

Municipality of Sangre Grande



Local Area Economic Profile (Final Report)

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(Final Report)

Submitted to:

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Kent House, Maraval, Trinidad and Tobago

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The Ecotourism Municipality

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Acronyms and Abbreviations

| | |
|----------|--|
| BDC | Business Development Company |
| CAPA | Crime and Problem Analysis Unit |
| CAPE | Caribbean Advanced Proficiency Examinations |
| CARILED | Caribbean Local Economic Development |
| CBIs | Community-based incubators |
| CBO(s) | Community-based Organisation(s) |
| CBTT | Central Bank |
| CDF | Community Development Fund |
| CEO | Chief Executive Officer |
| COSTAATT | College of Science, Technology and Applied Arts of Trinidad and Tobago |
| CSEC | Caribbean Secondary Education Certificate |
| CSO | Central Statistical Office |
| CTI | Community Tourism Initiative |
| ECA | Employers' Consultative Association of Trinidad and Tobago |
| EDB | Economic Development Board of Trinidad and Tobago |
| EDD | Enterprise Development Division |
| EIF | Enterprise Investment Fund |
| EMA | Environmental Management Authority |
| ETIIC | Entrepreneurial Training Institute and Incubation Centre |
| FAO | Food and Agriculture Organisation |
| GCE | General Certificate of Education |
| GEF | Global Environment Facility |
| GEM | Global Entrepreneurial Monitoring |
| GORTT | Government (of the Republic) of Trinidad and Tobago |
| HDI | Human Development Index |
| i2i | Innovations and Inventions |
| IBIS | National Integrated Business Incubator System |
| ICT | Information and Communications Technology |

| | |
|--------|---|
| ICT | Information Technology |
| IDB | Inter-American Development Bank |
| IFF | Innovation Financing Facility |
| INHDI | Inequality-adjusted National Human Development Index |
| LAEP | Local Area Economic Profile |
| LARPDU | Local Area and Regional Planning and Development Unit |
| LED | Local Economic Development |
| LEDO | Local Economic Development Officer |
| LEDU | Local Economic Development Units |
| LSA | Land Settlement Agency |
| M2M | Matura to Matelot |
| MCD | Ministry of Community Development, Culture and the Arts |
| MDP | Municipal Development Plan |
| MEL | Micro Enterprise Loan |
| MIC | The Metal Industries Company |
| MOLSED | Ministry of Labour and Small Enterprise Development |
| MOUs | Memorandum of Understanding |
| MPI | Multidimensional Poverty Index |
| MSE | Micro and Small Enterprise |
| MSMEs | Micro-, Small- and Medium-Sized Enterprises |
| MTI | Ministry of Trade and Industry |
| MTPF | National Medium Term Policy Framework |
| MuST | Multi Sector Skills Training |
| MW | Megawatt |
| NEDCO | National Entrepreneurship Development Company Limited |
| NHDI | National Human Development Index |
| NSDS | National Spatial Development Strategy for Trinidad and Tobago |
| PPP | Public Private Partnership |
| R&D | Research and Development |
| RDF | Research and Development Fund |
| SAC | Stakeholder Advisory Council |
| SMEs | Small and Medium Enterprises |
| TCPD | Town and Country Planning Division |
| TEA | Total Early Stage Entrepreneurial Activity |
| THA | Tobago House of Assembly |
| TTD | Trinidad and Tobago Dollars |
| TTMF | Trinidad and Tobago Manufacturers Association |

| | |
|------|---|
| TVET | Technical-Vocational Education and Training |
| UNDP | United Nations Development Programme |
| USD | United States Dollars |
| UTT | University of Trinidad and Tobago |
| UWI | The University of the West Indies |
| VIP | Ventilated Improved Pit |
| WASA | Water and Sewerage Authority |
| WRAP | Wind Resource Assessment Programme |
| YBI | Youth Business International |
| YBTT | Youth Business Trinidad and Tobago |

Chapter 1

Introduction

The Local Area Economic Profile (LAEP) for the Municipality of Sangre Grande¹ was developed with a view to build on the existing Municipal Development Plan and to introduce the Sangre Grande Regional 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 Sangre Grande LAEP is the step leading to the development of the Sangre Grande 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.

The profile for the Municipality of Sangre Grande 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:

¹ Municipality of Sangre Grande (also called the Regional Municipality of Sangre Grande) refers to the geographic area (whose boundaries are applied under Section 4 of the Municipal Corporation Act (Act No. 21 of 1990).

² Sangre Grande Regional Corporation means the body corporate constituted by the Chairman, Aldermen, Councilors and electors of Regional Municipality of Sangre Grande 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>

- 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 Sangre Grande;
- 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 Sangre Grande.

1.1 Limitations of the Study

The political climate due mainly to the upcoming General Election limited the conduct of the study particularly in respect of interaction with stakeholders and the conduct of the survey.

1.2 Content of the Sangre Grande 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 Sangre Grande
7. Chapter Seven: Local Governance in Sangre Grande
8. Chapter Eight: Conclusion and Recommendations

Chapter 2

Area Information and Demography

2.1 Location

The Municipality of Sangre Grande is situated in northeast Trinidad and is bounded on the south by the Municipality of Mayaro/Rio Claro and on the southwest by Couva/Tabaquite/Talparo and by Tunapuna/Piarco on the west. The Region is fringed by the Atlantic Ocean on the east and with a series of bays, and by the Caribbean Sea in the north. Sangre Grande covers approximately 898.9 square kilometres. Figure 2.1 indicates the location, boundaries and communities of Sangre Grande. The Municipality is largely rural in character with 41 communities which are located along the major arterial network and at their main intersections. From a planning and development perspective, the Municipal Development Plan divides the Region can be divided into seven socio-economic sub-regions:

1. Town of Sangre Grande;
2. Greater Sangre Grande;
3. M2M (Matura to Matelot);
4. Valencia;
5. Greater Tamana;
6. Manzanilla; and
7. Fishing Pond/North Manzanilla.

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

- Cumuto/Tamana;
- Manzanilla;
- Sangre Grande North East;
- Sangre Grande North West;
- Sangre Grande South;
- Toco/Fishing Pond;
- Valencia; and
- Vega de Oropouche.

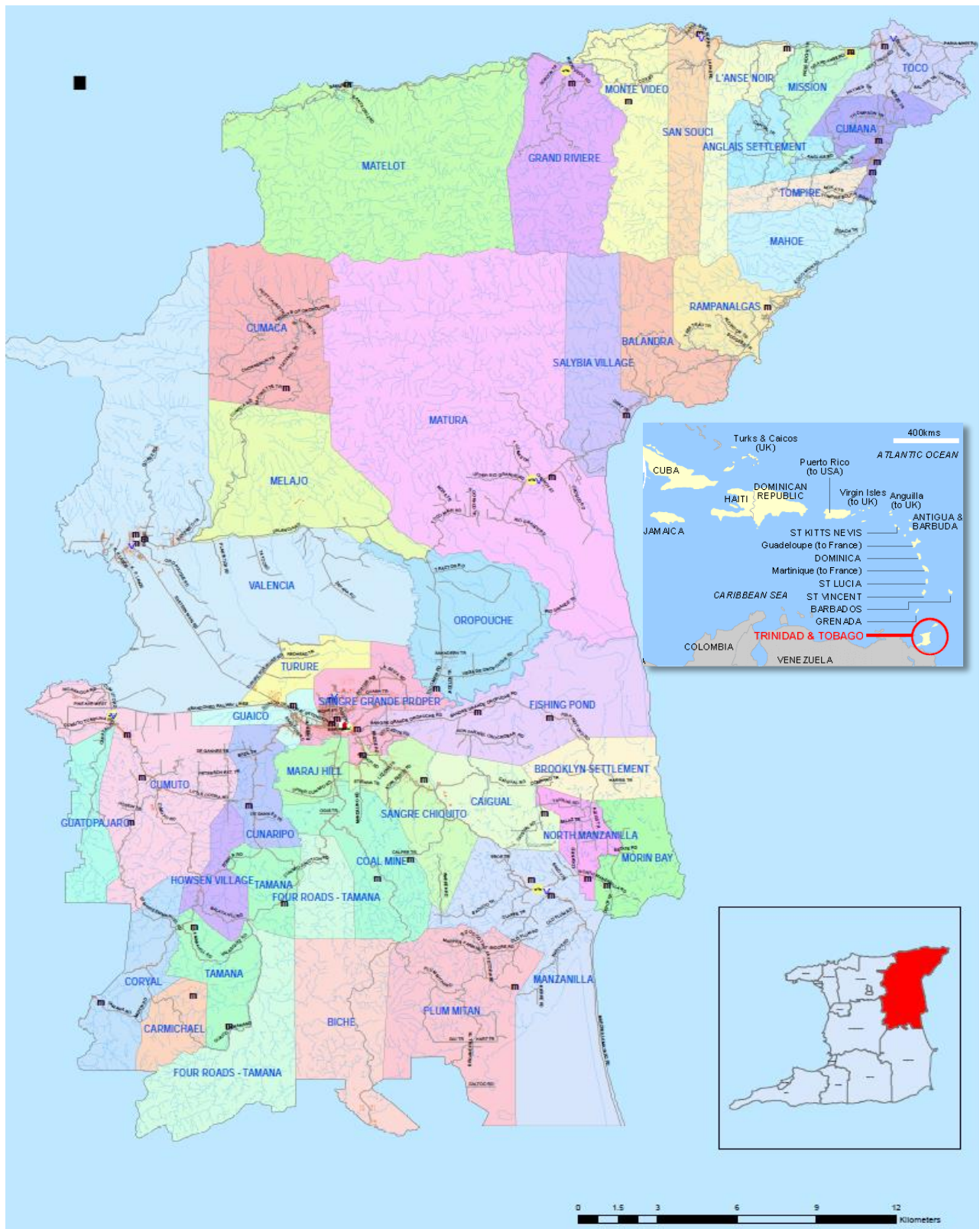


Figure 2.1: Location of the Municipality of Sangre Grande showing the distribution of Communities

2.2 Geography

The Municipality of Sangre Grande falls within three of the five physiographic zones of Trinidad, specifically the Northern Range, the Northern Basin, and the Central Range. The Northern Range, the prominent landform in North Sangre Grande, is an extension of the Southern American Andean Mountain System. Some of the highest peaks within the Range found in the Sangre Grande Municipality are El Cerro Del Oropouche at 658 metres and Zapaya at 374 metres. Both the Caroni and North Oropouche Rivers, which drain the Northern and Central Ranges through a series of tributaries, form part of the Sangre Grande Region. A significant proportion of the Municipality falls within the Northern Basin, extending from the foothills of the Northern Range to those of the Central Range, consisting of the floodplains and alluvial flats of Oropouche River system and the Northern Terraces and Las Lomas Peneplain. The remaining sections of the Municipality form part of the Central Range with its highest peaks reaching to 300 metres in the Montserrat District, 290 metres at Mount Harris and 335 metres at Mount Tamara.

Twenty four percent or 101 kilometres of Trinidad's 420 kilometre coastline is found within the Sangre Grande Municipality. There are nine wetlands in the Sangre Grande Municipality; the two notable ones are the North Oropouche and a small section of the Nariva Swamp. Sangre Grande's north Coast consists essentially of a series of cliffs and headlands interspersed with small bays, some of which are inaccessible by land. There are 14 small bays along the North Coast of Sangre Grande among the more well-known are Matelot Bay, Grande Riviere Bay, Sans Souci Bay, Toco Bay and Salybia Bay.

Trinidad has two easily distinguishable seasons; a dry and wet season. Because the climate of Trinidad does not vary much spatially, the municipality also has a tropical climate with two distinct seasons due to its proximity to the equator. The dry season, the period from January to May, is characterised by a tropical maritime climate with moderate to strong low level winds, warm days, cool nights and showers due to daytime convection. A modified moist equatorial climate characterized by low wind speeds, hot humid days and nights, a marked increase in rainfall which results mostly from migrating and latitudinal shifting equatorial weather systems, symbolizes the wet season during June to December. Trinidad's geographical location puts it on the southern periphery of the North Atlantic hurricane basin.

Although the wet season is generally warmer than the dry season, Trinidad and Tobago's daily temperature cycle is more pronounced than its seasonal cycle. The long term mean (1971 - 2000) annual maximum and minimum temperatures are 31.3 °C and 22.7 °C respectively with a mean daily temperature of 26.5 °C. Trinidad's rainfall pattern displays a distinct bi-modal behaviour with June and November rainfall season maxima. Trinidad's primary rainfall mode occurs in June.

2.3 Population and Demography

2.3.1 Population and Household Size

According to the 2011 Population and Housing Census, the population of Sangre Grande stood at 75,766 persons, representing some 5.7 percent of the national population of 1,328,019 persons. Between 2000 and 2011, the population grew by 15.4 percent, making it the country's fastest-

growing region. The population is almost equally distributed in terms of gender, with a female population of 36,845 (48.6%) and a male population of 38,921 (51.4%).

The 2011 census revealed that an average of 3.3 persons lived in the 22,706 recorded private households in Sangre Grande. The number of households increased significantly by 36.6 percent, which was more than twice the growth in the number of households observed in Trinidad (16.1%). As result of the rate of household increased outpacing the rate of population increase, a decline in the size of the average household since the 2000 Census of 0.6 persons, down from 3.9 persons per household was recorded (Table 2.1).

Table 2.1: Changes in Non-institutional Population and Household Characteristics in Trinidad and Tobago and Sangre Grande, 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% |
| Sangre Grande | 75,605 | 64,187 | 22,706 | 16,622 | 3.3 | 3.9 | 1.50% | 2.90% |

Source: CSO 2011 Population and Housing Census

2.3.2 Population Density

In 2011, the region of Sangre Grande was the second least densely populated area of Trinidad and Tobago with a density of 82 persons per square kilometre. The region's population density is significantly lower than the national average of 259 person per square kilometre and is due to 5.7% of the national population existing in a land area that occupies 18.1% of the total land area of Trinidad and Tobago. Combined populations of Sangre Grande and Mayaro/ Rio Claro, another sparsely populated region, occupy more than one third of the total national land area but only comprises 8.4 percent of the national population. As the population of Sangre Grande rose, the population density of the region increased correspondingly from 71 persons per square kilometre in 2000, as seen in Table 2.2. From 2000 to 2011, the region maintained its population density position relative to the other corporations.

Table 2.2: Population Density of the Sangre Grande, 2000 and 2011

| Year | Density (Per Sq. km) | Population |
|------|----------------------|------------|
| 2000 | 71 | 65,680 |
| 2011 | 82 | 75,766 |

2.3.3 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 Sangre Grande is relatively young, with more than half of the population (56.9%) under 35 years of which 24.5 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 15.4 percent of the corporation's population. Persons, 65 years and older, made up 7.7 percent of the total population (Figure 2.2).

The population of dependent groups (all persons aged 0-14 years and 65+ years) decreased from 35.1 percent of the total population in 2000 to 30.6 percent in 2011. Conversely, the working-age population (persons between 15 and 64 years) increased from 64.9 percent in 2000 to 69.4 percent in 2011.

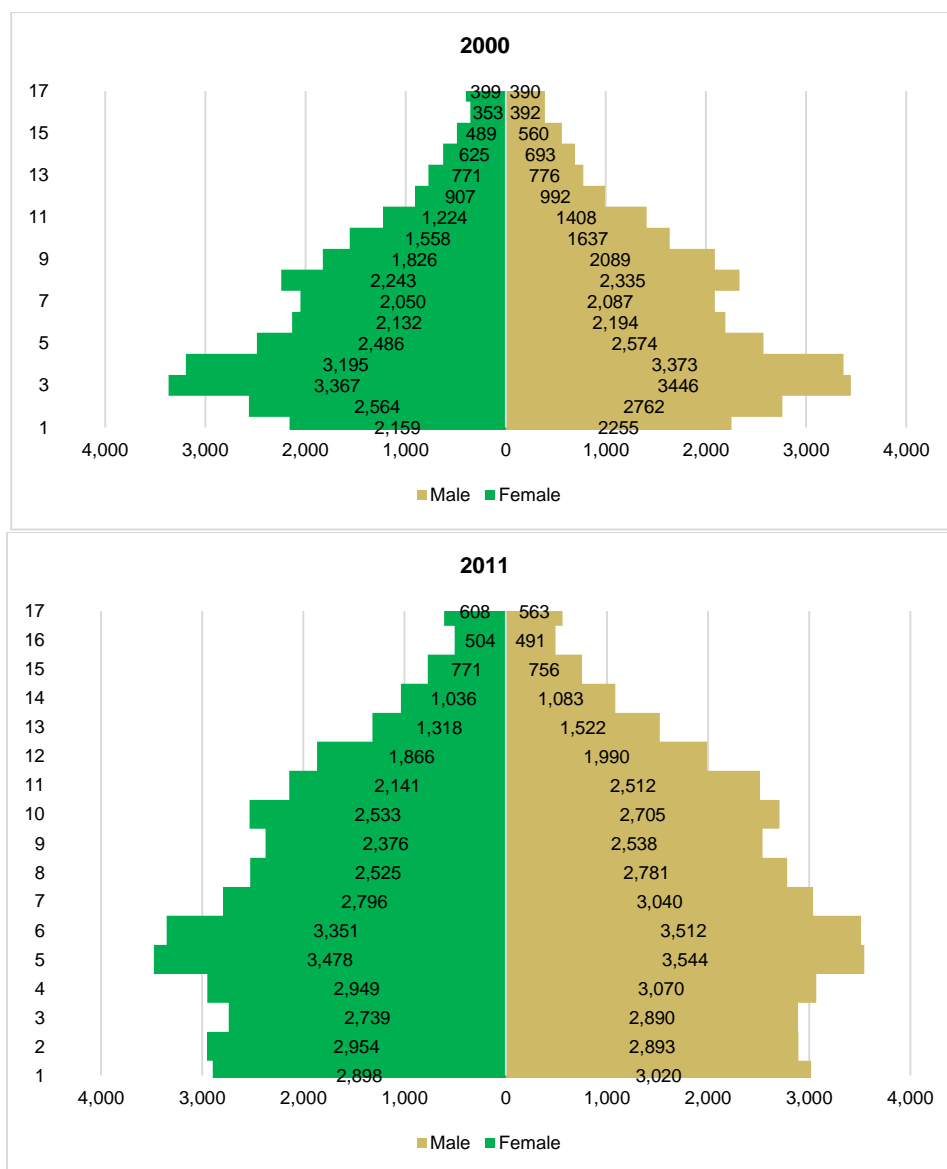


Figure 2.2: Age/Sex Composition of the Population of Sangre Grande, 2000, 2011

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 corporation in 2011 stood at 44.2 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 54.1 percent. The child dependency ratio in 2011 was estimated at 33.1 percent, and elderly dependency at 11.1 percent.

2.3.4 Ethnicity

Trinidad and Tobago as a country, is a plural society and as such the regional corporation of Sangre Grande's population is diverse in terms of ethnic composition (Table 2.3). Africans and East Indians, with 30 and 31 percent of the total population respectively, are the predominant ethnic groups, followed by the 'Mixed- Other' group which made up 23 percent and 'Mixed- African/ East Indian' group, which account for 12.9 percent (Figure 2.3).

Table 2.3: Percentage Distribution of Total Population of Sangre Grande by Ethnic Group, 2011

| Ethnic Group | Percentage |
|------------------------------|------------|
| African | 30.0 |
| Caucasian | 0.1 |
| Chinese | 0.1 |
| East Indian | 31.0 |
| Indigenous | 0.1 |
| Mixed - African/ East Indian | 12.9 |
| Mixed - Other | 23.0 |
| Portuguese | 0.0 |
| Syrian/ Lebanese | 0.0 |
| Other Ethnic Group | 0.1 |
| Not stated | 2.6 |

Source: CSO 2011 Population and Housing Census

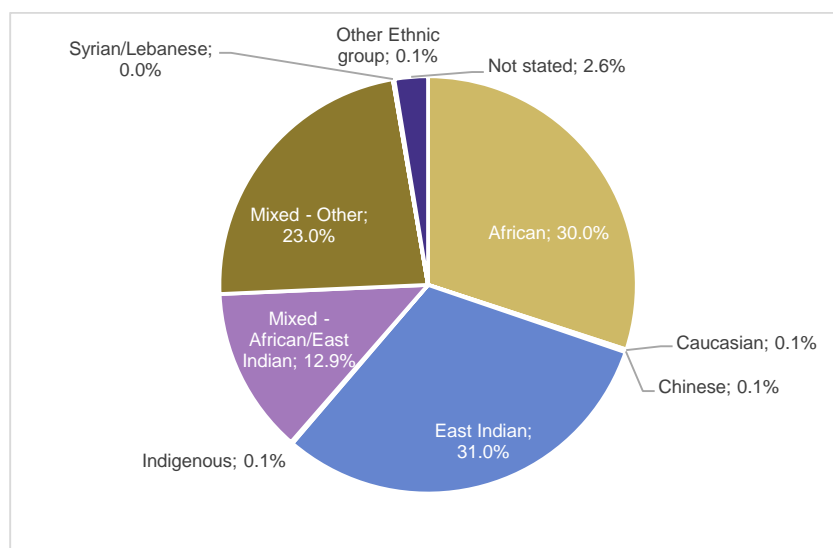


Figure 2.3: Ethnic Composition of Sangre Grande's Population

2.3.5 Religious Affiliation

In 2011, Roman Catholic was the largest single religious grouping in Sangre Grande (25.6% of the population), followed by Hinduism (15.4%), Pentecostal/Evangelical/Full Gospel (13%), Anglican (12.3%) and Seventh Day Adventist (8.2%). 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 affiliation 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 Sangre Grande Total Population by Religious Affiliation, 2011

| Religious Group | Percentage |
|-------------------------------------|------------|
| Anglican | 3.6 |
| Baptist-Spiritual Shouter | 6.3 |
| Baptist-Other | 0.5 |
| Hinduism | 15.4 |
| Islam | 3.8 |
| Jehovah's Witness | 1.5 |
| Methodist | 0.2 |
| Moravian | 0.1 |
| Orisha | 0.4 |
| Pentecostal/Evangelical/Full Gospel | 13.0 |
| Presbyterian/Congregational | 2.5 |
| Rastafarian | 0.3 |
| Roman Catholic | 25.6 |
| Seventh Day Adventist | 8.2 |
| Other | 8.8 |
| None | 2.6 |
| Not Stated | 6.9 |

Source: CSO 2011 Population and Housing Census

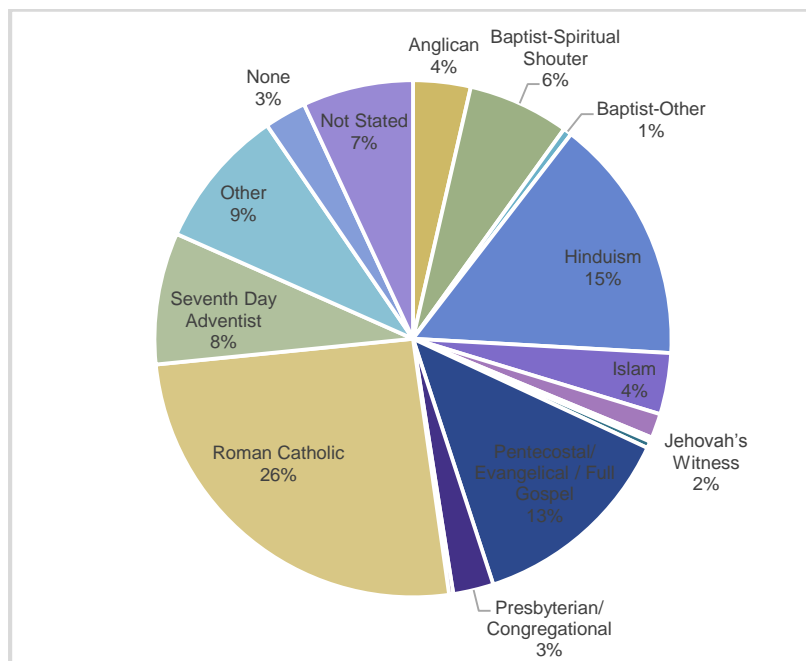


Figure 2.4: Religious Affiliations Sangre Grande, 2011

2.4 Educational Attainment

According to the 2011 Census, 36.7 percent of Sangre Grande's population had attained primary-level education which is higher than the national figure (Figure 2.5). Forty two percent of population of Sangre Grande had attained secondary and post-secondary, making it 1.7 percent lower than observed with the national population. Tertiary non-university level educational attainment stood at 4.7 percent and 5.3 percent for those who attained tertiary university-level education. Males outnumbered females up to the primary and secondary levels. However, the number of females who attained tertiary level education was greater than the number of males. Table 2.5 shows the educational attainment of the Sangre Grande population by age group.

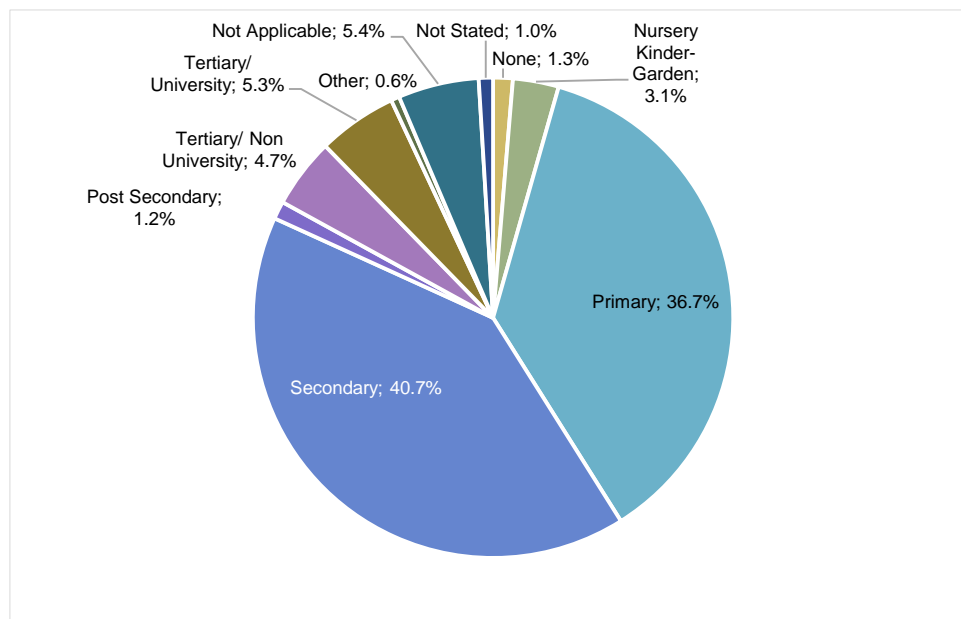


Figure 2.5: Non-Institutional Population of Sangre Grande by Educational Attainment
Source: CSO Population and Housing Census, 2011

Table 2.5: Non-Institutional Population of Sangre Grande 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 |
|----------------------|--------|-------|--------------------------|---------|-----------|--------------------|--------------------------------|-------------------------|-------|-------------------|---------------|
| Sangre Grande | 75,605 | 1,002 | 2,331 | 27,712 | 30,799 | 905 | 3,550 | 4,038 | 431 | 4,113 | 724 |
| 0 – 4 | 5,910 | - | 1,769 | 28 | - | - | - | - | - | 4,113 | - |
| 5 - 9 | 5,831 | 132 | 406 | 5,263 | - | - | - | - | - | - | 30 |
| 10 - 14 | 5,609 | 35 | 87 | 3,150 | 2,311 | - | - | - | - | - | 26 |
| 15 - 19 | 6,014 | 40 | 6 | 364 | 4,914 | 145 | 265 | 208 | 42 | - | 30 |
| 20 - 24 | 7,021 | 35 | 2 | 463 | 4,589 | 141 | 789 | 884 | 69 | - | 48 |
| 25 – 29 | 6,863 | 34 | 11 | 1,272 | 3,886 | 129 | 672 | 750 | 66 | - | 43 |
| 30 – 34 | 5,835 | 43 | 8 | 1,529 | 3,084 | 90 | 477 | 507 | 46 | - | 52 |
| 35 - 39 | 5,304 | 56 | 5 | 1,382 | 2,890 | 75 | 336 | 468 | 25 | - | 67 |
| 40 - 44 | 4,914 | 68 | 1 | 1,515 | 2,585 | 65 | 260 | 339 | 23 | - | 58 |
| 45 - 49 | 5,236 | 89 | 5 | 2,182 | 2,342 | 64 | 186 | 265 | 43 | - | 61 |
| 50 - 54 | 4,651 | 74 | 5 | 2,494 | 1,511 | 63 | 176 | 207 | 41 | - | 81 |
| 55 - 59 | 3,849 | 54 | 5 | 2,103 | 1,212 | 52 | 150 | 183 | 26 | - | 64 |
| 60 - 64 | 2,834 | 57 | 6 | 1,793 | 697 | 32 | 101 | 83 | 14 | - | 52 |
| 65 - 69 | 2,113 | 49 | 6 | 1,457 | 395 | 26 | 52 | 80 | 16 | - | 32 |
| 70 - 74 | 1,519 | 71 | 5 | 1,119 | 212 | 7 | 36 | 30 | 13 | - | 27 |
| 75 -79 | 981 | 60 | 2 | 744 | 94 | 10 | 28 | 22 | 2 | - | 17 |
| 80+ | 1,121 | 105 | 5 | 854 | 77 | 7 | 22 | 11 | 6 | - | 35 |

Source: CSO Population and Housing Census, 2011

A look at the highest qualification attained by Sangre Grande's population showed that some 56.9 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 3 percent indicated that their highest qualification attained was school leaving certificate, with another 0.9 percent reporting that they attained Caribbean Secondary Education Certificate (CSEC) Basic as their highest qualification.

Almost one fifth of the population (19%) 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 5.4 percent were granted Diplomas, Associate Degrees or Equivalent Certification. Another 2.3 percent would have achieved, either a Bachelor's degree, Postgraduate Diploma/ Professional Qualification or a Master's degree. Less than one percent of the population 15 years and older earned doctorate degrees. More women attained Bachelors, and Masters than their male counterparts. This can be seen in Table 2.6.

Table 2.6: Non-Institutional Population of Sangre Grande by Age Group and Highest Educational Attainment

| | Sangre Grande | | Female Population | | Male Population | |
|--|---------------|--------------------------|-------------------|--------------------------|-----------------|--------------------------|
| | No of Persons | Percentage of Population | No of Persons | Percentage of Population | No of Persons | Percentage of Population |
| Total | 75,605 | 100.0 | 36,761 | 100.0 | 38,844 | 100.0 |
| None | 43,002 | 56.9 | 19,768 | 53.8 | 23,233 | 59.8 |
| School Leaving Certification | 2,289 | 3.0 | 1,137 | 3.1 | 1,152 | 3.0 |
| CSEC Basic | 688 | 0.9 | 337 | 0.9 | 351 | 0.9 |
| GCE 'O'/CSEC Gen/SC | 13,386 | 17.7 | 7,297 | 19.8 | 6,089 | 15.7 |
| GCE "A"/ CAPE/ HSC | 1,004 | 1.3 | 591 | 1.6 | 413 | 1.1 |
| Diploma or Equivalent Certificate of Achievement | 3,018 | 4.0 | 1,595 | 4.3 | 1,423 | 3.7 |
| Associate Degree Higher Diploma | 1,056 | 1.4 | 659 | 1.8 | 397 | 1.0 |
| Bachelor Degree | 1,305 | 1.7 | 795 | 2.2 | 510 | 1.3 |
| Master Degree | 306 | 0.4 | 175 | 0.5 | 131 | 0.3 |
| Postgraduate Diploma/ Professional Qualification | 151 | 0.2 | 67 | 0.2 | 84 | 0.2 |
| Doctorate | 30 | 0.0 | 8 | 0.0 | 22 | 0.1 |
| Other | 203 | 0.3 | 101 | 0.3 | 101 | 0.3 |
| Not Stated | 9,168 | 12.1 | 4,231 | 11.5 | 4,937 | 12.7 |

Source: CSO Population and Housing Census, 2011

About 47 percent of persons in the age groups 20-24 years to 40-44 years had qualifications of CXC/GCE 'O' levels and above. About 57 percent of the population in the 20-24 age grouping had obtained CXC/GCE "O" level passes and above, demonstrating higher levels of educational qualification compared to the older age groups. Further, as much as 47 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.

2.5 Living Conditions in Sangre Grande

The United Nations Development Programme (UNDP)/Central Statistical Office (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 2.6 shows the NHDI for the various regions within the country. Sangre Grande was ranked among the lowest with an NHDI at 0.616. Measurement of the Inequality-adjusted NHDI (INHDI)⁴ ranked Sangre Grande as the third lowest in the country with respect to human development with a value of 0.551 (Figure 2.7). With regard to the dimensions of health, education and income for the INHDI, Sangre Grande was ranked among the lowest.

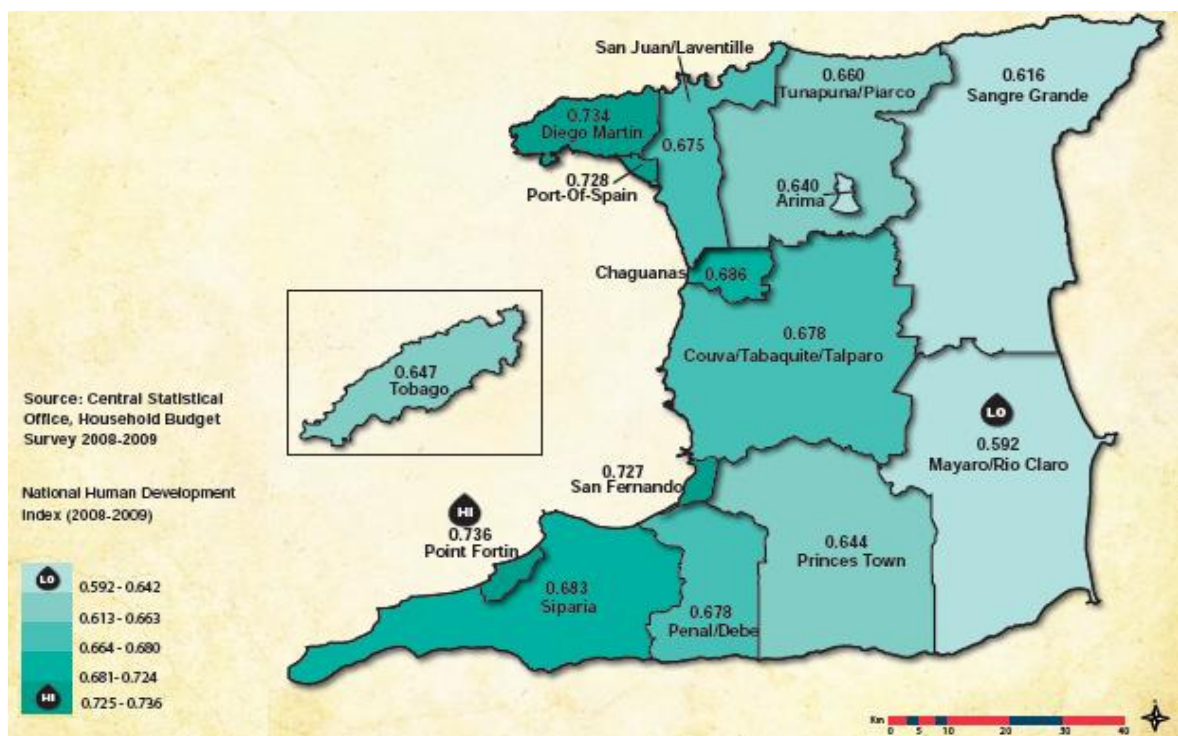


Figure 2.6: National Human development Index 2008/2009 by Administrative Regions

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.

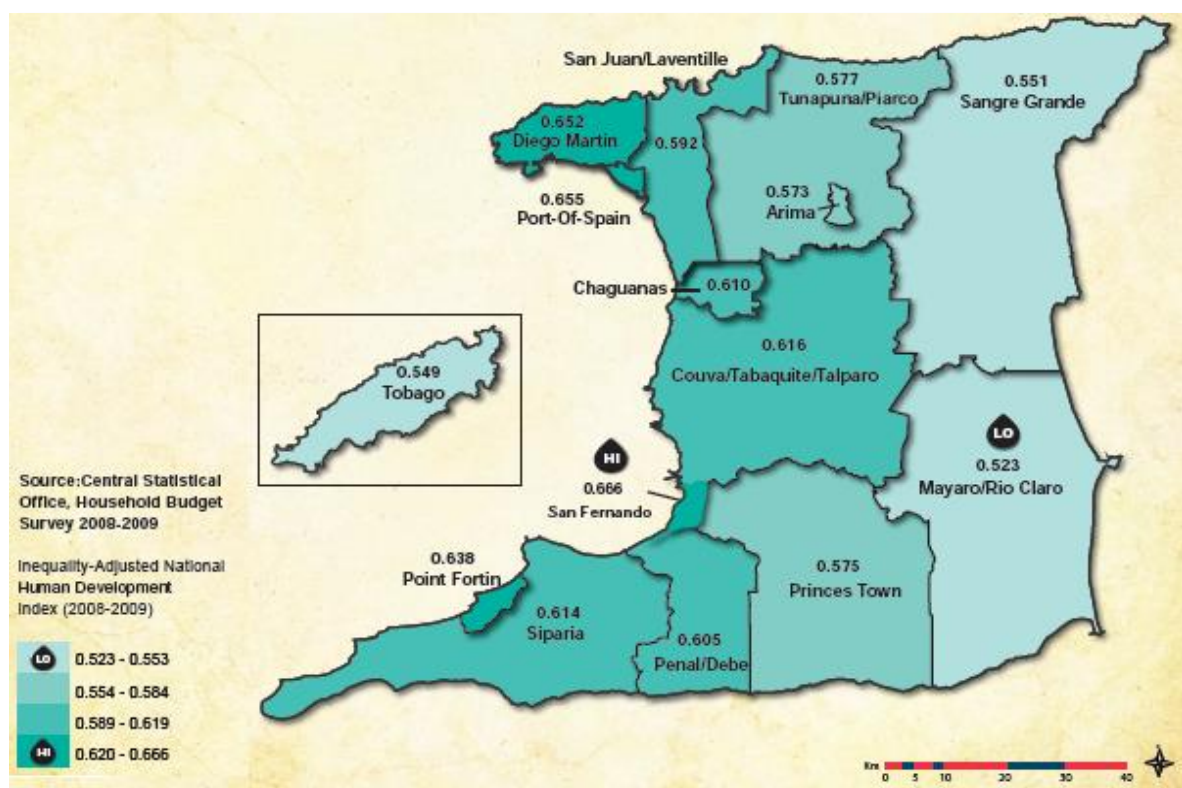


Figure 2.7: Inequality-adjusted National Human development Index 2008/2009 by Administrative Regions
Source: Trinidad and Tobago Human Development Profile, 2012

Table 2.7 presents statistics highlighting living conditions in Sangre Grande taken from the Trinidad and Tobago Human Development Atlas. The Atlas provided information on the NHDl 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:

- Sangre Grande had the third lowest in household income per capita per annum.
- Sangre Grande, with an education attainment rate of 79.9 percent for both females and males between the ages of 6 and 16 years, was among the regions with the lowest education attainment rate. Similarly, Sangre Grande had the lowest educational attainment rate (53%) for persons above 17 years and older who have attained secondary level education and higher.
- Sangre Grande was among the regions that scored the highest in the gender inequality index indicating that gender inequalities was higher in Sangre Grande compared to other regions in the country.
- Sangre Grande had the highest Multidimensional Poverty Index (MPI), indicating a higher incidence and intensity of poverty compared to other areas with lower indices.
- The region had the highest rate of adolescent births.
- Sangre Grande had a slightly lower than national average female labour force participation rate (50.1%).

- Sangre Grande recorded a relatively high life expectancy, higher than the national average of 73.2 years for both sexes; 70.2 years for males; and 76.5 years for females. However Sangre Grande has a relatively high incidence of chronic diseases of 23.4 percent.
- Consumption of iodized salt was low in Sangre Grande, indicating that children from the island were at risk of iodine deficiency disorder, which in turn can decrease susceptibility to miscarriages and still births.
- The island recorded the fourth lowest population percentage without adequate sanitation facilities,⁵ with 5.6 percent of its households.⁶

Table 2.7: Various Statistics on Living Conditions in Sangre Grande

| Indicators | Value | Rank and Rating out of the Country's 15 Administrative Regions |
|---|---------------|--|
| Total population, 2011 | 75,766 | 7 th (low-medium) |
| National human development index, 2010 | 0.616 | 2 nd (low) |
| Population having chronic illnesses ⁷ , 2008/2009 (%) | 23.4 | 12 th (medium-high) |
| Primary and secondary educational attainment rate ⁸ , 2008/2009 (%) | 79.9 | 12 th (low-medium) |
| Secondary and higher educational attainment rate ages 17 and above, 2008/2009 (%) | 53 | 1 st (low) |
| Household income per capita (TTD/USD) | 23,741/ 5,150 | 3 rd (low) |
| Inequality-adjusted national human development index, 2010 | 0.551 | 3 rd (low) |
| Gender inequality index, 2010 | 0.365 | 14 th (high) |
| Adolescent fertility rate ⁹ , 2010 | 75.2 | 15 th (high) |
| MPI, 2006 | 0.026 | 15 th (high) |
| Intensity of multidimensional poverty, 2006 (%) | 29.1 | 14 th (high) |
| Incidence of multidimensional poverty, 2006 (%) | 8.8 | 15 th (high) |
| Life expectancy at birth, 2010 (years) | 74 | 8 th (medium-low) |
| Households in which a child died, 2006 (%) | 4.2 | 9 th (medium-high) |
| Population without electricity, 2006 (%) | 6.4 | 15 th (high) |
| Population access to without clean drinking water, 2006 (%) | 6.4 | 12 th (medium-high) |
| Population access to without improved sanitation ¹⁰ , 2006 (%) | 5.6 | 12 th (low-medium) |
| Population not consuming iodised salt (%) | 71.8 | 13 th (high) |
| Labour force population – male (%) | 72.2 | 9 th (low-medium) |

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 Antidotal 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.

| Indicators | Value | Rank and Rating out of the Country's 15 Administrative Regions |
|--------------------------------------|-------|--|
| Labour force population – female (%) | 50.1 | 8 th (low-medium) |

Source: Trinidad and Tobago Human Development Profile, 2012

2.6 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.*

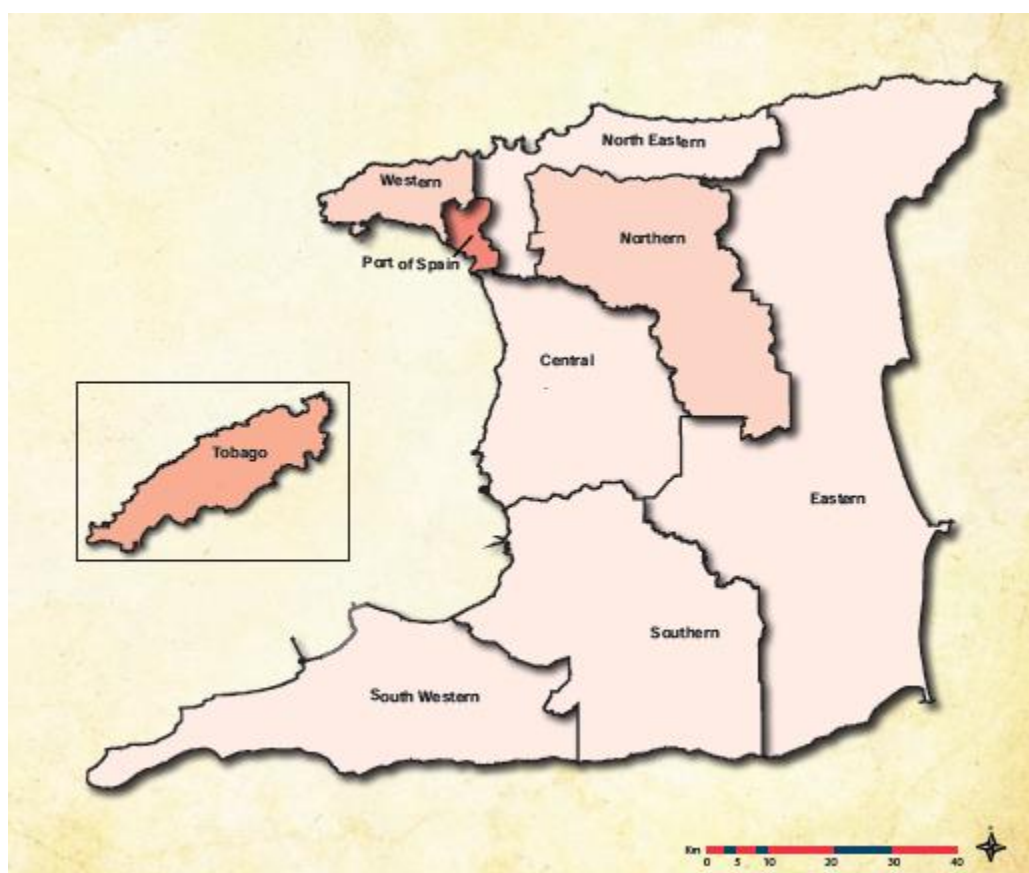


Figure 2.8: Police Divisions of Trinidad and Tobago

Source: Trinidad and Tobago Human Development Profile, 2012

Sangre Grande falls under the jurisdiction of the Eastern Police Division of Trinidad and Tobago Police Service. The 2010 Citizen Security Survey showed that in the Eastern Police Division, compared to all other areas, had an average percentage of victims of crime (20.8%) within the last 10 years and persons reporting that crime was a problem in their community (49.5%). Fourteen percent of the Eastern Police Division's respondents indicated that there was a gang in their neighbourhood. Residents in the Eastern Police Division also felt safe and this was reflected in the survey by the second highest level of persons who felt very secure (4.6%). However, half of the

respondents felt fearful in the last year about the possibility of becoming a victim of crime and did not have much confidence in the police services to effectively control the crime problem in the country (45.4%).

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, the Eastern Police Division had the second lowest level of reported serious crime per 100,000 persons in the country. It was less than half the number reported in Port of Spain Division which had the highest reported level of serious crime (4,800 reports).

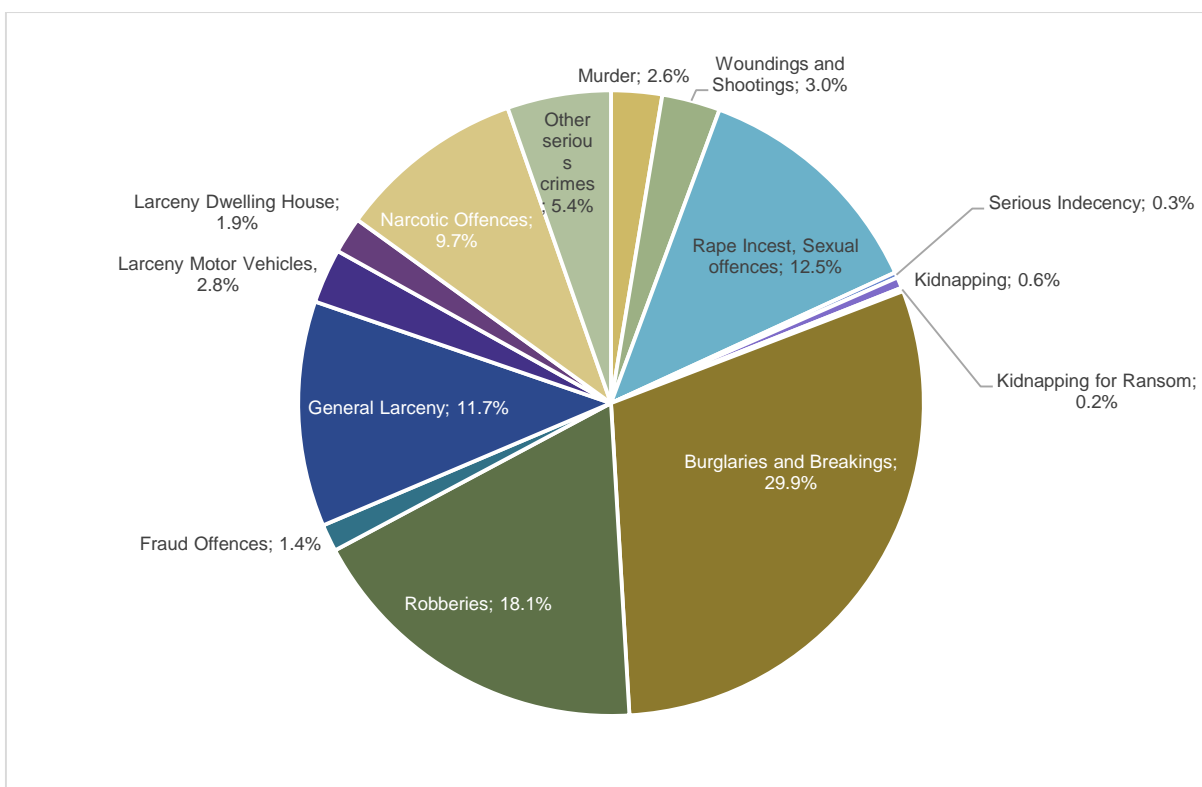


Figure 2.9: Share of Serious Crimes by the Type of Crime in the Eastern Police Division, 2010

Source: Trinidad and Tobago Human Development Profile, 2012

The serious crimes of major concern in the Eastern Police Division included burglaries and break-ins, general larceny and robberies, with 316, 123.2 and 191.8 reported cases per 100,000 persons, respectively. With the highest number of reported cases, it would also be important to pay particular attention to rape, incest and other sexual offences (132.2 reported cases) and narcotic offences (102.4).

Chapter 3

Sangre Grande's Natural Resources

A significant proportion of the country's biodiversity is found in Sangre Grande. Most of the land in the region is undeveloped, being under either forest cover or agriculture. The forested lands, the rivers and the beaches form the base for leisure, recreational and tourism activities for residents and visitors to the Municipality. Predominantly rural in character, the high environmental quality and rich variety of natural resources that characterise this area provide for an economic base across many sectors including agriculture, fisheries, and off-shore oil and gas exploitation¹¹.

Natural resources in this region are bountiful, and include the heavily forested slopes of the Northern Range and the wind-swept beaches of the east coast, including Grand Riviere and Matura (designated Prohibited Areas), Sans Souci and Madamas, some of which are important nesting sites for endangered turtle species. This unique combination of natural features makes Sangre Grande an ideal eco-tourism destination.¹²

3.1 Fresh Water Resources

Sangre Grande is one of the most important surface water sources for Trinidad and so the protection of this Region is, therefore, vital and of strategic interest to the country. The Caroni and North Oropouche Rivers are two major river systems which drain the lands of the Northern Range and Northern Basin of Trinidad. They are major overland sources of potable water and are important resources for agricultural production, industrial activities and for recreational activities. Most of the Oropouche River system is found in Sangre Grande. There are four major and seven minor traditional aquifer systems in the Municipality conveying a potential in the area for the development of mega-watershed aquifers.

Sangre Grande, like the rest of Trinidad and Tobago, is subject to a number of disasters, including tropical storms and hurricanes, flooding, earthquakes, forest fires, storm surges and tsunamis, mud volcanoes, and chemical emergencies. This Municipality is particularly vulnerable to land slippage, flooding and high winds. Areas along the Oropouche River and tributaries in the Tamana area are

¹¹ Sangre Grande Regional Corporation: Final Draft Regional Development Plan, Ministry of Local Government, 2010.

¹² National Spatial Development Strategy for Trinidad and Tobago (NSDS), Core Strategy and Regional Guidance, Ministry of the People and Social Development, 2013.

prone to flooding. Soil erosion and landslip damage is common along major access roads – Naparima/Mayaro Road and the Cunapo Southern Main Road. In addition, coastal erosion is a significant problem along most of the coast¹³.

3.2 Coastal and Marine Resources

The Nariva Swamp has the most varied vegetation of all wetlands in Trinidad and Tobago, with distinct zones of swamp forest, palm swamp, herbaceous swamp, and mangrove woodlands. The Nariva Swamp is a critical habitat for the manatee (sea cow) and several species of waterfowls. Only one coral reef can be described in Trinidad and that is Salibea Reef in Toco. Sea grass communities can also be found at Salybia.

There are numerous small recreational beaches from Toco to Matelot on the north coast, and from Manzanilla to Galera Point on the east. The best known beaches are at Balandra, Grande Riviere, Manzanilla, Matura, Rampanalgas, Salibea Bay, Salybia, and Sans Souci. Natural watercourses also provide recreational outlets for significant numbers of persons who frequent the Valencia, Matura, Sans Souci, and Shark Rivers on weekends and public holidays. Turtle watching has developed into a significant activity on those beaches that are used as nesting grounds by turtles. Thus, ecotourism is emerging as an important economic driver for communities in the Northeast and East - M2M, Fishing Pond/North Manzanilla, and Manzanilla.

Fisheries are an important source of livelihood for many coastal communities as is the case for coastal communities of Sangre Grande. Aside from recreation, some of the region's beaches also function as landing sites for fishermen in Balandra, Cumana, Grande Riviere, Manzanilla, Matelot, Sans Souci, and Toco.

The east coast also has significant potential for development of renewable energy, specifically wind power and solar energy generation. The Ministry of Energy and Energy Affairs made public its commitment to pursue research and development in this area through the operationalisation of a 100 Megawatt (MW) wind farm and an extensive Wind Resource Assessment Programme (WRAP) on the East Coast of the country within the next few years¹⁴. In a similar vein, the Solar House project, a fully self-sufficient, solar-powered house and supposedly the second of its kind in the Caribbean region, was launched in July. The fully inhabitable 2-bedroom, 1-bath, solar house functions 100 percent on solar energy and was constructed as a pilot at the Point Lisas campus of the University of Trinidad and Tobago. Both avenues of renewable energy generation provide the opportunity for the creation of local green economies with sustainable jobs, with the larger aim to reduce unemployment in the region of Sangre Grande.

¹³ Sangre Grande Municipal Investment Plan, Ministry of Local Government, 2012

¹⁴ Prime Minister's Address at the United Nation's Climate Change Summit, New York 2014

3.3 Land Use and Resources

Agriculture is the predominant land use in the southern one-third of the region with traditional cash crops of cocoa and coffee, despite their decline over the years, still playing a very important part in this sector. Large acreages are also devoted to coconuts, citrus, plantains, bananas, mangoes, vegetables, and root crops including cassava, dasheen, and yams. Rice production takes place in the Manzanilla and Plum Mitán areas.

Areas like Oropouche and Fishing Pond are used extensively for vegetable production. Other important farming activities include livestock rearing (cattle farming in Valencia, poultry production in Cumuto/Tamana) and beekeeping.

Over 40 percent of the land in the area is under statutory protection. There are some 18 protected areas in the region representing various ecosystems. One notable forest type, the Mora forest, is found extensively in east Trinidad, with one location in the Sangre Grande Region near Matura. It is dominated largely by *Mora excelsa*. In addition, the Municipality is home to some 15 of the country's endemic plant species. The region is also home to many bird species, including the endemic and endangered Trinidad Piping Guan (*Pawi* or *Pipile pipile*).

Geologically, the materials found in the Sans Souci area include the only igneous rocks to be found in Trinidad. However, the portions of the Municipality falling within the North Basin and Central Range are mainly sedimentary in nature. The main economic mineral resources within the Municipality are made up of veins of blue and yellow limestone found in the Northern Range; extensive deposits of the "Melajo" and "Guanapo" gravels which occur from Wallerfield through to Valencia to Matura and quartzite sands found throughout this region including a valuable deposit of silica sand at Matura which is used to manufacture glass. Sand and gravel of various grades are quarried for use in the construction industry¹⁵. Quarrying also takes up an appreciable amount of land space with extensive areas of sand and gravel deposits around Sangre Grande (particularly in Valencia and Turure) being mined, both legally and illegally, and often indiscriminately. Water production is another important economic activity.

Built development is mainly residential with a small amount of Office, Trade/Commercial, Tourism, and Institutional activity. There is no industrial development of any note in the region. Despite the severe constraints to economic investment in the region, data on establishments collected by the CSO show that there was a major increase in the number of business establishments in the Municipality between 2000 and 2001, from 485 to 799. Over the period 2001 to 2007, the number rose less dramatically and stabilised at around 900 over the period 2005 to 2007 reaching 907 in 2007. Most of these are located in, or in proximity to, the town of Sangre Grande.

¹⁵ Sangre Grande Municipal Investment Plan, Ministry of Local Government, 2012.

Chapter 4

Sangre Grande's Physical and Local Assets

4.1 Physical Infrastructure

4.1.1 Transportation (Land and Sea)

The municipality is serviced by a number of main roads which allow for access to vital activity and population centres. The most recent addition being the Valencia by pass which improved access to the town of Sangre Grande and other contiguous communities via access routes that opened along the Valencia bypass. Linkages between Distributor/collector roads are served by secondary roads which connect activity centres to the main roads. These distributor/collector roads also serve as local access roads and vary in condition and size.

4.1.2 Water Supply and Distribution

Wastewater disposal systems remain at the household level. The area has demonstrated a high propensity for rainfall and resultant runoff. However, when taken together with the prevalent challenge of storm-water management, flooding is indeed commonplace in some communities in the municipality, especially those located in the vicinity of the municipality's major water courses or in its floodplains. Poor maintenance along with inappropriate drainage infrastructure in vital locations are two factors which have contributed significantly to the region's drainage problems.

4.1.3 Wastewater and Solid Waste Management

The need for improved wastewater treatment and management within the municipality has been recognised. Solid waste in the municipality was predominantly disposed of by private waste haulers. Consequently, it is not uncommon that households engage in the illegal dumping of waste, which creates a challenge of unhealthy informal dumpsites throughout the municipality. The need both for improvement in municipal solid waste collection and disposal systems alongside greater cooperation at the community level and the household level was recognised in the areas of waste recycling, reuse and reduction.

4.1.4 Information and Communications Technology

The urban communities within the municipality, particularly those along the Eastern Main Road, are relatively well served in areas of telecommunication including radio, internet, cable television and telephone. The need for greater penetration of telecommunication technologies has been acknowledged for rural communities in the municipality, such as Northern Manzanilla, Greater Tamana and Matura to Matelot.

4.2 Dwelling/Building Stock

In the municipality, the majority of housing units are single-family residences. Nevertheless, living conditions in Sangre Grande range from squatter settlements and remote communities to elite accommodation and holiday homes. In rural communities within the municipality, the need for the renovation of derelict housing is apparent. In other communities, agricultural acreages have been partitioned for residential use with neither clearance from the Town and Country Planning Division (TCPD) nor the appropriate infrastructural development required for housing development.

Access to potable water is a challenge facing some households in the municipality, with a number of communities continuing to be underserved in this regard. In such instances, rainwater harvesting along with truck-borne water continues to be the main sources of their water supply.

4.3 Social/Cultural Infrastructure

4.3.1 Health

The municipality is home not only to a number of health centres but also the Sangre Grande Hospital, which is the pinnacle of the Eastern Regional Health Authority. The Eastern Regional Health Authority provides health care for the catchment population from Matelot in the North to Guayaguaré in the South. Primary and secondary health care facilities are prevalent in the municipality, with 11 health centres catering to the needs of the 41 communities in the municipality. Most burgesses are within reach of prevalent health care facilities. It is believed that the Sangre Grande Hospital should indeed be complemented by a smaller facility which would serve the remote north east and Cumaca, who at present have to go to Valencia to secure services.

4.3.2 Education

Facilities for the provision of Primary, Secondary, Post-Secondary and Tertiary education are indeed prevalent in the municipality.

4.3.3 Disaster Management

As part of its remit, the regional corporation is charged with the responsibility of the development of a disaster management system for the municipality guided by the National Disaster Management Policy and the Ministry of Local Government Disaster Management Policy.

4.3.4 Recreation, Sports and Entertainment

Sporting facilities in the area are maintained by the Ministry of Sport and Youth Affairs and facilitated by its Sangre Grande Sub Office. Sporting Facilities in the municipality include a community swimming pool.

Chapter 5

The Municipal Economy

This section of the document elaborates on key elements of the economy of the municipality of Sangre Grande. The first subsection provides the general review of the economic performance of Trinidad and Tobago while other subsections highlight the key economic drivers in the municipality 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 largest 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 was sustained 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 as well as cement caused the growth observed in manufacturing sector growth 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 grow on average by 3.5 percent for the first 3 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 precipitous growth 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 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 is 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) ¹⁶ | -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 (%) ¹⁷ | | | | | | |
| (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 (%) ¹⁸ | 5.3 | 5.9 | 4.9 | 5 | 3.7 | 3.1 ¹⁹ |

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

¹⁶ Growth rates are derived from the Central Bank's Quarterly Index of Gross Domestic Product

¹⁷ Changes in the Index of Retail Prices (RPI), January 2003 = 100

¹⁸ This represents the average of the four quarters

¹⁹ For the period January-March

5.2 Key Economic Drivers (Activities)

Within the municipality of Sangre Grande, there is a wide range of business enterprises. Consistent with that which is observed nationally, enterprises in the municipality were concentrated largely in the retail and distribution sector (65.66%) and personal services (15.51%) sectors (Table 5). Size based differences were observed among prevalent enterprises in the municipality. While retail and distribution businesses were indeed the most prevalent in the municipality, it was enterprises in the construction (33.33%) and mining sectors (33.33%) which accounted for the largest proportion of enterprises employing 50 or more persons. Other sectors represented by large enterprises included tourism (16.67%), and the provision of personal services (16.67%).

Table 5.2: Distribution of Registered Businesses by Sector and Size

| Sector | Size of Enterprise | | | | | Grand Total |
|---|--------------------|-----------------|-------------------|---------------------|---------|-------------|
| | Micro (1 to 5) | Small (6 to 25) | Medium (26 to 50) | Large (50 and over) | Branch | |
| Assembly Type and Related Industries | 0.22% | 0.00% | 0.00% | 0.00% | 0.00% | 0.14% |
| Chemicals and Non-Metallic Minerals | 0.22% | 1.30% | 0.00% | 0.00% | 0.00% | 0.55% |
| Construction | 2.86% | 9.57% | 71.43% | 33.33% | 0.00% | 6.51% |
| Distribution | 73.57% | 56.09% | 21.43% | 0.00% | 44.44% | 65.65% |
| Educational and Cultural Community Services | 1.54% | 1.74% | 0.00% | 0.00% | 0.00% | 1.52% |
| Finance, Insurance, Real Estate and Business Services | 2.20% | 1.74% | 0.00% | 0.00% | 44.44% | 3.05% |
| Food Processors and Drink | 0.00% | 2.61% | 7.14% | 0.00% | 0.00% | 0.97% |
| Hotels and Guest Houses | 0.44% | 2.17% | 0.00% | 16.67% | 0.00% | 1.11% |
| Miscellaneous Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 5.56% | 0.14% |
| Personal Services | 17.40% | 13.48% | 0.00% | 16.67% | 5.56% | 15.51% |
| Petroleum and Other Mining Industries | 1.10% | 4.78% | 0.00% | 33.33% | 0.00% | 2.49% |
| Textiles, Garments, Footwear, Headwear | 0.00% | 0.43% | 0.00% | 0.00% | 0.00% | 0.14% |
| Transportation, Communication and Storage | 0.22% | 3.04% | 0.00% | 0.00% | 0.00% | 1.11% |
| Wood and Related Products | 0.22% | 3.04% | 0.00% | 0.00% | 0.00% | 1.11% |
| Grand Total | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Source: Central Statistical Office

Of the businesses formally registered in Trinidad and Tobago, those operating in the municipality of Sangre Grande accounted for 3.35 percent (Table 5.3). Enterprises were concentrated largely in the Sangre Grande Town Centre (56%), but were also located in Guaico (8%), Valencia (5%), Cumuto (4%), Toco (4%), Manzanilla (4%), Oropouche (3%), and Sangre Chiquito (2%) (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

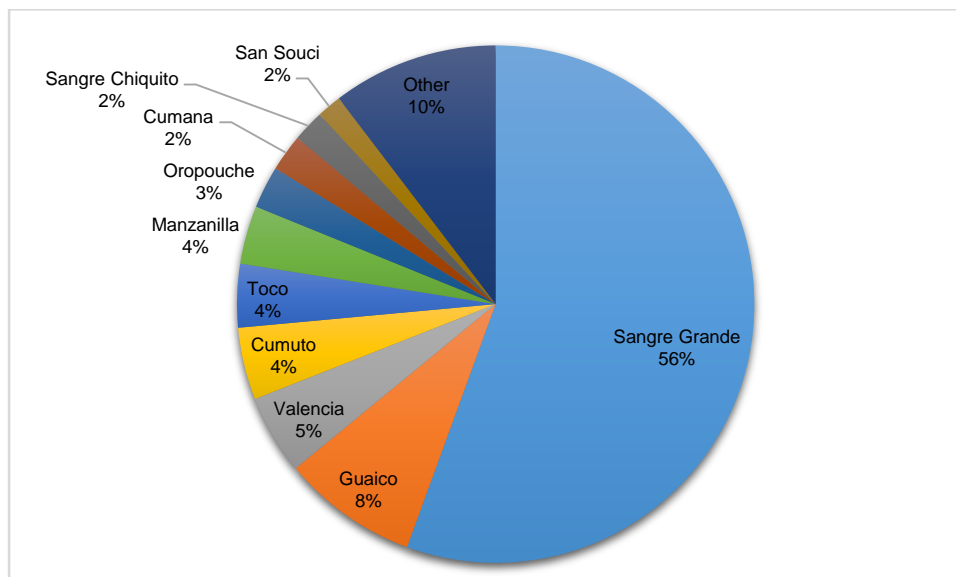


Figure 5.1: Registered Business by Community

Source: Central Statistical Office

5.2.1 Employment and Unemployment Trends

Figure 5.2 below illustrates the breakdown of employed household heads by employment category. Interestingly, equal proportions of household heads in the municipality were employed in Private Enterprise (34%) and Central/ Local Government Offices (34%), which is indeed indicative of the strong culture of entrepreneurship in the municipality. Other categories witnessed in the municipality included own account workers (22%), employers (4%), and persons employed at state enterprises such as National Entrepreneurship Development Company Limited (NEDCO) (3%).

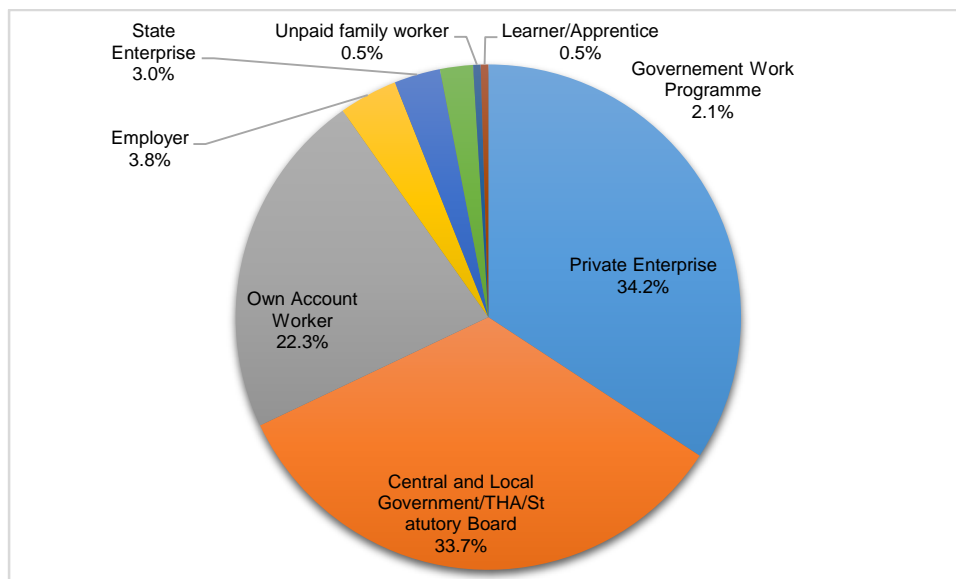


Figure 5.1: Employment of Household Heads

5.2.2 Occupational Groups

The majority of household heads were employed in elementary occupations, and comprised 30.3 percent of the active labour force (Figure 5.3). Other major occupational groups observed within the municipality include Plant and Machine Operators (17.85%), Service and Sales Workers (15.78%), Craft and related trades workers (10.86%), Managers (6.13%) and Technicians and associate professionals (5.6%).

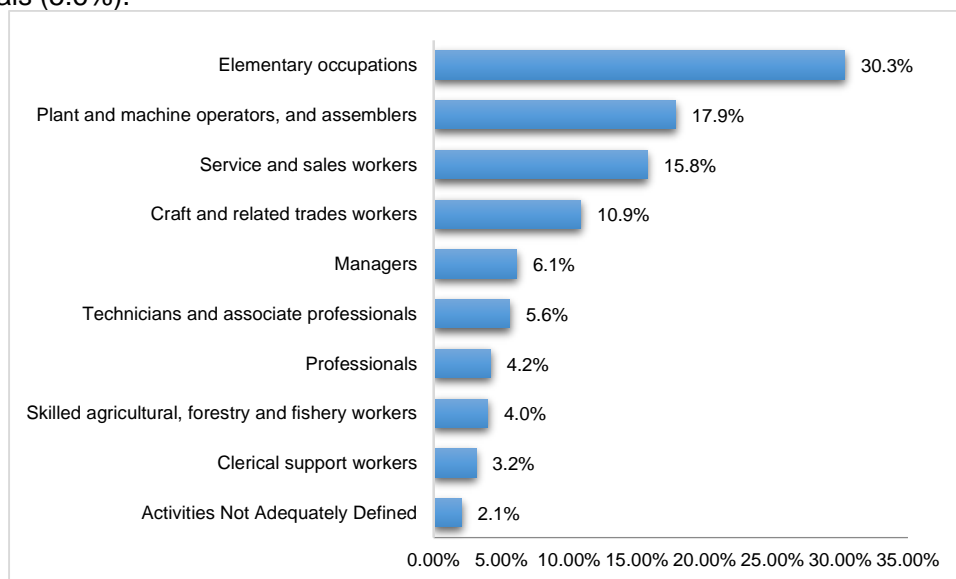


Figure 5.2: Household Heads by Occupational Groups

5.2.3 Income

Figure 5.4 below illustrates the income earned by household heads from their main job. As much as 70 percent of household heads in the municipality earned a gross monthly income from their main job of TT\$ 5,000 or less. Almost a quarter of household heads earned monthly income in the TT\$

5,001 to TT\$ 10,000 range. Only a minority of household heads (4.9%) generated monthly income over TT\$ 10,000 from their primary job.

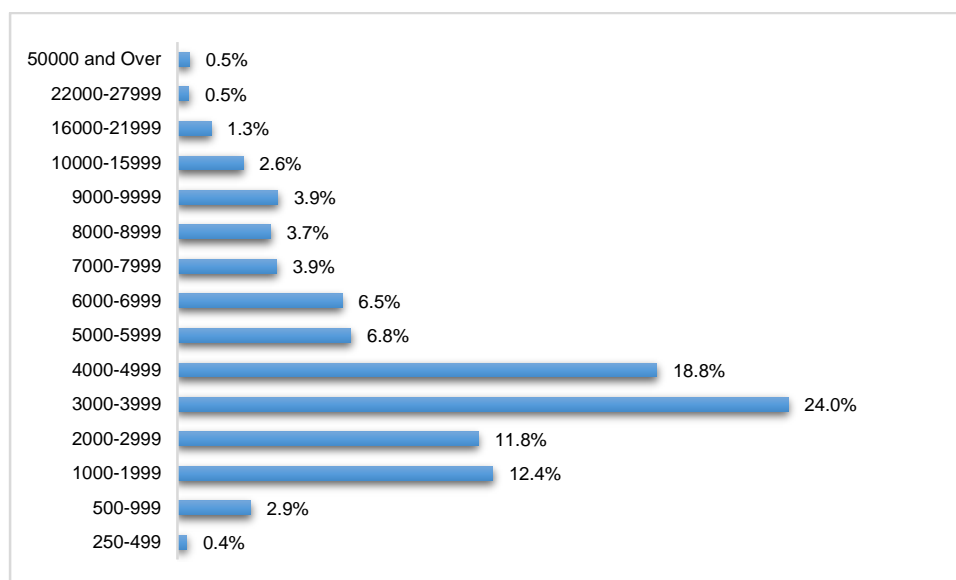


Figure 5.4: Gross Monthly Income from Main Job

5.3 Key Business Activity

5.3.1 Cluster Structure

The economy of Sangre Grande which is comprised of the largest designated land mass of the country is already one of the more diverse in the country. The main economic drivers have been:

- Agriculture - Short term crop production, tree crop agriculture, floriculture, live stock production, including cattle rearing, poultry production and beekeeping;
- Fisheries - Marine Fishing and Fish farming;
- Quarrying - Sand, Gravel, Blue and Yellow Limestone and Quartz Sand;
- Tourism/Eco Tourism/Community Based Tourism;
- Commerce and Distribution - including Micro and Small Businesses in urban centres; and
- Public Services

There is present in the coastal area off-shore facilities of the energy companies, but these are hardly integrated into the economy of the municipality. The economic activity of the municipality falls neatly between sectors that cater entirely to the domestic economy, and/or do not compete with imports, and those that contribute directly to exports and/or compete with imports or potential imports. Among the first are Commerce and Distribution, Quarrying, and Public Services, and among the latter are Agriculture and Fisheries, and Tourism.

5.3.2 Commerce and Distribution

The town centre of Sangre Grande remains a major commercial node for the municipality, with its businesses attracting clients and custom from the various communities of the municipality. This has been its historic role that dates back to the latter half of 19th century when agricultural supplies from the area, mainly cocoa and coffee, were traded by buying agents for onward supply to markets abroad. The road system in the municipality has a confluence in Sangre Grande, which has remained dominant as a centre for business and commerce for most of the other communities.

Valencia to the north-west, which is oriented to the East West Corridor, has emerged as another smaller conurbation in the municipality, partly as a result of its location vis-à-vis traffic destined to the north-east reaches of country. The selection of the area for major housing developments has also contributed to the establishment of commercial and distributional outlets to serve an increasing population. There are also been an increase in spontaneous settlements which have increased the population and thus the demand for services to households in the area: at the level of the Council, there is the view that the municipality has had the largest increase in squatter settlements in recent years. Sangre Grande is still the dominant centre with its cluster of establishments serving communities of the municipality with the major produce market located there, as well as grocery stores, haberdashery stores, restaurants, personal care services – hair dressers, barbers – and transportation and construction and maintenance services.

5.3.3 Quarrying

The municipality has major deposits of quarrying material in Trinidad and from it are sourced sand, gravel, blue and yellow limestone, and quartz sand. The main road into and out of Valencia support considerable tonnage of material that is extracted and transported to different parts of the country. There are serious environmental problems arising from the open-pit method of quarrying, let alone the lack of control over unauthorised quarrying, and an absence of rehabilitation of spent quarries. What is significant about the industry is that it is dominated by large operators in the construction industry, and in the road transport trucking and haulage business, and are not companies resident in the municipality. For them the municipality is simply a source of supply.

5.3.4 Public Services

Given that the major town of such a large municipality is Sangre Grande, there is a range of Public Services organisations located in the town, which therefore stimulates the demand for related services, including satisfying the needs of employees of state organisations and clients also. The major District Hospital in the east of the country is located in town of Sangre Grande. So also are the Office of the Municipal Corporation, a depot of the Public Transport Service Corporation, and the area offices of such like the Ministries of Community Development, and of the Social Services and Family Services. It is also the source of educational opportunities through College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT) and a number of Government secondary schools.

5.3.5 Tourism/Eco-tourism

The area's amenities in eco-tourism development are unique. Its coastal marine offers idyllic beaches at Matelot, Grande Riviere, Sans Souci, Balandra, Salybia and Matura. Some of the beaches are a favourite location for turtles to lay their eggs. The landscape of this municipality includes the Cumana and Tamana Caves which are inhabited by the oil birds. There are scenic

vistas in the Manzanilla/Mayaro Road with its coconut tree fringe, and the waterfalls of Cirra and Rio Seco, which attract hikers and others seeking a river bath.

Also unique is the emerging community infrastructure that has evolved to manage this distinctive environment in which some 40 percent of the land is under statutory protection. There are a number of NGOs and CBOs that have been established, and collaborate across the municipal space. Through the creation of such an entity as M2M Group - Mathura to Matelot-, there now exists, under one umbrella, community groups engaged in the protection of the turtle, along the coastline from Matura to Matelot. The beaches have become a central conservatory and the M2M are committed to protecting the turtles.

There are other formally registered organisations like the Fishing Pond Turtle Conservation Group, the Balandra Environmental and Nature Tour Group, and Nature Seekers which are involved in conservation but also have among their membership individuals who engage in tour guiding services to visitors to the area. Indeed, the community-led tourism enterprise has been a significant organisational form engaging residents in the supply of services to visitors to the area. There are also small-scale resorts offering accommodation to visitors who seek the quiet of more remote scenic locations and natural amenities with which this municipality is endowed, which make it a niche market in eco-tourism for visitors, from all over the world.

5.3.6 Agriculture

Agriculture continues to have some importance in the municipality with traditional cash crops of cocoa and coffee, as well as coconuts, citrus, plantains, bananas, mangoes, vegetables and root crops and rice. There is also livestock rearing – cattle farming in Valencia and poultry production in Cumuto/Tamana and beekeeping in various locations in the municipality all contributing to a diverse agriculture and to the generation of income for small farmers and to micro-businesses engaged in the distribution of produce from this primary activity.

5.3.7 Fisheries

Fishing employs some of the work-force, although there has been a decline in recent years, because of over-exploitation and the loss of fish stock as a result of seismic surveys and drilling conducted by the energy companies in the offshore oil and gas operations. There are landing sites at a number of sea-side villages – Matelot, Sans Souci, Toco, Balandra, Cumana, Salybia and Manzanilla. With about 30 vessels based in these villages, there are about 200 fishers still engaged in the artisanal fisheries. Most of the landing sites in the villages lack good refrigeration facilities: fishers are usually required to dispose of their catch immediately on arrival back in the village, thus, being at the mercy of middlemen and women who purchase to sell in other parts of the country: there is little, if any exports from these fishers. There is also some limited aquaculture practised in the municipality.

5.4 Development Planning and Strategy

5.4.1 Economic Thrust

The existing economic clusters that have evolved in the economic space of the Sangre Grande Municipality create a base for expansion of the economy of the area and for the development of MSMEs, and more particularly, for MSMEs to be the platform for growth and development. A revitalised agriculture and fisheries management, including expansion of aquaculture can provide the base for fish processing activities in which MSMEs can be involved. The municipality is well endowed with land with enormous agricultural potential, from which can come supplies for agro-processing with operations of various scales. There are also niches like honey production and floriculture from the special microclimate in this part of the country.

The area has already established itself in tourism services, and in particular, with ecotourism based on its forestry, excellent natural vistas, sea-scape and secluded beaches which are favoured by leather-back turtles as the grounds for laying their eggs. The town of Sangre Grande remains a centre for commerce and distribution and with the development or revival of agriculture and fisheries sectors, can be a centre for large scale processing and industrial operations in the municipality.

The prospective economic thrust has been elaborated in the Spatial Development Plan for the municipality that was prepared some five years ago. That plan is based on a platform of Balanced Growth, and proposes a strategy that involves expansion on the sectors discussed above, and identifies a path to new industries, which might be promoted in the Municipality.

5.4.2 Spatial Plan and Medium Term Framework

The Plan, which has provided guidance to Council of the Municipal Corporation in its present incarnation, is easily aligned with the national priorities that have since been set by the Government of Trinidad and Tobago (GORTT), which focus on six strategic business clusters and related enablers, namely:

- Energy;
- Food Sustainability;
- Culture and Creative Industries;
- Maritime Industries;
- Tourism; and
- Financial Services.

The people and enterprises from within the municipality are already substantially involved in at least two tradable sectors in the clusters listed above, namely food sustainability through agriculture, and tourism. Activities focused solely on demand in the national economy are quarrying, and in the local municipal economy, financial services and commerce and distribution, which are likely to expand to meet the demands of a growing population in the municipality.

There are areas of convergence between the economic programme of the country and the existing sources of growth in the economy of the municipality. The food sustainability objective which will result in the expansion and revitalisation of agriculture can be pursued in this municipality that has the capability of being one of the most important food baskets of the country, contributing to the reduction of food imports and thus to food security, and even to exports of niche products. Short

term crops, tree crop agriculture, livestock, beekeeping, floriculture can contribute by way of primary production but can be the basis for a major packaging and processing industry and to new industry serving the national population and export demand. Fishing can contribute complementary supplies to a fishing processing industry. The special amenities of this north-east of the country and might be ideal for floriculture and beekeeping which are special high value niche markets, both domestic and external. While the energy sector might continue to expand, the involvement of the municipality might be only by way of employment of a few in the off-shore operations.

5.4.3 Collective Efficiency

Much depends on state agencies and their capacity to facilitate development in this municipality. Major agencies of Government involved in the provision of services are represented in the municipality – Ministries of Food Production, Education, Tertiary Education and Community Development have a presence in the municipality. The Ministry of Energy is involved in a major project exploring the possibilities of alternative energy – wind and solar. However, there is little formal collaboration on matters of development between the Municipal Council and some of these other agencies involved in the provision of services to the communities of the municipality. Clearly, there will be need for institutionalisation of arrangements around the development of economic activity.

The Ministry of the Social Development has, as conscious policy, arrangements for the coordination of initiatives in respect of the delivery of a range of services at a decentralised level, and the Ministry of Sport has a sub-office in Sangre Grande. There is no such comparable arrangement among the agencies involved in the facilitation of delivery of services related to economic organisation and economic development. The development of micro- businesses and small and medium enterprises (SMEs) has to be contextualised in the economic thrust that might be facilitated by the Government, and involving the private sector and NGOs operating in the area. The Municipal Corporation is the natural locus for the coordination of facilitation of services of state agencies, in support of economic activity in the municipality.

The Sangre Grande Spatial Development Plan (2010-2020) remains relevant in respect of the programme of economic development outlined more than five years ago. The people of the Municipality can be geared for a dynamic participation in tourism and eco-tourism, and in the conservation of the unique natural amenities of their space: indeed, their involvement is the main safeguard of its sustainability into the future. The other important tradables are in agriculture and fisheries, and related primary production which can be the base for both new small scale and medium to large scale packaging and processing industries, and in the latter regard, with possible location on an industrial estate in or near the town of Sangre Grande.

5.4.4 Innovation Capacity

The Council of the Municipality has to engage the tertiary education establishment in neighbouring municipality –UTT and The University of the West Indies (UWI) – at the highest levels of research and development to collaborate in supporting the conservation of the unique natural amenities – protection of the habitat of the oil birds, the attraction of the beaches to turtles, the rebuilding of fish stock, development of sustainable aquaculture – at the same time as MSMEs and community enterprise are mobilised to create viable economic activity. There is need for it to work closely with the Ministry of Energy and Energy Industries in respect of the exploitation of alternative energy –

wind and solar – in the production system. The drying of produce with the use of solar, might be an activity to be undertaken by small scale producers.

There are other areas in the local economy which invite personnel with innovative capacity. The processing of tropical produce from the area, the development of new products, and systems of production for small scale operations, the adaptation of equipment and processes imported from abroad, are areas worthy of focus. The Municipal authorities would be well advised to secure the services and expertise of agencies like Caribbean Industrial Research Institute (CARIRI), the University of the West Indies and the University of Trinidad and Tobago, where necessary. The staff of some of these agencies especially of the Universities, might well be placed and indeed pleased to contribute, thereby ensuring that their theoretical knowledge can be tested in practical applications. The upgrading of the population generally and the workforce in particular, through education and training will need to be addressed in complementing the thrust in economic expansion and in the harnessing of innovative initiatives.

5.5 Challenges

5.5.1 Economic and physical infrastructure

There are deficiencies in the existing infrastructure. The most serious challenge is the internal road infrastructure serving the area. It is severely inadequate for a municipality that is going to grow in the years ahead given the commitment of the Government to decentralise economic activity and to create new nodes of growth in areas of the country that have suffered marginalisation and retardation in their development.

The extension of the Churchill Roosevelt Highway to Sangre Grande and beyond is a priority. However, there is need to develop the road system within the municipality and to the communities that are linked to the town of Sangre Grande. The base of these roads is still the tracks that would have been laid before motorised transport, and dates back to the late 19th century. The access to Matelot in the north and to Manzanilla in the east, is highly deficient in the context of the promotion of tourism and the revitalisation of agriculture and fisheries sectors.

Another important area of the infrastructure relates to telecommunications. There is need to ensure that the service providers that are licensed to provide universal services ensure that they reach all communities in the municipality without exception: this applies to telephone, radio, television, and the internet.

5.5.2 Brain Drain

The slow pace, or lack of development has been a factor in the difficulty that many of the communities have experienced in retaining personnel with tertiary level or post-secondary education and training. Such personnel, who choose to remain resident in the municipality, invariably seek employment outside the municipality. There is need to foster a level of development to encourage many more to engage in rewarding activity and to live in the municipality.

5.5.3 Labour Shortfall

The GORTT has been sensitive to the slow pace of development in communities of the Municipality of Sangre Grande. The response of the state has been the promotion of state employment

programmes to mop up unemployment and underemployment in some communities. The net effect has been an increase in the reserve price of labour even in elementary occupations. This has slowed the expansion of SMEs which find it difficult to attract workers whose effective rate of pay is based on a very short labour day – four hours at most – for a full day's pay: compensation of labour at such effective rates of pay will place SMEs in an uncompetitive position. The Municipal Corporation and the national Government need to remain sensitive to this fact, especially if they are committed to allowing the private sector to be the main agent of economic expansion.

5.5.4 Access to Distance Education and Training

Remoteness is a feature of many communities in the municipality. The data on educational attainment demonstrate that the residents at the lower end of the national scale. One of the most important investments needed is the provision of facilities for Distance Education for those in remote communities to avail themselves of the perquisites of a knowledge driven economy without their needing always to relocate. Residents have to be afforded the opportunity for life long education, through which they can rise to the national average. Moreover, the ambitious young man or woman in a community like Matelot must be able to remain in Matelot and enjoy a high quality of life from a business that might include exploiting, with improved information and knowledge, the flora of the immediate forest environment.

5.6 Role of Policies

In the context of the thrust to devolution and decentralisation of governance that is explicit in the Act creating the Municipal Corporation, the Municipal Authorities are the agencies expected to play a major role in the implementation of policy set at the national level. Moreover, as an entity responsible for representing the views and aspirations of people of an area, the Corporation can be expected to contribute to the articulation of policy at the national level. The Ministry of Rural Development and Local Government is geared to implement policy regarding:

- Building and land development;
- Public health and sanitation;
- Community Services;
- Roads, drains and infrastructure;
- Burial and cremation services; and
- Information and education.

The adoption of the CARILED model implies a more expansive role, and, therefore a widening of the interpretation accorded to the functions above, which in the implementation will require the Council of Municipal Corporation to be entrepreneurial in its discharge of its responsibilities.

Chapter 6

Profiling Sangre Grande's MSME Sector

6.1 Introduction

The development of a vibrant MSME sector can serve as a key source of innovation, diversification, productivity and economic growth. MSMEs tend to mobilise creative energies and identify opportunities that exist, but which may be ignored by larger enterprises. They can identify 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 SMEs in Trinidad and Tobago.”*

There is considerable variation about what constitutes a MSME. 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 acknowledges 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 (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

| Size | No. of Employees | TT\$ (Excluding Land Assets 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 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 a steady growth in MSMEs in Sangre Grande for the period 2001 to 2006 with a slight decline in 2007. There were 708 and 691 MSMEs registered on the CSO database in 2006 and 2007, respectively (Figure 6.1). In 2007, 86 percent of the businesses were categorised as micro (mini-micro) category (Table 6.2).

The survey of key personnel provided expert opinion that can be compared with the results from the survey of the adult population. Table 6.3 provides their average rating on key areas, which characterise the entrepreneurial environment in Trinidad and Tobago.

Table 6.2: 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 |
| Research and Development (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 |

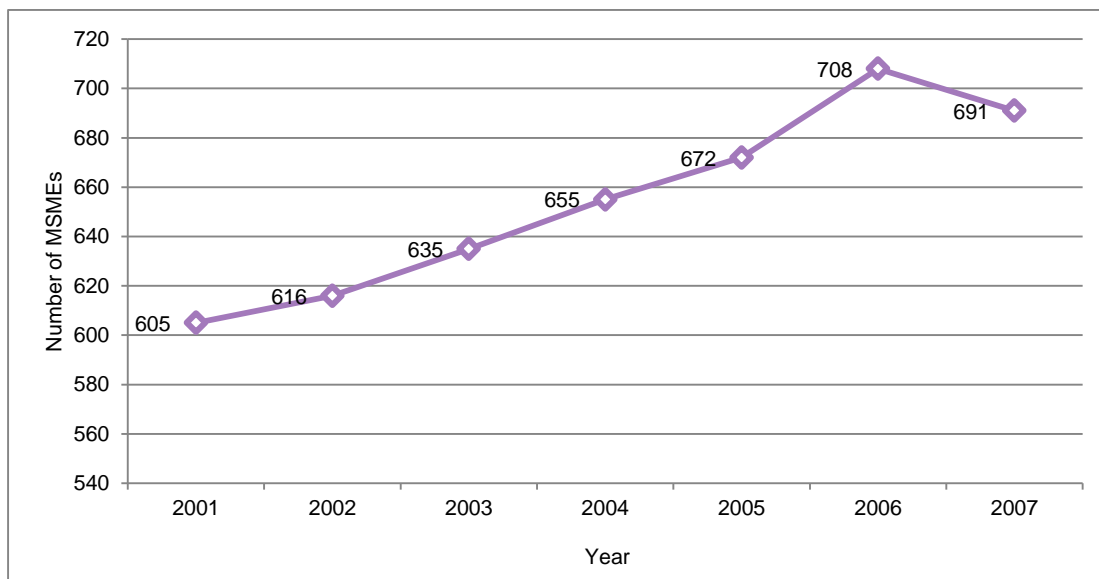


Figure 6.1: Changes in the Number of MSMEs, 2001 to 2007

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

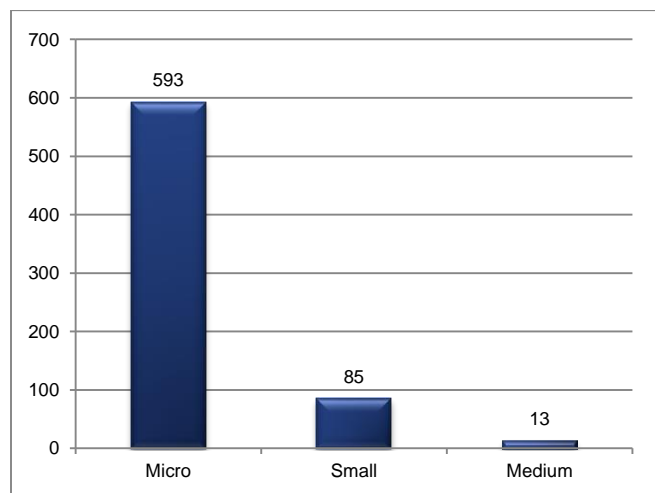


Figure 6.2: Distribution of MSMEs by Firm Size, 2007

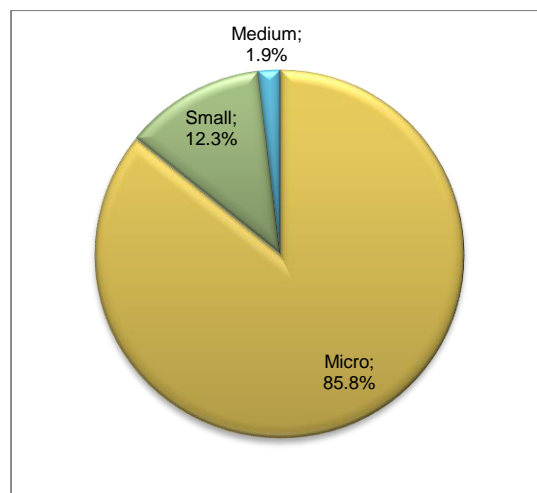


Figure 6.3: Proportion of MSMEs by Size of Enterprise

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

6.2 Legislative, Policy and Institutional Framework for MSME Development

6.2.1 Legislative and Policy Framework

More recently, the GORTT developed a draft Micro and Small Enterprise (MSE) Policy, which provides definitions for micro- mini-micro and small-sized businesses which were equivalent to the categories previously used. It was clear from this study that this definition was not widely used. The criteria for the new MSE definition are provided in the table below (Table 6.3).

Table 6.3: Criteria Used to Define Mini-Micro, Micro and Small-sized Businesses

| Size of Enterprise ²⁰ | Number of Employees | Asset Value (TT\$) ²¹ | 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 registration of support services; public-private partnerships²²; 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 include actions such as mainstreaming of youth in the IBIS (National Integrated Business Incubator System), FairShare, and other existing youth enterprise development programmes and collaborating with existing youth business stimulation programmes such as Youth Business Trinidad and Tobago (YBTT).

²⁰ MSEs must meet at least two (2) of the stated criteria and must also meet the owner-manager criterion.

²¹ Asset values exclude land and buildings.

²² 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>.

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.²³

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.

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 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 establishing 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);

²³ 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.

- 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 Ltd. 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.

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 fund from commercial banks or other commercial lending agencies, and as such, its loan facility is characterised by simple procedures and minimal collateral requirements. There is no NEDCO office located in the Sangre Grande.

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 memorandum of understanding (MOUs) with the IBIS programme including the Arthur Lok Jack Graduate School of Business, the UTT and YTPP.

6.2.2.8 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.

6.2.2.9 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.

6.2.2.10 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 organizations 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, 2014 the Green Fund stood at \$3.57 billion.

6.2.2.11 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.

6.2.2.12 Research and Development Fund, 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.

6.2.2.13 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 of time 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.

6.2.2.14 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 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.

6.2.2.15 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 UWI, the UTT, Arthur Lok Jack GSB, UWI-ROYTEC, COSTAATT, YTEPP, NEDCO ETIIC, 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 the Ministry 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.

6.2.2.16 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.

Sangre Grande Chamber of Commerce

The Chamber of Commerce's goal is to further the interests of businesses within the region by lobbying for favourable policies for their members. Regular dialogues are held with government to advocate, provide feedback on, and help fine-tune policies and legislation affecting business practices. The Chamber's most pressing concern has been the upgrade of the infrastructure for the town of Sangre Grande.

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.

Credit Unions and Commercial Banks

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

6.3 Review of Entrepreneurial Development in Trinidad and Tobago

The Annual Global Entrepreneurial Monitoring (GEM) Report for Trinidad and Tobago 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 58-59 percent over the period 2012 to 2014. 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% over the period 2012-2014. 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)²⁴ 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 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.²⁵

²⁴ 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.

²⁵ 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 Sangre Grande MSMEs Survey, 2015

The Municipal MSME Survey for Sangre Grande was conducted over the period between April and May 2015 among 120 randomly selected MSMEs operating within the Municipality. 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.

6.4.1 General Characteristics

Fifty-eight female operators and 62 male operators participated in the MSME survey in Sangre Grande. The majority of MSME operators were between the age of 35 and 55 years (Figure 6.4), with only 15.8 percent of operators indicating they 35 years old or younger (Table 6.4). There were older male MSME operators (31.0% over the age of 55 years) compared to their female counterparts (14.5%). However, there were more younger female operators (35 years or less) in Sangre Grande (19.4%). The data suggest a changing age profile, with more women entering the sector.

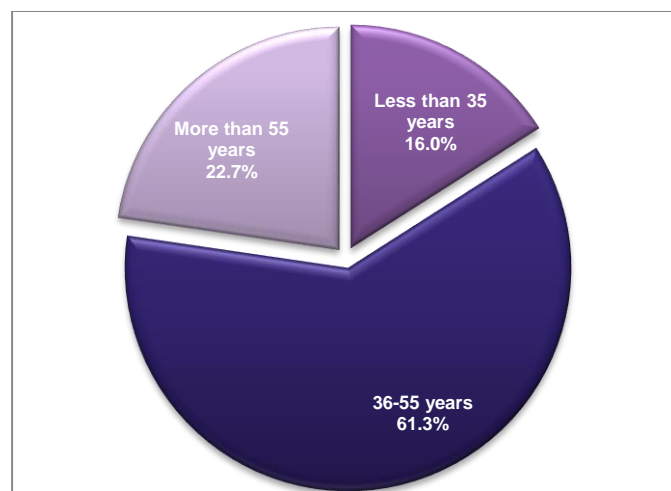


Figure 6.4: Age Breakdown of the Sangre Grande MSME Operators

Table 0.4: Age Breakdown of Operators by Sex

| Sex of Operators | Age Last Birthday | | | | Total |
|------------------|-------------------|-------------|--------------------|---------------|-------|
| | 35 Years or Less | 36-55 Years | More than 55 Years | Age Not Given | |
| | % | % | % | % | |
| Male | 12.1 | 55.2 | 31.0 | 1.7 | 100.0 |
| Female | 19.4 | 66.1 | 14.5 | 0.0 | 100.0 |
| Total | 15.8 | 60.8 | 22.5 | 0.8 | 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 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.

However, equal numbers of men and women business operators were deliberately sampled in the Sangre Grande Survey in order to predict trends with some degree of certainty as they relate to female and male operators.

6.4.2 Size of Enterprise

Figure 6.5 shows the size breakdown of MSMEs in Sangre Grande by sex of the operators. More female operators can be found in the micro-mini to mini size enterprise category, while the majority of men operate mini to small businesses.

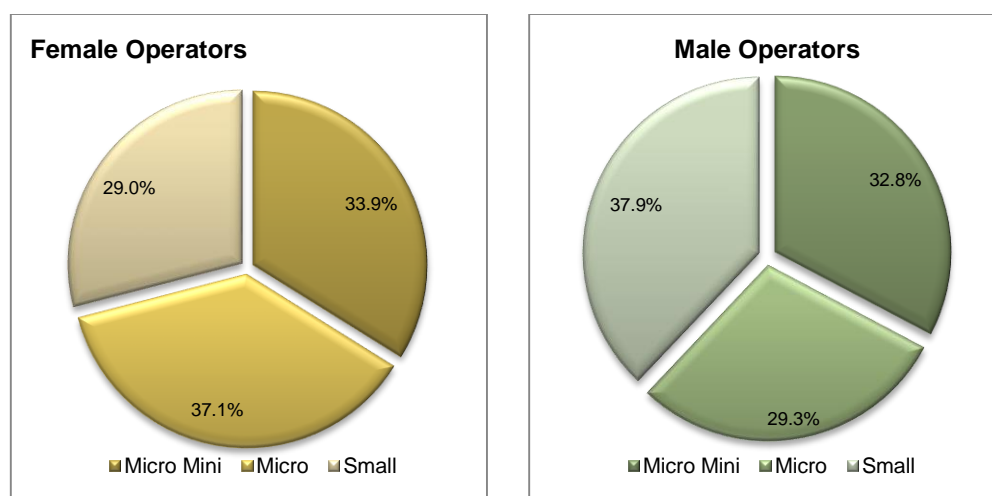


Figure 6.5: Size Breakdown of MSMEs by Sex of the Operators

Sangre Grande is an ethnically diverse municipality and the ethnic composition of the MSME community is mainly consistent with that of the municipal population (Figure 6.6). The MSME operators were distributed in ascending order - African descent (25.8%), East Indian (30.0%) and Mixed descent (36.7%) (Figure 6.7). Compared to the population of MSME operators, there were

less operators of African descent. Interestingly, the proportion of Chinese and Syrian/Lebanese business operators was greater in the MSME sector compared to their presence in the general municipal population.

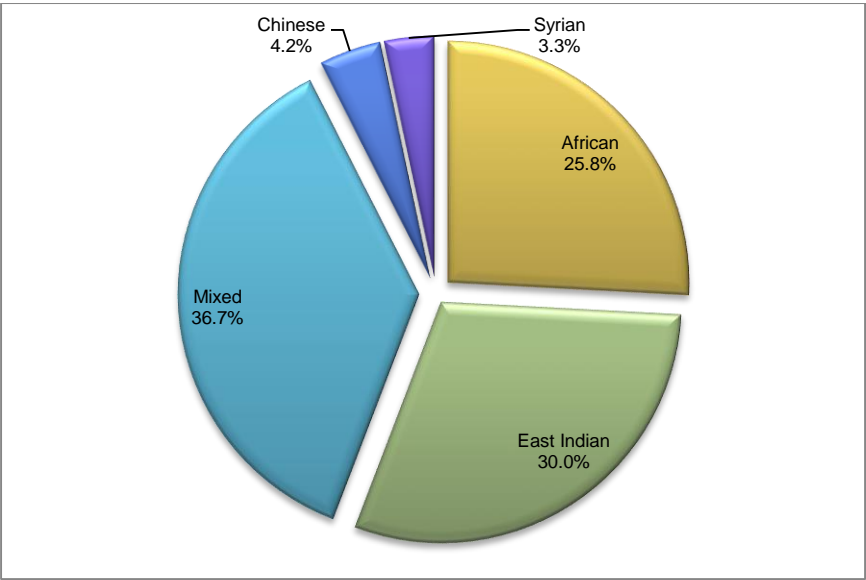


Figure 6.6: Ethnic Breakdown of MSME Operators

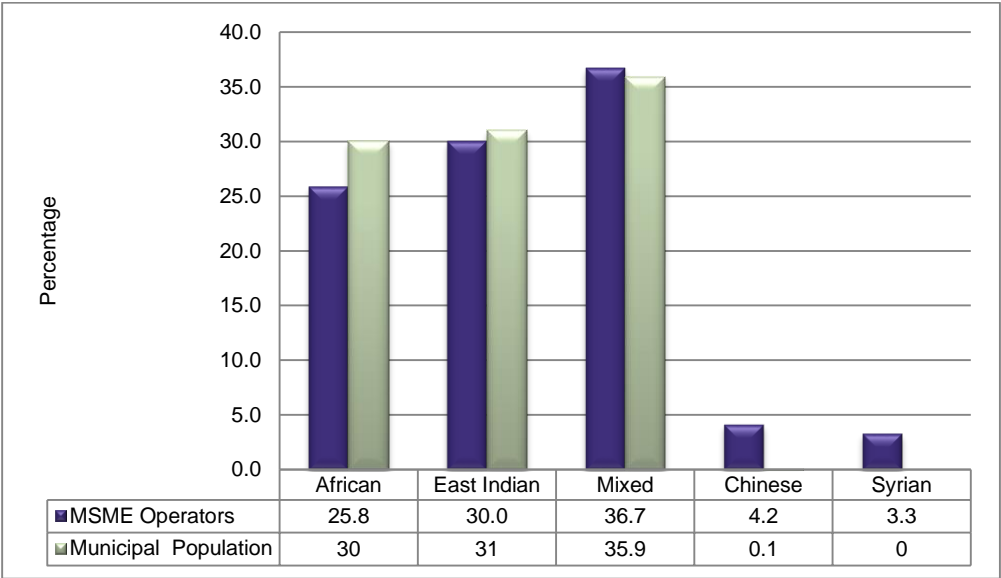


Figure 6.7: Ethnic Composition of MSME Operators Compared to the National Population

6.4.3 Legal Status

The survey showed that 55 percent of businesses were in early stages of operation, between one and five years (Figure 6.8), compared to 37.5 percent of all surveyed that were well established, that is were in operation for more than 10 years. It is noteworthy, that while most micro-mini and micro sized enterprises were in operation for five years or less, as much as 50 percent of small enterprises were established for more than 10 years (Table 6.5). There was no appreciable difference in the length of time the MSMEs were in existence between female operators and male operators (Table 6.6).

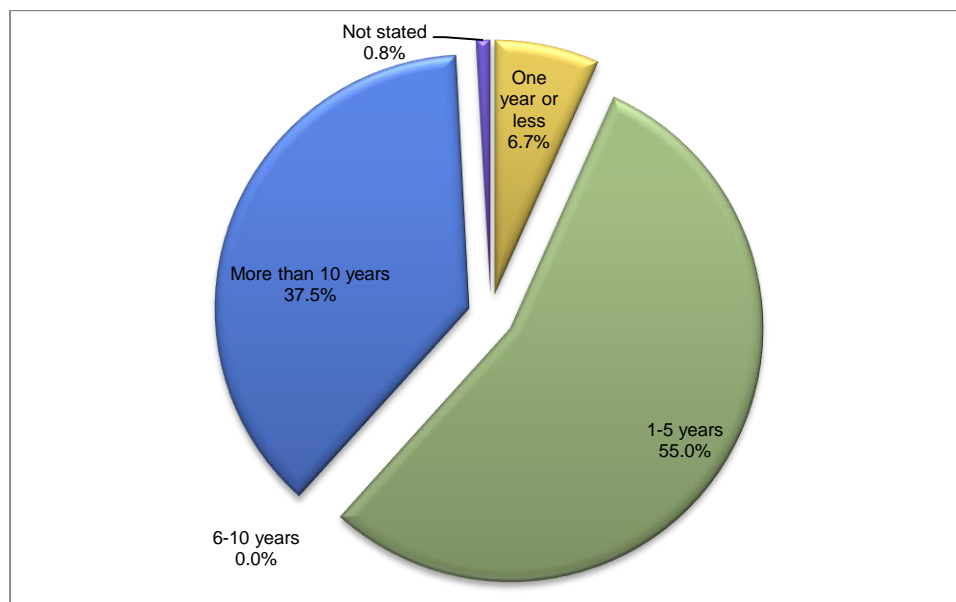


Figure 6.8: Length of Time in Operation

Table 6.5: Length of Time in Business by Size of Enterprise

| Category of Business | Length of Time in Business | | | | | Total |
|----------------------|----------------------------|--------------|-------------|--------------------|-------------|--------------|
| | One year or less | 1-5 years | 6-10 years | More than 10 years | Not stated | |
| | % | % | % | % | % | |
| Micro Mini | 10.0 | 57.5 | 0.0 | 32.5 | 0.0 | 100.0 |
| Micro | 7.5 | 62.5 | 0.0 | 30.0 | 0.0 | 100.0 |
| Small | 2.5 | 45.0 | 0.0 | 50.0 | 2.5 | 100.0 |
| Total | 6.7% | 55.0% | 0.0% | 37.5% | 0.8% | 100.0 |

Table 6.6: Length of Time in Business by Sex

| Sex | Length of Time in Business | | | | | Total |
|--------------|----------------------------|--------------|-------------|--------------------|-------------|--------------|
| | One year or less | 1-5 years | 6-10 years | More than 10 years | Not stated | |
| | % | % | % | % | % | |
| Male | 5.2 | 55.2 | 0.0 | 37.9 | 1.7 | 100.0 |
| Female | 8.1 | 54.8 | 0.0 | 37.1 | 0.0 | 100.0 |
| Total | 6.7% | 55.0% | 0.0% | 37.5% | 0.8% | 100.0 |

Registration of businesses is encouraged and affords operators the benefit of State programmes that are aimed at promoting and fostering MSME development. 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. Sixty percent of all businesses were registered. It should be noted that the majority of mini-micro-sized enterprises were not registered and therefore operate in the informal sector (70 %). The opposite was true for the small-sized enterprises where over 90 percent of these businesses were registered (Figure 6.9 and Table 6.7).

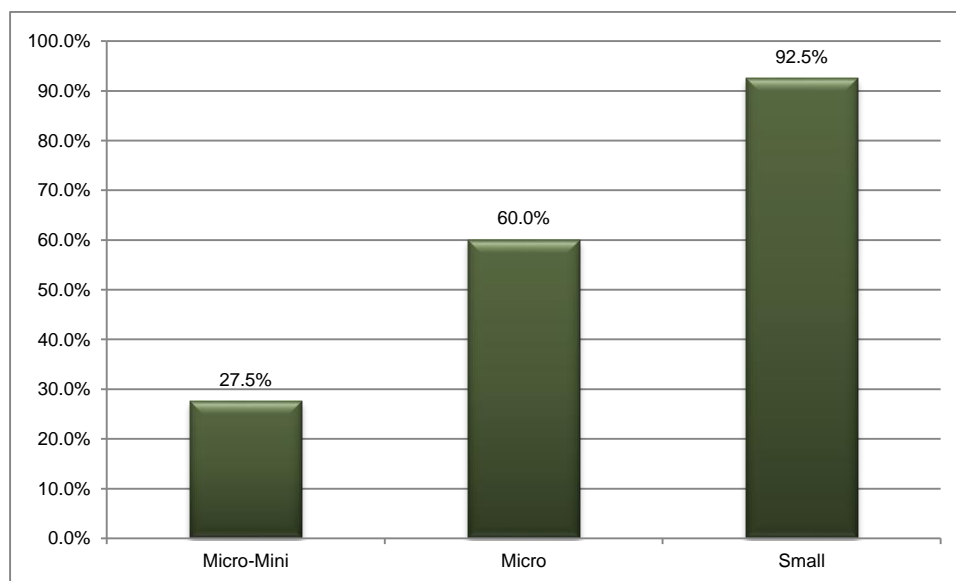


Figure 6.9: Proportion of Registered MSME Businesses by Size of Enterprise

Table 6.7: Registration Status of Enterprises by Size of Enterprise

| Category of Business | Is Business Registered | | | |
|----------------------|------------------------|------|------------|-------|
| | Yes | No | Not stated | Total |
| | % | | | |
| Micro-Mini | 27.5 | 70.0 | 2.5 | 100.0 |
| Micro | 60.0 | 40.0 | 0.0 | 100.0 |
| Small | 92.5 | 7.5 | 0.0 | 100.0 |
| Total | 60.0 | 39.2 | .8 | 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.

Figure 6.10 and Table 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 of the enterprise being registered.

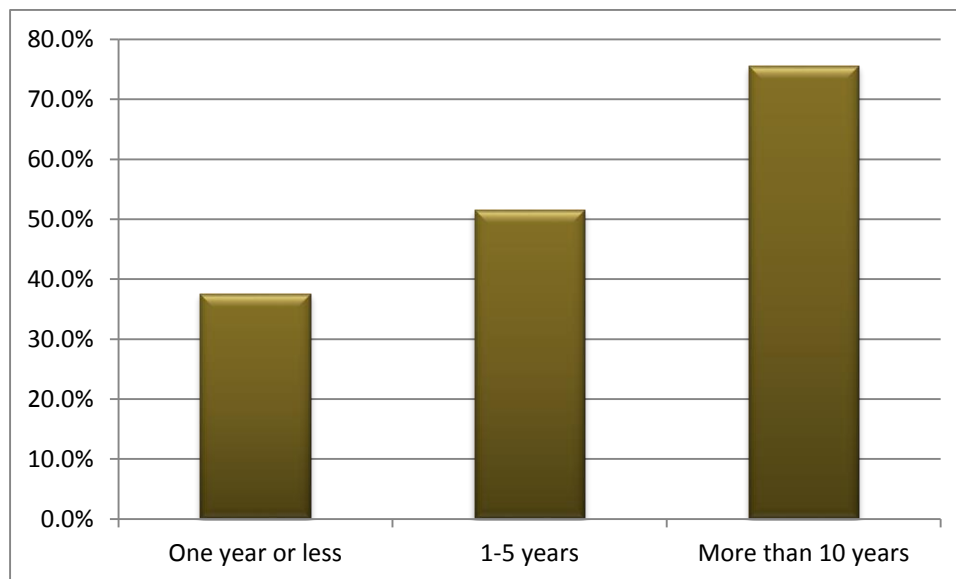


Figure 6.10: Proportion of Registered MSME Businesses by Length of Time in Operation

Table 6.8: Length of Time in Operation by Registration Status of the Enterprise

| Length of Time in Operation | Is Business Registered | | | |
|-----------------------------|------------------------|------|------------|-------|
| | Yes | No | Not stated | Total |
| | % | | | |
| One year or less | 37.5 | 62.5 | 0.0 | 100.0 |
| 1-5 years | 51.5 | 47.0 | 1.5 | 100.0 |
| More than 10 years | 75.6 | 24.4 | 0.0 | 100.0 |
| Total | 60.0 | 39.2 | .8 | 100.0 |

Though not always conclusive, the following patterns with regards to legal status of MSMEs in Sangre Grande did emerge (Tables 6.9 and 6.10):

- More micro enterprises were operated as sole proprietors, while the proportion of businesses operating as sole proprietors remained the same for the micro and small businesses (50% of all businesses),
- Though there were smaller numbers of limited liability companies, more small-sized enterprises operated in this category compared to micro mini and micro businesses.
- The proportion of partnerships increased with the size of the enterprise. In the case of micro-sized and small-sized businesses, 25 percent and 32.5 percent of the enterprises operated as partnerships.
- There did not appear to be any gender difference with regards to legal status of enterprises.

Table 6.9: Legal Status of MSMEs by Sex of Operator

| Sex | Legal Status of Business | | | | | |
|--------|--------------------------|-------------|---------------------------|-------------|------------|-------|
| | Sole Proprietor | Partnership | Limited Liability Company | Cooperative | Not stated | Total |
| | % | % | % | % | % | % |
| Female | 56.5 | 17.7 | 0.0 | 1.6 | 24.2 | 100.0 |
| Male | 53.4 | 24.1 | 8.6 | 0.0 | 13.8 | 100.0 |
| Total | 55.0 | 20.8 | 4.2 | .8 | 19.2 | 100.0 |

Table 6.10: Legal Status of MSMEs by Size of Enterprise

| Size of Enterprise | Legal Status of Business | | | | | |
|--------------------|--------------------------|-------------|---------------------------|-------------|------------|-------|
| | Sole Proprietor | Partnership | Limited Liability Company | Cooperative | Not stated | Total |
| | % | % | % | % | % | % |
| Micro Mini | 65.0 | 5.0 | 2.5 | 0.0 | 27.5 | 100.0 |
| Micro | 50.0 | 25.0 | 2.5 | 0.0 | 22.5 | 100.0 |
| Small | 50.0 | 32.5 | 7.5 | 2.5 | 7.5 | 100.0 |
| Total | 55.0 | 20.8 | 4.2 | .8 | 19.2 | 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. The Sangre Grande MSME survey showed that Retail and Distribution (60.8%), Services Other than Distribution (12.5%), and Food and Beverage (16.7%) were the primary business activities for MSMEs in the Municipality.

The Trinidad and Tobago Central Bank 2009 Study on SMEs highlighted the women business owners who are usually 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.²⁶ The survey results support this general observation. The findings showed higher proportion of female-owned businesses in the traditional Food and Beverage sector (25.8%) compared to the male-owned businesses (6.9%). More male-owned enterprises were found in the tourism sector (6.9%). The proportion of MSMEs by primary business activity is presented in Table 6.11 and Figure 6.11.

²⁶ 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.

Table 6.11: Primary Business Activity of MSMEs by Sex of Operators

| Primary Business Activity | Sex | | |
|------------------------------|--------------|--------------|--------------|
| | Female | Male | Both Sexes |
| | % | | |
| Agro-processing | 1.6 | 1.7 | 1.7 |
| Services (Other than retail) | 11.3 | 13.8 | 12.5 |
| Retail and Distribution | 58.1 | 63.8 | 60.8 |
| Tourism | 0.0 | 6.9 | 3.3 |
| Craft | 0.0 | 1.7 | 0.8 |
| Cottage/Light industry | 3.2 | 3.4 | 3.3 |
| Food and Beverage | 25.8 | 6.9 | 16.7 |
| Other | 0.0 | 1.7 | 0.8 |
| Total | 100.0 | 100.0 | 100.0 |

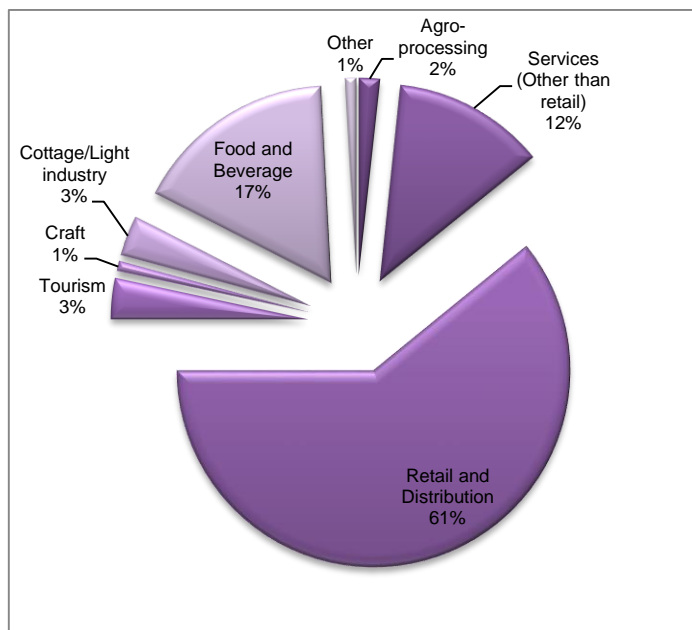


Figure 6.11: Distribution of MSMEs by Primary Business Activity

Micro mini-sized enterprises were more diversified with the majority of business activities noted in the Retail and Distribution (70.0%). Micro-sized enterprises were less diversified and were engaged in three key activities Retail and Distribution (47.5), Food and Beverage (27.5%), Services Other than Retail (22.5%). In the case of small-sized enterprises, their three key sectors of operation were the Retail and Distribution sector (65.0%), Food and Beverage (12.5%) and Non-retail Service sector (7.5%) (Figure 6.12 and Table 6.12).

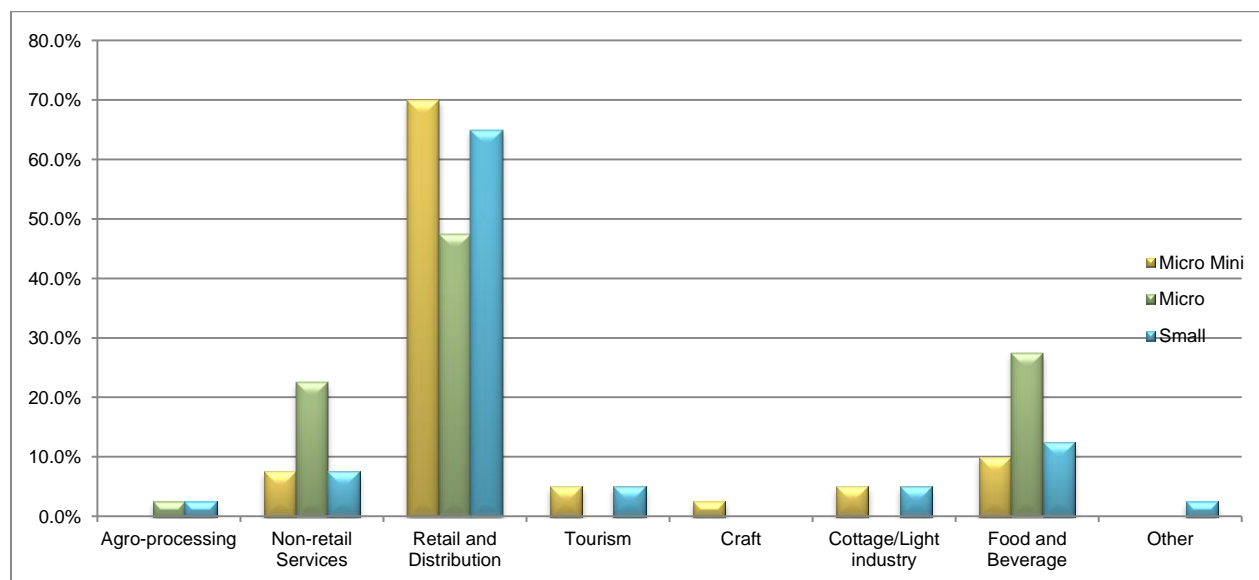


Figure 6.12: Key Business Activities for MSMEs in Sangre Grande by Size of Enterprise

Table 6.12: Key Business Activities for MSMEs in Sangre Grande by Size of Enterprise

| Primary Business Activity | Size of Enterprise | | | All Sizes |
|---------------------------|--------------------|-------|-------|-----------|
| | Micro Mini | Micro | Small | |
| | % | | | |
| Agro-processing | 0.0 | 2.5 | 2.5 | 1.7 |
| Non-retail Services | 7.5 | 22.5 | 7.5 | 12.5 |
| Retail and Distribution | 70.0 | 47.5 | 65.0 | 60.8 |
| Tourism | 5.0 | 0.0 | 5.0 | 3.3 |
| Craft | 2.5 | 0.0 | 0.0 | .8 |
| Cottage/Light industry | 5.0 | 0.0 | 5.0 | 3.3 |
| Food and Beverage | 10.0 | 27.5 | 12.5 | 16.7 |
| Other | 0.0 | 0.0 | 2.5 | .8 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |

6.4.5 Employment

Table 6.14 shows the average number of persons employed in MSMEs in Sangre Grande based on the size of the enterprise. It was noted that on average more women were employed in MSMEs compared to men (Table 6.13). The average number of persons employed increased with the size of the enterprise, with small-sized businesses employing three workers on average. Family labour remained a key source of labour for micro mini and micro enterprises.

Table 6.13: Employment in MSMEs by Size of Enterprise

| | Size of Enterprise | | | |
|--|--------------------|-------|-------|-------|
| | Micro Mini | Micro | Small | Total |
| | Mean | | | |
| No. Female Family Members Employed | 0.60 | 1.23 | 1.15 | 0.99 |
| No. Male Family Members Employed | 0.38 | 0.70 | 1.08 | 0.72 |
| No. Female Non-family Members Employed | 0.00 | 1.08 | 3.64 | 1.55 |
| No. Male Non-family Members Employed | 0.00 | .28 | 3.10 | 1.13 |

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 6.14). The smaller businesses (micro mini and micro enterprises) employed more persons with primary level education.

Table 6.14: Educational Level of MSME Employees by Size of Enterprise

| Size of Enterprise | Highest Level Education Attained by Employees Generally | | | | | | | Total |
|--------------------|---|--------------|-----------|--------------------------|----------------------|-------|------------|-------|
| | Primary | Post Primary | Secondary | Tertiary/ Non-university | Tertiary/ University | Other | Not stated | |
| | % | % | % | % | % | % | % | |
| Micro Mini | 15.0 | 2.5 | 60.0 | 2.5 | 2.5 | 0.0 | 17.5 | 100.0 |
| Micro | 7.5 | 2.5 | 70.0 | 0.0 | 17.5 | 0.0 | 2.5 | 100.0 |
| Small | 0.0 | 0.0 | 77.5 | 10.0 | 10.0 | 0.0 | 2.5 | 100.0 |
| Total | 7.5 | 1.7 | 69.2 | 4.2 | 10.0 | 0.0 | 7.5 | 100.0 |

6.4.6 Markets and Annual Sales

Most MSMEs (80.8%) produced goods and/or services for their local community (Table 6.15). Only a small percentage operated at a national scale (12.5%). Women tended to market their goods and services at the community level as opposed to male business operators who also marketed their goods and services in the nearest town or city, in Trinidad and nationally. None of the surveyed MSMEs exported their products and services. However, there was some interest in exporting, particularly among micro and small enterprise operators.

Table 6.15: Primary Markets for Sangre Grande's Goods and Services by Sex of Enterprise Operator

| Sex of Enterprise Operator | Primary Market | | | | | |
|----------------------------|-----------------|-------------------|-----------------|---------------------|------------|-------|
| | Local community | Nearest Town/City | All of Trinidad | Trinidad and Tobago | Not stated | Total |
| | % | | | | | |
| Female | 83.9 | 1.6 | 9.7 | 3.2 | 1.6 | 100.0 |
| Male | 77.6 | 6.9 | 15.5 | 0.0 | 0.0 | 100.0 |
| Both Sexes | 80.8 | 4.2 | 12.5 | 1.7 | .8 | 100.0 |

Just over 55 percent of the total MSMEs surveyed recorded annual sales of less than TT\$100,000 (Figure 6.13). On average, businessmen tended to make more money than business women (Table 6.16). More women operators (66.1%) made annual sales of less than TT\$100,000 compared to their male counterparts (44.8%). Close to 30 percent of male business operators made between TT\$ 0.5 and 1.5 million in annual sales. This contrasted with the 9.7 percent of female business operators who made similar annual sales.

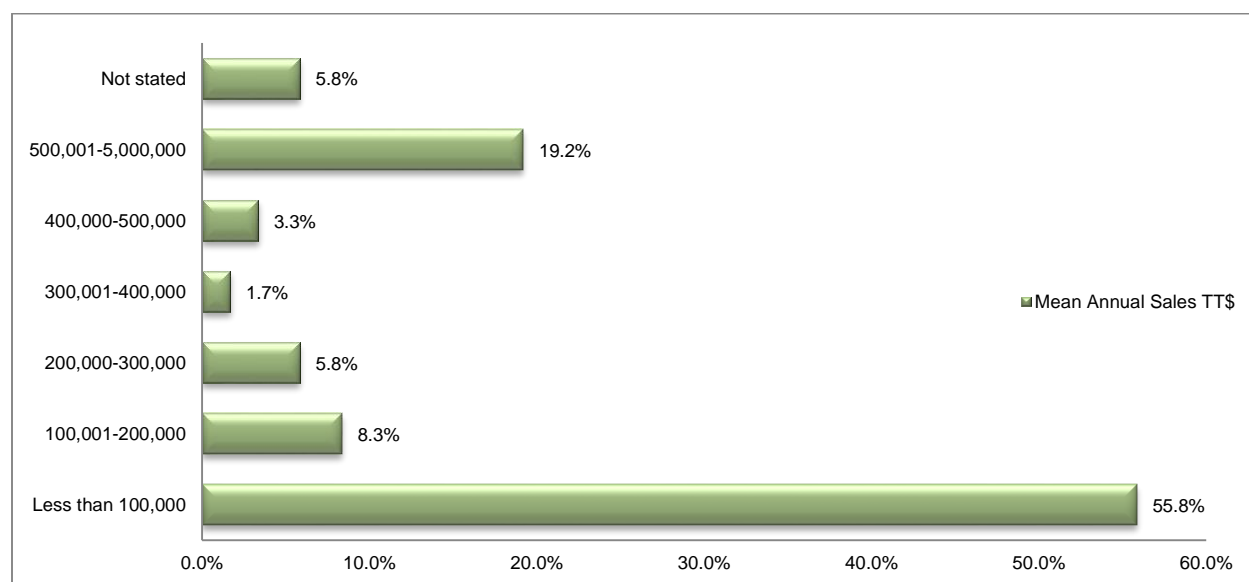


Figure 6.13: Average Annual Sales for MSMEs in Sangre Grande

Table 6.16: Average Annual Sales by Sex of Enterprise Operator

| Average Annual Sales | Sex of Enterprise Operator | | |
|----------------------|----------------------------|-------|------------|
| | Female | Male | Both Sexes |
| | % | | |
| Less than 100,000 | 66.1 | 44.8 | 55.8% |
| 100,001-200,000 | 8.1 | 8.6 | 8.3% |
| 200,000-300,000 | 6.5 | 5.2 | 5.8% |
| 300,001-400,000 | 1.6 | 1.7 | 1.7% |
| 400,000-500,000 | 4.8 | 1.7 | 3.3% |
| 500,001-5,000,000 | 9.7 | 29.3 | 19.2% |
| Not stated | 3.2 | 8.6 | 5.8% |
| Total | 100.0 | 100.0 | 100.0% |

6.4.7 Financing and Investment

MSMEs require financing for start-up and expansion. The survey indicated most business enterprises are self financed or received funding from their families (Table 6.17 and Figure 6.14). Outside of the family, commercial banks were next main supplier of financing with 45.0 percent of responses, followed by credit unions (12.5%). Men were more willing to borrow from commercial banks compared women.

Table 6.17: Key Suppliers of Financing to MSMEs in Sangre Grande

| Source of Funds | Sex | | |
|-----------------|--------|-------|-------|
| | Female | Male | Both |
| | % | % | % |
| Self/ Family | 90.3 | 89.7 | 90.0 |
| Credit Union | 14.5 | 10.3 | 12.5 |
| Commercial Bank | 37.1 | 53.4 | 45.0 |
| NEDCO | 1.6 | 5.2 | 3.3 |
| Other | 3.2 | 1.7 | 2.5 |
| Total | 100.0 | 100.0 | 100.0 |

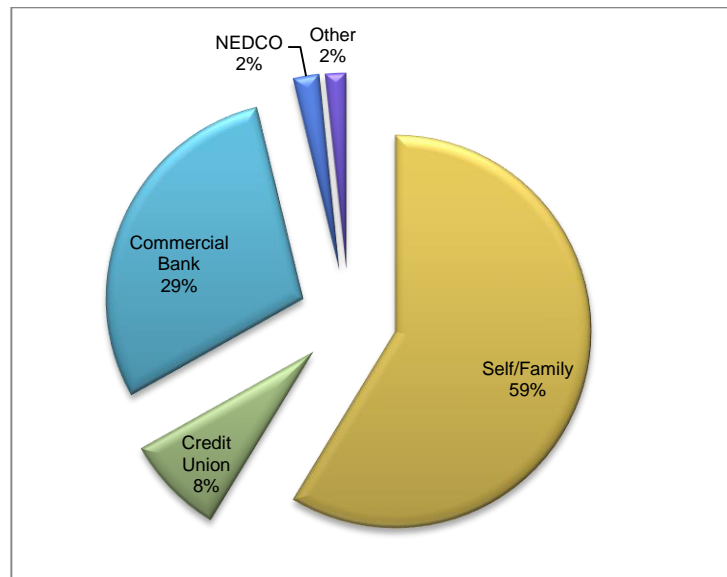


Figure 6.14: Distribution of Financing Received by MSMEs

While micro mini enterprises depended more heavily on their savings and/or the family as a key source for financing their businesses, the data suggested that micro and small-sized enterprises also rely somewhat heavily on external financing particularly from commercial banks (Figure 6.15 and Table 6.18). Only the smaller enterprises seemed to seek financing from NEDCO. However, credit unions were an important source of financing for all category of businesses.

Table 6.18: Key Suppliers of Financing for MSMEs in Sangre Grande by Size of Enterprise

| : Source of Funds | Size of Enterprise | | | |
|-------------------|--------------------|-------|-------|-------|
| | Micro Mini | Micro | Small | Total |
| | % | | | |
| Self/Family | 95.0 | 97.5 | 77.5 | 90.0 |
| Credit Union | 15.0 | 7.5 | 15.0 | 12.5 |
| Commercial Bank | 15.0 | 40.0 | 80.0 | 45.0 |
| NEDCO | 7.5 | 2.5 | 0.0 | 3.3 |
| Other | 0.0 | 2.5 | 5.0 | 2.5 |
| 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 6.19 showed the investments in assets made by female and male business operators. Seventy five percent of the respondents invested less than TT\$250,000 in their businesses. Women tended to invest less in their business enterprises when compared to their male counterparts. Investments in the enterprise increased with increased size of operation.

Table 6.19: Investment made in Plant Equipment and Other Assets by MSMEs

| Amount Invested in Plant Equipment and Other Assets | Sex | | |
|---|--------|-------|------------|
| | Female | Male | Both Sexes |
| | % | | |
| Less than 250,000 | 83.9 | 65.5 | 75.0 |
| 250,001 to 2,000,000 | 11.3 | 17.2 | 14.2 |
| Over 2,000,000 | 0.0 | 5.2 | 2.5 |
| Not stated | 4.8 | 12.1 | 8.3 |
| Total | 100.0 | 100.0 | 100.0 |

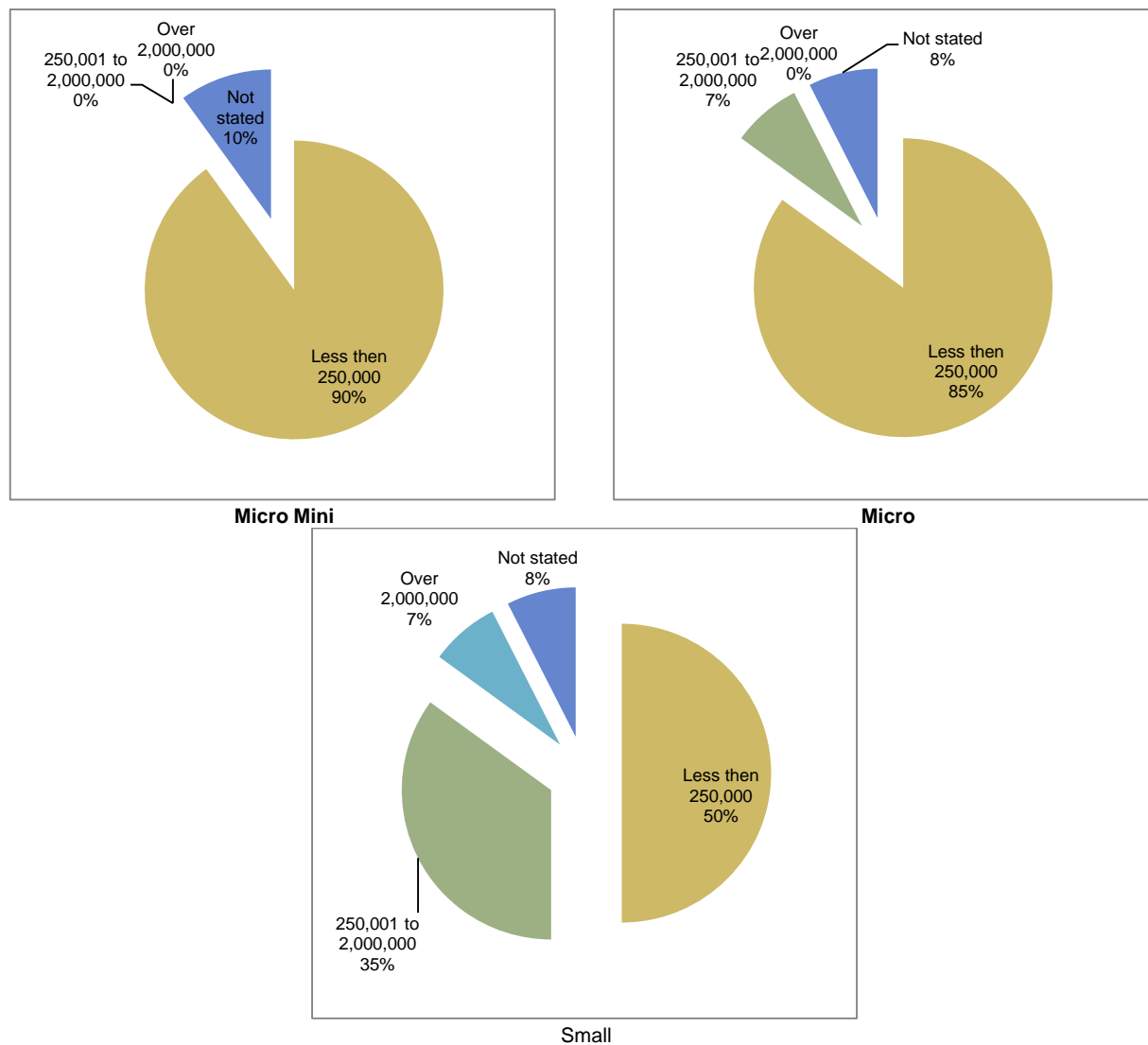


Figure 6.15: Investments in Enterprise Assets by Sangre Grande MSMEs

6.4.8 Use of Internet

World Bank statistics showed an internet user²⁷ rate of 65.1 percent (Table 6.20). The survey revealed that 33.3 percent of MSMEs in Sangre Grande access and use the internet. This figure is low and reflects the need for increased training about the importance and use of the internet in business. Men tended to use the internet more than women (Table 6.21); and increased use was noted with increased size of business (Table 6.22).

Respondents usually used it to send and receive emails (90%); to access market information (52.5%) and product information (57.5%) and for other uses (40.0%) including advertising, designing labels, obtaining designs, identifying and purchasing equipment, and the purchasing of stocks (Table 6.23).

²⁷ Internet users are people with access to the worldwide network

Table 6.20: Internet Users (per 100 people) in Trinidad and Tobago

| | 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>

Table 6.21: Routine Use of the Internet by Sex of Enterprise Operator

| Routinely Use The Internet in Business | Sex | | |
|--|--------|-------|-------|
| | Female | Male | Both |
| | % | | |
| Yes | 25.8 | 41.4 | 33.3 |
| No | 74.2 | 58.6 | 66.7 |
| Total | 100.0 | 100.0 | 100.0 |

Table 6.22: Routine Use of the Internet by Size of Enterprise

| Routinely Use The Internet in Business | Size of Enterprise | | | |
|--|--------------------|-------|-------|-------|
| | Micro Mini | Micro | Small | Total |
| | % | | | |
| Yes | 10.0 | 32.5 | 57.5 | 33.3 |
| No | 90.0 | 67.5 | 42.5 | 66.7 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |

Table 6.23: Uses of the Internet by Size of Enterprise

| Use of the Internet | Size of Enterprise | | | |
|---------------------|--------------------|-------|-------|-------|
| | Micro Mini | Micro | Small | Total |
| | % | | | |
| Email | 100.0 | 76.9 | 95.7 | 90.0 |
| Market Information | 25.0 | 38.5 | 65.2 | 52.5 |
| Product Information | 50.0 | 69.2 | 52.2 | 57.5 |
| Other | 50.0 | 38.5 | 39.1 | 40.0 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |

6.4.9 Technical Support

Technical assistance and training for MSMEs were obtained from a number of sources. However, the three top sources for MSMEs in Sangre Grande were from technical and vocational institutes (24.0%), the Universities (14.0%) and Other Sources (21.0%) such as formal and informal apprenticeship programmes including OJT. More than 20.0 percent responses received highlighted that many respondents did not receive any technical assistance or training (Figure 6.16). More men received technical support from the universities, while more women did not receive support (Table 6.24). More larger-sized MSMEs received support from the Universities and technical and vocational institutes (Table 6.25).

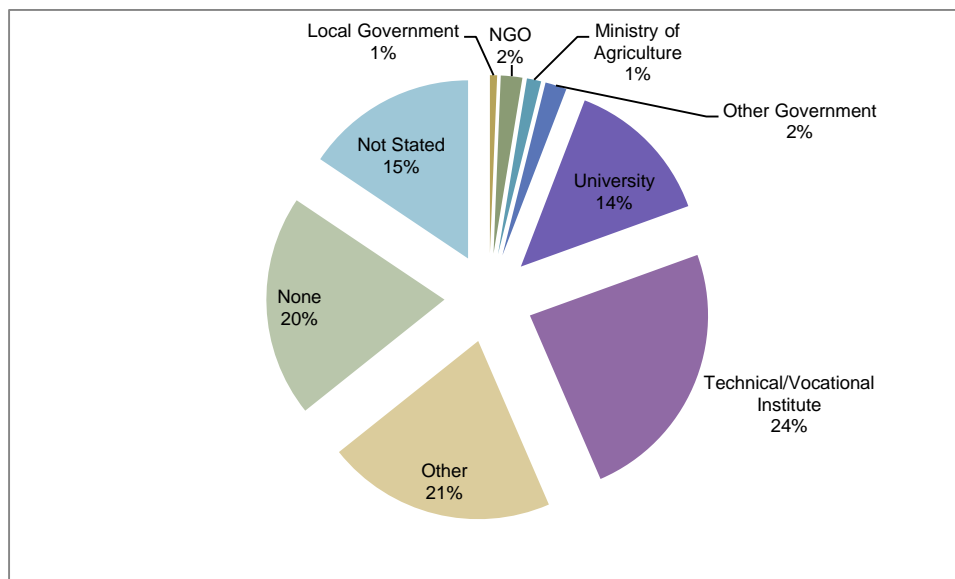


Figure 6.16: Sources of Technical Support

Table 6.24: Sources of Technical Support for MSMEs by Sex of Enterprise Operator

| Sources of Technical Assistance and Training | Sex | | |
|--|--------|-------|-------|
| | Female | Male | Both |
| | % | % | % |
| Local Government | 1.6 | 0.0 | .8 |
| NGO | 0.0 | 5.2 | 2.5 |
| Ministry of Agriculture | 0.0 | 3.4 | 1.7 |
| Other Government | 0.0 | 5.2 | 2.5 |
| University | 11.3 | 24.1 | 17.5 |
| Technical/Vocational Institute | 30.6 | 31.0 | 30.8 |
| Other | 35.5 | 17.2 | 26.7 |
| None | 29.0 | 22.4 | 25.8 |
| Not Stated | 21.0 | 19.0 | 20.0 |
| Total | 100.0 | 100.0 | 100.0 |

Table 6.25: Sources of Technical Support for MSMEs by Size of Enterprise

| Sources of Technical Assistance and Training | Size of Enterprise | | | All Sizes |
|--|--------------------|-------|-------|-----------|
| | Micro Mini | Micro | Small | |
| | % | % | % | |
| Local Government | 0.0 | 0.0 | 2.5 | .8 |
| NGO | 2.5 | 2.5 | 2.5 | 2.5 |
| Ministry of Agriculture | 0.0 | 0.0 | 5.0 | 1.7 |
| Other Government | 2.5 | 5.0 | 0.0 | 2.5 |
| University | 2.5 | 22.5 | 27.5 | 17.5 |
| Technical/Vocational Institute | 22.5 | 25.0 | 45.0 | 30.8 |
| Other | 22.5 | 30.0 | 27.5 | 26.7 |
| None | 47.5 | 17.5 | 12.5 | 25.8 |
| Not Stated | 35.0 | 15.0 | 10.0 | 20.0 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |

Technical assistance and training to MSMEs cover a number of areas (Table 6.26). The three top areas that MSMEs had received support were Skills Training (24.2%), Bookkeeping (23.3%), and Market Information (12.5%). However, close to 40 percent of respondents indicated that they did not receive any technical assistance or training.

Mentoring is known to play a key role in start-ups and scaling existing enterprises. However, with less than 10 percent of respondents listed mentoring as an area for the support they received.

Table 6.26: Types of Technical Support Received by MSMEs in Sangre Grande

| Type of Technical Assistance/ Training Received | Percentage |
|--|------------|
| None | 39.2 |
| Skills Training | 24.2 |
| Bookkeeping | 23.3 |
| Market Information | 12.5 |
| Mentoring | 8.3 |
| Quality Management | 5.8 |
| Management Training | 5.8 |
| Agri. Extension Services | 2.5 |
| Product Development | 2.5 |
| Market Access | 2.5 |
| Labelling/Packaging | 1.7 |
| Business Plan Preparation | .8 |
| ICT Training | .8 |
| Other | .8 |
| Not Stated | 25.8 |
| Total | 100.0 |

6.4.10 Key Issues Faced MSMEs

When MSME respondents were asked to rate the issues they faced (Figure 6.17), the following were noted:

- Crime, energy cost, market/marketing, corruption and access to credit were the most challenging issues faced MSMEs in Sangre Grande; and
- Family support, management skills and raw materials were the least challenging issues.

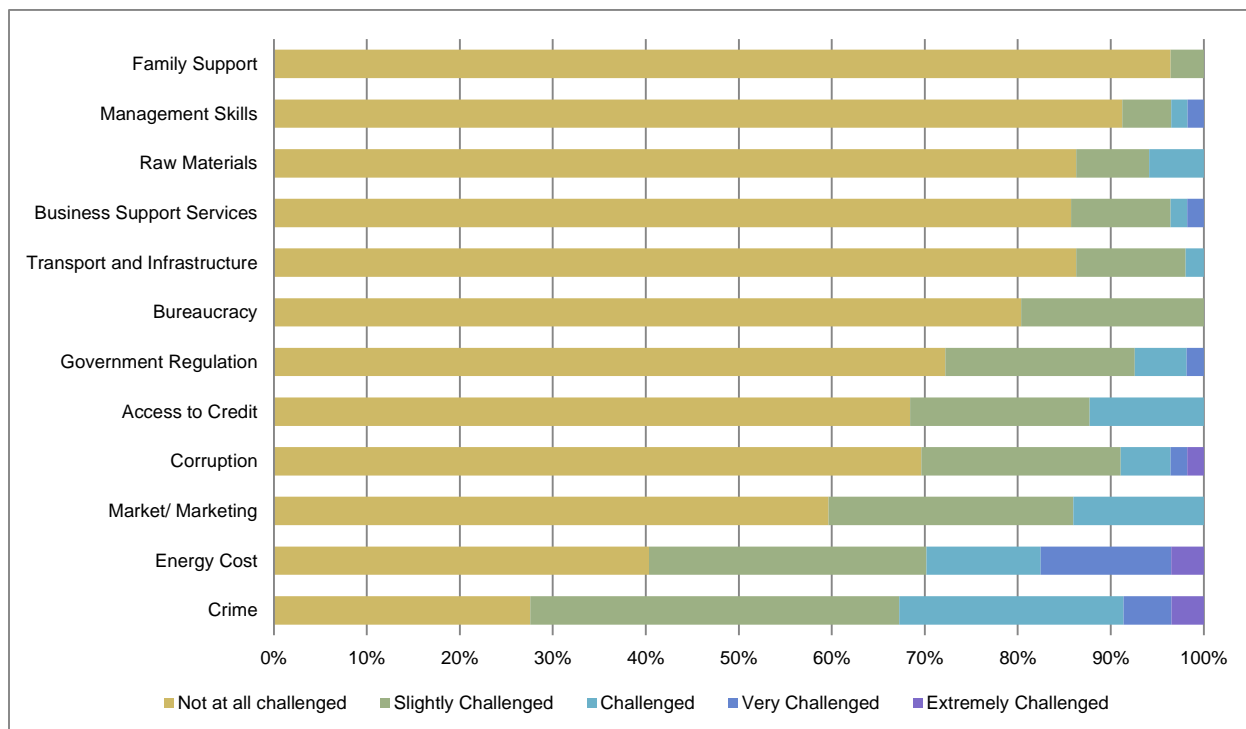


Figure 6.17: Issues Rating of Key Issues to MSME Development in Sangre Grande

Respondents listed environmental requirements (50.8%) and taxes (40.0%) as the two most critical regulations and procedures that impede business development.

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 channelled 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 into 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.²⁸ 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 regard in delivering positive messages about enterprise and entrepreneurship.

In addition, the Municipal 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 Municipal Council can work directly with business development institutions (such as YTEPP Ltd, UWI, UTT, COSTAATT, Arthur 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

²⁸ 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.

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 all together and 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.

Chapter 7

Local Governance in Sangre Grande

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 Local Government which provides oversight and policy directives.

Under Section 269 of the Municipal Corporations Act 1990, the Minister of 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 also acts as adjudicator in cases of disputes between Municipal Corporations.

Like the other 13 Municipal Councils in Trinidad, the Act gives powers to the Sangre Grande Municipal Council, which acts through the Chief Executive Officer, Senior Officers and Staff of the Regional Corporation. The Sangre Grande Municipal Council, which comprises eight councillors and four aldermen, is responsible for a range of key functions within its municipal

Responsibility of the Sangre Grande Regional Corporation

- | | |
|---|--|
| <ul style="list-style-type: none">• 675 km Roads and Traces• 3 Buildings• 3 Public Conveniences• 44 Recreation Facilities• 1 Abattoir• 101 km of Coastline | <ul style="list-style-type: none">• 207 Bridges• 817 Drains• 1 Park• 1 Market• 22 Cemeteries |
|---|--|

Source: <http://www.sgrc.gov.tt/AboutUs.aspx>

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 impacts on 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 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 pledged to transform "Local Government Services through the devolution of authority from Ministries to ensure increased efficiency."²⁹

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- A 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.

²⁹ Ministry of Planning and the Economy, 2011, Medium-Term Policy Framework 2011-2014, Government of Trinidad and Tobago, pg. 19.

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 new Local Government system to be established must exhibit the 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.
- 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.³⁰

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

³⁰ Ministry of Local Government, 2013. Draft White Paper on Local Government Transformation and Modernisation; 89pp.

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

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

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

In effect, through various political administrations, there has been unidirectional movement to devolution over the last seven years and this is evident in:

- Ministry of Local Government, Draft White Paper on Local Government Reform, 2009.
- Ministry of Local Government, Policy on Local Government Transformation and Modernisation, 2012.
- Ministry of Local Government, Draft White Paper on Local Government Transformation and Modernization 2013.
- GORTT, Planning and Facilitation of Development Act, 2014.
- People' National Movement, *Manifesto*, 2015.

The present administration is committed to modelling local government in Trinidad after the model of the Tobago House of Assembly Act which already accords substantial control to the Assembly in matters relating to Tobago.

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, Sangre Grande.

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. Sangre Grande is expected to prepare and implement a three-year Strategic Plan and Action Plan aimed 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 Sangre Grande is closely linked to the proposals and strategies made in the Sangre Grande Municipal Development Plan (MDP). This plan, prepared in 2010 represents the expressed views of burgesses. An investment plan was prepared in 2011/2012 as a means of implementation of the MDP. Municipal Councils were expected to choose one or two projects from the MDP and an investment plan prepared. This investment plan was expected to be revised and updated annually and financing sought for proposed development projects through the annual budget and other means.

The Urban Regeneration: Town Centre Redevelopment project was the initial project of the Sangre Grande Municipal Council. This project has not been completed. There has been no review or updating of the MDP and investment plan thus far since their initial development.

Meanwhile the EDB targeted Matelot and Toco as the priority areas for the implementation of Project Five Zero due to their size and existing facilities. Project Five Zero involves the upgrading and enhancement of five fishing facilities along the North Coast Growth Pole with zero tolerance for further neglect of vulnerable fishing communities. To date fishing facilities have been upgraded at the Matelot and San Souci fish landing sites. This project comes under proposals for development of the North Coast Growth Pole. The real estate industry including hotels, fishing, marina, agriculture and services industries have been identified as impetus for economic and social transformation and cluster development in the area (Table 7.1).

Table 7.1: Targeted Sectors for Economic and Social Transformation and Cluster Development in the North Coast Growth Pole

| Food | Tourism | Maritime |
|--|---|--|
| Agricultural production Fishing and Fish Farming Food processing Printing and Packaging | Eco, Culture and Heritage Sport Medical | Boat Building and Ship Repair Trans-shipment Leisure Marine Maritime Services |

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 1901.³¹ 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
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.³²

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.

³¹ <http://www.fcm.ca/home.htm>

³² <http://cariled.org/about-led/definitions/>

Chapter 8

Recommendations for Local Economic Development

8.1 Targeted Sectors

Focused investment around the Spatial Plan for Sangre Grande can lead to expansion of the local economy. Policy approaches of the political administrations over the years, support the goal of economic diversification and the principle of social equity across the various groups that comprise the society. More recently, participatory modes with devolution and decentralisation of decision-making have been enunciated by the national government, and commitments expressed to support an expanded role for the Councils of Municipal Corporations in respect of the sustainable development of economy of their respective municipalities.

There are possibilities to be realised through initiative of the Council of the Municipal Corporation working closely with the key agencies of the National Government like the Tourism Development Company, with specialised institutions like the Institute of Marine Affairs, and CARIRI, researchers in the Tertiary Education system locally and with the NGOs and CBOs and the private sector in the municipality, all with the objective of expanding the production frontier of the municipality. Some of the other important agencies identified before include:

- MOLSED – NEDCO, ETIIC, IBIS, FairShare, and EIF programmes;
- MTI – ExportTT, RDF;
- Ministry of Social Development and Family Services – MEL;
- Ministry of Community Development, Culture and the Arts – CDF;
- Ministry of the Planning and Development – Green Fund, Innovation Fund;
- Arthur Lok Jack Graduate School of Business;
- CARIRI; and
- Education, Research and Development Institutions – UWI, UTT, COSTAATT, MIC, MuST; and YTEPP.

The Economic Development Board has identified Matelot and Toco as part of the North Pole Development focus. The Council has to take this on board in structuring its approach to the development of the municipality with MSMEs at the centre. There are also private sector agencies and NGOs engaged in the area of promotion of enterprise. All of these agencies are involved in the provision of assistance to individuals and enterprises which comprise MSMEs. A critical component in the development of business and enterprise in the municipality will involve the training and

extension services that are needed by new entrepreneurs and especially by those who come from a non-business culture, and may also have major educational deficiencies. It is critical that the Municipal Council adopt a developmental role as part of its remit. Some of the specific activities about which there is convergence between the National Medium Term Framework and the Spatial Plan for the municipality are identified in what follows.

8.1.1 Agriculture and Food

The municipality has been a major source of agricultural output historically. It supported a quality life style for a settler community of French emigres in the late 18th century, and generated alternative exports to sugar in the late 19th century and early 20th century. The potential resides in the municipality for improving food security for the country in the early 21st century and also for niche high value exports to external markets. There is also the possibility for a substantial processing industry that can involve different scales of production from special chocolate and coffee products to other niche supplies like honey and supplies from floriculture that reflect the unique micro-climate of the municipality.

There will be need for targeted support for small farmers by way of technical and extension services in seed selection, planting material, post-harvest technology, and marketing. The establishment of small scale and medium scale agro-processing operations in the municipality will be the natural link in the development of a value chain to final consumers in Trinidad and Tobago and, in respect of some products, consumers in the rest of the world.

The fishing industry requires infrastructure support by way of the improvement or establishment of formal landing sites with refrigeration. The Municipal Corporation in association with the offshore oil and drilling companies might need to invest in resources that would allow fishers to maintain their livelihoods in compensation for the loss of fishing grounds with the establishment of drilling operations in the vast expanse in which they previously conducted their fishing activity. The Municipal Corporation with the support of the Ministry needs to take an active role in support of the fishers and in the protection of their livelihood. Also, fishers need training to ensure that they can comply with national and possibly international food safety standards.

There is the possibility of small scale aquaculture operations, that might be promoted in the brackish waters in low lying areas along the coast: crab, cascadou and other type of fish might be farmed in such near-shore waters. Access to state lands and the appropriate management of these special areas as part of the commons, will require regulation on the part of the state, represented by the Municipal Corporation, and by community groups that have emerged in the municipality that are committed to conservation and community enterprise.

The Municipal Corporation will need to enlist the services of CARIRI to ensure that the food processing and fish processing in particular observe the appropriate standards, thereby guaranteeing widening of markets. It would also be important to work with research institutions such as UWI and UTT in the development of products.

8.1.2 Ecotourism

There are a number of opportunities that will arise from the promotion of the tourism sector in the municipality. There are incentives that have been provided by the Government for the establishment of both small and medium to large guest facilities – from guesthouses and hotels of less than 50 rooms to larger operations of over 50 rooms. The Municipality is likely to experience a take-off into domestic and international tourism in the years ahead.

In addition to the traditional tourism based on sun, sea and sand that exist on the coastline, there are substantial natural resources to support eco-tourism and adventure tourism. The Municipal Corporation will need to recognise responsibilities for the maintenance of beaches in good order at all times. This would require the deployment of manpower on a daily basis. There will be need to engage the population in programmes to promote a healthy and clean environment, and to inculcate a sense of commitment among the population of their responsibility in this regard.

There is also the capital expenditure and regular maintenance that need to be incurred in respect of the physical infrastructure for beach defences to control coastal erosion and coastal flooding. Construction and maintenance of such facilities will involve the hiring of local contractors who will need to secure appropriate equipment and to have in their employ a work force with the relevant skills: the contractors and their workers will require training relevant to their respective needs.

There are a number of income earning and entrepreneurial opportunities that have arisen and will continue to arise from the ecotourism sector directly and by way of personal care services. These include transport, restaurants, landscaping and grounds maintenance, security, and tour guiding on in the forest and on sea.

8.1.3 Cultural Expression

The municipality has an interesting history that is reflected in the various cultural influences of the people who were brought or settled in this part of Trinidad since Columbus. There is little that survives beyond place names (like Toco) as evidence of the presence of the First Peoples, even though they did inhabit this part of the island and from there interacted with other First Peoples in Tobago.

French settlers from Haiti with their slaves were the first important influx after Spanish colonisation. The preponderance of French place names attests to their presence – Matelot, Sans Souci, and Grande Riviere. Then followed Indian ex-indentured labourers and Venezuelan peones seeking refuge from political and civil strife in Venezuela. Their arrival supported the expansion of the cocoa industry. The more recent inflows are from the generality of the population of the country with much of the new residents settling in dormitory communities in some parts of the municipality as in Valencia.

This unique history has led to a cultural amalgam that is reflected in the culture and festivities within the municipality. The area competes with Arima as the home of the annual Parang Festive Events. Calypsonians and Steelbands from the area have made their way onto the national stage and been accorded the highest acclaim. This talent can be the base for special festivals mounted by the

Municipal Corporation or the various communities. Manzanilla has become recognised as the location for a post-Carnival “cool-down”. Hindu Festivals and Moslem religious events are observed very diligently in the municipality, and can be basis for visitors seeking the religious experience. The cuisine of the area is a pot pourri of all these cultures, and can present a la carte or as haute cuisine produce from the agriculture and fisheries of the municipality.

The cultural tradition and artistic skills of the people with the resources of the forests and the sea will provide considerable material to be reflected in craft products, as a complement to the tourism industry in the area, and can carry a name place designation that differentiates it from other craft goods including imported craft products from Asia.

8.1.4 Commerce and Distribution

Commerce and distribution will expand with any heightening of economic activity in the town of Sangre Grande and in the communities of the municipality. These are sectors which, because of relative ease of entry, attract considerable numbers of micro entrepreneurs. The result is often a particular sequel of excess supply as many seek to copy the success of first entrants. With oversupply, some find themselves in debt since their businesses which might have appeared attractive at first blush, end up in many sharing work from among the same level of clients. The Corporation will need to exercise care in the promotion of entry of micro and small businesses especially in the town centre of Sangre Grande which is likely to attract micro and informal business from the surrounding communities, having regard to its central position in commerce in the municipality. The allocation of licences to operate can be the mechanism to prevent oversupply in Sangre Grande, the town, and in the respective communities of the municipality.

One important subsector of this area is Food and Beverage and local restauranting. With the increase in visitors to the municipality, there is the possibility for promoting local cuisine.

Support for the development and expansion of commercial and distributional activities will require interventions on the part of agencies involved in the provision of credit and training in entrepreneurship, micro and small business development, but will need to be tempered with constant review of levels of involvement to protect the municipality and some of the potential entrepreneurs from losses because of oversupply in sectors that might appear to be easy in terms of market entry.

8.1.5 Energy Related

The Energy Sector is highly capital-intensive and is not a generator of much employment. The off-shore operations in the coastal waters of the municipality remains peripheral to the economy of Sangre Grande, except for its impact on the Fishing Industry of the area. However, 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.

There is the other side of the energy equation represented in the alternative energy industry – solar and wind are being encouraged especially in the municipality where wind energy of the prevailing winds is being researched by the Ministry of Energy. Servicing and maintenance will follow naturally from any development of infrastructure in this burgeoning subsector: residents of the municipality will need to be trained and resourced such that the services of MSMEs that may be complementary to the alternative sector, can be supplied by residents of the Municipality who may seek to engage in the supporting businesses.

8.2 Proposed Projects and Implementation Plan

Local government reform will require each Municipal Corporation to play a greater and more proactive role in securing better economic and social outcomes within their municipality. Leading and supporting LED within their respective municipalities represents one major strategy through which Municipal Corporations can take charge and influence socioeconomic development of their regions. Preparation of the Municipal LAEPs is a first step in directing investment for business and community development within municipalities. Further work is now needed to build the appropriate enabling environment and to undertake initiatives that will provide sustainable local economic growth and development and support the expansion the local MSME sector.

1. **Establishing a Sangre Grande Municipal Local Economic Development Group** - This Group, which should operate under the auspices of the Corporation, should provide a municipal platform for facilitating and supporting local economic growth and development. The key functions of the Group should be as follows:
 - a. to listen and interact with 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; and
 - d. to provide guidance on the use of Corporation's resources to achieve the goals 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); the NGO and community sector;
- Research institutions (such as UWI, UTT); and
- Public sector support agencies relevant to business development (such as NEDCO and the Cooperative Division).

2. **Strengthening the capacity of the Municipal Corporation to facilitate local business and economic development** - The aim here is to have an effective and efficient support mechanism within the Sangre Grande Regional Corporation that allows for the building of a

business environment within the Sangre Grande Municipality that actively promotes investment and MSME growth.

This unit should consist of LEDO and an Assistant LEDO. They should be seen as the nucleus of industrial, commercial and business development within the municipality. The officer should be charged with the following responsibilities to:

- Facilitate LED planning in order to identify and establish business and development economic opportunities;
- Collaborate with stakeholders inside and outside of the municipality 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 Municipal 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 urban areas.

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 Municipality and provide a comprehensive LED agenda which identifies potential areas for focussing investment and identify mechanisms for creating an enabling environment that support the work of local organisations, businesses, communities and individuals. The strategy should also provide the necessary baseline information to be used for monitoring 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 they 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 Mayaro/Rio Claro Regional Corporation and Tunapuna/Piarco Regional Corporation** – Local governance on the eastern seaboard falls under the jurisdiction of the Sangre Grande Regional Corporation and the Mayaro/Rio Claro Regional Corporation. The two municipalities (Sangre Grande and Mayaro/Rio Claro) share a number of common biophysical and socioeconomic attributes which make them unique to the rest of the country. With the exception of natural gas exploration and production, which is concentrated off the coast of Mayaro/Guayaguayare, their economic base is also similar. Therefore, it would be worthwhile for these two local Governments to explore partnership and coordination and joint economic opportunities, particularly in the areas of community and ecotourism development and food and agricultural production.

A similar arrangement should be made with the Tunapuna/Piarco Regional Corporation in working and addressing the concerns of stakeholders, gaining access to new resources, including funding and in-kind support for business development with regards to the rehabilitation of quarries, and business expansion in the education sector.

6. **Establishing a Municipal Business Support Programme for MSMEs** – In order for this programme to be successful, cooperation among the Regional Corporation and business support service providers is essential. The approach here is not to duplicate the many efforts of MSME support agencies, but rather to bridge the current gap between existing and potential business operators and business support agencies. The goal would be to provide a one-stop-shop platform within the municipality for the services required by operators. This focal point would provide insights into access to finance and markets, entrepreneurial skill development, training (soft and technical skills), and mentoring and coaching by liaising closely with the respective service providers and creating an environment where operators can readily access these services. Through this Programme, a mechanism must be established for the various proposed municipal sector projects to be implemented. Therefore, given its aim to lead local economic and business development in the municipality, the Corporation should approach the various agencies to seek and determine their level of support for this Programme.

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 MOLSED and NEDCO should use the Municipal Programme to expand the reach of the IBIS, ETIIC and Women in Business programmes.

7. The Sangre Grande MDP and this study provide possible proposals for LED. The following are **sector initiatives initially proposed for business and economic development in Sangre Grande** that can be further explored during the strategic planning exercise, the next stage of the LED strategic planning process:

a. ***Sangre Grande Community Tourism Initiative***

This initiative is in support of ED Proposal-3 of the Sangre Grande MDP³³. This initiative should focus on:

Tapping into the natural and cultural/historical resources of the region for investment opportunities. Sangre Grande Regional Corporation, its municipal stakeholders and outside partners should define and develop new and existing tourism experiences. Existing experiences include turtle watching (Grande Riviere and Matura), hiking (Matura National Park), sea bathing (Salybia Bay, Balandra and Sally Bay, Toco), river bathing (Snake River, Matelot River, Salybia River), kayaking (Salybia Bay), camping (Sally Bay), cave visit (Tamana), bird-watching (forested area), surfing (Balandra, Toco and San Souci) and research tourism (Grand Riviere). New experiences could include agro-tourism (farm stays and visits), adventure tourism (zip lining), historical tourism, wellness tourism and cultural tourism (cuisine preparation and sampling, local stories and legends).

Consultations with communities and key individuals (including land owners and business operators and visitors, etc.) in M2M, Greater Tamana and Valencia would allow for new and innovative low impact tourism concepts, and for investment opportunities to emerge. During these discussions, there is also the possibility of identifying potential business opportunities (accommodation units, restaurants, etc.) and possible areas for joint investment between the Government and the community (NGO and community sector) or private sector. The idea here is to create new and exciting tourism experiences that are unique to each sub-region, which collectively distinguish tourism in the Municipality of Sangre Grande from the rest of the country.

It will be important to take into consideration existing projects being conducted within the region by other entities. One such project is the *Improving Forest and Protected Area Management in Trinidad and Tobago project*, funded by the Global Environment Facility (GEF), the GORTT, the European Union and the Food and Agriculture Organisation (FAO). Its overarching objective is to improve the sustainability of protected areas systems in Trinidad and Tobago, one of which is the Matura National Park.

The end-product of these discussions is a community tourism plan for each of three sub-regions. These plans must be aligned to existing municipal and national development plans. Since these tourism experiences are expected to be viable, it would be important

³³ Sangre Grande Regional Municipality: Draft Final Municipal Development Plan, 2010-2020. Website source: <http://www.localgov.gov.tt/~media/Resource%20Library/Spatial%20Development%20Plans%20Per%20Corporation/Sangre%20Grande%20Regional%20Corporation%20Spatial%20Development%20Plan.ashx>

to conduct feasibility studies, cost/benefit analyses, and environmental and socioeconomic assessments of the proposed ventures.

Along with the implementation of the plans prepared for each sub region, the next steps should be as follows:

1. Brand and market the area and its amenities in keeping with the new development thrust for the area;
2. Collaborate with central Government agencies, local NGOs/CBOs and private sector in managing local natural resources; and
3. Improve the business support environment within the municipality for community tourism. It is important to ensure that new and existing businesses have the necessary support through the Municipal Business Support Programme.

b. *Sangre Grande Food and Agriculture Initiative*

This initiative is linked to ED Proposal-4 and Proposal-6 of the Sangre Grande MDP. The Sangre Grande's agricultural capacity includes a number of key farming areas and farm produce. Agricultural commodities produced in the municipality range from vegetables (North Oropouche and Fishing Pond), tree crops – fruits, cocoa and coffee (Cumaca, Tamana and Cumuto), and poultry and livestock production (Valencia, Greater Tamana). Given the limited use of agrochemicals in the M2M and Greater Tamana sub-regions, there is the potential for the sub-regions to grow and market their agriculture produce for the “healthy foods” niche market which should be linked to the community tourism initiative and farmers’ markets in Sangre Grande and elsewhere.

The Regional Corporation should work with the Ministry of Agriculture in developing the “healthy foods” niche market. This would require the cooperation of local farmers, vendors, agro-processors, the private sector, NAMDEVCO and research institutions (UWI/UTT) to determine the feasibility of such a venture and to plan a way forward towards making this goal a reality. New entrepreneurs should be provided with a space where they can undertake the development of productive enterprises which should be based on innovative ideas from UWI, UTT and other tertiary establishments. This should foster an entrepreneurial spirit within the region as they would have a space for economically viable exploration within the food and agriculture sector. Support for new and existing entrepreneurs (inclusive of farmers) under this programme will be provided through the *“Establishing a Municipal Business Support Programme for MSMEs Programme”*.

c. Valencia Redevelopment Initiative

Valencia, made up of town centre of Valencia and the surrounding communities, is an area of hydrological, ecological and socioeconomic value. However, over the years the protected forested areas, particularly north of the Valencia Stretch have been transformed to a site with a number of land use conflicts and socioeconomic challenges. The region is the country's main quarrying area. Valencia is also a key squatting area, mainly used for residential and agricultural purposes. The alluvial lands remain a major water retention area for runoff from the surrounding mountains. Over the years, quarrying activities (both legal and illegal) without proper remedial measures have led to the degradation of forested lands, loss of biodiversity, soil loss, air pollution, alteration of landform because of excavation, siltation of neighbouring waterways, and surface and groundwater pollution. To a smaller extent, squatting has also contributed to degradation of the area and is a safety risk for families settled near active and abandoned quarries.

Sustainable development of Valencia requires stakeholders to come together to develop and implement a comprehensive development plan that would see the allocation of land for housing and other built development; mineral mining; biodiversity conservation (wildlife and forest), water production; and recreational activities. A major objective of the initiative will be for the rehabilitation and creation of public recreational spaces that attract visitors, earn income and improve livelihoods for residents in the sub-region. The plan therefore would include activities for rehabilitation of quarried out areas including their clean up, revegetation, environmental and landscape reshaping and rehabilitation, and infrastructure improvement. Residents should be encouraged to establish businesses that would provide the goods and services needed during rehabilitation of the sites and operation of the recreational facilities, e.g. the establishment of plant/tree nurseries (including sales), the provision of maintenance and environmental services. This initiative should be linked to a) *Establishing a Municipal Business Support Programme for MSMEs Programme*, and b) *Sangre Grande Community Tourism Initiative*.

Achieving sustainable development of Valencia requires a collaborative effort of public sector, private sector stakeholders and residents. Apart from the local government, Sangre Grande Regional Corporation, the key public sector agencies to be involved in this process would be National Quarries Company Ltd, the Ministry of Energy and Energy Industries, the Ministry of Agriculture, Land and Marine Affairs (including Forestry Division), Water and Sewerage Authority (WASA), the Environmental Management Authority (EMA), and the Land Settlement Agency (LSA). It would also be important to work with quarry operators (legal and illegal), business operators, and formal and informal settlement residents in the region.

The following is the proposed implementation plan for LED in Sangre Grande.

8.2.1 Sangre Grande LED Implementation Plan

| Project | Activities | Implementing Agencies | Collaborating agencies | Time Frame | Resources Requirement | Priority Rating (1-2) |
|---|---|--|--|---------------------------------------|--|-----------------------|
| Establishment of a Sangre Grande Municipal 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 | <p>Sangre Grande Regional Corporation (SGRC) (Municipal Council)</p> <p>Chamber of Commerce of Sangre Grande</p> | <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/UWI | 4 months to establishment and ongoing | Representatives who are decision makers in their organisations | 1 |
| Strengthening the capacity of the Municipal 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. | Municipal Council | <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, an Assistant LEDO and supporting staff – Statistical Assistant and Clerk/Typist</p> | 1 |
| Preparing a comprehensive strategy and action plan for the | <ul style="list-style-type: none"> • Hold Sangre Grande LED workshop on way forward and the LED and MSME creation. • Prepare a local economic | <p>SGRC-LEDU</p> <p>Sangre Grande Municipal Local</p> | <ul style="list-style-type: none"> ○ Chamber of Commerce of Sangre Grande ○ Local business | 6 months | Consultancy – Sangre Grande LED Strategy and Action Plan | |

8.2.1 Sangre Grande LED Implementation Plan

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|--|--|---------------------------------|---|--|---|-----------------------|
| Municipality of Sangre Grande | 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. | Economic Development Group | owners o Local communities | | | |
| Establishing a Sangre Grande 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. • Develop a profile of local businesses by sector which can help understand local business owners' needs. • Update profiles regularly based on additional information received. | SGRC LEDU/LEDO | <ul style="list-style-type: none"> o CSO o Chamber of Commerce of Sangre Grande o NEDCO o 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 |
| Establishing Strategic partnerships with the Mayaro/Rio Claro Regional Corporation and Tunapuna/Piarco | <ul style="list-style-type: none"> • Hold discussions with Chairmen and CEOs of Mayaro/Rio Claro Regional Corporation and Tunapuna/Piarco Regional | Sangre Grande Municipal Council | <ul style="list-style-type: none"> o Mayaro/Rio Claro Regional Corporation o Tunapuna/Piarco Regional Corporation | 6 months and ongoing | Chairmen and CEOs of the Corporations Meeting place | 1 |

8.2.1 Sangre Grande LED Implementation Plan

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|---|--|---|--|--|---|-----------------------|
| Regional Corporation | <ul style="list-style-type: none"> Corporation Identify and reach agreement on areas for collaboration and support and resource requirements Undertake agreed joint activities Monitor and evaluate partnerships biyearly | | | | | |
| 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 SGRC and service providers. Reach agreement on the SGRC one-stop service model for MSMEs to be used (e.g. SGRC as a MSME information and advisory hub, provide space where service providers offer selected services, etc.). Develop MSME services app to provide information on service provisioning and places to existing and potential MSME clients. Launch SGRC Municipal MSME Support Programme. | SGRC-LEDU | <ul style="list-style-type: none"> Chamber of Commerce of Sangre Grande 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 | <p>Cooperation of central government, NGO and private sector service providers</p> <p>For development of the app - Graphic designer Copy writer Software developer</p> <p>Service provision – brochures, factsheet and information on product and services for small businesses</p> | 1 |
| Sangre Grande Community Tourism Initiative (CTI) | <ul style="list-style-type: none"> Hold consultations within communities to determine support for such initiatives. Undertake a community engagement assessment of communities participating in the CTIs including the identification and analysis of community resources, tourism resources, infrastructure, services and experiences available. Prepare a community tourism action | <p>SGRC-LEDU</p> <p>Ministry of Tourism</p> <p>Local NGOs/ CBOs</p> | <ul style="list-style-type: none"> NGOs/CBOs UWI/UTT Tourism Development Company Ltd Ministry of Rural Development and Local Government Ministry of Community Development | <p>36 months</p> <p>Month 1-3: <i>consultations with the communities about project and building community support*</i></p> | <p>Consultancy – participatory community assessment and development of community tourism plans (10 months)</p> | |

8.2.1 Sangre Grande LED Implementation Plan

| Project | Activities | Implementing Agencies | Collaborating agencies | Time Frame | Resources Requirement | Priority Rating (1-2) |
|---------|---|-----------------------|------------------------|---|-----------------------|-----------------------|
| | <p>plan for each sub-region in collaboration with the targeted communities. The plans will address the following:</p> <ul style="list-style-type: none"> - Develop vision, goals and objectives as well as strategies for meeting the objectives; - Contain the results of the analysis of the community resources, tourism resources, infrastructure, services and experiences available; - Identify existing and new tourism experiences that will form part of the CTIs and identify which ones will be 'marketed' to domestic and foreign visitors and how they will be marketed; - Identify a compilation of all baseline information relevant for future decision-making, monitoring and the overall direction of tourism development; - Address organisational and management structure and systems for the CTIs, and product and destination development strategies; - Identify and address how SGRC, central government and other enablers will be utilised, and how identified risks will be managed; - Identify skills and human resources required and presently available in the communities (a skills matrix) and present plans to building capacity to fill skill gaps; - Identify a mechanism for | | | <p><i>Month 4-6: Conduct of participatory community assessment</i></p> <p><i>Month 7-10: Development of the community tourism action plan)*</i></p> <p><i>Month 11-36: Implementation</i></p> | | |

8.2.1 Sangre Grande LED Implementation Plan

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|---|---|---|---|------------|--|-----------------------|
| | <p>maintaining standards and quality control;</p> <ul style="list-style-type: none"> - Determine future key milestones, actions, timelines and responsibilities; - Estimate the cost of implementing the plans and identify actions (projects) for external, community and local government funding; - Identify areas of community and external investment, proposals for promoting small enterprise development, and funding sources; - Contain a plan for continuous communication between the communities (local CBOs , businesses, residents) and SGRC, Ministry of Tourism, Tourism Development Company, the private sector, and other tourism stakeholders; and - Include mechanism for monitoring and evaluation of the community tourism initiatives. <ul style="list-style-type: none"> • Prepare proposals and applications for external funding; • Implement projects in the plan; • Continuously monitor and evaluate the implementation of the initiatives and actions/projects implemented as part of the CTIs. | | | | | |
| Sangre Grande Food and Agriculture Initiative | <ul style="list-style-type: none"> • Determine feasibility (technical and financial) for establishment of a Healthy Foods label and value chain in collaboration with all | SGRC-LEDU Ministry of Agriculture, | <ul style="list-style-type: none"> ○ Ministry of Rural Development and Local Government ○ Local farmers | 24 months | Consultancy – feasibility study, industry strategy and action plan | |

8.2.1 Sangre Grande LED Implementation Plan

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|-----------------------------------|--|--|--|------------|---|-----------------------|
| | <ul style="list-style-type: none"> industry stakeholders If feasible, develop industry strategy and action plan collaboration with all industry stakeholders for the marketing, production and agro-processing of agricultural produce and food products under the Healthy Foods label. The plan should also include the design of a mechanism for quality control, a mechanism for continuous monitoring and evaluation of the implementation of the programme, estimated cost of individual programme activities, and a strategy for funding programme implementation Seek funding for proposed activities; Implement proposed projects/activities Promote the link between healthy lifestyles to home-grown agricultural products and local foods. | <p>Land and Marine Affairs</p> <p>Local Farmers Group</p> | <ul style="list-style-type: none"> Local agro-processors Green market and farmers market vendors Supermarket Association of Trinidad and Tobago Local Supermarkets CARIRI | | Project proposals for funding | |
| Valencia Redevelopment Initiative | <ul style="list-style-type: none"> Develop a comprehensive local area plan for the redevelopment of Valencia including future key milestones, actions, timelines, responsibilities, cost estimates. Develop business plan for development and operation of income/revenue generating projects (such as public recreational facilities) including areas of community and external investment; proposals for promoting small enterprise development; mechanism for quality control; cost | <p>SGRC-LEDU</p> <p>Ministry of Energy and Energy Industries</p> <p>LSA</p> <p>Ministry of Agriculture, Land and Marine Affairs – Forestry</p> | <ul style="list-style-type: none"> Ministry of Planning and Development Ministry of Tourism Ministry of Community Development, Culture and the Arts MOLSED Community residents NGOs/CBOs Local businesses | 36 months | <p>Consultancy Valencia redevelopment local area plan.</p> <p>Consultancy business, marketing and financial plans</p> | |

8.2.1 Sangre Grande LED Implementation Plan

| Project | Activities | Implementing Agencies | Collaborating agencies | Time Frame | Resources Requirement | Priority Rating (1-2) |
|---------|---|-----------------------|------------------------|------------|-----------------------|-----------------------|
| | estimates; skills and human resources requirements, etc. • Develop a plan how the facilities will be marketed. • Develop a financial plan (including the identification of community and external funding sources). • Prepare proposals and applications for external funding of projects. | Division | | | | |

8.3 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 the municipalities.

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.

Within the Municipality has developed a business model in which communities collaborate in conservation of the unique amenity resource, and at the same time earn income from tour guiding services to visitors of the area, domestic and foreign. The Community Development Department and the Cooperative Division will need to collaborate with the Municipal Corporation to ensure the sustainability of this model of community enterprise.

Competitiveness: The municipality has a widely dispersed population base. 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 even in the wider context of regional and international demand.

In other words, entrepreneurs even in micro-enterprises in Montevideo or Matura are players on the world stage. Dressed or processed fruit and vegetables from these geographically remote locations in the municipality, on entering the market place in an upscale supermarket in Port-of-Spain are in competition for shelf space with fresh fruit from Florida or bananas from Dominican Republic.

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. On the grounds of social equity, there will be need to ensure that state involvement in the provision of support for business and enterprise does not contribute to the creation of structural barriers and marginalisation of non-traditional participants in business and enterprise and reinforcement of imbalances whether of ethnicity or gender, with public funding.

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 municipality. This imposes a constraint on the capacity of residents in the establishment of viable business and productive enterprises. There is need to institutionalise a support system that would allow large numbers of the residents although located in relatively remote communities 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 task is to ensure that the avocado farmer in Cumaca or in Rampanalgas is no less knowledgeable and no less technically competent than his counterpart in Israel. While this is not currently the case, the measures and initiatives undertaken by the Municipality in association with the Ministry of Agriculture, Land and Fisheries and with the cooperation of UTT or the Distance Education Programme of UWI or through COSTAATT, would allow such transformation to take place in less than a decade. A Municipal Council committed to the task of developing the MSMEs of the municipality can contribute to the economic development of Sangre Grande as a vibrant economic space in Trinidad thereby allowing the citizenry to enjoy a high quality of life on the basis of the rich endowments of nature in applying their skills, knowledge and enterprise.

