



The Caribbean Association of Small and Medium Enterprises (CASME) was incorporated in 2005 by Small Business Associations (SBAs). It acts as the Umbrella Organization for SME interventions to interact with regional (CARICOM/Governments) and

international partners to enhance the development and growth of the sector in CARIFORUM countries.

OUR VISION: To be the premier organization that coordinates and promotes regional trading activities and facilitates sustainable growth and development of SMEs in CARIFORUM countries.

OUR MISSION: To excel in the establishment of a strong network of SMEs through the medium of advocacy, trade, educational and policy support for sustainability and harmonization of CARIFORUM SMEs growth and development

Our membership currently includes Small Business Associations and Business Support Organizations in the following countries: Antigua, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Montserrat, St Kitts And Nevis, St Lucia, St Vincent, Suriname, Trinidad. SMEs are regarded as the backbone of economic development in the Caribbean, generating 60 to 70% of the GDP in many states. In light of this CASME felt it necessary to join forces with CARILED and local government to share experiences, formulate strategies and develop programs which will redound improvement at the firm level.



COUNTRY CONTEXT FOR LED IN JAMAICA

Local government is structured on a parish basis, with two parishes, Kingston and St Andrew, amalgamated and administered by the Kingston and St Andrew Corporation (KSAC). The island's 63 constituencies are subdivided into 227 electoral divisions, each of which is represented by a Parish Councillor for local government.

Local government was introduced in Jamaica around 1662-1663, just a few years after the British capture of Jamaica in 1655. The parish structure created by Law 20 of 1867, the extension of functions during the period 1866-86, and the creation of parochial boards in 1886, all created the modern Local Government system that exists today.

One of the primary objectives of local government reform currently underway is to ensure that the local authorities have the funding to carry out their work and to improve the social and economic conditions of their citizens. Local authorities have been significantly handicapped by a lack of funds as their main source of income is property taxes for which compliance is low and rate movement dependent on central government proclamation.

Although the 'boosting of economic activity and local wealth creation' is a clear responsibility of parish councils, Jamaica has not traditionally employed any formal LED strategy as part of its overall economic development thrust. However, there is continued focus on two separate, but not unrelated activities as part of a development plan: local government reform and the promotion of the MSME sector. The Jamaica 2030 National Development Plan, for example, calls for expanded roles and functions for parishes and municipalities, including the boosting of economic and local wealth creation.



KEY CHALLENGES FOR CASME DOING LED

CHALLENGE 1: Informal sector

SMEs are regarded as a critical pillar of economic development in the Caribbean, generating 60 to 70% of the GDP in many states. However a high percentage still operates informally for different reasons. According to a case study done by the IDB in 2001, as much of 43% of Jamaica's official GDP was informal.



CHALLENGE 2: Supporting a business-enabling environment

Local government reform has been on the political agenda for some time and broad agreement has been reached on the reform package. It is expected that Parliament will address the reform as a priority. Through the reform, local governments' mandate and responsibilities should expand to include spearheading the preparation of local sustainable development plans (LSDPs), boosting local economic activity and wealth creation, and supporting national policies and development programmes. Several parishes have started to prepare LSDPs with the support of the Social Development Commission and the establishment of Parish Development Committees to lead the planning and implementation process. Government officials and business organizations are aware of the benefits of local economic development programs.

MANAGEMENT OF SME CLUSTER DEVELOPMENT PROGRAM

1. Select from existing cluster (Embryo of Cluster) with the principle of: each district should be allocated; and developed region have a greater quota
2. Select potential institution ready to join the program by providing services to the selected cluster (BDS). Government will sign a contract with the institution for three years in services, start-up capital provided by government
3. Select potential MFI to serve the micro credit to the micro SE in the cluster
4. Government will organize training to the BDS-P and MFI as well as facilitate regular meeting to cluster stakeholder
5. Three year transformation process from bureaucracy of SME promotion into market driven services SME development through step by step transfer the actor of SME cluster promotion will be: Association/Organization of SME-BDS-Provider Financial Service Sector
6. The permanent role of government to support BDS will be: Market Development, Product Development and promotion of standard and performance of services

