced by MSMEs in Port-of-Spain; and
- Family support, raw materials and transport and infrastructure were the least challenging issues.

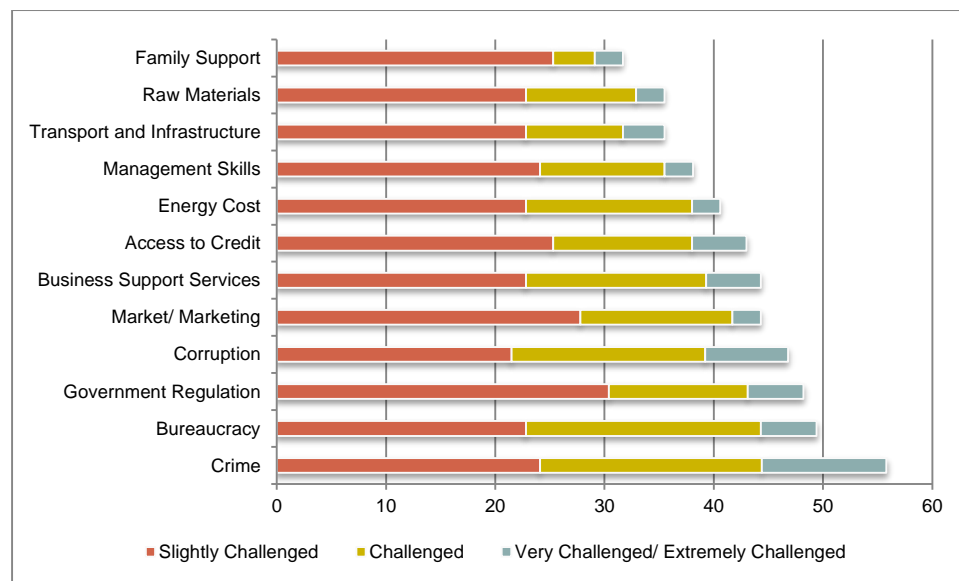


Figure 6.21: Issues Rating of Key Issues to MSME Development in Port-of-Spain

The Environment (47.5%) and Taxes (27.5%) were the two most critical regulations and procedures identified by respondents that impede business development (Table 6.28).

Table 6.28: Regulations and Procedures that Impede MSME Operation by Size of the Enterprise

Regulations and Procedures That Impede	Size of Enterprise			All MSMEs
	Mini-micro	Micro	Small	
Environment	37.5	50.0	55.0	47.5
Taxes	5.0	40.0	37.5	27.5
Licenses and Permits	2.5	7.5	10.0	6.7
Business Registration	2.5	0.0	12.5	5.0
None	62.5	35.0	35.0	44.2
Not Stated	7.5	7.5	10.0	8.3
Total	100.0	100.0	100.0	100.0

More female operators indicated that there were not any regulation and procedure that impede their business operation (Table 6.29). More mini-micro sized enterprise operators (62.5%) indicated the same compared to the operators of micro-sized and small-sized enterprises (35.0% each).

Table 6.29: Regulations and Procedures that Impede MSME Operation by Sex of the Enterprise Operator

Regulations and Procedures That Impede	Sex of Operator		
	Female	Male	Both Sexes
	%	%	%
Environment	41.5	50.6	47.5
Licenses and Permits	7.3	6.3	6.7
Business Registration	4.9	5.1	5.0
Taxes	19.5	31.6	27.5
None	53.7	39.2	44.2
Not Stated	12.2	6.3	8.3
Total	100.0	100.0	100.0

6.5 Challenges and Opportunities Facing MSMEs

With a view to explore the strengths, weaknesses, challenges and opportunities facing MSMEs, discussions were held with MSME operators and other sectoral stakeholders. Emerging from these interactions was the fact that access to finance continues to be one of the most significant challenges facing MSMEs. Though firms generally thought that there existed sufficient options for debt and equity financing in the municipality, accessing these financing options was not simple for MSMEs. Complex procedures, restrictive collateral requirements and high transaction fees generally acted as a barrier to accessing finance by enterprises of this size. Consequently, entrepreneurs relied to a substantial extent on personal savings and funds obtained from family members and friends to establish their businesses. While stakeholders indicated that they had benefitted from the services offered by NEDCO, the Agricultural Development Bank, and some government ministries, there was a consensus that greater levels of government incentives and subsidies should be available for new and growing firms.

Despite FairShare and other public sector programmes that target MSMEs, there remains the belief that Government policies, particularly those relating to public procurement, consistently favoured large firms as opposed to micro, small and medium sized firms. It was suggested that the selection process not only should result in the best firm for the job but also that firms of different sizes should have equal opportunity in the public procurement process. Stakeholders also believed that policy should be developed at both the local government and national level to promote and support the development of micro, small and medium sized enterprises. While taxes and other government regulations were applied consistently to micro, small, medium and large enterprises, it was generally thought that licensing requirements and government bureaucracy were unduly difficult for growing and new firms.

In respect of government initiatives to assist MSMEs, it was thought that a wider range of government programmes should be developed and channeled through a single government institution. A likely candidate for such an initiative could be NEDCO since it is already well positioned to provide both financial and technical assistance to new and growing firms. It was also firmly believed that there should be greater collaboration among public institutions providing services to MSMEs. Representatives within existing institutions must have relationships with key members of other institutions to ensure maximisation of the impact of government resources allocated towards the promotion of the growth and development of MSMEs in the country.

It was accepted that while certain agencies may specialise in the provision of certain services, all institutions catering to the needs of enterprises of this size must readily be available to assist MSMEs to find information needed to grow and flourish. The provision of loanable funds was thought inadequate to contribute to the development and expansion of MSMEs to a stage where they could indeed be self-sufficient and competitive. Consequently, it was agreed that loans and grants should be provided along with business support services for firms at this nascent stage of development.

Many MSMEs expressed that finding reliable labour posed a serious challenge to their business. Even though the national education system ensures free education for persons up to a first degree, it was firmly believed that teaching at the primary and secondary not only discouraged personal initiative, self-sufficiency and creativity but also was lacking in explaining the nuances of new firm creation and entrepreneurship. Entrepreneurs believed that even at the tertiary level, universities, colleges and technical institutes did not provide sound and adequate preparation for the establishment and growth of new businesses. Business owners thought that many persons with degrees may have the knowledge necessary to contribute meaningfully to a business but generally lacked the soft skills to work well in teams and the practical skills to take what was learned in the classroom and apply it to their unique working situation.

The national physical infrastructure was thought to be very propitious to the establishment and growth of new enterprises. Firms were generally satisfied with the state of the roads, utilities, communications, and waste disposal. For MSMEs, access to communication technology such as the internet, landlines or cell phones was not deemed to be expensive. Furthermore, there exists ready access to electricity, fuel and water at very affordable rates to both residents and commercial enterprises.

Social and cultural norms however were indicated as factors that do have an influence on the size of the private sector and the profile of enterprises observed throughout the country. While it is believed that the national culture is indeed supportive of individual success, it is not believed that it places significant emphasis on personal initiative, autonomy nor self-sufficiency. It is believed the average person in the country is averse to entrepreneurial risk taking, while the more affluent in society are encouraged from a very young age to enter into entrepreneurial endeavours.

Having the appropriate skills is a valuable tool for MSME start up and development. Stakeholder agencies noted that often business owners start their businesses with a high level of enthusiasm, without fully understanding what is required or having the necessary knowledge and skills to successfully operate a business. There is need for easily comprehensible programmes, which cover a wide range of topics (e.g. micro and macroeconomics, finance, accounting, marketing, human resources, etc.) that would make operators competent and give them the confidence to run a business.

While a range of technical and vocational courses is now widely available to the public stakeholder agencies spoke about high dropout rates. There has been little research in Trinidad and Tobago to understand the attitudes of women and men and what motivates them to spend time engaged in education and training. Moreover, given the high dropout rates observed by some providers, it is equally important to understand the reasons why participants withdrew from the programmes and how that influences the entrepreneurial process. Both service providers and stakeholders in low-income communities spoke of the problem of illiteracy and innumeracy, which sometimes makes it difficult for

participants to follow and understand the training materials. For some, completing a business plan can be a futile effort.

MSME owners who have accessed successfully the loans and grants spoke of the need for more mentoring programmes particularly during the initial start-up period and of having MSME business networks and fora that they can turn to during difficult times. Such networks are recognised as critical to businesses operated by women and the vulnerable groups.

Entrepreneurship education should go beyond the business development training now available to include personal development and entrepreneurial skill development.³¹ Very few education and training institutions emphasise or have such programmes available. Beyond the development of the individual entrepreneur, there is need to focus on the development of society and the “supply side” for enterprise. It is important to develop awareness and social acceptance of entrepreneurship. The media can play a crucial role in this regards in delivering positive message about enterprise and entrepreneurship.

In addition, the City Council should develop programmes and work with schools and communities in supporting and promoting local economic development and individual, school and community-led entrepreneurship. The City Council can work directly with business development institutions (such as YTEPP Ltd, UWI, UTT, Lok Jack GSB) in collaboration with local groups (the Chamber of Commerce, Churches, community organisations, etc.) in developing programmes aimed specially at fostering local entrepreneurial development, including the development of local entrepreneur networks. It is also important for the Council to set up areas where reading materials (publications and journals) are available for use to expose locals to new ideas, materials and methods in their given areas of interest.

While the women were aware of some of the agencies involved in supporting business development, very few during the discussions knew about their various programmes and how to access them. In few cases, where women did establish businesses, they faced several challenges including the inability get support in accessing markets and financing. Women spoke of their experience in preparing business proposals/plans which they felt was a difficult exercise even with the guidance of a qualified tutor. Though NEDCO has simplified the start-up planning process, this remains an issue because of lack of awareness and continued poor experiences with the agency. Indeed, some women acknowledged that they either abandoned the task of opening a business altogether or opted to start their business without the financing they needed. Another major gap in business support provisioning identified was the lack of financing facilities for producer cooperatives.

³¹ Personal development involves life skills training to build confidence, motivate progress, strengthen the entrepreneurial mindset and to foster a desire to achieve and inspire action. Entrepreneurial skill development includes training in social skills, networking, creative problem solving, opportunity seeking, selling, interviewing, presentations, group leadership, community co-operation, dealing with bureaucracy, local cultural norms and how they affect business, etc.

The coming on stream of the Women City Centres Programme in Trinidad and Tobago will see the development of one of the centres in the Port-of-Spain region which is geared at providing multiple services to women in the city and beyond. A number of entrepreneurial development and training services are proposed to be offered as part of the centre's portfolio of services.

Chapter 7

Local Governance in Port-of-Spain

7.1 The Prevailing Local Government System

Local government is single-tiered system in both Trinidad and Tobago, with Trinidad divided into 14 municipalities governed city/borough or regional corporations. The Municipal Corporations Act and the Tobago House of Assembly (THA) Act comprise the principal legislation governing the country's local government system. Unlike the THA, the Municipal Corporations in Trinidad is not enshrined in the Constitution in Trinidad and Tobago. However, the Municipal Corporations Act No. 21 of 1990 provided for the establishment and operation of the Municipal Corporations. Over the years, the Act has been amended several times, the last amendment being in 2013. This Act, which granted corporate municipal status to all Local Government bodies in Trinidad, and as amended in 1992 (the Municipal Corporations (Amendment) Act No. 8 of 1992), provided for the two City Corporations, three Borough Corporations and nine Municipal Corporations. Each Municipal Corporation is accountable to the Ministry of Rural Development and Local Government which provides oversight and policy directives.

Under Section 269 of the Municipal Corporations Act 1990, the Minister of Rural Development and Local Government can give general or specific directions to Municipal Councils in relation to government policy on any matter. The Minister can also promote effective and equitable partnership between Central and Local Government in the development of socioeconomic growth, balanced sustainable development and social welfare; and acts as adjudicator in cases of disputes between Municipal Corporations.

Like the other 13 Municipal Councils in Trinidad, the Act gives powers to the Port-of-Spain City Council, which acts through the Chief Executive Officer (CEO), Senior Officers and Staff of the City Corporation. The City Council, which comprises seven councillors and four aldermen, is responsible for a range of key functions within its municipal jurisdiction, from the development and maintenance of selected roads, bridges, footways, drains, public buildings and structures, the maintenance of markets, slaughterhouses, pastures, commons, recreation grounds or public cemeteries and recreational grounds; the distribution of truck-borne water; solid waste collection; public health, to municipal policing.

The Ministry's key functions as it relates to the Corporations include the oversight of finances from Central Government; monitoring and evaluation, adjudication; technical services in regards to engineering and project management; drafting legislation that affects local government; and developing policy directives. Each year, the Corporation prepares and submits capital expenditure

estimates and an income and expenditure budget to the Ministry of Rural Development and Local Government and the Ministry of Finance for approval.

7.2 Local Government Reform

The GORTT has promoted in recent years, the idea of devolution through the development of growth poles and the alignment between national priorities and regional priorities within the 14 local government jurisdictions and the House of Assembly in Tobago, as well as with the 585 communities identified throughout Trinidad and Tobago. In its Medium Term Framework, the Government had pledged to transform “Local Government Services through the devolution of authority from Ministries to ensure increased efficiency.”³²

The mission of the 2009 Local Government Reform programme was to facilitate the transformation and modernisation of local communities by empowering citizens to participate in the decision making process. To achieve the mission, six key focal areas were identified: Municipal Management, Economic Development, Social Services, and Environmental Management and Resilient Communities.

The reformation process called for a number of measures to be implemented including:

- 1) New Local Government Legislation that would introduce an Executive Council System and mechanisms for greater citizen engagement and participation in the decision making process;
- 2) The rationalisation of Local Government and Central Administrative boundaries through the reduction of the number of Local Government Bodies, physical alterations to exiting boundaries and the creation of Central Administrative Districts;
- 3) Corporate restructuring of the ministry of local government and municipal corporations; Human resource development and institutional restructuring;
- 4) Introduction of local area regional planning and development;
- 5) Improvements in the information communication technology and communications; improved waste resource management, and disaster preparedness and management;
- 6) Strengthening of municipal/community policing system; and
- 7) Development and establishment of standards and monitoring and evaluation mechanisms.

The draft White Paper on Local Government Transformation and Modernisation, prepared in 2013, identified a number of critical issues and recommendations, similar to the earlier 2009 white paper, to transform and modernise the Local Government system. The Local Government system proposed was expected to exhibit certain core features:

- It must be people focussed aimed at addressing the needs and aspirations of communities and ensuring their involvement in policy development, decision making and operations of their Municipal Corporation.

³² Ministry of Planning and the Economy, 2011, Medium-Term Policy Framework 2011-2014, Government of Trinidad and Tobago, pg. 19.

- Good Governance systems and structures must be established that would promote accountability, transparency, responsiveness, equity and value for money expended.
- Increased use of Information Communication Technology that would allow residents to access information and services online.
- Participatory planning and development must be institutionalised in order to pursue development in accordance with the views, aspirations and support of communities.
- Emphasis to be placed on municipal policing security and the development of community capacity for peace, social cohesion and civil existence.
- Modern organisational and structures, systems, mechanisms and business processes to be instituted to improve managerial efficiency and effectiveness.³³

In moving forward toward this new local government system, a number of strengths in the current system were identified that needed to be built upon to create better system that improves delivery, accessibility and sustainability of public goods and services to burgesses. However, several weaknesses were identified and needed to be addressed to achieve this new local government system (Box 7.1).

Box 7.1: Strengths and Weaknesses in the Current Local Government System

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> □ Local infrastructure and services have been developed over the years and communities have been involved in a number of projects; □ Communities have a contact or point person (Councillors and Chairmen) to whom they can voice their concerns; □ It brings government closer to the people; □ Some burdens and responsibilities have been lifted from Central Government, the responsibility for managing affairs and development have been placed at the local level; □ Citizens have gained greater access to public goods and services; and □ Some level of employment relief has been created at the community level. 	<ul style="list-style-type: none"> □ The legislative framework is inflexible and not adaptable to change; □ Strict bureaucratic structure; no political and administrative authority given to local authorities; □ duplication of services; □ Lack of funding for State mandates and regulations; □ Inadequate human resource, accounting, auditing, fleet, asset, project and performance management systems; □ Non-existent quality control measures; □ Lack of cohesion, planning and economic development at the local level; □ Conflicting goals between national and local needs for budgeting; □ Lack of Information Communication Technology platform which hinders effective instantaneous communication; □ Community participation and involvement are limited; □ No sustainability in the delivery and access to public goods and services at the local level; □ Officials tend to be part-time and turn over quickly, usually due to a lack of incentives to remain; □ Inadequate training; □ Lack of vision and strategic thinking by councils; □ Lack of passion by Councillors in fulfilling their mandates; □ Very slow rates of implementation; □ Non-existence of LED programmes to facilitate self-sufficiency; □ Constant conflict and lack of trust between Council and Administrative Staff; and □ Inertia in dealing with customer complaints.

Source: Ministry of Local Government, 2013. Draft White Paper on Local Government Transformation and Modernisation

³³ Ministry of Local Government, 2013. Draft White Paper on Local Government Transformation and Modernisation; 89pp.

The recently elected Government has pledged to transform the existing structure, firstly by adding the portfolio of the Rural Development to the Ministry of Local Government, and will undertake a number of measures. It will namely:

- Amend the Municipal Corporation Act to give Local Government what is now enjoyed by the Tobago House of Assembly;
- Ensure that as a matter of policy that first preference for the award of contracts for work done by Local Government bodies is given to contractors and service providers from within the geographic boundaries of the Corporation, rather than outside, thus stimulating local economic activity and construction capacity, as well as the development of skills within local communities.
- Provide the local government bodies with additional responsibilities as it relates to planning and building approvals for dwelling houses, simple buildings and small development, thereby decentralising the approval process.

In effect, the new Government seeks to expand the authority of local government and to relinquish some of the controls previously exercised from the central level.

7.3 Local Economic Development and Local Government

Local Economic Development is one of the most recent efforts to enhance the developmental role of Local Governments. It is a critical avenue for empowering local authorities to implement projects aimed at poverty reduction and increasing individual and household incomes. It provides opportunities for local governments, the private sector, civil society and communities to establish partnerships to mobilise and manage locally and externally accessible resources to stimulate the municipal economy. LED recognises the competitive advantage of a given area and in this case, Port-of-Spain.

The 2013 White Paper promotes the LED as a means to facilitate and stimulate economic development at the community, sub-regional and municipal levels geared at employment generation, self-employment and MSME creation and the coordination of sectoral development. The recommendation is for the establishment of Local Economic Development Units (LEDU) within each Municipal Corporation, led by an Economist. A Municipal Stakeholder Advisory Council (SAC) is proposed also to guide the work of the Unit. The City Council is expected to prepare and implement a three-year Strategic Plan and Action Plan aimed at stimulating LED in the municipality. The Paper also proposes the establishment of a LED fund to facilitate public private partnership (PPP) ventures.

Local economic development in Port-of-Spain should be closely linked to the proposals and programmes proposed in the Strategic Planning Framework for Metropolitan Port-of-Spain (consisting of the municipalities of Diego Martin and San Juan/Laventille and the City of Port-of-Spain). Consideration must also be given to the proposals outlined in the East Port-of-Spain Strategic Plan. This plan, prepared in 2010 represents the expressed views of burgesses. Unlike the other municipal jurisdictions where a municipal investment plan was prepared for each region as a means of implementation of the Development Plan, an implementation plan was developed in 2011 outlining the land use strategies and planning policies for the City. The City Council was expected to implement selected projects within this plan as part of the annual financial year. This plan was expected to be revised and updated annually and financing sought for proposed development projects through the annual budget and through other sources.

Port-of-Spain Municipal plan identified 10 projects to be conducted, one in each electoral district (Table 7.1).

Table 7.1: Proposed Projects by Electoral District

Project	Components	Priority					Timing
		Technical and Legal Readiness	Cost	Advances Concept	Requires Local Area Plan	Stakeholder Priority	
Downtown	1. Pedestrian	√	Low	√		√	Immediate
	2. Landscaping	√	Low	√		√	Immediate
	3. Densification		Med	√	√		Short term
	4. Implement traffic system		High		√		Med/long term
Woodbrook	1. Local area plan	√	Low	√			Immediate
	2. Acquisition of lots and design	√	Med	√			Immediate
	3. Building houses		Med	√	√		Short term
	4. Implement traffic system	√	Med	√	√		Med/long term
Docklands	1. Develop transfer industrial estate		High	√			
	2. Local area plan	√	Low	√	√		
St James	1. Local area plan	√	Low	√			
West Port-of-Spain	1. Local area plan	√	Low	√			
Newtown- St Clair – Western Uptown	1. Local area plan with CDP status for parkway	√	Low				
	2. Acquire parking lots	√	Med	√			
	3. Design and build high density housing		Med	√	√		
Belmont	1. Define a try out area	√	Low				
	2. Acquire inner block space		High		√		
	3. Refurbish surrounding streets		High				

Project	Components	Priority					Timing
		Technical and Legal Readiness	Cost	Advances Concept	Requires Local Area Plan	Stakeholder Priority	
Central Market	1. Local area plan	√	Low	√			Med/long term
Sea Lots	1. Develop transfer industrial estate		High	√	√		Med/long term
	2. Local area plan	√	Low	√			Med/long term
Gonzales	1. Utilities and access	√	Med				Immediate

The status of each of these projects could not be ascertained. There has been no review or updating of the MDP since their initial development.

7.4 Caribbean Local Economic Development Programme

CARILED has been inspired by the experience of the Federation of Canadian Municipalities. The Federation is the “national voice” representing the vast majority of the municipal population of Canada. The membership includes Canada’s largest cities, small urban and rural communities and 19 municipal associations and has been functioning since 1901.³⁴ The Federation is thus steeped in the philosophy of federalism and in the advocacy of deep involvement of people in the planning and premised on a participatory process involving communities, civil society organisations and the private sector in partnership with local governance authorities or local government.

CARILED Initiatives in the Caribbean have involved:

1. Helping communities establish and manage committees of government, private sector and community representatives to lead local economic development.
2. Increasing the capacity of local governments (and decentralised agencies of central governments) to facilitate private-sector growth in a sustainable and equitable manner.
3. Strengthening the ability of local government officials to engage civil society in local economic development planning and implementation.
4. Collaborating with business support organisations and educational institutions to provide training to micro, small- and medium-sized enterprises.
5. Funding pilot LED projects with the potential to show how local governments, the private sector and communities can work together to create jobs, increase micro-, small- and medium-sized enterprise revenues, and bring economic and social benefits to communities

³⁴ <http://www.fcm.ca/home.htm>

6. Working with national governments, local government associations and regional organisations to replicate good practices and successful LED models, and institute policy reforms to support LED.

The partnerships provide for the harnessing of local resources, encouragement of investment and the stimulation of local commercial activities including the involvement of micro, small and medium-sized enterprises. The experience is that local commercial activities contribute to job creation, business development and improved quality of life for citizens.³⁵

Adoption of CARILED represents signalling of decentralisation and further devolution in economic planning and more particularly in implementation in the Trinidad and Tobago context, will require further changes in the existing legislation in the Act establishing the Municipal Council and Regional Authorities.

³⁵ <http://cariled.org/about-led/definitions/>

Chapter 8

Recommendations for Local Economic Development

8.1 Development Issues

The Manifesto of the newly elected Government, proposes to amend the Municipal Corporation Act to give Local Government Corporations greater autonomy and authority more in keeping with what is afforded to the Tobago House of Assembly. This greater autonomy will involve a formal consultative process that brings to the table with the City Council a wide array of stakeholders. While local Government elections involves burgesses resident in the boundaries of Port-of-Spain, the stakeholders in the physical space of the City represent a much wider group of interests. In effect then, the City Council presides over the needs and the requirements of the burgesses of Port-of-Spain, businesses operating in Port-of-Spain, NGOs and CBOs that are engaged on the ground in the various areas of the city as well as the central state agencies located in the city.

The Council is also in the business of making the city attractive as an element in the tourism product of Trinidad, but also in the competition to attract certain kinds of activities and events in competition with cities in other parts of the region and of the world. While the national Government may formally place on record the application of the country for headquarters for various international agencies, it is usually the City of Port-of-Spain identified as the host location.

The Council is presiding over communities that are among the highest income districts in the country, as well as some which are among the most deprived and marginalised. East Port-of-Spain, Belmont, Gonzales and Sea Lots border with Laventille and altogether, they comprise the areas with one of the highest levels of murders, evidence of gang violence and drug-related crimes in the country. Also, the population of these communities has lower levels of educational attainment and is more reliant on elementary occupations than in other parts of Port-of-Spain. The Council has to be sensitive to the fact that there are vast disparities among its communities, with the richest and the most deprived residents cohabiting in the city. Moreover, the city of Port-of-Spain has attracted and has among its residents the largest number of the homeless and street-dwellers in the country. In the following, the necessary initiatives are outlined in support of the development of local economic development in the city of Port-of-Spain.

8.1.1 Human Resource Development

A dynamic urban environment creates opportunity for employment and for the emergence and development of entrepreneurs. However, large swathes in the marginalised communities find themselves unable to participate except at the lowest rung of the economic pyramid, and remain confined to low income and dead-end employment or compete in informal self-employment sharing

work in sales as itinerant operators. Given the educational and training deficit in population in the lower income districts, it behoves the City Council to engage with national institutions in the development of programmes and in the promotion of access to young people and also to mature persons of working age in these communities.

Young males should be a major focus of such programmes given their vulnerability to social pathologies. There are institutions like the Cipriani College of Labour and Cooperatives, UTT, COSTAATT and the unit in the Ministry of Education with responsibility for Adult Education that might be enlisted to cooperate with the City Council in this regard.

There are also NGOs and CBOs that can contribute to this effort at educational upgrading – WABY, the Morris Marshall Development Foundation, and the East Port-of-Spain/Laventille Community Council are examples. Community facilities, homework centres and other premises can be supplied with internet access to afford on-line education to communities through Massive Open Online Courses (MOOCs).³⁶

8.1.2 Safety and Security of the Citizen

Safety and security are vital as part of the social infrastructure of the City. The high levels of crime and violence in parts of the city weigh heavily on the costs of doing business. Safety and security of the citizen have to be high on the agenda of the City Council. The universal placement of cameras and their recording of all movement have to be part of the hardware infrastructure of the City Council. This is not a matter to be left entirely in the hands of the national authorities. The Council has a vested interest in raising the profile of the city to that of being one of the safest places in the Caribbean. This would allow it to become a place to be visited by tourists and an ideal location for residing, both of which features are positive for business development.

8.1.3 Traffic Management

Effective traffic management arrangements are a necessary component of the infrastructure of Port-of-Spain. The City Council has made some headway in reducing the incidence of indiscriminate and illegal parking in the city by the introduction of wrecking services. Cooperation with the authorities at the central government level can lead to improved bus and ferry services for the large work-force that enters the city to work and go to school on a daily basis. The introduction of a Rapid Rail system is a medium term solution for Trinidad's traffic problem. In the short-term, the city may need to introduce its own controls, through the banning of vehicles from certain streets in the city, buses only streets during certain times of the day on some streets, and encouragement of walking among the population, in part as well, as the City's contribution to the reduction in carbon emissions in the city.

³⁶ Trinidad and Tobago has developed an arrangement with COURSERA. The people in communities like East Port-of-Spain should be allowed access. <http://www.bbc.com/news/education-27610828>

8.2 Strategic Sectors

8.2.1 Professional Services

The city has had a long history in attracting firms engaged in the supply of professional services. Specialist professionals as doctors, attorneys, architects, engineers, financial analysts, brokers, insurance agents, and a host of others have their practice in Port-of-Spain. The City Council has to make special efforts to continue to attract such personnel, by putting appropriate measures in place. Many of these firms are small in terms of the numbers involved, but together they are a large number and help set the tone for the city. They earn high incomes and some of this is spent in the city itself generating income and higher rents for the spaces that they occupy, including income to the businesses that serve their needs.

In addition to the professional firms run by non-residents which may be encouraged to establish in the City, the Council might consider as well provision of support for establishment of small firms of young professional groups from among residents of Port-of-Spain, and especially from among the communities that have remained marginalised. This might well lead to the “gentrification” of some of these communities with the development and self-actualisation of those who would previously have been destined to low level employment in elementary occupations.

8.2.2 Tourism

The city is already a port of call for cruise ships on tours of the Eastern Caribbean. There is substantial business tourism. With the greater interest shown by the Government, in recent years, in the diversification of the economy and in the role that tourism can play in this regard.

There is an opportunity for Port-of-Spain to differentiate itself in this market, having regard to its colourful history, and the historic buildings that have survived into the present. There are the cultural festivals for which Port-of-Spain is the main stage, including the Trinidad Carnival which has spawned or given character to the largest outdoor festivals in the North Atlantic where Trinidad and Tobago migrants went in the latter half of the 20th century – Notting Hill Carnival in Britain, Caribana in Canada, and Labour Day in New York, USA.

It is the responsibility of the Council to create and maintain the city’s Carnival Museum, having regard to what Port-of-Spain has contributed to festivals in the world at large. There is little by way of formal display of costumes and absence of video recording in the control of the City Council such that locals and tourists can experience Carnivals throughout the years in visiting the City. This can be an important product in its repertoire, which will be some of the fare in its tourism offering, and remains an untapped resource.

The Council can take better advantage of the opportunity of supporting a presence in the growth of the tourism industry being promoted by the national Government. With appropriate complementary investment, it can stimulate the industry through smaller establishments within the municipality with all the attendant off-shoots to the industry with a number of income earning opportunities that will arise. In addition to accommodation, there are prospects for restaurants, tour-guiding, and entertainment.

8.2.3 Cultural Expression

The city is also at the centre of the annual Carnival Festival with the parade of bands on the two days of Carnival and is also the venue for the Steelband, Soca and Calypso competitions. The Emancipation Day Parade commemorating the end of slavery is also celebrated with fanfare in Port-of-Spain. The Hoosay, is a religious observance with its roots in Islam that is held in St. James.

It is the centre of Trinidad Festival Tourism. There is need to exploit this capacity, for the tourism potential and the City Council has to play a greater role in all of this, and to become proactive, rather than being responsive passively to the demands of participants in these festivals and commemorative events. These festivals create opportunities for businesses including MSMEs. The Council admittedly provides space for sale of food, drink and entertainment, but can do more to situate the City and its culture in the tourism product of the country.

8.2.4 Commerce and Distribution

The city of Port-of-Spain has had a dominant presence in commerce and distribution in the country over the centuries. While new centres have emerged in recent years, conscious policies can allow the City to retain a presence in this area of economic activity and afford the development and expansion of MSMEs in this historic emporium. In addition to serving the needs of the resident population, the city is a market for the rest of the country in respect of certain goods and services, and also serves visitors from the Eastern Caribbean countries, Guyana and Suriname, and Venezuela, in addition to tourists visiting from the rest of the world.

The Government consciously promoted facilitation of language competence in Spanish in the last decade when initiatives were afoot to secure the headquarters for the Free Trade Area of the Americas. The shift in the global economy will lead inexorably to deepening links between Trinidad and Tobago and Latin America. It is in the interest of the country to ensure that the citizenry at large develops competence in Spanish at the very least. The City of Port-of-Spain can resume the lead set by the Government and encourage its citizens, and especially those involved in business and commerce, to advertise their establishments with “Aqui, se habla espanol.”

An important factor in putting Port-of-Spain at the highest end of the system of Commerce and Distribution for the country will be better management of the Central Business District than is now the case. This will involve:

- An improvement in sanitary conditions, including the provision of public conveniences in different parts of the city;
- Waste disposal bins across the city and strict enforcement of penalties for littering;
- Improved traffic management, with no parking zones on most streets and the full pedestrianisation of certain streets;
- Licensing of areas for open air vending and enforceable removal of unauthorised vendors;

Support for the development and expansion of commercial and distributional activities will require enlisting support by the City Council of agencies involved in the provision of credit and training in entrepreneurship, micro and small business development.

8.2.5 Energy Related

The Energy Sector is highly capital-intensive and is not a generator of much employment. Nor does the sector have much of a presence in the municipality. Training in Petroleum Engineering is offered at the University of the West Indies and attracts students from all over the country. Given the importance of the sector to the economy of Trinidad and Tobago, and given that the few jobs created by the sector are high end, no group of citizens should be excluded from training for involvement in the sector, even if this might mean some degree of physical relocation to some other part of the country. Training and participation in the sector might eventually lead to the establishment of MSMEs that might engage in contracting and smaller scale operations whose services are accessed by energy companies from time to time.

8.2.6 Greening and Beautification

The City Council has to invest in the greening and beautification of the City. The development of the Piccadilly Linear Park, the more careful planting of trees around the Queen's Park Savannah, urban gardening in and around South Quay/Plannings will create a lift to the city and its spaces. Such initiatives will also create green jobs and might provide the opportunity for engaging small contractors in the management and beautification of selected public spaces.

8.3 Proposed Projects and Implementation Plan

Local government reform will require the Port-of-Spain City Corporation to play a greater and more proactive role in securing better economic and social outcomes within the City. Leading and supporting LED in Port-of-Spain City provides a strategic opportunity for the Corporation to influence socioeconomic development within its jurisdiction. Preparation of the Port-of-Spain LAEP is a first step in directing investment for the City's business and community development. Further work is now needed to build support structures that would foster LED that would lead to entrepreneurship and job creation. As part of new thrust, the City Corporation and its partners would also need to identify and implement sectoral projects that would result in sustainable local economic growth and support the expansion the local MSME sector.

8.3.1 Establishing Economic and Business Support Structures within the Corporation

The following programmes are recommended to provide the support mechanisms within the City Corporation to promote sustainable LED:

1. **Establishing a Port-of-Spain City Corporation Local Economic Development Group –**
This Group, which should operate under the auspices of the Port-of-Spain City Corporation, is geared at providing a municipal platform to facilitate and support targeted local economic activities. The following key functions of the Group should be as follows:
 - a. To listen and interact with local and external stakeholders;
 - b. To identify and tackle the challenges to local business and economic development;

- c. To recommend new initiatives and investments (to be implemented by the Municipal Corporation, Central Government Agencies and others) that would improve the local business environment, foster innovation and strengthen the municipal economy;
- d. To monitor the progress of existing programmes and to provide on their implementation; and
- e. To provide guidance on the use of Corporation's resources to achieve the objectives of Municipal LED.

The Group should meet regularly (monthly or at least quarterly) and should comprise of:

- Councillors/Aldermen;
- Representatives of the private sector (inclusive of a MSME representative) and the NGO and community sector;
- Knowledge and research institutions located within the City (COSTAATT); and
- Public MSME support providers, such as NEDCO, the Cooperative Division, etc.

2. **Strengthening the capacity of the Port-of-Spain City Corporation to facilitate local business and economic development** - The goal here is to build technical capacity within the Corporation that would allow the Corporation to effectively lead the drive in achieving sustainable LED in the City.

This calls for the establishment of the LED Unit (LEDU) which would be lead by a LEDO and assisted by two Assistant LEDOs. These officers should be seen as the nucleus of industrial, commercial and business development within the municipality. The LEDO should be charged with the following responsibilities:

- To facilitate LED planning in order to identify and establish business and development economic opportunities;
- To collaborate with stakeholders inside and outside of the City of Port-of-Spain in engaging in scenario planning and identifying possibilities for local resource use and mobilisation that might otherwise remain untapped. The LEDO should be instrumental in organising and recording discussions between the City Council and MSME and institutional stakeholders within their jurisdiction.
- Work with local businesses, organisations, schools, and communities in supporting and promoting LED and individual, school and community-led entrepreneurship;
- Identify opportunities that will allow the Corporation and its stakeholders to develop the local MSME sector, programmes and projects;
- Identify and secure funding for MSME and LED initiatives;
- Assist local organisations, communities, businesses and individuals to develop project proposals and business plans for financing; and
- Assist with communities and businesses to establish business groups and other support networks, including working closely with stakeholders in the informal economy in and around main commercial districts.

3. **Preparing a comprehensive local economic development strategy and action plan** – One of the efforts in supporting municipal LED, is the formulation of an LED strategy and action plan for the municipality. The preparation of this strategy should be the responsibility of the LEDO. This strategy and action plan should be tailored to the needs of the City and provide a comprehensive agenda for LED including the identification of potential areas where the Corporation and its partners can focus investment, additional actions to create enabling mechanisms which support the work of local organisations, businesses, communities and individuals within Port-of-Spain. The strategy should also identify and contain concrete proposals for creating and expanding economic and business opportunity in Port-of-Spain's key strategic sectors identified earlier in this chapter.

The strategy should also provide the necessary baseline information to be used for monitoring and evaluation and strategic LED decision-making.

4. **Developing a database of municipal entrepreneurs (of all sizes)** – This should be developed based on the sector within which these business establishments operate. This will serve well not only in terms of the conduct of research activities but will also be required for collaborative and promotional partnership activities. The Corporation should actively encourage informal MSME business owners to register with the Corporation to ensure that all can access benefits from future business programming. The LEDO should be charged with the responsibility for developing and regularly updating of the databases, and maintaining contact with the local MSM businesses.
5. **Establishing Strategic Partnerships with the San Juan/ Laventille and Diego Martin Regional Corporations** – The 2010 Municipal development planning process led to the City of Port-of-Spain being strategically linked to the Municipalities of San Juan/Laventille and Diego Martin. In addition, the three municipalities share a number of common biophysical and socioeconomic characteristics and conditions. Therefore, it would be worthwhile for these Local Governments to explore economic partnership that could lead to increased access to new resources and more efficient use of resources.
6. **Establishing a Municipal Business Support Programme for MSMEs** – The success of this programme depends heavily on the commitment and cooperation between the Corporation and the national business support service providers. The approach here is not to duplicate the work of the MSME support agencies, but rather to bridge the current gap in services identified during the study. The goal is to provide a one-stop-shop platform within the Corporation.

The model for service provisioning should facilitate clients having easy access to the various services provided by agencies.³⁷ The Corporation should work closely with providers to create a system where clients can easily access information on the full range of business support services available and are connected seamlessly to the services they need. Moreover, the

³⁷ Finance and markets, entrepreneurial skill development, training (soft and technical skills), and mentoring and coaching, etc.

Programme should also provide support to the sectoral projects implemented by the Corporation.

Therefore, the Corporation should approach and work with service providers to seek their assistance in establishing this one-stop-shop mechanism. For example, the platform can be:

- The main source for accessing information on business support services offered by the various providers. In addition, several Municipal Corporations should collaborate in developing an app that would provide information and facilitate clients' more ready access to services.
- Locate suitable space for the conduct of specific business training programmes as identified in the LAEP study that would facilitate the increase use of ICT and the Internet in business and to foster personal development of entrepreneurs. The objective here should be to address the entrepreneurial characteristics and functional competencies of participants through effective training programmes.
- Provide access to business advisory and mentoring services through the establishment of municipal business support networks, business associations and business support cooperatives. A lack of business mentorship and business advisory programmes was highlighted by MSMEs as a major barrier to the survival of businesses.
- Facilitate business cluster development and establishment industry and marketing cooperatives as vehicles for achieving critical mass in specific sectors.
- Offer business Incubator support services - the MOLSED and NEDCO should use the Municipal Programme to expand the reach of the IBIS, ETIIC and Women in Business programmes.

Special attention must be paid to the findings of the study with regards to the challenges faced by women and youth in setting up and operating their own business. The object would be to put mechanisms in place that would eliminate any barriers to women's and youth's entrepreneurship.

The programme will have to audit itself regular and to monitor its impact to determine its attractiveness, relevance and accessibility to its target clients.

8.3.2 Recommended Sectoral Initiative

The recommendation here is to identify the local sectoral initiatives for the City during the LED strategic planning phase. The following are suggested:

- 1) The Corporation should **identify and work individuals employed in the Corporation's employment relief programmes** who sees self-employment and business development as viable personal option. Through the Municipal Business Support Programme for MSMEs, develop a programme which supports the efforts of these individuals to positive self actualisation. Once the interest of individuals is sparked it would be important to connect them to services that will help them to develop their entrepreneurial skills. As a result the programme

should provide group and individual counselling, individualised entrepreneurial and competency training, mentoring and start-up support.

- 2) **Use the WABY model** to develop programme to promote primary school age children in entrepreneurial development. Such a programme should inspire children and teenagers to have business ideas and encourage them to pursue their ideas.

In the WABY programme, also targets parents/guardians of the children who attend the programme and they are expected to attend activities and interact with the programme organisers. This would also provide an opportunity for the Corporation to promote and develop enterprising qualities of parents/guardians.

- 3) **Expanding entrepreneurial opportunities for TVET qualified individuals** – The approach here should be to develop an inclusive model for the programme that encourages the participation of local residents including the poor, women and youths. Port-of-Spain residents participate in TVET programmes (in hospitality, masonry, carpentry, plumbing, welding and industrial craft) offered in Port-of-Spain and elsewhere. This provides an opportunity for the Corporation to collaborate and work with TVET agencies (MuST, YTEPP, MIC, etc.), NEDCO (through its ETIIC and Women in Business programme), private sector, civil society, and others in identifying interested qualified individuals, who are about to graduate or have recently graduated, to participate in an entrepreneurial programme.

It is recommended that such a programme, which could span a 12-month to 15 month period, should provide qualified individuals the opportunity for personnel growth, business training, financing and targeted business support and resources for start-up and pre-start-up businesses. The objective at the end of this business training and start-up period is to graduate both the skilled business operators and their individual businesses. Follow-up mentorship and other support should be provided through the Port-of-Spain Business Support Programme. There should also be special windows to support women and men setting up non-traditional and innovative businesses.

8.3.3 Port-of-Spain LED Implementation Plan

Project	Activities	Implementing Agencies	Collaborating agencies	Time Frame	Resources Requirement	Priority Rating (1-2)
Establishment of a Port-of-Spain Local Economic Development Group	<ul style="list-style-type: none"> • Develop scope, responsibility, function and reporting procedures of the Group. • Identify the prospective agencies/individuals to comprise the Group. • Prepare and issue invitations to prospective Group members/agencies. • Hold inaugural meeting and orientation session. • Hold regular/monthly meetings. • Monitor and provide advice on on-going LED programmes and projects 	Port-of-Spain Regional Corporation (POSCC) (City Council)	<ul style="list-style-type: none"> ○ Ministry of Agriculture ○ Ministry of Tourism Economic Development Board ○ NEDCO ○ TTInvest, ○ ExportTT Cooperative Division ○ Ministry of Local Government ○ Local NGO/CBO representative ○ CARILED Project ○ UTT ○ Chambers of Commerce 	4 months to establishment and ongoing	Representatives who are decision makers in their organisations	1
Strengthening the capacity of the Port-of-Spain City Corporation to facilitate local business and economic development	<ul style="list-style-type: none"> • Recruit the LEDO • Establish a Chairman's Advisory Subcommittee to oversee the establishment of the LEDU, comprised of two other Councillors, and the CEO with the LEDO as Secretary. • Prepare requisite documentation for establishing the LEDU - rationale for its establishment, resources requirement (staffing, furniture, equipment, software, training, etc.); and estimated cost. • Obtain the necessary approvals for establishment of the Unit. • Recruit additional staff and procure the necessary resources • Officially establish the LEDU. 	POSCC	<ul style="list-style-type: none"> ○ Ministry of Local Government ○ Ministry of Public Administration ○ CARILED Project 	12 Months	<p>Ministry of Public Administration and Consulting Services to assist the Council in developing a business oriented focus to support the emergence of businesses in the area.</p> <p>Provision for appointment of a LEDO, two Assistant LEDOs and supporting staff – Statistical Assistant and Clerk/Typist</p>	1

8.3.3 Port-of-Spain LED Implementation Plan

Project	Activities	Implementing Agencies	Collaborating agencies	Time Frame	Resources Requirement	Priority Rating (1-2)
Preparing a comprehensive strategy and action plan for the City of Port-of-Spain	<ul style="list-style-type: none"> • Hold Port-of-Spain LED workshop on way forward and the LED and MSME creation. • Hold consultations with specific industry stakeholders to elaborate strategies and actions agreed on at the workshop • Prepare a local economic development strategy and action plan in collaboration with relevant stakeholders. This plan should include cost estimates, funding sources and mechanism for continuous monitoring and evaluation. 	POSCC-LEDU Port-of-Spain Local Economic Development Group	<ul style="list-style-type: none"> ○ Chambers of Commerce ○ Local business owners ○ Local communities 	6 months	Consultancy – Port-of-Spain LED Strategy and Action Plan	
Establishing a Port-of-Spain Business Establishments Database	<ul style="list-style-type: none"> • Hold discussion with the CSO, NEDCO and other relevant agencies on the establishment of the database. • Identify resource requirement for database. • Acquire software and other support tools. • Determine the type of information to be recorded in the database - business owner name and contact details for communications, gender of owner; type of business; years in operation; size of business/number of employees, etc. • Advertise and encourage business owners to register with the Corporation. • Undertake initiatives to actively register businesses. 	POSCC LEDU/LEDO	<ul style="list-style-type: none"> ○ CSO ○ Chamber of Commerce of Arima ○ NEDCO ○ Ministry of Labour and Small Enterprise Development 	3 months to establish database and ongoing	Computer Spreadsheet or database software Clerk Campaign to encourage business registration	1

8.3.3 Port-of-Spain LED Implementation Plan						
Project	Activities	Implementing Agencies	Collaborating agencies	Time Frame	Resources Requirement	Priority Rating (1-2)
	<ul style="list-style-type: none"> Develop a profile of local businesses by sector which can help understand local business owners' needs. Update profiles regularly based on additional information received. 					
Establishing Strategic partnership with the San Juan/Laventille Regional Corporation and Diego Martin Regional Corporation	<ul style="list-style-type: none"> Hold discussions with Chairmen and CEOs of San Juan/Laventille Regional Corporation and Diego Martin Regional Corporation Identify and reach agreement on areas for collaboration and support and resource requirements Undertake agreed joint activities Monitor and evaluate partnerships biyearly 	POSCC San Juan/ Laventille Regional Corporation Diego Martin Regional Corporation		6 months and ongoing	Chairmen and CEOs of the Corporations Meeting place	1
Establishing a Municipal Business Support Programme for MSMEs	<ul style="list-style-type: none"> Hold meetings with key business support service providers to discuss service provisioning and areas of collaboration between ABC and service providers. Reach agreement on the POSCC one-stop service model for MSMEs to be used. Develop MSME services app to provide information on service provisioning and places to existing and potential MSME clients. Launch Port-of-Spain MSME Support Programme. 	POSCC-LEDU	<ul style="list-style-type: none"> Chamber of Commerce of Arima Established local businesses NEDCO Ministry of Labour and Small Enterprise Development including the Cooperative Division Ministry with responsibility for development of medium-sized enterprises Local Banks ADB IOB 	9 months to establish and on-going	Cooperation of central government, NGO and private sector service providers For development of the app - Graphic designer Copy writer Software developer Service provision – brochures, factsheet and information on product and services for small businesses	1

8.4 Conclusion

Decentralised Governance: The adoption of the CARILED Model involves a widening and deepening of decentralisation and devolution in the governance structure of the country. The Municipal Corporations are at the epicentre of this process. The authorities and the elected representatives of residents in municipalities have to embrace responsibilities that will extend to the economic development within their municipalities. In the case of Port-of-Spain in particular, the City Council has to recognise formally its wide stakeholder community, who though not privileged in voting for the City Council are important non-voting burgesses whose activities and business help define the city in the national space.

Business Facilitation: There is evidence that the country does not lack agencies that are formally entrusted with the responsibility for the facilitation of business and enterprise and for the provision of such supports as credit supply and training. However, their reach into communities is limited and constrained. In the context of the CARILED Model, the authorities in Municipal Corporations will have the responsibility for coordinating and enlisting the services of these agencies, and parlaying their support for residents in municipalities as they seek to create productive activity within the economic space of the municipality and/or establish enterprise that operate in the adjoining or other municipalities where there might be a demand for their services. The City Council needs to be mindful of the disparities among the communities of burgesses and the requirements involved in their securing equitable access to resources for the creation of MSMEs in the city.

Competitiveness: The population base of the City provides for its labour force among whom are the of the area. Together they constitute the competitive cadres to take on the world. Economic production except in respect of commerce and distribution at the local level, has to be set in the context of the demand and supply for goods and services in the nation at large and in the wider context of regional and international demand. In other words, entrepreneurs even in micro-enterprises in St. James or in Belmont are players on the world stage, and need to be sensitised to that reality. Their proximity to the domestic market offers little protection from competitors whose products might occupy shelf space ahead of the products of local entrepreneurs.

Structuring Economic Equity: Social processes in the municipality as in the country at large, often create conditions for differential and segmented participation of the various groups in the area of business and enterprise. Social equity requires that state involvement through the City Council and enlisted agencies in the provision of support for business and enterprise does not contribute with public funding, to the creation or strengthening of structural barriers and marginalisation of non-traditional participants in business and enterprise and reinforcement of imbalances, whether of ethnicity or gender.

Information, Training and Educational Upgrading: The Census Data and the survey data collected in the course of this exercise establish the human capital challenge in the country. While many of the residents of the city are generally better off than in most other communities in terms of educational attainment, there is a large section who are below par, and are surely relatively deprived when compared with the labour force in countries that are in the forefront in the application of knowledge

and information in the development of industry, and enterprise, for example South Korea and Singapore.

There is need to institutionalise a support system that would reach residents across the length and breadth of the city, to embrace technology and access information, and, most importantly, initiate themselves on the path of lifelong education and upgrading such that they can correct for previous marginalisation in the education system. The announced policy of the Government, of delivering broadband services across all areas of the country, provides an opportunity of opening access to lifelong education.

The measures and initiatives that might be undertaken by the City in association with the Cipriani College of Labour and Cooperatives, UTT or the Distance Education Programme of UWI or through COSTAATT, would allow many with low level educational attainment to raise their profile. The City Council has to commit to the task of developing the MSMEs of the municipality, such that they can contribute to the economic expansion within the municipality itself as a vibrant economic space in Trinidad for the export of services, thereby allowing the citizenry to enjoy a higher quality of life on the basis of the rich endowments of nature in applying their skills, knowledge and enterprise.

At the same time, it has to manage its affairs to attract and retain its non-voting burgesses who can contribute to keeping the City as distinctive productive space worthy of being seen as a vibrant little city worthy of mention among cities of the world and deserving of its capital status in Trinidad and Tobago.

