

The Updated MSME & Entrepreneurship Policy 2017

**MSME Office
Ministry of Industry Commerce Agriculture &
Fisheries**

Introduction

- In order to make the policy framework for MSMEs more relevant and current to the changing landscape in which local small businesses operate, the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAF) introduces the 2017 Revised MSME & Entrepreneurship Policy, as an update to the existing 2013 MSME & Entrepreneurship Policy

Overview

- MSMEs are 97.6 % of Businesses
- MSME experiences numerous challenges
- 2013 Policy sought to
- Review of the policy scheduled every 3 years
 - response to the changing demands of the sector
- Review process started in 2016 –
 - direct response to stakeholders – DBJ, BOJ, Private sector
- Widespread consultations with over 30 stakeholders

Pillars and Goals of the Policy

- Creating an Business Enabling Environment
- Increasing Financing to the Sector
- Business Development Support
- Building an Entrepreneurial Spirit
- Social Value Creation
- Tackling cross cutting Issues

Summary of Updates

- a) Changes to the definitions
- b) Updating of with more current data
- c) Adding a Policy Chapter on Social Enterprises - a new and emerging area acting widespread support
- d) Alignment with other national policies including Vision 20130
 - i. Alignment of goals and Policy chapters
- e) Adding a 5 year implementation plan
- f) Costing & budget included
- g) Monitoring and Evaluation Framework added**

Definitions Amended

	PRIMARY INDICATOR	SECONDARY INDICATOR
Firm Size	Total Annual Sales/Turnover	No. Of Employees
Micro	≤ J\$15 million	≤ 10
Small	> \$15 million ≤ J\$75 million	11 – 50
Medium-sized	> J\$75 million ≤ J\$425 million	51 – 100

Social Enterprises

- A Social Enterprise utilizes business models and practices to solve social problems in society. Profits are essential but are not redistributed to shareholders, instead they are re-invested into the achievement of the social mission.
- This update to the Policy now ensures that Social Enterprises are firmly under the policy framework of the GOJ
- Social Enterprises shares similar challenges and pitfalls as MSMEs.

Implementation Plan

- 5 year implementation Plan detailing the key MSME implementation imperatives
- Policy elements are aligned to strategies and actions
- Key Performance Indicators (KPI) & timelines established
- Implementation partners identified and mapped.

Budget

- 5 year implementation Budget estimated at \$J1.6 billion.
 - Much more than this is spent across all sphere in a single year.
- Averaging at \$320 million per annum when inflation and price movements are not taken into account.
- Private sector has an important and unique role to play.

Monitoring & Evaluation Framework

- National MSME Policy Implementation Committee to function as the oversight body for the coordination of the Policy's implementation
- Maintenance of an inbuilt mechanism for the Policy to be reviewed at three year intervals to ensure congruence with the changing MSME Landscape

Conclusion

- The Revised Policy provides a comprehensive, targeted and coherent framework for the creation of a dynamic entrepreneurial sector that is characterized by innovative and competitive businesses and supported by a rewarding institutional and regulatory business environment.
- This is reflected in the six (6) policy goals which are aligned to the policy chapters of the Revised Policy as well as the newly included Implementation Plan.

THE END

Questions??