



# City of San Fernando

## Local Area Economic Profile

### Final Report

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Submitted to:

**Permanent Secretary**

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

Submitted by:

**Kairi Consultants Limited**

14 Cochrane Street, Tunapuna,  
TRINIDAD AND TOBAGO

Tel: 1 868 663 2677; Fax: 1 868 663 1442

Email: [mail@kairi.com](mailto:mail@kairi.com)

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# Acronyms and Abbreviations

BDC	-	Business Development Company
CAPA	-	Crime and Problem Analysis Unit
CARILED	-	Caribbean Local Economic Development Project
CARIRI	-	Caribbean Industrial Research Institute
CBOs	-	Community Based Organisations
CBTT	-	Central Bank of Trinidad and Tobago
CEO	-	Chief Executive Officer
CARICOM	-	Caribbean Community
CSO	-	Central Statistical Office
CSEC	-	Caribbean Secondary Education Certificate
CSME	-	CARICOM Single Market and Economy
ECA	-	Employers' Consultative Association of Trinidad and Tobago
EDD	-	Enterprise Development Division
EIF	-	Enterprise Investment Fund
ETIIC	-	Entrepreneurial Training Institute and Incubation Centre
GCE	-	General Certificate of Education
GORTT	-	Government of the Republic of Trinidad and Tobago
HDC	-	Housing Development Corporation
HDI	-	Human Development Index
HSC	-	Higher School Certificate
IBIS	-	National Integrated Business Incubation System
ICT	-	Information and Communications Technology
IFF	-	Innovation Financing Facility
INHDI	-	Inequality-adjusted National Human Development Index
LABIDCO	-	La Brea Industrial Development Company
LAEP	-	Local Area Economic Profile
LARPDU	-	Local Area and Regional Planning and Development Unit
LATT	-	Lake Asphalt Company of Trinidad and Tobago
LED	-	Local Economic Development
LEDO(s)	-	Local Economic Development Officer(s)
LEDU(s)	-	Local Economic Development Unit(s)



MCD	-	Ministry of Community Development, Culture and the Arts
MDP	-	Municipal Development Plan
MEL	-	Micro Enterprise Loan
MIC	-	Metal Industries Company Limited
MLG	-	Ministry of Rural Development and Local Government
MOLSED	-	Ministry of Labour and Small Enterprise Development
MOOCs	-	Massive Open Online Courses
MSE(s)	-	Micro and Small Enterprise(s)
MSM	-	Micro, Small and Medium
MSME(s)	-	Micro, Small and Medium Enterprise(s)
NEDCO	-	National Entrepreneurship Development Company Limited
NESC	-	National Energy Skills Centre
NGC	-	National Gas Company of Trinidad and Tobago Ltd
NGO(s)	-	Non-Government Organisation(s)
NHDI	-	National Human Development Index
OJT	-	On-the-Training
SAPA	-	Southern Academy for the Performing Arts
SC	-	School Certificate
SWMCOL	-	Solid Waste Management Company Limited
TCPD	-	Town and Country Planning Division
THA	-	Tobago House of Assembly
TLA		Trinidad Lake Asphalt
TT	-	Trinidad and Tobago
TT\$	-	Trinidad and Tobago Dollar
TVET	-	Technical Vocational Education and Training
UNDP	-	United Nations Development Programme
US\$	-	United States Dollar
UTT	-	University of Trinidad and Tobago
UWI	-	The University of the West Indies
WASA	-	Water and Sewerage Authority

# 1 Introduction

The Local Area Economic Profile (LAEP) for the City of San Fernando was developed with a view to build on the existing Municipal Development Plan and to introduce the San Fernando City Corporation<sup>1</sup> 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, civil society, the private sector and the local community could collaborate to improve the local economy.

The profile for the City of San Fernando<sup>2</sup> was developed with the aid of quantitative and qualitative methodologies pioneered in the LED approach, which captured vital information from a range of stakeholders in the municipality. The methodologies consisted of the following:

- A review of secondary data for the City including its recent Spatial Development Plan, the City of San Fernando Investment Plan, the National Medium-Term Policy Framework 2011 – 2014 and the National Spatial development Strategy (NSDS);
- 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 MSME operators);
- The conduct of discussions with members of the Municipal Council to glean useful insights into opportunities for LED within San Fernando's communities;
- The conduct of focus group discussions with micro, small and medium entrepreneurs; and
- The conduct of interviews with the State Agencies, Private Sector Agencies and NGOs

This draft LAEP report will profile the MSME sector and its physical and social assets in as great detail as data permit.

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<sup>1</sup> *San Fernando City Corporation means the body corporate constituted by the Chairman, Aldermen, Councilors and electors of Regional Municipality of X to which the Municipal Corporation Act (Act No. 21 of 1990) applies.*

<sup>2</sup> *City of San Fernando (also called the Regional Municipality of X) refers to the geographic area (whose boundaries are applied under Section 4 of the Municipal Corporation Act (Act No. 21 of 1990)).*

## 2 Area Information and Demography

### 2.1 Location

Due to the spiralling population growth of its 21 communities, San Fernando became a City in 1988 after being a Municipality since 1845. It occupies 18.7 square kilometres and is located south of the Pointe-a-Pierre Region (Figure 2.1). It is bounded to the North by the Guaracara River, south by the South Trunk Road, east by the Sir Solomon Hochoy Highway and west by the Gulf of Paria.

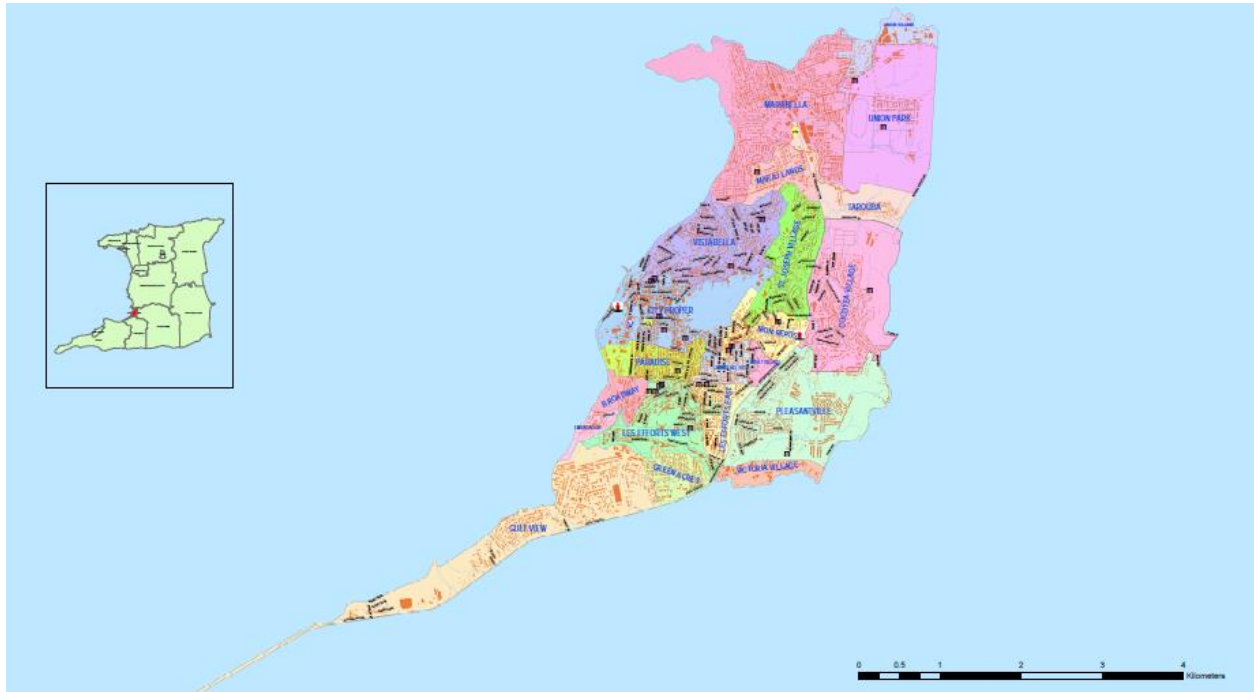


Figure 2.1: Location of the Municipality of San Fernando illustrating the distribution of Communities

### 2.2 Geography

Trinidad is sub-divided into five different physiographic regions and the city of San Fernando is located within the Southern Basin. The Southern Basin lies between the Central and Southern Range and consists of flat and undulating alluvial floodplains. The undulating plains of the San Fernando feature a series of streams and rivers spread over its landscape. The Guaracara, Marabella, Vistabella and Cipero Rivers flow in a westerly direction through the city and drain into the Gulf of Paria. San Fernando Hill is the highest point in the City.

Trinidad has two easily distinguishable seasons; a dry and wet season. As the climate of Trinidad does not vary much spatially, the city of San Fernando 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 characterised 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 City of San Fernando has a population of 48,838 persons. San Fernando, similarly to the city of Port of Spain and Diego Martin, showed a population decrease of 11.9 percent. The city's population is almost equally distributed in terms of gender, with a female population of 25,047 (51.3%) and a male population of 23,791 (48.7%).

The 2011 census revealed that an average of three persons lived in the 15,110 recorded private households in the City of San Fernando. The number of households decreased by 5.7 percent was also reported from 16,016 in 2000. The household decline rate outpaced the population decline rate and resulted in a decline in the size of the average household since the 2000 Census of 0.2 persons, down from 3.5 persons per household (Table 2.1).

Table 2.1: Changes in Non-institutional Population and Household Characteristics in the City of San Fernando and Trinidad and Tobago, 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%
City of San Fernando	48,635	55,042	15,110	16,016	3.2	3.4	-1.2%	-0.6%

Source: CSO 2011 Population and Housing Census

### 2.3.2 Population Density

Table 2.2 highlighted that in 2011, the region of San Fernando was the third most densely populated area of Trinidad and Tobago with a density of 2,570 persons per square kilometre. The region's population density is higher than the national average of 259 person per square kilometre and is due

to 3.7 percent of the national population existing in a land area that occupies 0.4 percent of the total land area of Trinidad and Tobago. As its population dipped slightly, the population density of the region decreased correspondingly from 2,917 persons per square kilometre in 2000. From 2000 to 2011, City of San Fernando descended from the second to the third most densely populated area of the country. Arima rose in rank between 2000 and 2011 in spite of the net outflow of residents between municipalities, surpassing the City of San Fernando. In 2000 both San Fernando and Port of Spain were more densely populated than Arima

Table 2.2: Population Density of the City of San Fernando, 2000 and 2011

Year	Density (Per Sq. km)	Population
2000	2,917	55,419
2011	2,570	48,838

### 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 City of San Fernando is relatively young, with roughly half of the population (50.3%) under 35 years of which 20.2 percent is between 0 and 15 years. The age group between 10 and 19 years, the majority of whom make up the secondary school age population, accounts for 12.8 percent of the city's population. Persons, 65 years and older, made up 12.2 percent of the total population (Figure 2.2).

The population of dependent groups (all persons aged 0-14 years and 65+ years) increased from 30.7 percent of the total population in 2000 to 31.1 percent in 2011. Conversely, the working-age population (persons between 15 and 64 years) decreased from 69.3 percent in 2000 to 68.8 percent in 2011.

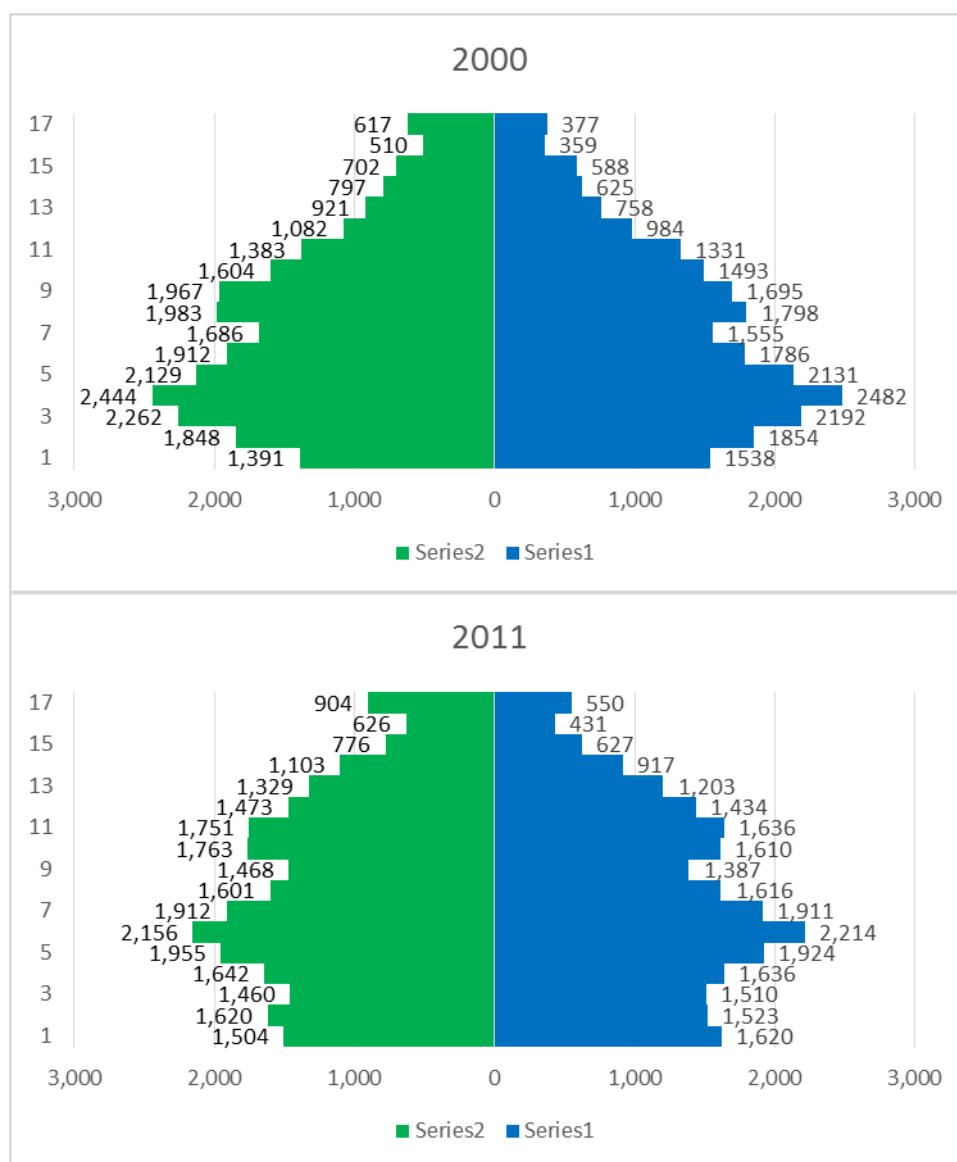


Figure 2.2: Age/Sex Composition of the Population of the City of San Fernando, 2000, 2011

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 City in 2011 stood at 45.1 percent; this was above the national ratio of 41.9 percent and was due primarily to increased aging population. This ratio represents an improvement compared to the 2000 figure of 47.6 percent. The child dependency ratio in 2011 was estimated at 27.5 percent, and elderly dependency at 17.7 percent.

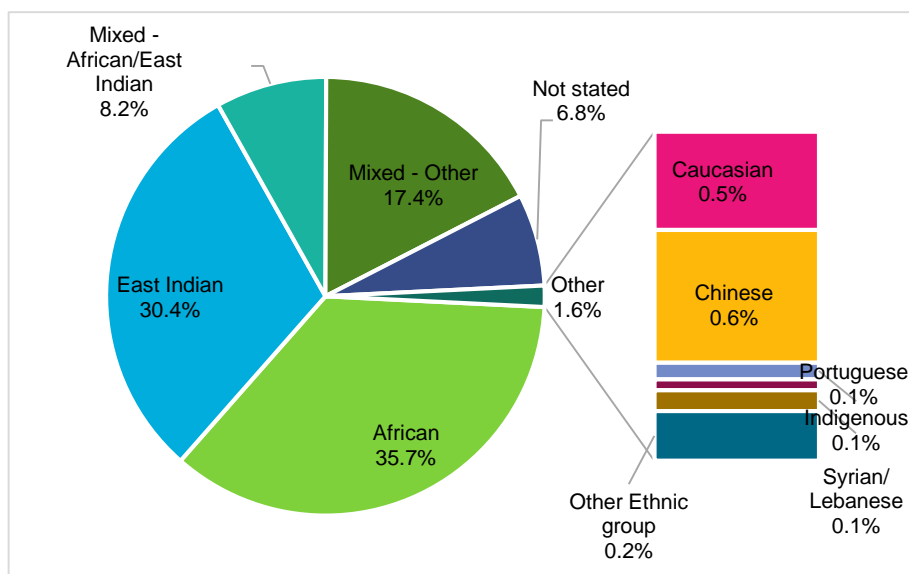
### 2.3.4 Ethnicity

Trinidad and Tobago as a country, is a plural society and as such the City of San Fernando's population is diverse in terms of ethnic composition (Table 2.3). Africans and East Indians, with 35.7 and 30.4 percent of the total population respectively, are the predominant ethnic groups, followed by the 'Mixed- Other' group which made up 17.4 percent and 'Mixed- African/ East Indian' group, which account for 8.2 percent (Figure 2.3).

**Table 2.3: Percentage Distribution of Total Population of the City of San Fernando by Ethnic Group, 2011**

Ethnic Group	Percentage
African	35.7%
Caucasian	0.5%
Chinese	0.6%
East Indian	30.4%
Indigenous	0.1%
Mixed - African/East Indian	8.2%
Mixed - Other	17.4%
Portuguese	0.1%
Syrian/Lebanese	0.1%
Other Ethnic group	0.2%
Not stated	6.8%

Source: CSO 2011 Population and Housing Census



**Figure 2.3: Ethnic Composition of the City of San Fernando Population**

### 2.3.5 Religious Affiliation

In 2011, Roman Catholic was the largest single religious grouping in the City of San Fernando (23.7% of the population), followed by Pentecostal/Evangelical/Full Gospel (13.6%), Hinduism (10.7%) and Anglican (8.4%). Interestingly, the groupings 'Other' and 'Not Stated' constituted a significant proportion of the population. Table 2.4 gives a distribution of the population by religious affiliations based on the 2011 Population and Housing Census, while Figure 2.4 shows the distribution of the population for the religious groupings.

Table 2.4: Percentage Distribution of City of San Fernando Total Population by Religious Affiliation, 2011

Religious Group	Percent
Anglican	8.4%
Baptist-Spiritual Shouter	5.1%
Baptist-Other	1.7%
Hinduism	10.7%
Islam	4.6%
Jehovah's Witness	1.4%
Methodist	0.7%
Moravian	0.0%
Orisha	0.7%
Pentecostal/ Evangelical / Full Gospel	13.6%
Presbyterian/ Congregational	5.5%
Rastafarian	0.3%
Roman Catholic	23.7%
Seventh Day Adventist	2.0%
Other	8.2%
None	1.7%
Not Stated	11.8%

Source: CSO 2011 Population and Housing Census

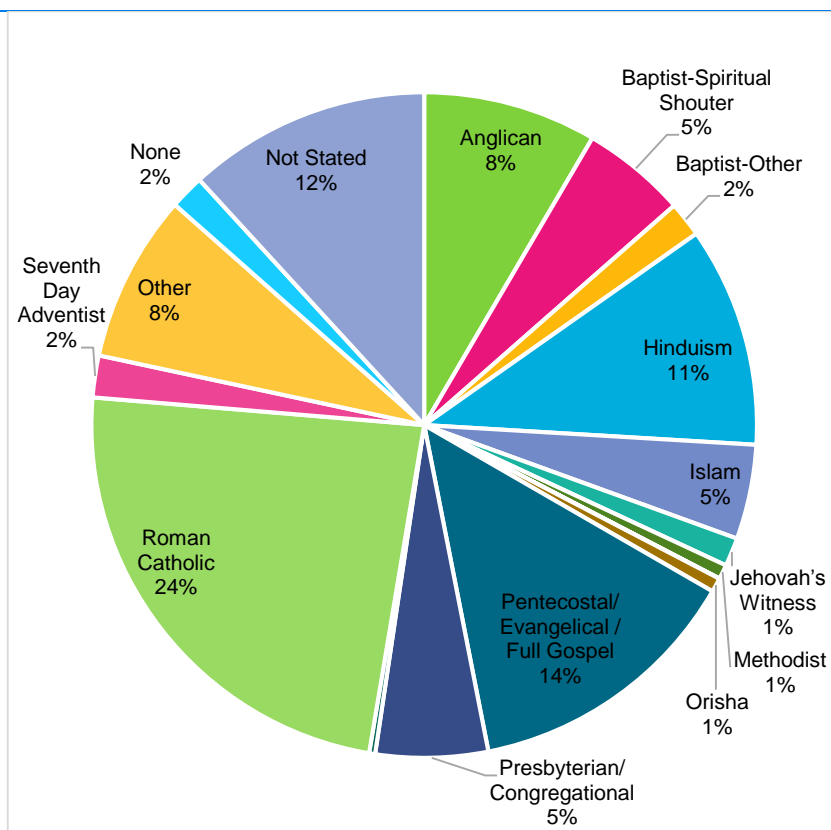


Figure 2.4: Religious Affiliations in City of San Fernando, 2011

## 2.4 Educational Attainment

According to the 2011 Census, 23.9 percent of the City of San Fernando's population had attained primary-level education which is lower than the national figure (Figure 2.5). Forty three percent of population of City of San Fernando had attained secondary and post-secondary, making it equal to that observed with the national population. Tertiary non-university level educational attainment stood at 8.7 percent and 11.7 percent for those who attained tertiary university-level education. There is no clear front runner between males and 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 City of San Fernando population by age group.



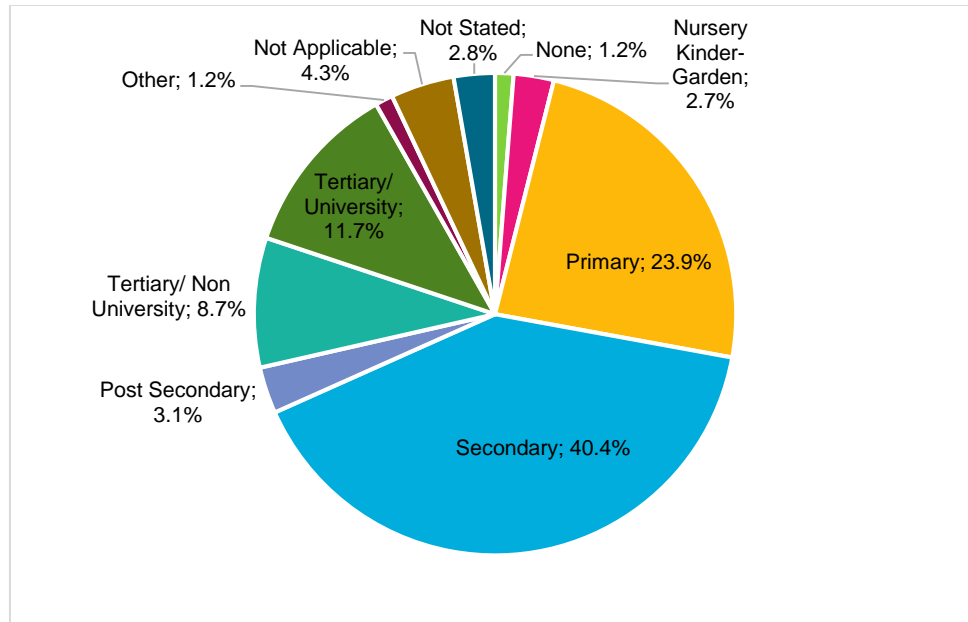


Figure 2.5: Non-Institutional Population of City of San Fernando by Educational Attainment

Source: CSO Population and Housing Census, 2011

Table 2.5: Non-Institutional Population of City of San Fernando 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
<b>City of San Fernando</b>	48,635	601	1,313	11,644	19,670	1,516	4,227	5,674	577	2,073	1,341
0 – 4	3,122	-	1,032	17	-	-	-	-	-	2,073	-
5 - 9	3,138	60	227	2,809	-	-	-	-	-	-	42
10 – 14	2,959	50	34	1,505	1,361	-	-	-	-	-	8
15 - 19	3,276	24	6	153	2,488	139	207	182	44	-	33
20 - 24	3,876	20	1	104	1,933	182	583	913	76	-	64
25 – 29	4,367	20	-	253	2,206	162	684	879	59	-	104
30 – 34	3,819	14	1	194	2,025	150	534	760	47	-	94
35 - 39	3,217	15	1	187	1,844	107	409	526	26	-	102
40 - 44	2,852	20	1	299	1,582	114	319	388	32	-	96
45 - 49	3,368	50	1	610	1,612	121	347	421	58	-	148
50 - 54	3,384	31	2	923	1,325	151	338	417	64	-	133
55 - 59	2,901	35	1	875	1,052	122	255	402	41	-	117
60 - 64	2,526	44	-	888	851	92	201	305	40	-	104
65 - 69	2,009	51	-	826	612	77	132	191	33	-	85
70 - 74	1,380	35	2	691	330	41	87	133	13	-	48
75 -79	1,039	51	2	512	208	28	77	84	11	-	64
80+	1,401	79	-	798	238	30	54	72	33	-	99

Source: CSO Population and Housing Census, 2011

Examination of the highest qualification attained by the City of San Fernando's population showed that some 39.3 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 3.4 percent indicated that their highest qualification attained was school leaving certificate, with another 0.7 percent reporting that they attained CSEC Basic as their highest qualification.

Just over one fifth of the population (22.3%) 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 10.1 percent were granted Diplomas, Associate Degrees or Equivalent Certification. Another 6.3 percent would have achieved, either a Bachelor's degree, Post Graduate Diploma/ Professional Qualification or a Master's degree. Some 0.3 percent of the population 15 years and older earned doctorate degrees. More women attained Bachelors, Masters and professional certification than their male counterparts. This can be seen in Table 2.6.

**Table 2.6: Non-Institutional Population of City of San Fernando by Age Group and Highest Qualification**

	City of San Fernando		Female Population		Male Population	
	No of Persons	Percentage of Population	No of Persons	Percentage of Population	No of Persons	Percentage of Population
<b>Total</b>	48,635	100	24,955	100.0%	23,680	100
None	19,129	39.3%	9,489	38.0%	9,640	40.7%
School Leaving Certification	1,648	3.4%	877	3.5%	772	3.3%
CSEC Basic	329	0.7%	153	0.6%	176	0.7%
GCE 'O'/CSEC Gen/SC	9,701	19.9%	5,284	21.2%	4,417	18.7%
GCE "A"/CAPE/HSC	1,150	2.4%	628	2.5%	521	2.2%
Diploma or Equivalent Certificate of Achievement	3,811	7.8%	2,000	8.0%	1,811	7.6%
Associate Degree Higher Diploma	1,119	2.3%	641	2.6%	478	2.0%
Bachelor Degree	2,177	4.5%	1,213	4.9%	963	4.1%
Master Degree	581	1.2%	291	1.2%	289	1.2%
Post Graduate Diploma/ Professional Qualification	306	0.6%	164	0.7%	142	0.6%
Doctorate	133	0.3%	44	0.2%	89	0.4%
Other	290	0.6%	153	0.6%	138	0.6%
Not Stated	8,261	17.0%	4,017	16.1%	4,244	17.9%

SC: School Certificate; Higher School Certificate  
Source: CSO Population and Housing Census, 2011

About 62 percent of persons in the age groups 20-24 years to 40-44 years had qualifications of CSEC/GCE 'O' levels and above. About 66 percent of the population in the 20-24 age grouping had obtained CSEC/GCE "O" level passes and above, demonstrating higher levels of educational qualification compared to the older age groups. Further, as much as 26 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 San Fernando

The United Nations Development Programme (UNDP)/CSO Trinidad and Tobago Human Development Atlas notes, “Giving people the choice to enjoy a long and healthy life; being educated; having access to resources that enable one to live in dignity; and being able to participate in decisions that affect one’s community are core capacities for human development.” The National Human Development Index (NHDI), developed by CSO is based on Human Development Index (HDI) developed by UNDP and measures the level of human development of Trinidad and Tobago and its sub-regions, using three basic dimensions of human development – a long and healthy life, knowledge, and a decent standard of living. Figure 2.6 shows the NHDI for the various regions within the country. City of San Fernando was ranked among the highest with an NHDI at 0.727. Measurement of the Inequality-adjusted NHDI (INHDI)<sup>3</sup> ranked City of San Fernando as the highest in the country with respect to human development with a value of 0.666 (Figure 2.7). With regard to the dimensions of health, education and income for the INHDI, City of San Fernando was ranked among the highest.

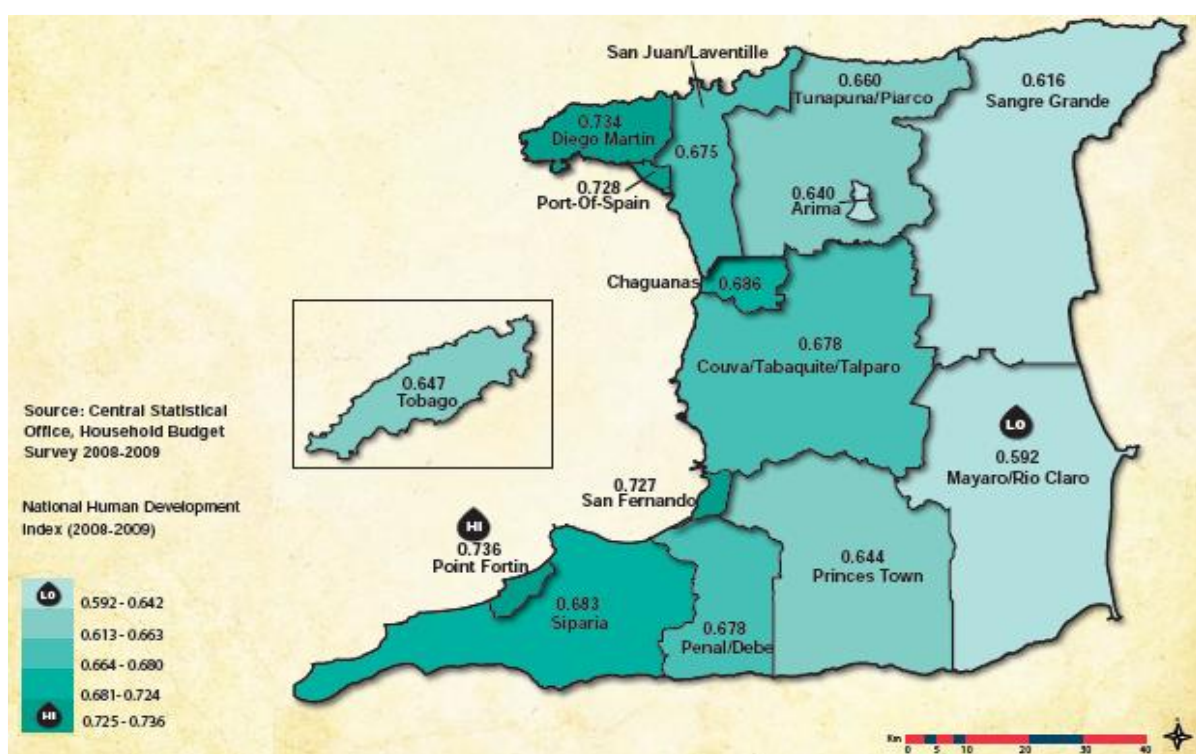


Figure 2.6: National Human development Index 2008/2009 by Administrative Regions

Source: Trinidad and Tobago Human Development Profile, 2012

<sup>3</sup> Trinidad and Tobago Human Development Profile, 2012. Website source: [http://www.planning.gov.tt/sites/default/files/content/mediacentre/documents/Human\\_Development\\_Atlas.pdf](http://www.planning.gov.tt/sites/default/files/content/mediacentre/documents/Human_Development_Atlas.pdf).

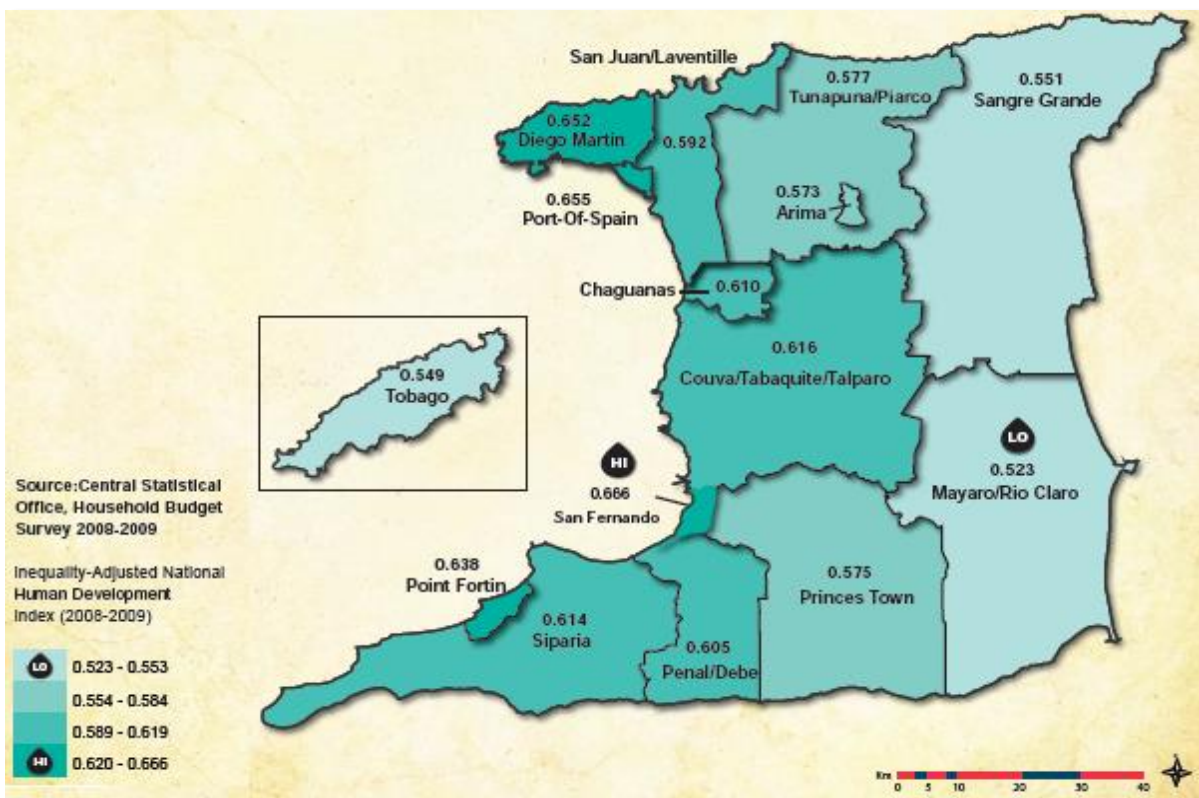


Figure 2.7: Inequality-adjusted National Human development Index 2008/2009 by Administrative Regions

Source: Trinidad and Tobago Human Development Profile, 2012

Table 2.7 presents statistics highlighting living conditions in the City of San Fernando taken from the Trinidad and Tobago Human Development Atlas. The Atlas provided information on the NHDI 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:

- The City of San Fernando had the highest in household income per capita per annum.
- The City of San Fernando, with an education attainment rate of 95.7 percent for both females and males between the ages of 6 and 16 years, was among the regions with a high education attainment rate. Similarly, the city had the highest educational attainment rate (78.4%) for persons above 17 years and older who have attained secondary level education and higher.
- The City of San Fernando was among the regions that scored the lowest in the gender inequality index indicating that gender inequalities was lower in the City of San Fernando compared to other regions in the country.
- The City of San Fernando had the lowest Multidimensional Poverty Index (MPI), indicating a lower incidence and intensity of poverty compared to those areas with higher indices.
- The city was among the regions which had a lower rate of adolescent births.
- The City of San Fernando had the highest female labour force participation rate in the country (54.9%).

- The City of San Fernando recorded a low 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. The City of San Fernando has a comparable incidence of chronic diseases of 21.5 percent.
- Consumption of iodised salt was slightly lower in the City of San Fernando, 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 city recorded the lowest percentage without adequate sanitation facilities,<sup>4</sup> with 2.5 percent of its households.<sup>5</sup>

Table 2.7: Various Statistics on Living Conditions in City of San Fernando

Indicators	Value	Rank and Rating out of the Country's 15 Administrative Regions
Total population, 2011	48,838	5 <sup>th</sup> (low-medium)
National human development index, 2010	0.727	12 <sup>th</sup> (medium-high)
Population having chronic illnesses <sup>6</sup> , 2008/2009 (%)	21.5	6 <sup>th</sup> (low-medium)
Primary and secondary educational attainment rate <sup>7</sup> , 2008/2009 (%)	95.7	8 <sup>th</sup> (low-medium)
Secondary and higher educational attainment rate ages 17 and above, 2008/2009 (%)	78.4	1 <sup>st</sup> (high)
Household income per capita (TT\$/US\$)	34,467/ 7,477	15 <sup>th</sup> (high)
Inequality-adjusted national human development index, 2010	0.666	15 <sup>th</sup> (high)
Gender inequality index, 2010	0.312	2 <sup>nd</sup> (low)
Adolescent fertility rate <sup>8</sup> , 2010	34.7	3 <sup>rd</sup> (low)
Multidimensional poverty index (MPI), 2006	0.007	1 <sup>st</sup> (low)
Intensity of multidimensional poverty, 2006 (%)	24.8	2 <sup>nd</sup> (low)
Incidence of multidimensional poverty, 2006 (%)	2.7	1 <sup>st</sup> (low)
Life expectancy at birth, 2010 (years)	69.6	14 <sup>th</sup> (low)
Households in which a child died, 2006 (%)	2.3	3 <sup>rd</sup> (low)
Population without electricity, 2006 (%)	0.6	2 <sup>nd</sup> (low)
Population access to without clean drinking water, 2006 (%)	0	1 <sup>st</sup> (low)
Population access to without improved sanitation <sup>9</sup> , 2006 (%)	2.5	15 <sup>th</sup> (low)
Population not consuming iodised salt (%)	65.2	10 <sup>th</sup> (medium-high)
Labour force population – male (%)	71.6	10 <sup>th</sup> (low-medium)
Labour force population – female (%)	54.9	3 <sup>rd</sup> (high)

Source: Trinidad and Tobago Human Development Profile, 2012

<sup>4</sup> Trinidad and Tobago Human Development Profile, 2012. Website source: [http://www.planning.gov.tt/sites/default/files/content/mediacentre/documents/Human\\_Development\\_Atlas.pdf](http://www.planning.gov.tt/sites/default/files/content/mediacentre/documents/Human_Development_Atlas.pdf).

<sup>5</sup> Anecdotal evidence suggests that this situation may have greatly improved over the last eight years.

<sup>6</sup> The chronic illnesses include: Heart Disease, Cancer, HIV/AIDS, Lupus, Kidney Disease, Sickle Cell Anemia, Lung Disease, Epilepsy, Neurological Disorder, Clinical Mental Disease.

<sup>7</sup> 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.

<sup>8</sup> Number of birth among women 15-19 years per 1,000 women (CSO: Population, Social and Vital Statistics Division 2010)

<sup>9</sup> Population without Access to improved Sanitation Facilities (2006) Population without access to improved sanitation facilities refers to the proportion of the population with sanitation facilities that are not improved or sanitation facilities which are improved but shared with other house-holds (the toilet is shared) (Ministry of the People and Social Development, Multiple Indicator Cluster Survey III, 2006). Improved sanitation facilities for excreta disposal are the followings: flush or pour-flush to a piped sewer system, septic tank, or latrine; ventilated improved pit (VIP) latrine and pit latrine with slab.



### 2.5.1 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.”* For the City of San Fernando, where tourism is a key economic driver and any incidence of crime against tourists can damage its reputation as a safe destination, this is even more critical. Figure 2.8 illustrated that the City of San Fernando is policed by the Southern Police Division. The 2010 Citizen Security Survey showed that in City of San Fernando, compared to all other areas, had a comparable percentage of victims of crime (22.1%) within the last 10 years and persons reporting that crime was a problem in their community (49.7%). Thirteen percent of City of San Fernando’s respondents indicated that there was a gang in their neighbourhood. Residents in City of San Fernando also did not feel safe and this was reflected in the survey by the low percentage of persons who felt very secure (2.8%). However, more than one half of respondents felt fearful in the last year about the possibility of becoming a victim of crime (53.6%) and did not have much confidence in the police services in effectively controlling the crime problem in the country (47.5%).

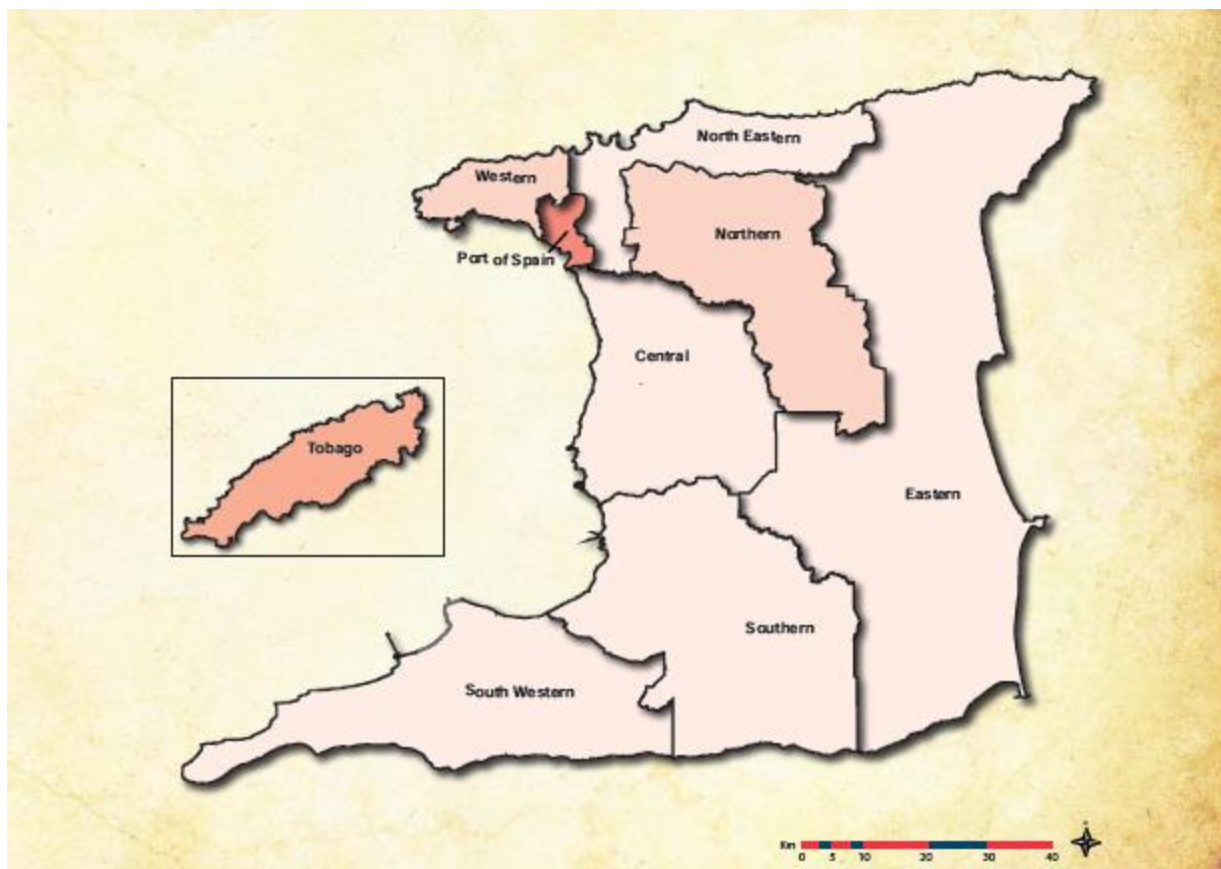


Figure 2.8: Police Divisions of Trinidad and Tobago

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, City of San Fernando had the third 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 (4,800.5 reports). Figure 2.9 highlighted that serious crimes of major concern in City of San Fernando included burglaries and break-ins, general larceny and robberies, with 286.4, 230.1 and 288 reported cases per 100,000 persons, respectively. With one of the highest number of reported cases, it would also be important to pay particular attention to larceny of motor vehicles (89.5 reported cases).

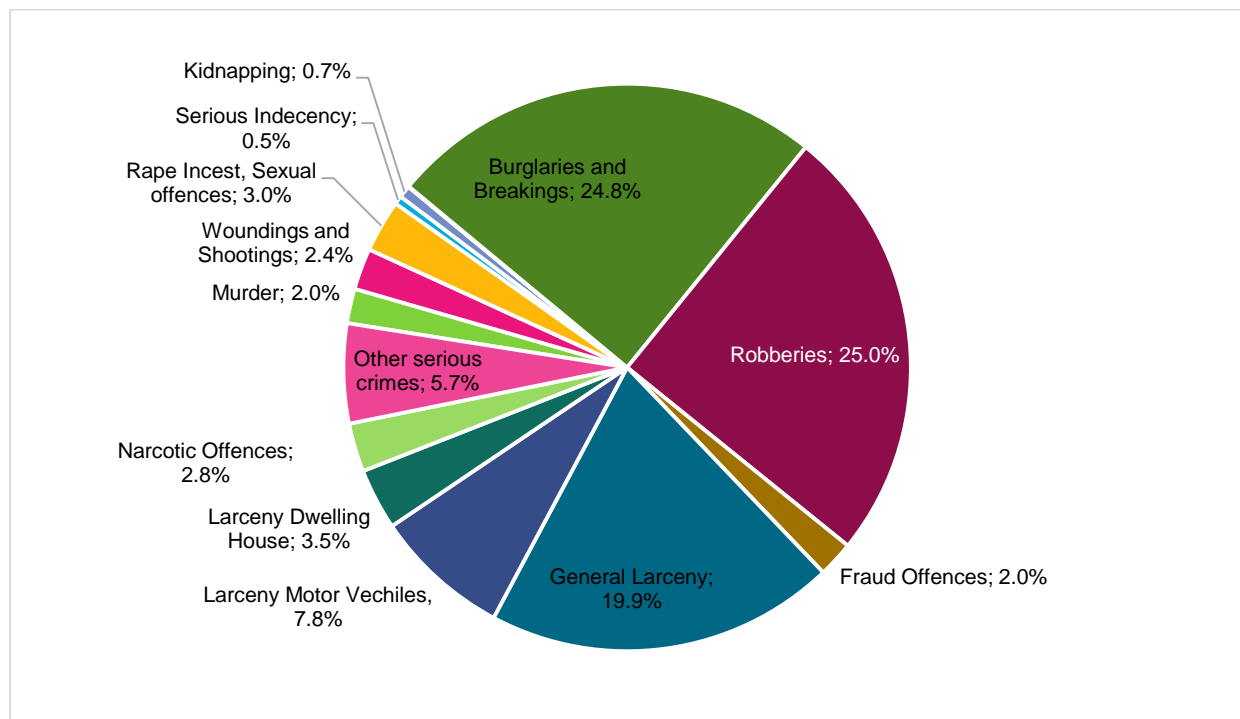


Figure 2.9: Share of Serious Crimes by the Type of Crime in the Southern Police Division, 2010

Source: Trinidad and Tobago Human Development Profile, 2012

### 3 Land Use and Land Resources

The City of San Fernando is distinctive in its topography. The San Fernando Hill is a land-mark that stands out in the distance and imposes a unique environment as the built development is on land that tapers out from the hill to flat lands of the undulating plains on the north, east and south. Much of the inner city is hilly by nature of physical development that has evolved and the contours that have been set for streets and the arterial system of the City.

San Fernando is bounded on the north and east by the Couva/Tabaquite/Talparo Municipality, on the east by the Princes Town Municipality and on the south by the Penal/Debe Municipality. The Gulf of Paria sets its western limit, and constitutes its coastline. It has historically has been the second city of Trinidad and continues to enjoy that status having regard to its location in the south of Trinidad and to the nature of commercial and industrial development that has taken place in this part of the country over the last century. It is regarded as the industrial capital of Trinidad and is the commercial and trading centre for the south of the island.

#### 3.1 Land Use and Resources

This municipality is a city comprised of 21 communities, with a downtown core and a number of surrounding suburban neighbourhoods from the most elite districts of Gulf View in the south to inner city settlements of lower income groups. The older settlements have evolved into commercial developments, and suburban communities on the north and northeast account for almost half of the land area and population of the city. Much of the suburban growth is accounted for by the expansion of the petro-chemical industry initially at Pointe-a-Pierre and then subsequently with the establishment of energy-intensive industry at Point Lisas. The largest of these communities is Marabella. Other major communities are St. Joseph Village, Cocoyea Village, Maraj Lands, Tarouba, Union Park and Union Village.

More recent developments on the south are Pleasantville, Victoria Village, Green Acres and the high-end community of Gulf View. The latter is the location of a major mall and commercial node that serves southern San Fernando and surrounding communities, but also attracts clientele from a wider expanse in southern Trinidad. There are four squatter settlements located on State lands, but there are also informal settlements on private lands. Embacadere is the only inner-city area of informal settlement on state land. There has been major expansion of housing estates on the east and south east of the city in the last few years, as part of the programme of the Housing Development Corporation (HDC).

In line with the Town and Country Planning Act, the land use in the City of San Fernando is governed and administered via the Town and Country Planning Division. Consequently, the lands within the City of San Fernando are without usage for agriculture, particularly sugar cane, which was very prominent in the region. The designation of the municipality as a city along with economic prosperity in the past three decades have ensured a boom in urban and suburban growth that has resulted in that its land use pattern seen in Figure 3.1. The vast majority of the city (87%) has been



used for residential purposes<sup>10</sup>. When taken together with institutional, industrial and commercial buildings, it is not surprising that movement within the boundaries of the city allows for very limited opportunities for encountering of greenfield sites.

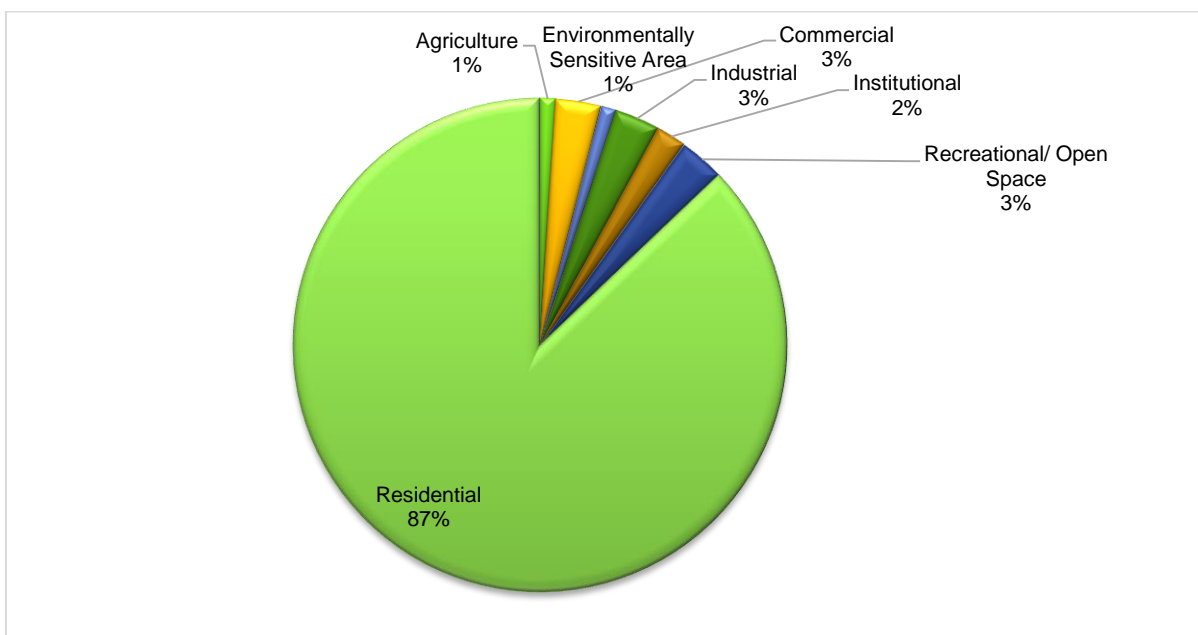


Figure 3.1: Land Use in the Municipality of San Fernando

The Hill that dominates the skyline has been subjected to quarrying and the resulting degradation of environment. However, there has been effort to restore the hill for its aesthetic value by the replanting of tree and the encouragement of vegetation. It is now open to public use as an area for sitting out and as a look out to the surrounding communities and the sea. The Guaracara River to the north separates the City from the Municipality of Couva/Tabaquite/Talparo, and runs between the community of Marabella and the Pointe-a-Pierre industrial complex. It has been heavily polluted from residential run-off from Marabella and industrial waste from the oil refinery at Pointe-a-Pierre.

The City holds a unique environmental setting due to its coastal location and the strong visual backdrop provided by the San Fernando Hill. With a view to restore the glory of the waterfront's historically rich significance, the redevelopment of San Fernando Waterfront and the subsequent requirement for the preparation of a Feasibility Study has been undertaken within the context of the Government of Trinidad and Tobago's commitment to guide development by setting national economic, environmental and social priorities. The study was done with a view to implement measures that enable San Fernando to ensure that the waterfront is a truly public place that welcomes all residents and visitors and respects the principles of sustainable development, to regain its identity as a coastal city, to restore the historic link between the waterfront and the city and lastly to create an attractive healthy and secure environment by promoting functional, educational and recreational activities. The Feasibility Study recommended that an Integrated Development Programme be implemented in four phases over a 10 year period. Cabinet agreed to the establishment of a Waterfront Redevelopment Board which will provide advice, guidance and

<sup>10</sup> <http://www.localgov.gov.tt/~media/Resource%20Library/Spatial%20Development%20Plans%20Per%20Corporation/San%20Fernando%20City%20Corporation%20Spatial%20Development%20Plan.ashx>

oversight to ensure that the various phases of the Waterfront development are in accordance with the policies and legal requirements of the project.

The municipality benefits direct access from the north Trinidad via the Solomon Hochoy and the Uriah Butler Highways in addition to the Southern Main Road and from the east by a number of arterial links to communities in the east by the Naparima-Mayaro Road to Princes Town and Rio Claro, and to the south by the South Trunk Road and to the south east by Golconda Road and the extension of the major highway to Penal. In view of the moderate densities in the municipality, moving forward it is likely that new developments will be forced to take the form of redevelopment of current built infrastructure or infill.

## **3.2 Coastal and Marine Resources**

The areas just outside of the city are defined largely by mangrove and coastal areas to the south and north. The west coast of Trinidad is home to a large system of wetlands, a subset of which is located within the municipality of San Fernando. The Godineau Swamp, which comprises roughly 3,171 hectares of mangrove swamp and tidal marsh, accounts for 31.4 percent of the west coast wetlands of Trinidad.

## 4 Municipal Physical and Social Assets

### 4.1 Physical Infrastructure

#### 4.1.1 Information and Communications Technology Infrastructure

The City is well supplied with a telecommunications infrastructure: the Telecommunications Services of Trinidad and Tobago (TSTT) and Columbus Communications Trinidad Limited (CCTL) are the main providers. As a hub of business and commerce in the south of Trinidad, the major providers set a high premium on a reach to all areas of the City.

San Fernando has two radio stations, WACK Radio 90.1 FM and Vibe CT 105 FM. They provide different genres of music including: soca, calypso and pop (local artistes). The Advanced Community Television Station is streamed and is available on UHF. They stream international programmes and religious programmes.

#### 4.1.2 Storm Water Management and Coastal Protection

There are parts of the city that have been subjected to flooding in recent years. The concentration of built development has reduced permeability with consequences for flow of water in rainfall events. The drainage infrastructure is inadequate and needs to be addressed to avoid damage to property, disruption of business activity including that of MSMEs, on the occasion of heavy rain episodes. Moreover, in the light of sea level rise as a result of global warming, there is need to address the protection of the mangrove as part of sea defences along the coast line of the city.

#### 4.1.3 Transportation

The City is subject to traffic congestion, with negative impact on residents and commuters into and outgoing from the city. Insufficient parking on-street and limited number of arterial roads create congestion in local traffic flows. The build-up of carbon dioxide gas, petrol fumes and particles from automobile and transport vehicles are a source of environmental pollution in the city.

The public transportation system has not been able to pace with the needs of the population. Mobility within the city is provided largely by taxis and private cars. Most of the work-force in San Fernando lives outside of the city, Secondary schools in the downtown area are attended by hundreds of children from outside of the city. Commuters entering the city and others leaving the city for employment all create a logjam. The costs and challenge in mobility all impact on doing business in the city.

#### 4.1.4 Water Supply and Distribution

Water supply and distribution have been the focus of attention in the more recent past and San Fernando, like a number of areas, is now better served and with greater regularity.

#### 4.1.5 Electricity

Electricity supply is universal in the area, and there would be few households without access to electricity, unless they are in abject poverty.

#### **4.1.6 Wastewater Management**

Wastewater management and treatment remain a major problem to be addressed in the city. There is uncontrolled waste discharge from residences and treatment plants are functioning below par. Ultimately, Water and Sewerage Authority (WASA) is responsible for the development and implementation of a Waste Water Plan for the City.

#### **4.1.7 Solid Waste Management**

The expansion of housing brings with it, expanded demand and need for solid waste management for the city. The fact that the Solid Waste Management Company Limited (SWMCOL) has developed a faecal waste system for the San Fernando City Corporation is identified as one of its successes.<sup>11</sup> There are plans to establish a Trinidad and Tobago Solid Waste Management Authority, as part of the strategy to engage the society in waste minimisation and waste separation, from which the city will benefit.

### **4.2 Social/Cultural Infrastructure**

#### **4.2.1 Dwelling and Building Stock**

The Municipality has had an expansion in its housing stock in recent years, with investments made by the state through the Housing Development Corporation and by the private sector. Indeed, the City is well represented in the distribution of homes being conducted by the Government through the HDC.

The City has experienced some major building projects in the last two years. The San Fernando Hospital has been expanded into a modern facility, and is now a Teaching Hospital. A major Shopping Complex and entertainment centre involving some 20 acres are being constructed at Corinth and will include a supermarket and Movie Towne. It will add substantially to the commercial space in the city.

### **4.3 Social Facilities**

#### **4.3.1 Education**

The city is well supplied with school places at primary and secondary levels relative to its population. However, residents find themselves in competition from students in other locations, for the places in the city especially at the secondary level. The four prestige schools attract students from outside of the city and all over South and Central Trinidad.

At the tertiary level, there is a UWI Open Campus located in the city, where students can get a start before they go to the Main Campus in St. Augustine for their final years. The UTT campus provides students with the Process and Utilities Engineering Technology Certificates, Diplomas and Bachelor of Engineering programmes. This campus has fully equipped laboratories and facilities. Neither UWI nor UTT offer programmes that extend specifically to persons engaged in MSMEs.

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<sup>11</sup> <http://www.swmcol.co.tt/events/153-successes.html>

#### **4.3.2 Health**

Primary health care facilities are relatively readily accessible with Health Centres at Marabella and Pleasantville. Secondary care services and tertiary services are available at San Fernando General Hospital. The expansion of the latter with new facilities has brought an even wider range of services to the City, and most of South Trinidad.

#### **4.3.3 Disaster Management**

Within the City Corporation, there exists the Disaster Management Unit which is linked to the Office of Disaster Preparedness and Management, the national organisation charged with the responsibility of disaster preparedness for the nation. The Disaster Management Plan recognises the possibilities of natural and man-made disasters.

The Unit has to be sensitive to the presence in the neighbouring municipality of a number of major industrial plants at Point Lisas and Savonetta, some utilising massive energy, as well as an industrial port managing highly flammable exports. Catastrophic failure and major industrial accidents in that area could impact adjoining communities in Marabella and Union Village.

#### **4.3.4 Social Services and Community Development**

Social services agencies beyond health and educational facilities are available across the various communities. The Ministry of Social Development and Family Services established a Regional Social & Human Development Council that brings together all the public social service providers of the area as well as Private Sector Organisations and NGOs, to coordinate efforts at poverty reduction and social services delivery. The Council's remit is to:

- Appraise, monitor and evaluate grants to NGO's/CBO's in the region under the Regional Micro Project Funds (RMPF);
- Identify and analyse the needs and responses in the regions; and
- Develop integrated anti-poverty strategies for the regions;

Its work places it in direct contact with the MSMEs of the municipality. Residents can secure training in basic and advanced computer literacy, and computer and business services.

#### **4.3.5 Recreation, Sports and Entertainment**

The City is the location of the Southern Academy for Performing Arts which seats 770 persons. The UTT Campus for the Performing Arts is also housed at Southern Academy for the Performing Arts, and offers an undergraduate programme previously only offered in the city of Port-of-Spain.

Skinner Park in the city is famous for hosting sport and cultural programmes. Around Carnival season, Skinner Park is especially busy as it hosts many shows and competitions there. Cycling events also take place at this venue.

Palmiste National Park, a 40 acre park situated on the edge of San Fernando, provides an ideal setting for outdoor recreation. Features include a heart-shaped pond, jogging pathway, picnic areas, gardens, nature trails, fields and parking facilities. There are four major parks, and fifteen playing fields in the City,

## 5 The Area Economy

### 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 grew 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) <sup>12</sup>	-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 (%) <sup>13</sup>						
(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 (%) <sup>14</sup>	5.3	5.9	4.9	5	3.7	3.1 <sup>15</sup>

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

## 5.2 Key Economic Drivers (Activities)

Of the businesses formally registered in Trinidad and Tobago, those currently operating in the City of San Fernando accounted for 6.91 percent ranking the municipality seventh overall in terms of proportion of actively operating businesses. There was a notable concentration of businesses in the municipality, with more than half of all registered businesses being located in San Fernando Proper and as much as one-fifth of enterprises being located in Maraballa. Other communities with notable concentrations of enterprises included Cocoyea Village (4.56%), Vistabella (3.33%), Pleasantville (1.32%) and Mon Repos (1.23%). Table 5.2 shows the sectoral representation of enterprises in San Fernando by Size. Consistent with that which has been observed both nationally and in municipalities around the country, the retail and distribution was the single largest sector represented among enterprises in San Fernando (47.92%). Other significant sector included Personal Services (14.37%), Finance (14.13%), Construction (6.6%) and the Energy Sector (4.29%).

Table 5.2: Enterprises 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	1.06%	1.48%	2.60%	1.33%	0.76%	1.24%
Chemicals And Non-Metallic Minerals	0.12%	0.85%	0.00%	2.67%	0.00%	0.44%
Construction	5.52%	8.05%	18.18%	9.33%	0.00%	6.60%
Distribution	54.17%	40.89%	36.36%	34.67%	46.97%	47.92%
Educational And Cultural Community	2.47%	3.39%	1.30%	1.33%	2.27%	2.61%

<sup>12</sup> Growth rates are derived from the Central Bank's Quarterly Index of Gross Domestic Product

<sup>13</sup> Changes in the Index of Retail Prices (RPI), January 2003 = 100

<sup>14</sup> This represents the average of the four quarters

<sup>15</sup> For the period January - March



Sector	Size of Enterprise					Grand Total
	Micro (1 to 5)	Small (6 to 25)	Medium (26 to 50)	Large (50 and over)	Branch	
Services						
Finance, Insurance, Real Estate And Business Services	11.40%	13.77%	10.39%	12.00%	36.36%	14.13%
Food Processors And Drink	0.35%	1.48%	1.30%	2.67%	0.00%	0.81%
Hotels And Guest Houses	0.35%	0.85%	1.30%	1.33%	0.00%	0.56%
Miscellaneous Manufacturing	0.12%	0.85%	1.30%	0.00%	0.00%	0.37%
Personal Services	16.92%	14.19%	14.29%	5.33%	3.79%	14.37%
Petroleum And Other Mining Industries	2.00%	5.72%	6.49%	22.67%	2.27%	4.29%
Printing, Publishing And Paper Converters	1.29%	1.91%	1.30%	1.33%	0.76%	1.43%
Textiles, Garments, Footwear, Headwear	0.35%	0.42%	0.00%	1.33%	0.00%	0.37%
Transportation, Communication And Storage	3.41%	4.87%	5.19%	4.00%	6.06%	4.17%
Wood And Related Products	0.47%	1.27%	0.00%	0.00%	0.76%	0.68%
Grand Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

## 5.3 Employment and Unemployment Trends

### 5.3.1 Levels and Trends

The local economy in San Fernando is driven by private enterprise, see Figure 5.1. Exactly half of all household heads were engaged in private enterprise. Other key sources of employment in the municipality include State Enterprises (18%), the self-employed (18%), and Central/Local Government Bodies (6%).

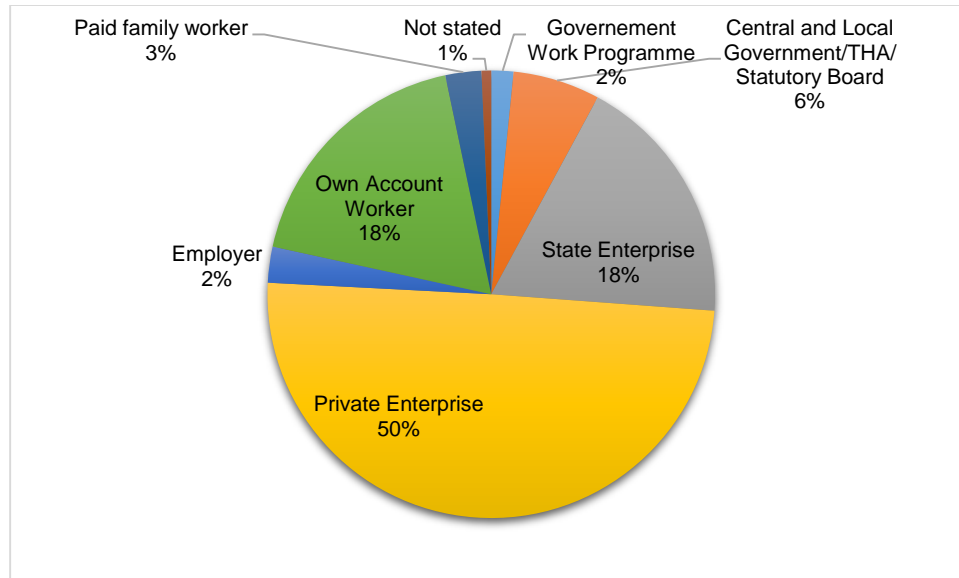


Figure 5.1: Employment of Household Heads 2014  
Source: Central Statistical Office

### 5.3.2 By Occupational Groups

The single largest occupational group among household heads in the municipality was the Technician/Associate Professional group (19%) (Figure 5.2). Other major occupational groups witnessed in the municipality include Service and Sales Workers (15.5%), Clerical Support Workers (12.9%), Craft and related trades workers (12.1%), Elementary Occupations (10.5%), Professionals (10.3%) and Managers (10%).

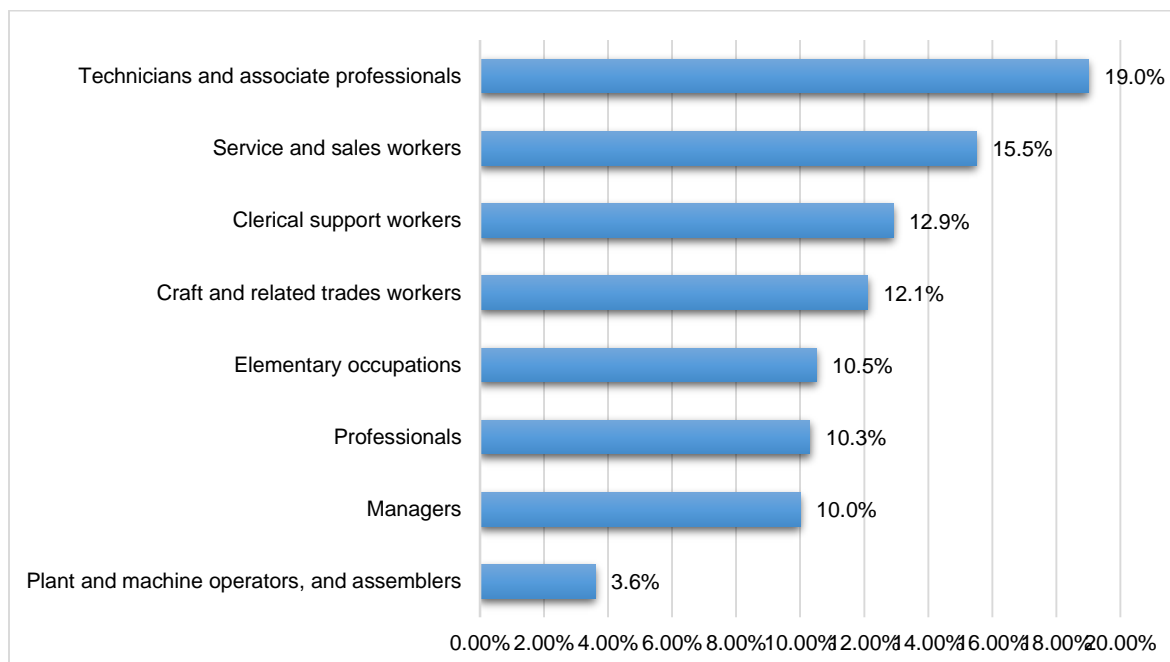


Figure 5.2: Household Heads by Occupational Groups

## 5.4 Key Business Activity

The dominance of distribution is very evident in the businesses operating in San Fernando (48 percent). This is followed by Personal Services (14.4 percent) and Finance, Insurance, Real Estate and Business Services (14.13 percent). As the emporium of Southern Trinidad, much of business activity reflects the fact that San Fernando is the location where buyers and sellers meet. It is therefore a major market place, and not necessarily a location where goods are produced: direct production of goods account for less than 10 percent of production, as can be seen in Table 5.2.

It is also the location where personal services can be secured by the large number of clients both from within the City itself, but most likely from a larger clientele entering from other areas of the country. In that regard, the value chain is at its final stage for goods in the market place in San Fernando, and does not extend in most cases very far back to production in the city.

Another significant fact about the city is the dominance of technicians and associate professionals among occupational groups. When professionals are added to this group, this wider category accounts for almost 30 percent of the occupational distribution in the city's work force. Among this professional and technical cadre, there are those who might be engaged in the provision of services to the energy related industries based outside of the city in the neighbouring municipalities. This 'cluster' of service providers might be linked more directly to activities outside of the municipality rather than within it. In other words, they add value elsewhere, but as residents of the city, the returns on their contribution are spent on goods and services within the city. San Fernando is thus a city largely of commerce and distribution, and of supply of services, and any clustering relates to that reality.

## 6 Municipal MSME Profile

It is recognised that MSMEs are a key driver of socio-economic growth in national economies. 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 (Small and Medium Enterprises) in Trinidad and Tobago.”

There is considerable variation about what constitutes a micro, small or medium-sized (MSME) enterprise. There are various definitions in the literature that 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 that businesses tend to be lumped either into one grouping called the “SME Sector” or further broken down into the subcategories of “micro, small and medium-sized” enterprises.

The report revealed that the dated definition currently is used by the Central Bank, 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). This considered three factors: number of employees, assets and sales (Table 6.3). 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\$ Assets (Excluding Land and Buildings)	TT\$ Sales
Micro	1 – 5	< \$250,000	< \$250,000
Small	6 – 25	> \$250,000 - <\$1,500,000	> \$250,000 - <\$5,000,000
Medium	26 – 50	> \$1,500,000 - <\$5,000,000	> \$5,000,000 - <\$10,000,000

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

Currently, Trinidad and Tobago has 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. During this study on Tobago, it was clear that not many persons were aware of the new definition. The criteria for the new MSE definition are provided in the table below (Table 6.2).

Table 6.2: Criteria Used to Define Mini-Micro, Micro and Small-sized Businesses

Size of Enterprise	Number of Employees	Asset Value (TT\$)	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.

## 6.1 Municipal MSME Survey (2015)

The Municipal MSME Survey was conducted over the period April – May 2015 among 120 MSMEs operating within the confines of the municipality. 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; and
- Impediments to MSME Development

### 6.1.1 General Characteristics

Of the 120 respondents, the vast majority (86.2%) were over the age of 36 years old (Table 6.3). Of that group of entrepreneurs, roughly 54 percent fell into the 36-55 age category, and approximately 32 percent fell into the over 55 age category. Only a minority (13.8%) of entrepreneurs surveyed were under the age of 35 years. No significant differences were observed among sizes of enterprises surveyed.

Table 6.3: Category of Business by Age of Respondent

Category of Business	Age Last Birthday			
	Less than 35 years	36-55 years	More than 55 years	Total
Micro Mini	15.8%	55.3%	28.9%	100.0%
Micro	7.9%	55.3%	36.8%	100.0%
Small	17.5%	52.5%	30.0%	100.0%
Total	13.8%	54.3%	31.9%	100.0%

In conducting the MSME survey, equal numbers of micro mini, micro and small enterprises were interviewed. The survey revealed almost equal proportions of male and female micro mini, micro and small enterprises (Table 6.4). No significant differences were observed between sexes in respect of the size of enterprise operated.

Table 6.4: Category of Business by Age of Respondent

Category of Business	Sex		
	Male	Female	Total
Micro Mini	32.9	34.0	33.3
Micro	35.7	30.0	33.3
Small	31.4	36.0	33.3
Total	100.0	100.0	100.0

In the City of San Fernando, enterprises were predominantly run by entrepreneurs who identified as being of East Indian descent (51%), followed by persons who reported being of mixed ancestry (25%), persons of African descent (16%), and persons of Chinese heritage (6%) (Figure 6.1).

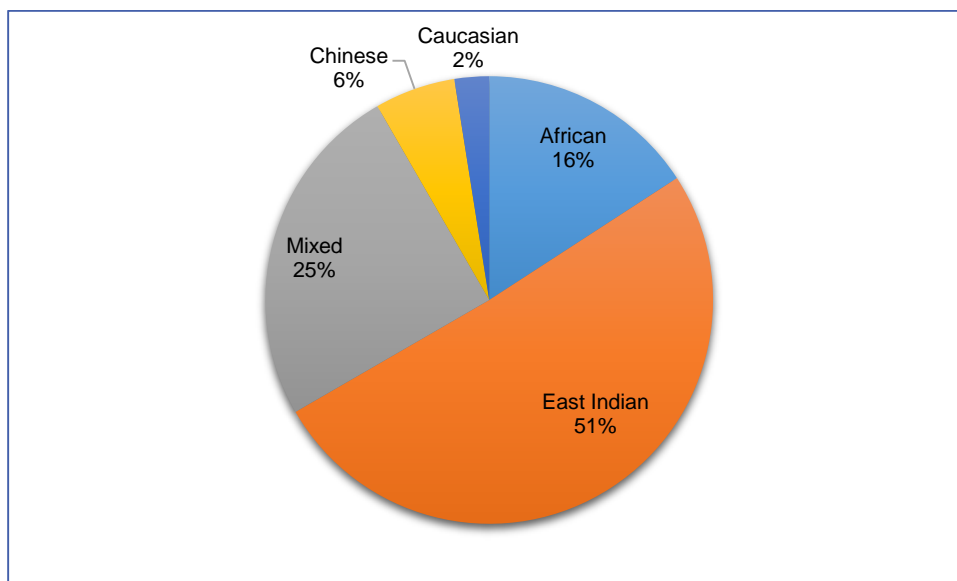


Figure 6.1: Distribution of MSMEs by Ethnicity

### 6.1.2 Size of Enterprise

The survey revealed no notable differences between the proportions for Micro-mini, Micro and Small enterprises by gender (Figure 6.2 and Figure 6.3).

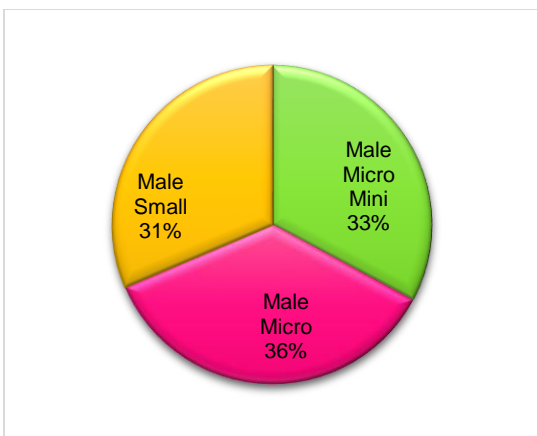


Figure 6.2: Male Ownership of MSMEs

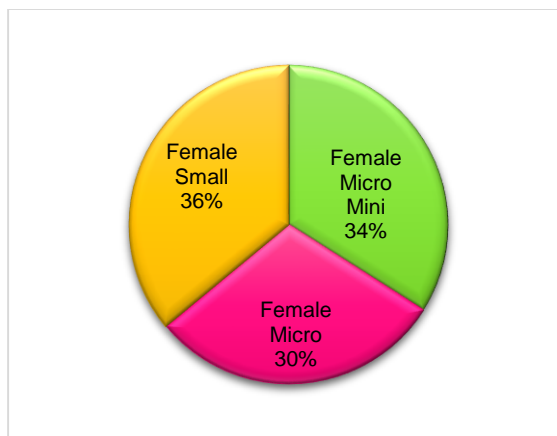


Figure 6.3: Female Ownership of MSMEs

### 6.1.3 Legal Status

The majority of respondents (71%) reported being in business more than 10 years at the time the survey was conducted (Figure 6.4). Just under 30 percent of respondents were in operation 5 years or less, with roughly 2 percent being in operation for one year or less (Table 6.5). The vast majority (94%) of entrepreneurs admitted to formally registering their business (Figure 6.5). Only a minority of respondents (6%) admitted to being part of the informal sector<sup>16</sup>. Registration of businesses is encouraged and affords operators the benefit from programmes geared 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 regulations established by national legislative bodies.

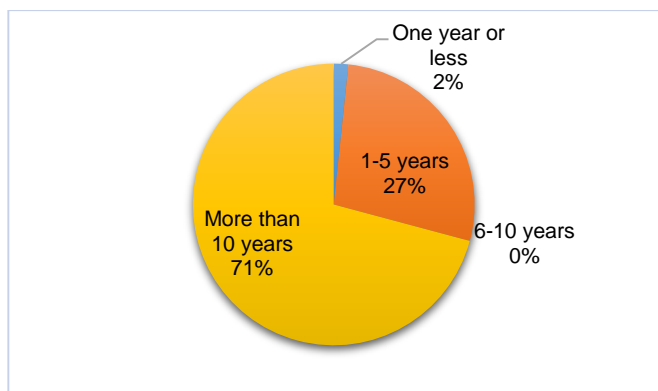


Figure 6.4: Length of Time in Operation

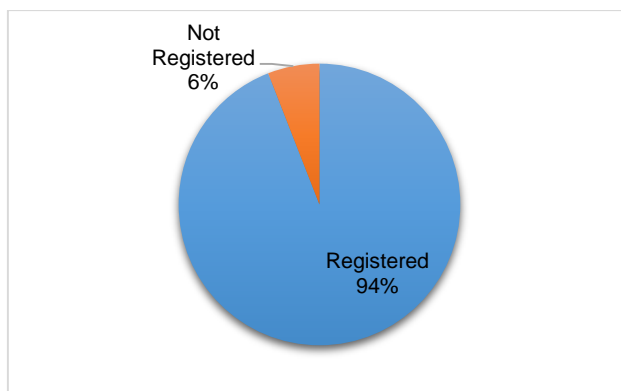


Figure 6.5: Distribution of Registered Versus Unregistered MSMEs

<sup>16</sup> The 1995 National Baseline Survey (Characteristics and Constraints of Small Businesses in Trinidad and Tobago prepared in 1996) defines an informal business as “a small firm with less than 5 workers (no more than 2 of whom are regular employees), which does not have any licence, permit or certification to operate” (p. 89).

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

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	2.5	52.5	0.0	45.0	0.0	100.0
Micro	2.5	27.5	0.0	70.0	0.0	100.0
Small	0.0	2.5	0.0	97.5	0.0	100.0
Total	1.7	27.5	0.0	70.8	0.0	100.0

Size based differences in terms of types of business entities were observed among surveyed enterprises (Table 6.6). While micro-mini and micro entrepreneurs exhibited a notable propensity for the operation of businesses registered as Sole Proprietorships (90% and 82.5% respectively), less than one third of small enterprises were registered under this legal form. In contrast, almost three-fifths of all small enterprises were registered as limited liability companies, while no more than one-tenth of all micro-mini and micro sized enterprises were registered under this legal form. Interestingly, just under 1 percent of all enterprises surveyed were registered as co-operatives, while 5 percent were registered as partnerships. A greater diversity of business types were observed among small enterprises.

Table 6.6: Legal Status of MSMEs by Size of Enterprise

Category of Business	Legal Status of Business					Total
	Sole Proprietor	Partnership	Limited Liability Company	Cooperative	Not stated	
Micro Mini	90.0	0.0	10.0	0.0	0.0	100.0
Micro	82.5	7.5	10.0	0.0	0.0	100.0
Small	32.5	7.5	57.5	2.5	0.0	100.0
Total	68.3	5.0	25.8	.8	0.0	100.0

#### 6.1.4 Primary Business Activities

Of the 120 respondents, the single largest sector was the Services Sector (44%), followed by the retail and distribution sector (20%) and the Food and Beverage Sector (11%) (Figure 6.6).



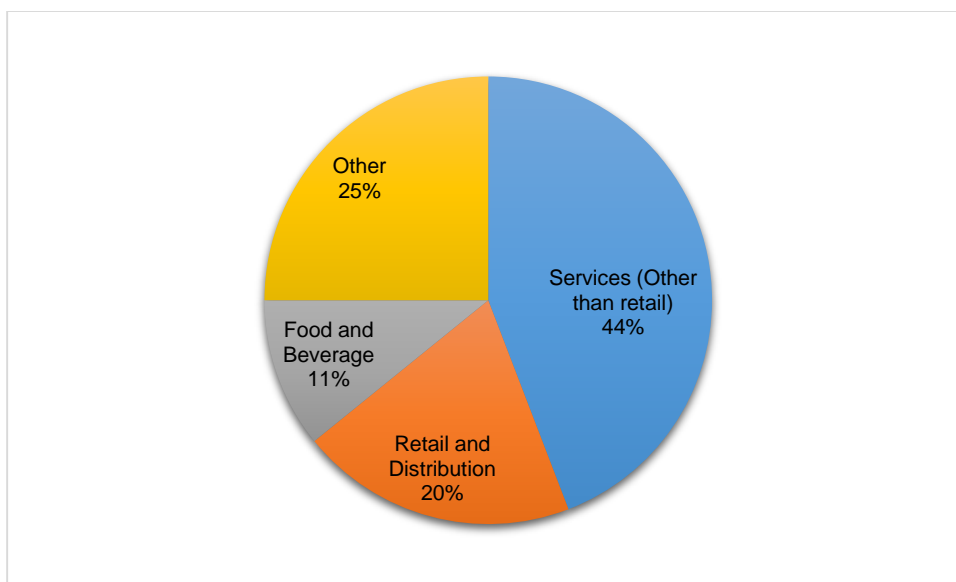


Figure 6.6: Distribution of MSMEs by Primary Business Activities

Size based differences in the sectoral representation of businesses were observed among respondents (Table 6.7). While the services sector accounted for the largest proportion of enterprises overall, an inverse relationship was observed between enterprise size and operation in the food and beverage sector with proportions of micro mini, micro and small enterprises of 17.5 percent, 10 percent and 5 percent respectfully.

Table 6.7: Key Business Activities by Size of Enterprise

Primary Business Activity or Sector	Category of Business			
	Micro Mini	Micro	Small	Total
Services (Other than retail)	52.5	37.5	42.5	44.2
Retail and Distribution	10.0	32.5	17.5	20.0
Food and Beverage	17.5	10.0	5.0	10.8
Other	20.0	20.0	35.0	25.0
Total	100.0	100.0	100.0	100.0

Gender based differences were also observed among respondents in respect of primary business activities (Table 6.8). While both male and female entrepreneurs operated predominantly in the services sector in San Fernando (45.7% and 42% respectfully), a substantially larger proportion of female entrepreneurs operated in the food and beverage sector (14%) when compared to their male counterparts.

Table 6.8: Key Business Activities for MSMEs by Gender

Primary Business Activity or Sector	Sex		
	Male	Female	Total
Services (Other than retail)	45.7	42.0	44.2
Retail and Distribution	20.0	20.0	20.0
Food and Beverage	8.6	14.0	10.8
Other	25.7	24.0	25.0
Total	100.0	100.0	100.0

### 6.1.5 Employment

Employees working in the city attained a wide range of education levels (Table 6.9). It is noteworthy that 50 percent of the micro-business operators received secondary school education as their highest level of attainment, while 47.5 percent of the small operators attained tertiary level education. Interestingly almost all the micro-mini operators did not respond when asked the question.

Table 6.9: Highest Level of Education Attained by Employees Generally by Category of Business

Category of Business	Highest Level Education Attained by Employees Generally							Total
	Primary	Post Primary	Secondary	Tertiary (non-university)	Tertiary (university)	Other	Not stated	
Micro Mini	0.0	0.0	2.5	0.0	0.0	2.5	95.0	100.0
Micro	7.5	0.0	50.0	12.5	15.0	12.5	2.5	100.0
Small	2.5	0.0	30.0	20.0	47.5	0.0	0.0	100.0
Total	3.3	0.0	27.5	10.8	20.8	5.0	32.5	100.0

### 6.1.6 Markets and Annual Sales

The market for the sales of goods produced and services rendered expanded throughout Trinidad and Tobago (Table 6.10). Of the respondents, 10 percent identified the local community as the primary market for their products and services. As much as 30 percent of respondents indicated that their primary market extended as far as all areas within the Island of Trinidad. Interestingly, as much as 22.5 percent of respondents reported their primary market being at the National level. Only a minority of respondents (2.5%) indicated that their primary market was the nearest town/city.

Table 6.10: Primary Markets for Goods and Services by Size of Enterprise

Category of Business	Primary Market					Total
	Local community	Nearest town/city	All of Trinidad	Trinidad and Tobago	Not stated	
Micro Mini	47.5	2.5	42.5	5.0	2.5	100.0
Micro	25.0	0.0	57.5	17.5	0.0	100.0
Small	10.0	5.0	40.0	45.0	0.0	100.0
Total	27.5	2.5	46.7	22.5	.8	100.0

Annual sales for respondents ranged from less than TT\$ 100,000 to as much as TT\$ 5,000,000 (Figure 6.7). Almost 55 percent of all respondents generated sales under TT\$100,000, while roughly 18 percent generated sales in the TT\$ 200,000 to TT\$ 300,000 range. Interestingly, over a quarter of respondents generated sales in the TT\$ 500,000 to TT\$5,000,000 range.

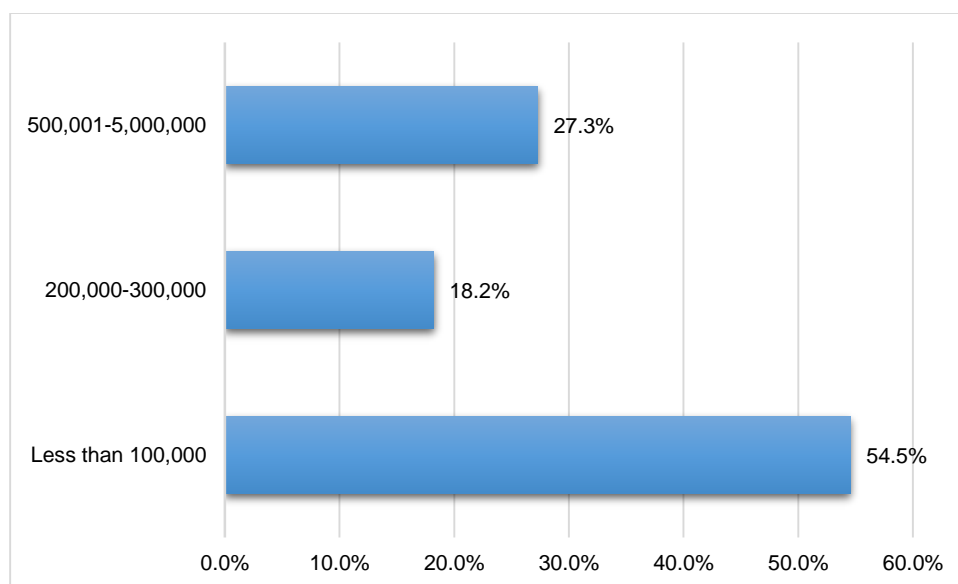


Figure 6.7: Annual Sales for MSMEs

### 6.1.7 Financing and Investment

Access to finance is perhaps one of the greatest challenges faced by enterprises of this size. MSMEs require financing not only for “seed” capital required in business start-ups but also for working capital and expansion (Table 6.11). Of the 120 respondents, the vast majority were financed by commercial banks (56.9%), followed by self/family financing (41.3%) and other sources (1.2%). Interestingly, size appeared to be a factor influencing the source of financing for MSMEs. Micro-Mini enterprises depended substantially on self/family funds (56.3%) for financing as compared to their small counterparts (28%). On the other hand, small enterprises turned to commercial banks (68%) to a much greater extent than micro-mini enterprises (43.8%).

Table 6.11: Key Suppliers of Financing for MSMEs by Size of Enterprise

Source of Funds	Category of Business			
	Micro Mini	Micro	Small	Total
Self/Family	56.3%	35.8%	28.0%	41.3%
Commercial Bank	43.8%	62.3%	68.0%	56.9%
Business Development Unit	0.0%	0.0%	2.0%	0.6%
Other	0.0%	1.9%	2.0%	1.2%
Total	100.0%	100.0%	100.0%	100.0%

Roughly 83 percent of all respondents admitted that they invested less than TT\$ 250,000 in plant equipment and other assets (Figure 6.8). Some entrepreneurs invested no funds at all (8.3%) in plant equipment while some invested as much as TT\$250,001 to TT\$2,000,000 (6.7%). Only a small minority invested in excess of TT\$ 2,000,000 (1.7%).

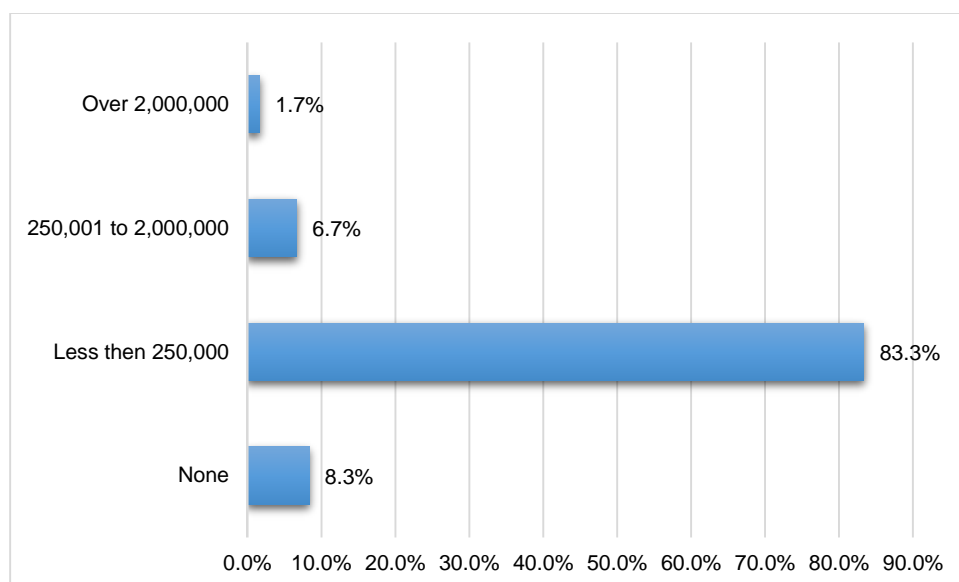


Figure 6.8: Amount Invested in Plant Equipment and Other Assets

### 6.1.8 Use of Internet

Almost three-fifths of respondents reported the routine use of the internet in their business (Table 6.12). The survey revealed that small enterprises (87.5%) used the internet to a substantially greater extent than their micro-mini counterparts (42.5%).

Table 6.12: Businesses Reporting Routine Use of Internet and Category of Business

Routinely Use The Internet in Business	Category of Business			
	Micro Mini	Micro	Small	Total
Yes	42.5	47.5	87.5	59.2
No	57.5	52.5	12.5	40.8
Total	100.0	100.0	100.0	100.0

Of those respondents that indicated routine use of the internet in their operations, the majority used it exclusively for e-mail (40.7%), followed by seeking product information (30.2%) and accessing market information (29.1%) (Figure 6.9). This trend was indeed consistent among micro-mini, micro and small enterprises interviewed.

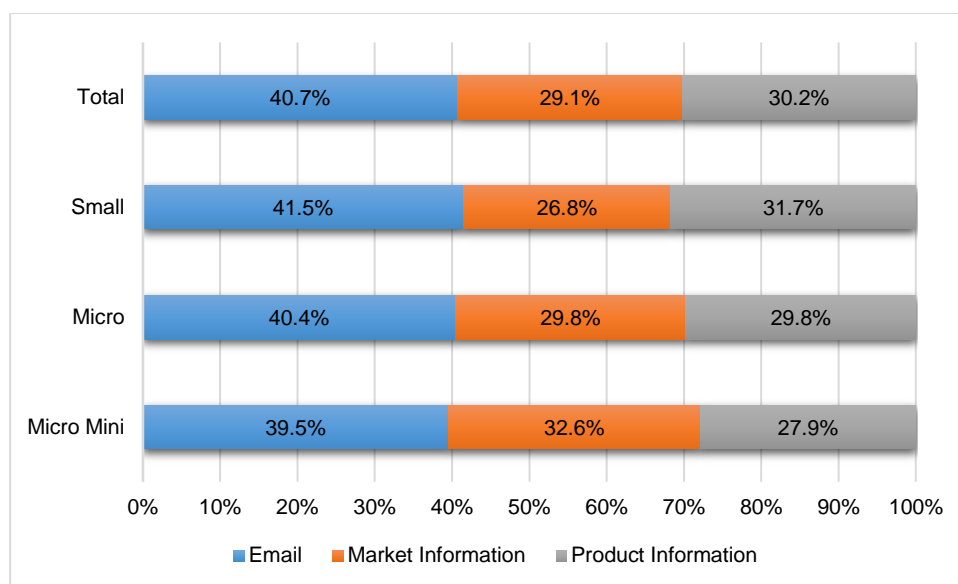


Figure 6.9: Reported Uses of Internet and Category of Business

### 6.1.9 Technical Support

Entrepreneurs received technical support from a wide variety of stakeholders within the municipality. This is seen in Table 6.13. Of the 120 respondents, roughly one third received assistance from technical/vocational institutes. Almost 10 percent of respondents received technical assistance and training from a university.

Table 6.13: Sources of Technical Assistance and Training

Sources of Technical Assistance and Training	Category of Business			
	Micro Mini	Micro	Small	Total
Local Government	2.5%	0.0%	5.0%	2.5%
Ministry of Agriculture	2.5%	0.0%	0.0%	0.8%
Other Government	0.0%	0.0%	2.5%	0.8%
Bureau of Standards	0.0%	2.6%	10.0%	4.2%
University	7.5%	7.9%	12.5%	9.3%
Technical/Vocational Institute	40.0%	26.3%	35.0%	33.9%
Other	45.0%	50.0%	37.5%	44.1%
None	7.5%	15.8%	7.5%	10.2%
Not Stated	0.0%	2.6%	0.0%	0.8%
Total	100.0%	100.0%	100.0%	100.0%

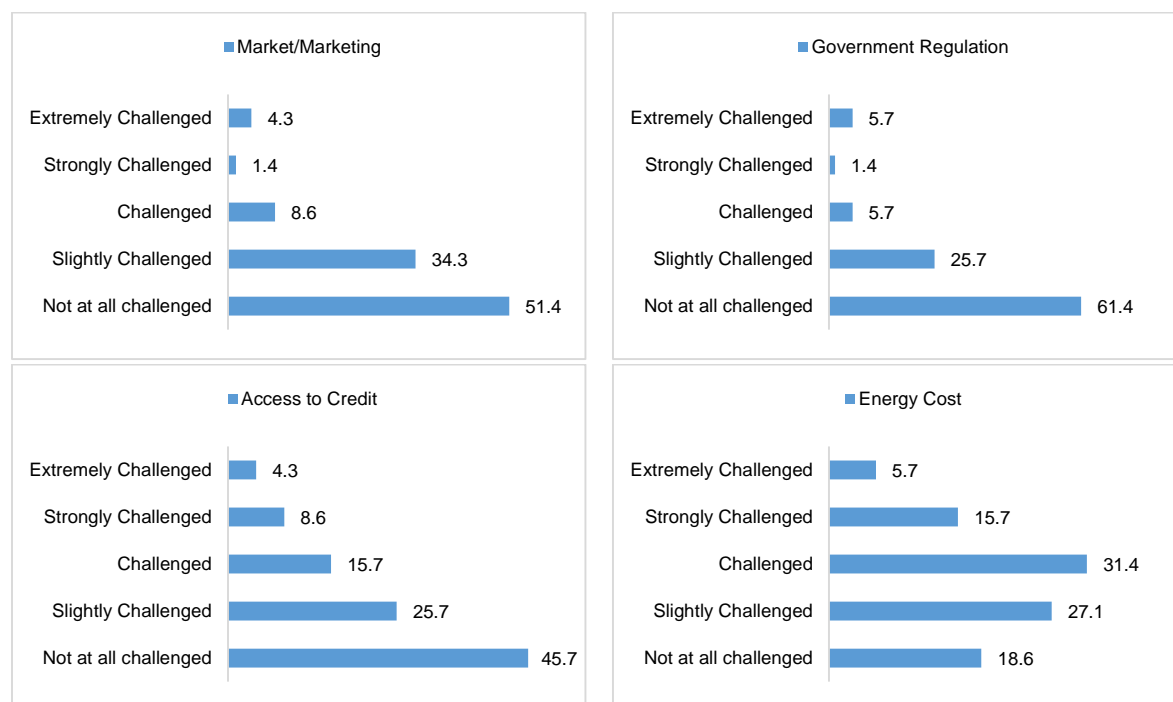
Technical assistance provided covered areas including Business Plan Preparation (11.5%), Skills Training (38.3%), Management Training, Quality Management (6.7%), Market Information (6.7%) and ICT Training (0.5%) (Table 6.14).

Table 6.14: Type of Technical Assistance and Training Received

Type of Technical Assistance/Training Received	Category of Business			
	Micro Mini	Micro	Small	Total
Business Plan Preparation	15.8%	13.2%	4.6%	11.5%
Skills Training	44.7%	35.3%	33.8%	38.3%
ICT Training	0.0%	1.5%	0.0%	0.5%
Quality Management	5.3%	4.4%	10.8%	6.7%
Other	9.2%	8.8%	15.4%	11.0%
None	2.6%	7.4%	3.1%	4.3%
Mentoring	2.6%	1.5%	0.0%	1.4%
Product Development	1.3%	2.9%	1.5%	1.9%
Labelling/Packaging	0.0%	0.0%	1.5%	0.5%
Market Information	7.9%	7.4%	4.6%	6.7%
Market Access	3.9%	4.4%	1.5%	3.3%
Management Training	6.6%	10.3%	15.4%	10.5%
Book-Keeping	0.0%	1.5%	7.7%	2.9%
Not Stated	0.0%	1.5%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%

### 6.1.10 Impediments to MSME Development

Figure 6.10 shows impediments, which challenged businesses directly. It is noteworthy that in respect of problems where more than 5 percent of businesses felt extremely affected, Government Regulation, energy cost, corruption, bureaucracy and crime posed extreme challenges, and 8.6 percent were strongly challenged by access to credit.



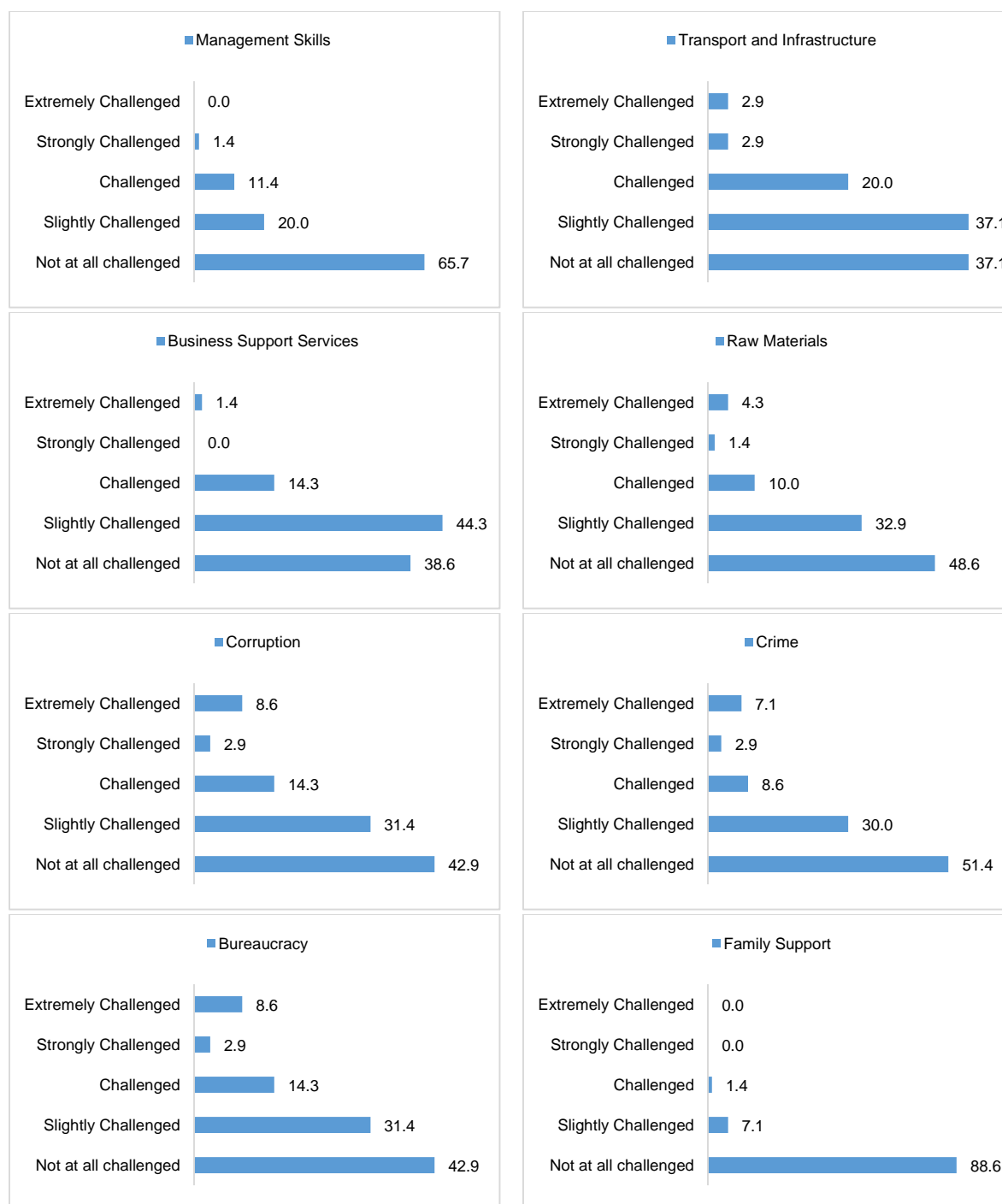


Figure 6.10: Rating of Key Issues Faced by MSMEs

## 6.2 Challenges and Opportunities Facing MSMEs

With a view to explore the strengths, weaknesses, challenges and opportunities facing MSMEs, discussions were held with stakeholders in the municipality. 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, the capacity to access 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, firms 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, entrepreneurs still believed that greater levels of government incentives and subsidies should be available for new and growing firms.

MSMEs were of the belief that government policies, particularly those guiding public procurement, consistently favoured large firms as opposed to micro, small and medium sized firms. It was suggested that the process should be such that not only would the best firm for the job be selected but also that firms of different sizes would 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 licencing 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 is generally agreed that while certain agencies may specialise in the provision of certain services, all institutions catering to the needs of enterprises of this size must have readily be able 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. Even at the tertiary level, firms believed that universities, colleges and technical institutes did not provide sound and adequate preparation for the establishment and growth of new businesses. Firms thought that many persons with degrees may have the knowledge necessary to contribute meaningfully to a business but generally lacked the soft skills to work well in teams and the practical skills to take what was learned in the classroom and apply it to their unique working situation.

The national Physical Infrastructure was thought to be very propitious to the establishment and growth of new enterprises. Firms were generally satisfied with the state of the roads, utilities, communications, and waste disposal. It was not considered expensive for MSMEs to gain access to communication technology such as the internet, landlines or cell phones. Furthermore, there exists ready access to electricity, fuel and water at a very affordable rate 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 are averse to entrepreneurial risk taking, while the more affluent in society are encouraged from a very young age to enter into entrepreneurial endeavours.

### **6.3 Partners in Local Area Economic Development in Trinidad**

#### **6.3.1 The Ministry of Labour and Small and Micro Enterprise Development**

The MOLSED is specifically designed by the Government to foster and implement labour strategies on a national level. Whilst MOLSED is multidimensional, its major focus is establishing and maintaining a steady industrial relations environment in the work place which promotes productivity and sustainability.

Six Strategic Objectives of MOLSED:

- Facilitation of labour market equilibrium
- Promotion of opportunities for poverty reduction, employment and wealth creation
- Promotion of the application of the principles of decent work in the workplace
- Promotion of industrial relations peace in the economy
- Enhancement of the capacity of the MOLSED to undertake an expanded role in formulating and implementing national development goals and strategies
- Management of Government's regional and international commitments and responsibilities with respect to the Labour Market Agenda, in particular, CARICOM Single Market and Economy (CSME), the Inter-American Conference of Ministers of Labour and the International Labour Organization (ILO).

#### **6.3.2 National Entrepreneurship Development Company Limited**

The National Entrepreneurship Development Company Limited (NEDCO) was established in July 2002 under the Ministry of Labour and Small and Micro Enterprise Development (MOLSED) 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 by NEDCO as they seek to diversify the economic landscape of Trinidad and Tobago.

NEDCO's office in San Fernando provides a host of assistance for businesses. The loan facility does not however, 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.

NEDCO has increased their loan entry ceiling from \$100,000 to \$250,000 for first time borrowers and a maximum of \$500,000 for second time borrowers. NEDCO's Sangre Grande office also provides business advisory services and information in areas such as Marketing, Financial Management, Business Planning and Records Management.

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 SMEs. 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 SME development and entrepreneurship topics.

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.

### **6.3.3 Micro-Enterprise Loan Facility (MEL)**

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 actively engage in promoting sustainable livelihoods among the poor through the provision of micro loans and support to micro entrepreneurs. A grant is given to a CBO 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.

### **6.3.4 FairShare Programme**

The FairShare Programme, launched in January 2011, is a set-aside programme that enables MSEs to access opportunities to do work with the Government for contracts valued up to TT\$1.0M to MSEs. 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, MSEs can only register with the FairShare programme for to a maximum of six years. The objective of the FairShare Programme is to create independent and strong MSEs by allowing MSEs 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 MSEs to market their products and services through online profiles; and
- Offers training to MSEs in procurement, business management and other important areas of relevance to improve their ability to win contracts.

#### **6.3.4.1 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.

#### **6.3.4.2 Trinidad and Tobago Manufactures Association**

The Trinidad and Tobago Manufactures Association (TTMA) 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 Ministry of Trade and Industry. Members are encouraged to maintain and adhere to the required standards and grades of quality in all manufactured goods and services.

#### **6.3.4.3 South Trinidad Chamber of Industry and Commerce**

The South Trinidad Chamber of Industry and Commerce's goal is to further the interests of businesses within the region by lobbying for favourable policies for their members. Regular dialogues with government to advocate, provide feedback on, and help fine-tune policies and legislations affecting business practices are held. Strategic alliances are forged with local and sometimes foreign organisations to establish and develop mutually beneficial business relationships. The Chamber also provides their members with efforts to trouble-shoot, address, and solve common problems and issues affecting business operations. On-going recruitment and sustaining the membership is important to the Chamber's growth and development.

## 7 Local Government System in Trinidad and Tobago and the CARILED Model

The City of San Fernando was established and operates under the Municipal Corporations Act Chapter 25:04. This Act was enacted in 1990 and has been amended over time, the last amendment being in 2013. The Councils are allocated funds by the Ministry of Rural Development and Local Government, and are responsible for House Rates and Local Taxes, Finance, Planning, and allocation of Resources, Public Health and Physical Infrastructure, maintenance of markets, slaughterhouses, pastures, commons, recreation grounds or cemeteries and crematoria, the distribution of truck-borne water subject to the provisions of the Water and Sewerage Act, oversight of Pedlars, Hawkers and Hucksters.

The Tobago House of Assembly (THA) enjoys wider powers than the Municipal Corporations. The THA exercises considerable authority in respect of business development and economic planning. In that regard, the THA has developed a comprehensive economic development plan (CEDP 2.0) in a participatory process, and which provides structure to its initiatives deriving from its annual budgetary exercises.

The Division of Finance and Enterprise of the THA promoted business development through its Business Development Unit which provides funding to micro businesses and SMEs. It has established an eco-industrial park, on which small and medium sized enterprises can be established. There is also a Venture Capital Company which provides funding for certain types of businesses. There is much in the existing paradigm of the THA that conforms to the CARILED Model.

The Government of Trinidad and Tobago 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”.<sup>17</sup>

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.<sup>18</sup> The Federation is thus steeped in the philosophy of federalism and in the advocacy of deep involvement of people in the planning and organisation in the place in which they reside. In that regard, local economic development is premised on a participatory process involving communities, civil society organisations and the private sector in partnership with local governance authorities or local government.

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<sup>17</sup> Ministry of Planning and the Economy, 2011, *Medium-Term Policy Framework 2011-2014*, Government of Trinidad and Tobago, pg. 19.

<sup>18</sup> <http://www.fcm.ca/home.htm>

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.<sup>19</sup>

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

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<sup>19</sup> <http://cariled.org/about-led/definitions/>

## 8 Promoting for Local Economic Development – Issues and Recommendations

### 8.1 introduction

The City of San Fernando has been a growth pole in Southern Trinidad, dating back to the 19<sup>th</sup> century. For much of the 20<sup>th</sup> century, local economic development was, in part, driven by the involvement of the residents of the City in the supply of services and goods to the oil and asphalt industries as they developed and expanded. The city became the industrial capital of the country with a number of the firms and contractors servicing these industries setting up their headquarters in San Fernando. In that regard, local economic development involved indirectly and directly, the economic relations between Trinidad and Tobago and the rest of the world.

The latter half of the 20<sup>th</sup> century witnessed the transformation of the oil sector from land based exploration and extraction to off-shore drilling operations. As Point Lisas emerged to the north of Pointe-a-Pierre, as the hub for the processing of the output and the exports deriving from the off-shore operations, the standing of San Fernando seems to have waned as the industrial capital and as the locus for firms serving the energy sector of the country. Indeed, the major transnational firms that made significant investments in the off-shore oil and gas sector, elected to set up their headquarters in Port-of-Spain.

The city of San Fernando has remained the commercial hub of Southern Trinidad. This means that it is a central market place sought on both sides of market transactions – demand and supply. Entrepreneurs and business operators from other locations seek a presence in San Fernando in order to market their goods and services. Customers in search of goods and services access the city to have their needs satisfied. Thus, in addition to residents of the City who may seek to engage in entrepreneurial endeavours, there is a large number of non-residents whose businesses are based in the city, some of them becoming long term businesses of San Fernando.

Notwithstanding the present vibrancy of the city, there are possibilities to be realised through MSMEs, which in their realisation, take account of the need for diversification of the economy of Trinidad and Tobago. There is possible substantial local economic development around a number of initiatives on the part of the San Fernando City Council, and the clusters being promoted as official policy and strategy of diversification of the National Government. The present concluding section identifies issues to be addressed in the way forward for the City of San Fernando.

The Medium Term Framework supports the goal of economic diversification, while promoting the principle of social equity across the various groups that comprise the society, all in the context of participatory modes with devolution and decentralisation of decision-making from an earlier governance structure of the national. However, the City of San Fernando has had a long tradition in defining the path for development and in decision-making about its space.



The sense of identity and distinctiveness was born out of the competition of the burgesses and their Council with the capital city in the latter years of the 19<sup>th</sup> century. The City had its own newspaper, the San Fernando Gazette which was a respectable rival of the Port-of-Spain Gazette of the time, and its copy reflected a keen sense of a people who were proud of their space. That self-identity still exists and can support the thrust of the Council in charting a course for business development of residents and those from the rest of the country that it attracts to locate their businesses in the City.

There are physical infrastructure issues that confront the Municipal Corporation and which have a bearing on business in the area. The road system, the provision of parking and transportation within and into and out of San Fernando have to be addressed, given that traffic congestion imposes costs on the delivery of goods and in the provision of some services. There might be need to expand the frequency of service and the point of call of the sea ferries that now connect the City with San Fernando. The population of the City and those who do business in it might have to be weaned to a system that is more heavily weighted in favour of a public transport system. However, there will be need for investment to ensure that this is very reliable and is well administered such that it presents an attractive choice to commuters and the resident population.

The port facilities will need to be appropriately upgraded, to handle the passenger traffic, as well as the City becoming a genuine port of call for visitors between the East of Venezuela and Trinidad. There are attendant risks, with the presence of narco-traffickers in the flow of visitors between Venezuela and Trinidad, but designated entry and exit of San Fernando as a full port for Customs and Immigration Services, and robust policing of the waters to ensure a high probability of detection will be imperative.

This points to the importance of support from other institutions and the institutional infrastructure that need to be addressed. If local economic empowerment is to be driven by the City Corporation and if the planning and facilitation of business activity become part of its remit, there is need to ensure that the services of a number of agencies become available to the Corporation and to its residents. The cooperation of the Customs and Immigration Services will be necessary if the City is going to be promoted as a centre for business with residents from Eastern Venezuela. The collaboration and support of the Ministries of Works and Infrastructure and of Transport will be critical in dealing with the management of trafficking and in reorganisation of the road infrastructure of the City.

There is the generalised challenge of the upgrading of the human resources of would-be entrepreneurs and persons involved in MSMEs. The Census data for the country and the survey conducted in the present exercise establish that while most of the population is literate, there is a deficiency in the educational base relative to the demands of a competitive economy. The fact that persons may need to engage in MSMEs does not absolve them of the need to have a sound educational base on which training and retraining programmes can be mounted. Although the City of San Fernando has the highest percentage of residents with superior education, this should not suggest that the majority of the working-age population is well endowed to participate in the knowledge economy of the 21<sup>st</sup> century, especially in the context where local is global in respect of much of business and Economics.

The City Corporation has to ensure that there are user friendly programmes accessible to groups of residents in deprived communities who might not have had the opportunity of a good secondary



education in their earlier educational career. Internet access in telecentres or in Adult Education Programmes in the Schools might need to be made available in some of the inner-city communities, and encouragement given to those with deficiency in their educational background, to avail themselves of the wide array of free on-line educational programmes.

There is also the issue of informal sector operators who, with adequate support, might be able to formalise their operations. The City Corporation has to be provided with the assistance to promote the transition of informal activities into structured businesses. There are NGOs and CBOs which are familiar with its communities, which might be able to provide services in communities, and which can complement or supplement what is available from agencies like NEDCO and IBIS.

In the following subsections, the alignment of initiatives of the City with national goals is addressed.

## **8.2 Strategic Sectors**

### **8.2.1 Energy**

The City of San Fernando has been linked historically to the growth and development of the oil and gas sector, and became the industrial capital of the country largely as a result of this. While the official policy of the country is the diversification from the reliance on the Energy Sector, Trinidad and Tobago cannot avoid exploiting opportunities that its participation in the sector will provide over the medium term. The underlying strategy for the country is likely to be built around continuing exploitation of the sector, in the traditional mode of extraction and processing, diversification within oil and gas, along with diversification from the sector as a whole.

A number of enterprises resident in the City continue to serve the sector even as the latter has transformed from on land exploitation to off-shore operations. In that regard, oil and gas will continue to have a significant place in the economy of San Fernando, with the sector providing employment for some of its residents, and with MSMEs engaged in servicing some of the demands created by the sector. A City Corporation of San Fernando adopting the shaping of industrial policy as part of its remit would do well to examine the experience of Houston in the USA and Glasgow in Scotland.

There are a range of services that require technical experience by the Energy Sector that involve know-how but personnel in immediate access. Some of these service firms and start-ups can be promoted and encouraged to establish in San Fernando. For example, there can be densification of service providers in the City with the presence of model makers involved in high quality 3D visualisations, engineers specialising in finding technical solutions, contractors in geophysical and seismic studies, drilling contractors, and well logging and testing experts. A forward thinking City Corporation can build San Fernando as a source for specialised skills in one location, while Point Lisas remains the locus for actual production and processing.

The experience garnered in servicing the sector in the municipality will allow some MSMEs to extend their operations into other neighbouring municipalities and even into the off-shore operations which are now the location of much of the extraction conducted in the country.

It will continue to be necessary to support the educational and training preparation within the municipality for the technical and professional occupations relevant to the sector. This underlines the importance of the reach of programmes offered through UTT, NESC, MIC and OJT to residents of San Fernando. It is training and work experience in the related fields that eventually will provide the training for the more entrepreneurial to create new start-ups that will eventually develop into vibrant firms and enterprises, as the nature of the industry changes. With some skills being fungible across sectors, some of those engaged in servicing the Energy Sector will switch to alternative activities as demand for their specific skills and expertise declines and increases in other sectors.

### **8.2.2 Agriculture and Food**

The City bounds Municipalities that are engaged in substantial Agriculture. This affords it the opportunity of promoting processing operations in its midst.

*Agro-processing:* The City can cultivate its incorporation in value chain to final consumers in Trinidad and in external markets in respect of some products, by promoting interested residents with capacity in agro-processing. While domestic markets are likely to be the target, with HACCP certification, it is possible that the city can get engaged in exports. The City Corporation will need to enlist the services of CARIRI to ensure that its agro-processing operations observe appropriate standards, thereby allowing access to widening of markets.

### **8.2.3 Cultural Tourism**

The City has had a proud history, and there is no shortage cultural expression. The City has contributed to national culture in particular in the field of Calypso, the Steelband and the Carnival. It can attract some share of the visitors to Trinidad on the basis of its place in the festival calendar of the country.

There might have been failure in saving the historic buildings. However, the San Fernando Hill remains a landmark site and is being restored to its pristine beauty. Harris Promenade and the San Fernando Wharf still remind of its past and along with other sites can be deemed a heritage district. The Southern Academy for the Performing Arts (SAPA), churches, temples, mosques pan yards and mas camps. A number of national sporting events are held in the City.

As the main city in the south, San Fernando can be seen as an access point and base for accommodation for visitors seeking to visit the other municipalities, which have their own elements of interest – the Pitch Lake in La Brea and the mud volcanoes in the Siparia Municipality – as well as their own festivities. The City Corporation in association with the Tourism Development Company and the Ministry of Tourism can market the city for its distinctiveness and for its access and accommodation for international visitors seeking to enjoy the richness of life of Southern Trinidad. The ethnic mix of the city lends to a range of culinary offerings, and supports restaurant services catering to any palate, including those seeking a new experience.

There will be need for the Corporation to recognise these possibilities to support residents to become involved in the tour-guiding services, craft good production and in the running of guest establishments, catering to guests from the rest of the country and from the rest of the world. A number of MSMEs can develop around the cultural tourism and the amenity resources of the city and the neighbouring municipalities.

*Business Tourism:* The city is already an entry point for Venezuelans resident on the western shores of the Gulf of Paria. Given that an increasing number come to Trinidad for shopping, it is in the interest of the City and its residents that businesses exploit the opportunity that they offer as foreign clientele. There is need to promote bilingualism with residents learning Spanish to ease communications. The name San Fernando recalls the earlier presence of Spain in the history of Trinidad. It is an attribute that can be exploited.

There is legitimate business to be conducted between the countries, and the Municipality can play an important role, care being exercised to protect the country from its ports being used as a conduit for the underground economy. The City Corporation will need to ensure that the authorities responsible for National Security invest the area with the appropriate infrastructure and facilities to dissuade engagement in illegitimate activities, even as it promotes MSMEs in the supply of goods visitors from eastern Venezuela.

### **8.2.4 Commerce and Distribution**

Commerce and distribution will expand with economic activity in the city itself and in the neighbouring municipalities in its continued role as the emporium of the South. There will be employment opportunities for residents and workers entering the city. Inflows of new residents and expansion of the population will create a widening of the market for commerce and distribution.

However, these are sectors, which, because of relative ease of entry, attract considerable numbers of micro entrepreneurs both from within and from outside of the City. 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 most of them sharing work or custom from the same level of clients. The Corporation will need to exercise care in the promotion of entry of micro and small businesses. The allocation of business licences to operate might be the best mechanism to prevent oversupply, and to control congestion caused by informal businesses that remains unregulated.

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 city and some of the potential entrepreneurs from losses because of oversupply in sectors that might appear to be easy in terms of market entry.

### **8.3 Proposed Projects and Implementation Plan**

San Fernando City Corporation will have greater responsibility for the economic and social outcomes within City and is expected a proactive role in LED. The preparation of the LAEP for the City of San Fernando is a first step in directing investment for business and economic development. However, further work is now needed to build the necessary institutional structures within the Corporation to lead and coordinate LED. There is also the need to identify business and economic opportunities in the strategic sectors identified as part of this study. Therefore, the Corporation must work with local and external partners in developing and implementing sectoral projects that can lead to positive economic growth, provide employment and the expansion of the local MSME sector.

### 8.3.1 Establishing Institutional Structures within the San Fernando City Corporation

The following recommendations are provided to create support mechanisms that would allow the Corporation to play a greater role in economic development of the City:

1. **Establishing a San Fernando LED Group** – This Group should operate out of the City Corporation and provide a municipal platform to facilitate and support the implementation of targeted local economic activities. The main functions of the Group should be as follows:
  - a. To listen and interact with local and external stakeholders on LED related matters;
  - 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 City Corporation, Central Government Agencies and others) that would improve the local business environment, foster innovation and strengthen the municipal economy;
  - d. To monitor, advise on and support the implementation of LED activities undertaken by the Corporation; and
  - e. To provide guidance on the use of Corporation's resources to achieve the objectives of Municipal LED.

The Group should meet on monthly or at least quarterly basis and should comprise:

- Councillors/Aldermen;
  - Representatives of the private sector and the NGO and community sector (inclusive of the South Trinidad Chamber of Industry and Commerce, representatives from the banking sector and the local MSME sector);
  - Local knowledge and research institutions (UTT and UWI); and
  - Public sector business support agencies (such as NEDCO and the Cooperative Division).
2. **Strengthening the capacity of the San Fernando City Corporation to facilitate local business and economic development** - The goal here is to build technical capacity within the Corporation that would allow the Corporation to effectively lead and coordinate sustainable LED of the City .

This calls for the establishment of the LEDU which would be lead by a LEDO and assisted by an Assistant LEDO. These officers should be seen as the nucleus of industrial, commercial and business development within the Municipality. The LEDO should be charged with the following responsibilities, among others:

- To facilitate LED planning in order to identify and establish business and development economic opportunities;
- To collaborate with stakeholders inside and outside of the City in engaging in scenario planning and identifying possibilities for local resource use and mobilisation that might otherwise remain untapped. The LEDO should be instrumental in organising and recording discussions between the City Council and MSME and institutional stakeholders within their jurisdiction.
- Work with local businesses, organisations, schools, and communities in supporting and promoting LED and individual, school and community-led entrepreneurship;

- Identify opportunities that will allow the Corporation and its stakeholders to develop the local MSME sector, programmes and projects;
- Identify and secure funding for MSME and LED initiatives;
- Assist local organisations, communities, businesses and individuals to develop project proposals and business plans for financing; and
- Assist with communities and businesses to establish business groups and other support networks, including working closely with stakeholders in the informal economy in and around main commercial districts.

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

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

4. **Developing a database of municipal entrepreneurs (of all sizes)** – This should be developed based on the sector within which these business establishments operate. This will serve well, not only in terms of the conduct of research activities, but will also be required for collaborative and promotional partnership activities. The Corporation should actively encourage informal MSME business owners to register with the Corporation to ensure that all can access benefits from future business programming. The LEDO should be charged with the responsibility for developing and regularly updating of the databases, and maintaining contact with the local MSM businesses.
5. **Establishing Strategic Partnerships with Neighbouring Municipal Corporations** – The Corporation should seek strategic partnerships and collaborate with neighbouring Local Governments to explore joint economic opportunities, that can lead to mutual benefits and spin-offs, for example in the areas of industrial development, tourism development and development of professional services.
6. **Establishing a Municipal Business Support Programme for Local MSMEs** – The success of this programme depends heavily on the commitment and cooperation between the Corporation and the national business support service providers. The approach here is not to duplicate the work of the MSME support agencies, but rather to bridge the current gap in services identified during the study. The goal is to provide a one-stop-shop platform within the Corporation.

The model for service provisioning should allow clients to have easy access to the various services provided by agencies.<sup>20</sup> The Corporation should work closely with providers to create a system where clients can access information on the full range of business support services available and to connect them to the services they need. Moreover, the Programme should facilitate the implementation of the sectoral projects implemented by the Corporation.

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

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

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

The programme should be audited and its impact monitored regularly to ensure it remains attractive, relevant and accessible to its target clients.

### **8.3.2 Recommended Sectoral Initiatives**

There was insufficient data collected to clearly identify the sectoral business projects at this stage. The recommendation here is to identify the local sectoral initiatives in the City of San Fernando during the LED strategic planning phase and should be based on the strategic sectors identified. All the projects developed should be based on an inclusive model which ensures the participation of residents of the Municipality, including the poor, women and youths.

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<sup>20</sup> Finance and markets, entrepreneurial skill development, training (soft and technical skills), and mentoring and coaching, etc.

### 8.3.3 San Fernando LED Implementation Plan

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



### 8.3.3 San Fernando LED Implementation Plan

Project	Activities	Implementing Agencies	Collaborating agencies	Time Frame	Resources Requirement	Priority Rating (1-2)
Preparing a comprehensive strategy and action plan for the City of San Fernando	<ul style="list-style-type: none"> <li>• Hold San Fernando LED workshop on way forward and the LED and MSME creation.</li> <li>• Hold consultations with specific industry stakeholders to elaborate strategies and actions agreed on at the workshop</li> <li>• Prepare a local economic development strategy and action plan in collaboration with relevant stakeholders. This plan should include cost estimates, funding sources and mechanism for continuous monitoring and evaluation.</li> </ul>	San Fernando Local Economic Development Group  SFCC-LEDU	<ul style="list-style-type: none"> <li>○ South Trinidad Chamber of Industry and Commerce</li> <li>○ Local business owners</li> <li>○ MOLSED</li> <li>○ NEDCO</li> <li>○ TTInvest,</li> <li>○ ExportTT Cooperative Division</li> <li>○ Ministry of Rural Development and Local Government</li> <li>○ MCD</li> <li>○ National Council of Village and Community Councils</li> <li>○ MSME owners representatives</li> <li>○ CARILED Project</li> <li>○ UTT</li> <li>○ LABIDCO</li> </ul>	6 months	Consultancy – San Fernando LED Strategy and Action Plan	
Establishing a San Fernando Business Establishments Database	<ul style="list-style-type: none"> <li>• Hold discussion with the CSO, NEDCO and other relevant agencies on the establishment of the database.</li> <li>• Identify resource requirement for database.</li> <li>• Acquire software and other support tools.</li> <li>• 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.</li> <li>• Advertise and encourage business</li> </ul>	SFCC LEDU/ LEDO	<ul style="list-style-type: none"> <li>○ CSO</li> <li>○ South Trinidad Chamber of Industry and Commerce</li> <li>○ NEDCO</li> <li>○ MOLSED</li> </ul>	3 months to establish database and ongoing	Computer Spreadsheet or database software Clerk Campaign to encourage business registration	1



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Project	Activities	Implementing Agencies	Collaborating agencies	Time Frame	Resources Requirement	Priority Rating (1-2)
	<p>owners to register with the Corporation.</p> <ul style="list-style-type: none"> <li>• Undertake initiatives to actively register businesses.</li> <li>• Develop a profile of local businesses by sector which can help understand local business owners' needs.</li> <li>• Update profiles regularly based on additional information received.</li> </ul>					
Establishing Strategic partnerships with neighbouring municipalities	<ul style="list-style-type: none"> <li>• Hold discussions with Chairmen and CEO of neighbouring municipalities, and the Mayor and CEO of Point Fortin.</li> <li>• Identify and reach agreement on areas for collaboration and support and resource requirements</li> <li>• Undertake agreed joint activities</li> <li>• Monitor and evaluate partnerships biyearly</li> </ul>	SFCC	<ul style="list-style-type: none"> <li>○ Neighbouring Corporations</li> </ul>	6 months and ongoing	Chairmen and CEOs of the Corporations Meeting place	1
Establishing a Municipal Business Support Programme for MSMEs	<ul style="list-style-type: none"> <li>• Hold meetings with key business support service providers to discuss service provisioning and areas of collaboration between SFCC and service providers.</li> <li>• Reach agreement on the SFCC one-stop service model for MSMEs to be used (e.g. SFCC as a business information and advisory hub, provide space where service providers offer selected services, etc.).</li> <li>• Develop MSME services app to provide information on service provisioning and places to existing and potential MSME clients (in collaboration with other Local Governments).</li> </ul>	SFCC-LEDU	<ul style="list-style-type: none"> <li>○ South Trinidad Chamber of Industry and Commerce</li> <li>○ Established local businesses</li> <li>○ NEDCO</li> <li>○ MOLSED including the Cooperative Division</li> <li>○ Ministry with responsibility for development of medium-sized enterprises</li> <li>○ Local Banks</li> <li>○ ADB</li> <li>○ Authur Lok Jack GSB</li> </ul>	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

### 8.3.3 San Fernando LED Implementation Plan

Project	Activities	Implementing Agencies	Collaborating agencies	Time Frame	Resources Requirement	Priority Rating (1-2)
	• Launch San Fernando MSME Support Programme.					

## 8.4 Conclusion

**Decentralised Governance:** The adoption of the CARILED Model involves a widening and deepening of decentralisation and devolution in the governance structure of the country. The Municipal Corporations are at the epicentre of this process. The authorities and the elected representatives of residents in municipalities have to embrace responsibilities that will extend to the economic development within 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 mediating their support for residents in municipalities as they seek to create productive activity within the economic space of the respective municipality.

In this regard, CARIRI has to be available to collaborate with the City Corporation in the promotion of agro-processing activities, assuming that it might be a location for some of such production activities. The City has to enlist the support of Tourism Business Development Company in planning and implementation of the initiatives to realise the tourism potential of the City in respect of its own cultural and business tourism possibilities, as well as its providing accommodation for visitors to the South of Trinidad.

**Competitiveness:** Historically, residents have been involved with firms engaged in the heavy industries with production geared to the international market. Some of its MSMEs have long been involved in the provision of services to international companies. As the Energy Sector adapts to the changing international market for fossil fuels, domestic firms servicing the sector will need to adjust. As the Corporation mounts its own strategy in support of the diversification policy of the national government, and efforts are mounted to promote the non-oil sector, there will be need for sensitivity to the requirements imposed on large and small firms including micro-enterprises.

**Structuring Economic Equity:** The survey data show that there is differential participation of ethnic 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.

**Information, Training and Educational Upgrading:** The Census Data and the survey data collected in the course of this exercise establish that there does exist a human capital challenge in the country. While the city is the best endowed among the municipalities, in terms of the percentages with secondary and tertiary education and training, there is still a large number of residents who are not equipped for participation in a knowledge economy. 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 those with educational deficiencies to catch up, 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 resident of Embacadere is no less knowledgeable and no less technically competent as a worker in an MSME Israel. While this may not be currently the case, the measures and initiatives undertaken by the Municipality with the Ministry of Education and with the cooperation of UTT's COURSERA or the Distance Education Programme of UWI, would allow such transformation to take place in less than a decade. Moreover, those interested in undertaking the provision of high level information services from a base in San Fernando, must be readily equipped to develop the start-ups based on the infrastructure provided by the City Corporation or with the assistance that it can mobilise from agencies at the national level to support local economic empowerment.

**Paradigm Shift:** The CARILED Model involves a major paradigm shift in thinking in local governance. The responsibilities of Municipal Councils require perspectives that extend beyond what seems to be incorporated in the current legislation. At the level of the Ministry, there is need to win the resources including the fiscal space for Municipalities to become entrepreneurial in implementing national policy relating to the economy.

There is need to recognise the enormity of the task of investing people in their communities with the capacity to transform their economic reality with the resources that reside in their community such that they can create a high quality of life from their respective spaces.

