



Ministry of Labour & Small and Micro
Enterprise Development
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Your Ref: MOLSMED: 5/4/1 Vol. X Temp.

14th April 2015

Honourable Errol McLeod,
Minister of Labour and Small and Micro Enterprise Development,
Ministry of Labour and Small and Micro Enterprise Development,
Tower C, Level 6,
International Waterfront Complex,
1A, Wrightson Road,
PORT OF SPAIN

Dear Honourable Minister,

**Submission of Annual Administrative Report under Section 66D of the
Constitution of the Republic of Trinidad and Tobago**

Reference is made to the Ministry's letter of March 6, 2015 on the above subject matter. In this regard, please find enclosed the Administrative Report of the National Entrepreneurship Development Company Limited (NEDCO) for the period 01 October, 2013 to 30 September, 2014.

Yours sincerely,

Natasha Ramkissoon
Natasha Ramkissoon (Dr.)
Chairman

NR/li
Encl.

cc: Permanent Secretary, Ministry of Labour and Small and Micro Enterprise Development

Directors: Dr. Natasha Ramkissoon - **Chairman**; Mr. Calvin Bijou - **Deputy Chairman**
Mr. Allister Khan, Dr. Camille Samuel, Mr. Ramesh Lalla, Mr. Willvan Ramlakhan,
Mr. Suneesh Singh, Ms. Simone Lampkin, Ms. Glenda Joseph-Dennis,
Ms. Sheryl-Anne Haynes, Mr. Vijay Parabdeen



NEDCO

National Entrepreneurship Development
Company Limited

We Support. You Succeed.

ADMINISTRATIVE REPORT
October 2013-September 2014

FOREWORD

I respectfully submit NEDCO's Administrative Report for the period October 2013-September 2014.

On assuming office in 2011 the Board of Directors immediately embarked on the process of transforming the Company's operations to not only strengthen NEDCO's position but improve its ability to effectively operate within an increasing dynamic and challenging environment. Thorough examination of the operations revealed several issues demanding urgent attention, including arresting the continuous decline in the loan portfolio; low level of staff morale and an apparent lack of focus and direction. For the past two years in particular, the Company has been focused on strengthening its capacity to transform itself into a more effective provider of support to the Micro and Small Enterprises (MSEs) ensuring their continuity and sustained contribution to communities and to national development in Trinidad and Tobago.

The Board has worked in concert with management to impress the need for change at all levels of the organisation. We have facilitated staff forums with board members and senior management being present to articulate the organisation's position and respond to questions from the floor. The process necessarily included examination of the competitive landscape and identification of not only challenges but also major opportunities. In the process we believe that we have achieved that level of trust and confidence necessary to create a sufficiently powerful support base to champion and drive the process and bring others on board.

Management has become more transparent with open two way communication channels, the process creating trust and a spirit of camaraderie throughout the organisation. We have developed a powerful guiding coalition of individuals with enough power, responsibility and authority to lead the change intervention as they work and function as a cohesive team.

We continue to ensure strategic alignment with the Government's efforts to diversify the economy and have intensified our collaboration with government agencies, private sector and academia to create an environment where competitive businesses can start and grow. Given our critical position as a service provider to MSEs and by extension to the economic life of the country, NEDCO was identified as a key agency which could be instrumental in this diversification process.

NEDCO has continued to apply sound business assessment principles to govern the Company's business development objectives which translate to:

- ❖ Market Orientation
- ❖ Deep emphasis on Customer Care and Service
- ❖ Sustainability of account relationships
- ❖ Commercial awareness with judgment based on developed credit and entrepreneurial assessment skills.

Our processes and systems have created a holistic approach to our clients' unique circumstances and we have been able to offer appropriate support, be it a training course, mentorship, business advice, financial support or a combination of these services.

We recognise that operational, procedural, systems and policy development are essential in building an efficient and effective service for clients. To create such an environment and provide an efficient service we have introduced a number of developments in the areas of audit, marketing, incubation, and human resource. These are aimed at improving efficiencies and eliminating log-jams in order to support the overall level of services and response times for NEDCO clients.

NEDCO has been undergoing significant transformation. The process is not yet complete but we have achieved major milestones on the journey to success and sustainability. We have positioned the organisation as a lead service provider for MSE development and as a first choice lender and advocate for the sector. Our image as a credible micro finance institution has been enhanced over the past two years by developing a well performing loan portfolio asset through client retention, relationship building, networking, strengthening of organizational culture and adoption of best practice appraisal and performance measurement systems.

Sincerely yours,



Natasha Ramkissoon (Dr.)
Chairman of the Board of Directors

GLOSSARY

ALJGSB	Arthur Lok Jack Graduate School of Business
BIP	Business Investment Proposal
BON	Branch Operations Network
BRO	Business Relationship Officer
CariCRIS	Caribbean Information and Credit Rating Services Limited
CCLS	Cipriani College of Labour and Co-operative Studies
CEO	Chief Executive Officer
CMFA	Caribbean Microfinance Alliance
COO	Chief Operating Officer
COSTAATT	College of Science Technology and Applied Arts of Trinidad and Tobago
ECB	Enabling Competitive Business (Strategy)
EDD	Enterprise Development Division
EMP	Entrepreneurial Management Platform
IBIS	Integrated Business Incubation System
MFI	Micro Finance Institution
MOLSMED	Ministry of Labour and Small & Micro-Enterprise Development
MSE	Micro / Small Enterprise
NEDCO	National Entrepreneurship Development Company Limited
NIHERST	National Institute of Higher Education, Research, Science and Technology
NRWPTT	National Rural Women Producers of Trinidad and Tobago
NTA	National Training Agency
TTCIC	Trinidad and Tobago Chamber of Industry and Commerce
USAINS	Universiti Sains Malaysia
USC	University of the Southern Caribbean
UTT	University of Trinidad & Tobago
UWI	University of the West Indies
YBTT	Youth Business Trinidad & Tobago
YTEPP	Youth Training & Employment Partnership Programme

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EXECUTIVE SUMMARY

For the Fiscal year 2014, NEDCO was focused achieving operational effectiveness by improving existing processes and implementing new methodologies while at the same time exploiting opportunities for better synergies with key stake-holders, and creating alliances with key players in the micro and small enterprise development environment. The organisation directed its energy to pursue a course towards performance improvement, transparency, efficiency and service excellence and the company has been vigorously implementing systems and procedures to achieve these objectives.

The main overarching strategies for improving the operational effectiveness as outlined in the 2012 - 2015 Strategic Plan incorporate Staff development; Greater collaboration and partnerships with key organisations and stakeholders; Improved reporting capability; Improved corporate image; Change of organisational culture towards greater emphasis on performance and results; Greater focus on Enterprise Risk Management.

Management of the Company's human resources for the period under review again focused primarily on the activities of recruitment and staff development. Vacant positions were filled by conducting several rounds of interviews. Given the importance of having a strong, well-qualified and strategically positioned leadership, the company also used the services of recruitment agencies to attract the highest quality of candidates for the senior positions, the majority of which were filled in Fiscal 2014.

Forty three (43) staff members were exposed to training and development programmes to gain more technical experience and expertise to enhance performance, productivity, quality of work and their general capabilities.

The revised organization structure was approved by the Board of Directors and implemented effective 1st January 2014.

For the twelve month period ended September 2014, NEDCO produced 240 loans at a value of \$10,987,152.79. There was however an undisbursed amount of approximately \$4.5 million representing pending and approved loans that NEDCO was unable to deliver due to funding constraints.

In addition to ETIIC's hosting of training sessions, programmes were also designed and delivered for a number of external agencies. Overall, a total 952 individuals benefited from the training initiatives including programmes such as Steps to Starting Your Business, Record Keeping & Cash Management, Costing & Pricing, and Tendering for Contracts. July 2014 saw the execution of the third (3rd) Entrepreneurship Boot Camp – a joint initiative between the University of the West Indies and NEDCO.

NEDCO continues to operate the National Integrated Business Incubator System as the implementing agency for MOLSMED. To date, sixty five (65) active businesses within the programme are generating revenue through the provision of various goods and services. Strategic stakeholder relationships were maintained with a number of agencies, internationally, regionally and locally, to ensure IBIS clients are provided with access to the best networks to contribute to their success.

1.0 BACKGROUND

The National Entrepreneurship Development Company Limited (NEDCO) is a state owned limited liability company established by the Government of Trinidad and Tobago in August 2002 as a micro finance institution (MFI) with a mandate to assist in the development of a sustainable small and micro enterprise sector.

The stakeholders are the Government of Trinidad and Tobago (through the line Ministry), Board of Directors, Clients, Management and Staff. Cabinet Minute No. 776 of April 25, 2002 governs the establishment of NEDCO to be the implementing agency for government's policy on small and micro enterprise development.

The Government has further envisioned the MSE sector as a significant contributor to the national economy and national development, as well as the viability and cohesion of communities. There is also hope that the sector will serve as a leading catalyst to alleviate unemployment and poverty through the production of sustainable employment and wealth. NEDCO is ideally positioned to carry out its mandate and maintain its position as a preferred service provider to the MSE sector.

The Entrepreneurial Training Institute and Incubation Centre (ETIIC) was conceptualized as a strategic business unit in NEDCO in 2005, with its core activities being identified as:-

- ❖ Programme Development and Implementation – *development and implementation of comprehensive programmes for MSE sector including training, marketing, technical assistance, information technology and other initiatives*
- ❖ Research and Planning – *evaluate entrepreneurial performance and assess impact on the society and economy*
- ❖ Entrepreneurial Development – *develop and enhance entrepreneurial ventures throughout the communities and to inculcate entrepreneurial awareness*
- ❖ Entrepreneurial Policy – *develop and deliver a comprehensive range of services to enable small businesses to compete effectively in regional and international markets*

ETIIC assists new and aspiring entrepreneurs to translate their business ideas into commercially viable and sustainable enterprises, by providing the appropriate support, guidance and access to the relevant services and tools required to overcome the challenges encountered in starting a business.

NEDCO also administers the National Integrated Business Incubator System (IBIS) on behalf of the Ministry of Labour and Small and Micro Enterprise Development. IBIS provides a mix of business development support, infra-structure, operational and financial support to assist in the growth and success of new and emerging MSEs.

2.0 MISSION

To promote and support the development of new and existing MSEs to achieve financial independence, sustainability and competitiveness through the provision of evolving, cutting edge financial products and development support services in a customer focused environment.

3.0 VISION

To be the leader of the SME sector, fostering an entrepreneurial culture, thereby contributing to wealth creation and national development.

4.0 MANDATE

To empower individuals with the ability to achieve financial independence through employment, as well as to provide credit to the small and micro business sector, including start-up capital at a preferred rate of interest on a sound and collectible basis.

5.0 CORE VALUES

- Ethical behaviour
- Integrity
- Accountability & transparency
- Quality Service & Efficiency
- Excellence & High Standards
- Health, Safety & Well-Being of Staff
- Innovation
- Teamwork

6.0 ORGANISATIONAL STRUCTURE

The Company is administered through its Head Office in Port of Spain with a Branch Operations Network comprising ten (10) branches strategically located throughout Trinidad and Tobago. A sub office was established at the University of the West Indies, St Augustine in 2013. The stakeholders are the Government of Trinidad and Tobago (through the line Ministry), Board of Directors, Clients, Management and Staff. NEDCO has been mandated to be the implementing agency for Government's policy on small and micro enterprise development.

Appendix 1 lists the membership of the current Board of Directors. The Board of Directors comprises twelve (12) members and was (re)appointed in June 2013 with Dr Natasha Ramkissoon as the Chairman. The Board's responsibilities comprise four specific roles:

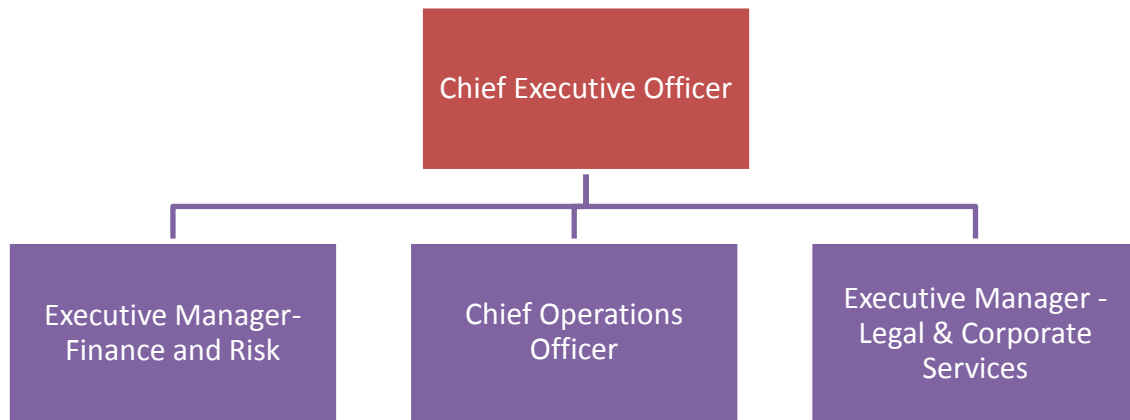
- 1) Fiduciary, with responsibility for safeguarding the interests of all stakeholders;
- 2) Strategic, i.e. reviews management's business plans in the context of the company's mission and approves accordingly;
- 3) Supervisory, i.e. delegates authority for operations to management through the Chief Executive Officer;
- 4) Management Development, i.e. supervises the selection, evaluation and compensation of the senior management team, management and staff – responsible for operations, products and services.

These areas are administered through a corporate functional structure comprising two main divisions – Business Services & Finance and Administration. These divisions are further subdivided into departmental silos, namely Human Resources; Lending and Business Support; Recoveries; Development Support Services; Corporate Communications; Finance and Risk Management; Information Technology; Properties; Procurement; and Audit.

The Executive Management team comprises:

- The Chief Executive Officer
- The Chief Operations Officer
- The Executive Manager – Legal and Corporate Services
- The Executive Manager – Finance and Risk.

This structure is illustrated by the following diagram:



The Chief Operations Officer is responsible for all lending and business support operations encompassing the Branch Operations Network (BON), in addition to the operations of ETIIC.

Three (3) Regional Development Managers are responsible for a cluster of branches, namely:

- East & Tobago: Tunapuna, Arima, Sangre Grande and Tobago.
- North & Central: Chaguanas and Queen Street.
- South: San Fernando, Princes Town, Penal and Point Fortin.

The Regional Development Committee oversees the development of lending and business support activities, and comprises:

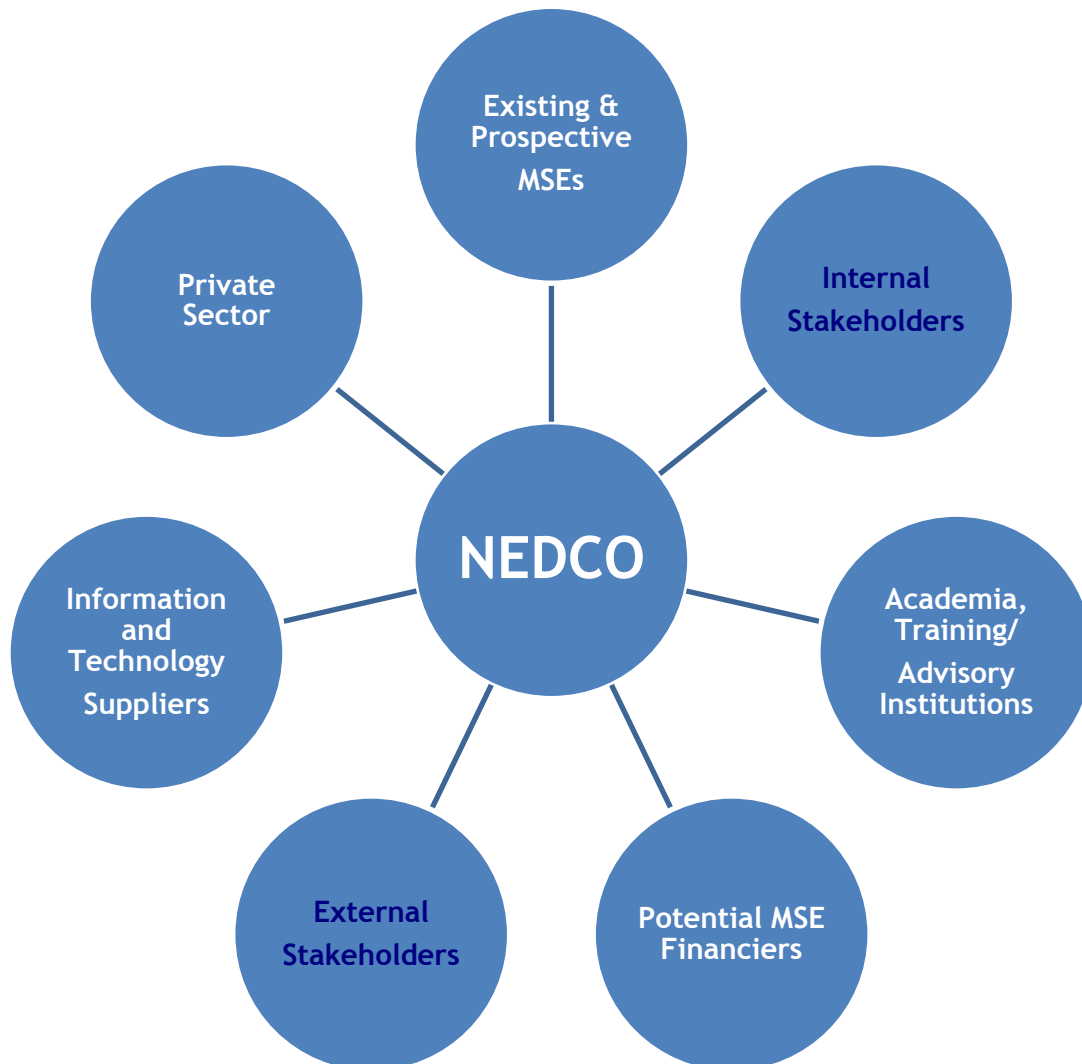
- Chief Operations Officer
- Three Regional Development Managers
- Head of Business and Credit Strategy
- Head of ETIIC

Branch offices are typically staffed by a Centre Coordinator, Business Relationship Officer(s), Loan Administration/Compliance Officer, and Administrative Assistant.

7.0 STRATEGIC PLAN

The 2012 - 2015 Strategic Plan provides a road map guiding future efforts to further strengthen the Company’s institutional capacity and to enable it to function as a more effective provider of support to the Micro and Small Enterprise (MSE) sector in Trinidad and Tobago. It focuses on transforming NEDCO into a vibrant organization which can contribute to the strengthening of the national economy.

As a State-funded agency, NEDCO’s operations are constantly under the scrutiny of two broad types of stakeholders. Internal stakeholders comprised of employees, management and directors, and external stakeholders comprised of Government, community, suppliers and customers, as illustrated by the diagram below.



NEDCO’s Stakeholders

In order to achieve operational effectiveness NEDCO must therefore both correct the performance issues that it has faced in the past by improving existing process and implementing new methodologies whilst at the same time capitalizing on the opportunities for better synergies with key stakeholders, and creating alliances with key players in the small and micro enterprise development arena. The direction NEDCO is heading is therefore one of performance improvement, transparency, efficiency and service excellence, and the company is implementing systems and procedures in order to achieve this.

The 2012 - 2015 Strategic Plan outlined a number of areas that NEDCO needs to address in order to achieve operational effectiveness. During the period 2013/2014 some of these objectives have already been achieved whilst others are still being developed / deployed and are expected to be achieved within the 2014/2015 fiscal period.

The main overarching strategies for improving the operational effectiveness as outlined in the 2012 - 2015 Strategic Plan incorporate the following:

1. **Staff Development** - Staff Development inclusive of organisational restructuring, training of branch operational staff, and creation of a Regional Development Committee as well as an Executive Management Committee.
2. **Partnerships** - Greater collaboration and partnerships with key organisations and stakeholders towards wider scope and range of entrepreneurial development services.
3. **Reporting** - Enhanced reporting capability inclusive of retraining and use of best practice reporting standards, focus on benchmarks for performance results and the deployment of a new Loans Management Software.
4. **Image** - Improved corporate image and public perception.
5. **Culture** - Change of organisational culture towards greater emphasis on performance and results.
6. **Risk Management** - Greater focus on Enterprise Risk Management.

In keeping with the main objectives as prescribed by the Strategic Plan, NEDCO has achieved the following:

1. Staff Development

- a. In 2013 with the aid of an external consultant, NEDCO engaged in the retraining of all Branch Operations staff in the areas of:
 - i. Credit Risk Analyses
 - ii. Client Relationship Management
 - iii. Loan Portfolio Analyses and Reporting
 - iv. Pillars for Successful business
 - v. Delinquency Management

ETIIC has been assigned the task of identifying training needs for NEDCO staff on an ongoing basis and provide options for consideration. Currently they are in the process of developing a leadership training package for NEDCO.

- b. In January 2014 the Board-Approved New Organisational Structure was deployed which included new functions as per the Strategic Plan. The main functionalities deployed were:
 - i. Executive Management Team consisting of Chief Executive Officer, Chief Operations Officer, Executive Manager – Legal & Corporate Services, Executive Manager – Finance & Risk.
 - ii. Regional Management Committee consisting of 3 Regional Development Managers for 3 branch network clusters, 1 Head of Business and Credit Strategy, 1 Head of ETIIC (Entrepreneurial Training Institute and Incubation Centre). These positions were advertised internally and the successful candidates were all in previous NEDCO positions.
 - iii. Loan Administration/Compliance Officers were deployed at each branch and responsible for supervisory support to the Centre Coordinators but also to provide compliance due diligence on all loan documents.
 - iv. Special Loan Coordinators for the recovery of special delinquent accounts that require more specialised handling than can be provided by the branch operations network.

- c. Review and upgrade of Performance Based Management System
 - i. Key Performance Indicators for all staff positions are currently being developed for incorporation into a new performance assessment process that is being developed with the assistance of an HR Consultant. The assessment form for the branch operations has been completed and currently being test piloted. The review of the test pilot is expected within the second quarter of the fiscal 2015.
 - ii. Performance indicators for Head Office staff and those positions that are less target-oriented are currently being developed and will also be test piloted in fiscal 2015.

2. Partnerships

NEDCO has developed collaborative relationships with key organisations and other stakeholders to expand the scope and range of entrepreneurial development services. These include:

- i. **University of the West Indies** – NEDCO office established at the Student Activity Centre at the St Augustine Campus. The unit interfaces with both faculty and students and has positioned itself as a mentor, facilitator and financier to innovative campus MSEs.
- ii. **University of Trinidad and Tobago** – one NEDCO officer serves on the ICT Advisory Council in addition to which NEDCO regularly assists with guest lectures and evaluation of students' Business Plans.
- iii. **Youth Training & Employment Partnership Programme** – Strategic working relationship established since 2005.
- iv. **Trinbago Unified Calypsonians' Organisation** - NEDCO signed a Memorandum of Understanding with the Trinbago Unified Calypsonians' Organisation in July 2013.
- v. **Caribbean Local Economic Development Program** – one NEDCO officer serves on the Trinidad and Tobago National Advisory Committee on Local Economic Development.
- vi. **Caribbean Microfinance Alliance** – one NEDCO officer serves on the Board of Directors of this regional network of 20 Caribbean microfinance practitioners.

3. Reporting

In addition to the formal reporting structure to the line ministry as outlined in the table below, NEDCO has further developed internal reporting relationships at various levels - between the Branch Operations Network and Head Office; between departments at Head Office.

The internal loans management system provides enhanced accountability over NEDCO's loan portfolio. Reports generated by this system provide management at all levels within the organization, including the Board, with focused reports examining loan performance in areas under their direct control.

- Business Relationship Officer's (BRO) Monthly Report
- Centre Coordinator's Monthly Report
- Ageing Portfolio at Risk Report

The system places emphasis on individual BROs at Branches assuming responsibility for their own loan clients from first contact to final installment. BROs will be regularly assessed for performance by reference to two main criteria:

- Loan Production (new and repeat business versus targets)
- Aging Portfolio at Risk

A system of performance reports are being developed which will eventually be incorporated into a new software system. These reports will form the basis of regular (weekly and monthly) review sessions between the BRO and Centre Coordinator or Centre Coordinator and Regional Development Manager. These review sessions will be crucial in identifying:

- weaknesses in performance by the BRO/ Centre Coordinator
- weaknesses in the loan portfolio
- weaknesses in the loan system
- potential business development opportunities in the Branch/Regional catchment areas

This new approach introduces a new standardized credit assessment procedure at branch level thus ensuring a common approach to loan assessment throughout the system.

Best Practice reporting standards for portfolio performance has been adopted as at January 2014. To ensure the maximum benefit from reporting results, branch network and accounting staff have been trained in analysis and assessment of loan portfolio at risk (PAR). Benchmarks and targets have been set for the branch operations and taking into consideration loans issued since January 2010.

International Financial Reporting Standards as advised by the Ministry of Finance will be utilized for all financial reports.

NEDCO has identified the objectives and measurements to monitor progress towards reaching the objectives, the specific targets and the initiatives designed to achieve the objectives. The reporting system allows this flow of information to be clearly articulated throughout the organisation, with appropriate feedback loops. Management closely monitors and examines variance from established procedure and the problem areas within the processes. They then undertake appropriate remedial action on the particular subset of processes.

REPORT	RECEIVING BODY	SUBMISSION PERIOD
Strategic Plan	Investments Division, Ministry of Finance Ministry of Labour and Small and Micro Enterprise Development	Six (6) months prior to the start of period of the plan
Annual Operating Budget	Investment Division, Ministry of Finance Ministry of Labour and Small and Micro Enterprise Development	Six (6) months prior to the start of the new fiscal year
Audited Financial Statements/Annual Report	Investment Division, Ministry of Finance Ministry of Labour and Small and Micro Enterprise Development	Within four (4) months of the financial year end
Annual Performance Appraisal Report	Ministry of Labour and Small and Micro Enterprise Development	Four (4) months after end of financial year
Administrative Report	Ministry of Labour and Small and Micro Enterprise Development	Before March 1st each year

REPORT	RECEIVING BODY	SUBMISSION PERIOD
Board Minutes	Investment Division, Ministry of Finance Ministry of Labour and Small and Micro Enterprise Development	One (1) week following confirmation
Cash Statement of Operations	Investment Division, Ministry of Finance Ministry of Labour and Small and Micro Enterprise Development	Within three (3) weeks after month end
Quarterly Returns Reports	Investment Division, Ministry of Finance	End of first month after Quarter
Status of Loan/ Overdraft and Investments in Securities Portfolios and Litigation Proceedings	Investment Division, Ministry of Finance	End of first month after Quarter
Return of Award of Contracts	Investment Division, Ministry of Finance	14 days after month end
Internal Audit Reports	Investment Division, Ministry of Finance	Quarterly
Investment Policy Document	Investment Division, Ministry of Finance	14 days after end of the Quarter
List of Deliverables by Constituency	Ministry of Labour and Small and Micro Enterprise Development	Annually
Quarterly Report	Ministry of Labour and Small and Micro Enterprise Development	15 days after end of quarter
Monthly Report	Ministry of Labour and Small and Micro Enterprise Development	15 days after end of month
Social Sector Initiative Report	Ministry of Labour and Small and Micro Enterprise Development	As requested
Public Sector Initiative Report	Ministry of Labour and Small and Micro Enterprise Development	As requested
Profile of New Social Sector Initiatives	Ministry of Labour and Small and Micro Enterprise Development	As available

4. Image

NEDCO recognises the need to position the organisation as a lead service provider for MSE development and as a first choice lender and advocate for the sector. The Company's image as a credible micro finance institution was further enhanced through its promotion of entrepreneurial development not by arbitrarily producing as many loans as possible but by managing, protecting and developing a well performing loan portfolio asset through client retention, relationship building, networking, strengthening of organizational culture and adoption of best practice appraisal and performance measurement systems.

In addition to the organisations noted as partners above, NEDCO has also cultivated relationships with the following:

- i. **MIX Market, Washington DC** – NEDCO has established a collaborative relationship with this global organisation and maintains its international profile on the MIX website. NEDCO submits financial reports, statistical data and other performance reports annually.
- ii. **Ecomicro Program** of the Multilateral Investment Fund via the Inter-American Development Bank, Washington D.C. – Liaison Officer.
- iii. **Arthur Lok Jack GSB / Central Bank of Trinidad and Tobago Business Confidence Survey** – completion of quarterly survey on the local and global economy's financial performance; financial outlook; investment outlook; employment outlook, production outlook, local economic outlook and global economic outlook.
- iv. **Network of Rural Women Producers of Trinidad and Tobago (NRWPTT)** – NEDCO officers developed the business plan for the organisation for submission to Ministry of Food Production, to assist the latter with determining financial and other support for the network. NEDCO officer serves as a member of the project team comprising officers of Ministry of Finance, Ministry of Food Production and other stakeholders to assist the organisation in the areas of capacity building, financial management and governance.
- v. **CARISCIENCE** – NEDCO officer served on the local organising committee for the International Science, Technology and Innovation Centre (ISTIC) and CARISCIENCE Technopreneurship Training Workshop for the Caribbean at the Grafton Beach Hotel, Tobago May 5 – 9, 2014. The workshop was jointly organised in

collaboration with CARICOM Science, Technology and Innovation Committee and USAINS.

- vi. **Global Entrepreneurship Week** – NEDCO was a major sponsor of the event and one officer served on the Trinidad and Tobago Advisory Board responsible for planning and organisation of the event.

5. Culture

In retrospect, management has acknowledged that NEDCO's overall effectiveness was compromised due to the different subsystems not being strategically aligned with each other. At the organisation level, the lack of strategic fit impacted negatively on the quality of service. The strategy, structure, human resource system and measurement systems did not create the level of performance necessary for organisational effectiveness.

The company has sought to achieve that level of trust and confidence necessary to create a sufficiently powerful support base to champion and drive the process and bring others on board. The management has become more transparent and opened two way communication channels, the process creating trust and a spirit of camaraderie throughout the organisation. Emphasis has been placed on performance and results with the end goal being clearly articulated by management throughout the organisation to gain acceptance and ownership at all levels.

6. Risk Management

The audit process has already addressed performance gap analysis and the identification of risks and controls. The internal loans management system has implemented the planning, organising and controlling activities to minimise the effects of risk on NEDCO's capital and earnings.

NEDCO has hired a Head of Business and Credit Strategy as at January 2014.

As at January 2014 each NEDCO Branch has a designated officer to review client documents to ensure compliance with policy and procedure.

8.0 FINANCIAL OPERATIONS

For the Fiscal year ended September 2014, NEDCO’s unaudited financial statement record operating costs of TT\$31.49 million, funded mainly by government grants totalling TT\$25.84 (82%) million, with the remainder from loan interest –TT\$4.8 million (15%), investment income and other income – TT\$841k (3%). In accordance with NEDCO’s Finance & Administrative Policies and Procedures Manual, funds not required for use on a current basis may be invested in short-term interest-bearing investments with maturities of less than one year. Surplus funds were invested in the FCB Abercrombie Fund, Unit Trust Corporation and Paria Fund (US account) for a total of \$9.4M.

There is an accumulated deficit of TT\$124.2 million from the past twelve (12) years of operation, which represents the excess of NEDCO’s expenditure over revenue grants received from the GRTT and other income over period. Loans are stated at principal outstanding net of provision for loan loss. Provisions have been applied in reduction of outstanding balances on an annual basis and the figure for fiscal 2014 reflected:

Loans	114,115,262
Less provision	<u>(92,032,206)</u>
Net portfolio	<u>\$22,083,056</u>

The performing portfolio has been effectively identified as 19.3% of gross portfolio. NEDCO has applied a conservative, best practice approach for provisioning for loan loss in 2014. This has resulted in a reduction of 2.3% of the performing portfolio compared to the 2013 figure. These accounts however yielded interest income of \$4.8M for the period under review, a return of 21.7% on the performing portfolio.

Government grants are recognized at their fair value, and NEDCO complies with the conditions attached. Grants relating to operating expenses are deferred and included in non-current liabilities. They are recognized in the Statement of Operations over the period necessary to match them against net expenses they are intended to compensate. Grants relating to the purchase of property, plant and equipment are credited to the Statement of Operations in an amount equal to the period’s depreciation of acquired assets, over their expected useful life.

Loan interest income is recognized on a cash basis. The accrual basis is applied for all other items of income and expenditure. Investments are classified as available for sale and are carried at fair value. Realized and unrealized gains and losses arising from changes in their fair value are included in equity in the period they arise.

In light of the foregoing it has not been possible to calculate profitability ratios – “Return on Total Assets” or similar ratios to measure trends and or determine whether or not NEDCO would be likely to produce higher or lower level profit than in the past. Ratio analysis has been restricted to liquidity ratios and debt management ratios. NEDCO is endeavouring to become more self-sufficient and eventually reduce the dependency on Government grants to meet operating and administrative expenses.

9.0 HUMAN RESOURCE AND ADMINISTRATION

Management of the Company’s human resources for the period under review again focused primarily on the activities of recruitment and staff development.

Recruitment

The Company focused on filling vacant positions by conducting several rounds of interviews. Given the importance of having a strong, well-qualified and strategically positioned leadership, the company also used the services of recruitment agencies to attract the highest quality of candidates for the senior positions. The following positions were filled:

- Training Officer
- Internal Audit Manager
- Centre Coordinators (2) – South & East
- Administrative Assistant
- Human Resource Officer
- Legal Officer
- Marketing & Corporate Communications Manager

Candidates had been identified for the positions of:

- Chief Operations Officer
- Executive Manager Finance & Risk

Staff Training and Development

NEDCO sought and realized many opportunities for staff members to gain more technical experience and expertise to enhance performance, productivity, quality of work and their general capabilities. Staff members attended and benefited from the following training programmes: -

- ICATT Seminar "Avoiding the Fiscal Cliff"
- CARILED – Local Development Workshop – Youth in Entrepreneurship
- ICATT Seminar – Ethics, Professional Responsibility & Morality
- ICATT Seminar - Sustainable IT Governance & Best Practices
- HRMATT Seminar - HSE & HR Making the Safety Link (3)
- HRMATT Seminar – Stress Management, Managing your Boss, Time Management (20)
- ICATT 1 day Seminar – Enterprise Risk Management
- 5 day Caribbean Microfinance Alliance Conference in Jamaica
- Litigation Assessment & Civil Procedure (14)

Compensation & Benefits

Approved revised remuneration package received from the Chief Personnel Officer for the period 2008 to 2011 and 2011 to 2014.

Policies & Procedures

NEDCO completed review and revision of eight (8) HR Policies & Procedures. In the process the company identified the competencies and qualifications for new/revised jobs as per the revised organization structure and the attendant job descriptions were issued to all staff.

Organization Restructuring

Revised organization structure was approved by the Board of Directors and implemented effective 1st January 2014.

10.0 PROCUREMENT OF RESOURCES

Procurement procedures have been established to standardize acquisition methods for goods and services to ensure value for money and transparency for all our procurements. The Procurement Procedure Summary Guide, as amended April 2012, serves to standardize procurement methods for goods and services purchased by NEDCO, and to achieve value for money in all our procurements. Tender procedures have been established to ensure that NEDCO operates on the principles of Value for Money, Transparency and Accountability.

The tender policy covers the acquisition of goods, provision of services and undertaking of works in excess of \$250,000.00. Within the ambits of the tender procedures NEDCO invites Expressions of Interest (EOI) to ensure transparency within the process. A database of prequalified and preferred suppliers has been established for janitorial services; security services and insurance brokerage to service the execution of tenders during the EOI exercise for goods and services above \$250,000.00. Best practice procurement procedures are however employed for figures less than \$250,000.00.

11.0 INDUSTRIAL RELATIONS

Senior and mid-level management have been exposed to training programmes to address changes brought about through existing / new labour legislation. The Company has produced an employee handbook as a policy guide covering employment, wage and salary administration, employee benefits, code of conduct and business ethics, personal administration, performance management, training and development, health and safety, management / worker relations and corporate dress code.

Employee Benefits – this covers the usual vacation leave, sick leave and extended sick leave, time off for urgent personal business, bereavement leave, maternity and paternity leave, study / examination leave and leave for National Service. The process also involved the development of a corporate profile and provision of uniforms and an Executive Medical Programme.

Safety and Health Management System – this necessitated the Development of a Health and Safety Policy and Procedures Manual and implementation of Safety Management System. Management has conducted the necessary audit and tries to promote zero tolerance to incidents /accidents.

Training and Development – implementation of annual training plan, with performance indicators to measure improvements in staff competency levels, as reflected in productivity levels and staff morale.

Recruitment – implementation of psychometric testing and more comprehensive back ground checks, particularly for senior / management positions. The company has implemented a recruitment process with considerable emphasis on academic qualification, experience and trainability.

Orientation – review and enhancement of the system to reduce transition period for new staff and develop clear understanding of corporate culture and operational requirements.

Human Resource Information System – implementation of an automated HRIS with improved real time information.

12.0 INTERNAL AUDIT

The Internal Audit Department is intended to function as an independent appraisal activity within NEDCO, to provide the Executive and the Board with objective assurance and consulting services, in discharging their duties and responsibilities. The Internal Audit mission and scope mandate that the activity shall be guided by a value driven philosophy of partnering with other departmental units to continuously improve the operations of NEDCO.

The focus has become more consultative and supportive with amended services concentrating on Process Documentation and Risk Assessments, in terms of:

- i. Documentation of key processes.
- ii. Walkthroughs of the key processes.
- iii. Identification of risks and controls and performance of gap analysis.
- iv. Development of standard operating procedure templates for departments.

The steps above were performed for each of the key processes as identified below:

- Compliance function (Anti-money laundering policy)
- Loans Portfolio
- Revenue / Income – Government Grants, Loan Interest and other income
- Purchases / Procurement
- Accounts Receivables
- Accounts Payables / Accruals
- Cash in hand (Petty Cash)
- Bank Reconciliation
- Fixed Assets (Acquisitions, Disposal, Depreciation, Recording)
- Budgeting
- Financial Close – Yearly
- Financial Close – Monthly
- Payroll (Recording and Payment process)

Our external auditors have completed the review of the Company's draft financial statements for 2011 and 2012.

13.0 LOAN PORTFOLIO

For the twelve month period ended September 2014, NEDCO produced 240 loans at a value of \$10,987,152.79 with the highest level of production for the quarter April – June 2014 recording 126 accounts valued at \$5,212,870.68. However it is to be noted that during this period there was an undisbursed amount of approximately \$4.5 million representing pending and approved loans that NEDCO was unable to deliver due to funding constraints. These loan applications are being addressed within the new fiscal period 2014/2015.

The loan trial balance recorded 5,611 loans at a value of \$113,708,763.45. NEDCO however recognises that the majority of matured delinquent accounts from the period 2002 – 2009 will be difficult to recover. Best practice approaches have been applied to ensure portfolio quality for loans disbursed since 2010.

Portfolio Quality

- i) In January 2014 the NEDCO post 2010 portfolio showed the following:
 - \$13.3 million or 45% less than 60 days
 - \$16.3 million or 55% over 60 days
 - Total Portfolio \$29.7 million
- ii) As at September 2014 NEDCO post 2010 portfolio shows the following:
 - \$20.1 million or 62% less than 60 days
 - \$12.5 million or 38% over 60 days
 - Total Portfolio \$32.6 million
- iii) These figures represent a portfolio that is not only growing in size but also improving in quality.
- iv) Collection Figures – A detailed analyses of collections figures shows:
 - Average collections figures to be at \$1.2 million for the period
 - Average monthly Due collections \$2.0 million
 - There are approximately \$500,000 in due instalments representing 1 month term repayment. The significance of this is that it misrepresents the collections efficiency if these one off instalments are not collected. These accounts should be rescheduled over a longer loan term. This is now being addressed.

14.0 DEVELOPMENT SUPPORT SERVICES at Entrepreneurial Training Institute and Incubation Centre (ETIIC)

The Entrepreneurial Training Institute and Incubation Centre (ETIIC) was established in 2005 with the purpose of being NEDCO's vehicle for providing support services for MSE development and to facilitate research activities. ETIIC's four (4) centres are strategically located at Barataria, Chaguanas, San Fernando and Tobago. The premises are equipped with training rooms; conference facilities and libraries. ETIIC offers a comprehensive suite of developmental and support services to latent, existing and aspiring entrepreneurs in addition to a range of other stakeholders.

Vision Statement

To be an institute of excellence where ideas are transformed into successful and commercially viable businesses.

Mission Statement

Fostering entrepreneurship on the national & regional landscape and to provide start-ups with the critical professional and business advisory services to crystallise their business ventures.

ETIIC's primary objectives are:

- To be an economic development tool designed to accelerate the growth & success of entrepreneurial businesses through an array of business support resources & services.
- To produce successful firms that transform into financially viable freestanding enterprises.
- To develop a supportive & stimulating environment for the entrepreneur.
- To provide common interlinked business services.
- To be the flagship institution generating entrepreneurial knowledge and informing entrepreneurship policy.
- To produce an entrepreneurial class capable of competing in the global market.

The following report seeks to highlight the activities, initiatives and accomplishments for the fiscal year October 2013 to September 2014.

Training

The development and delivering of SME relevant training programmes is a key function of ETIIC. Programme content is based on assessing and anticipating the needs of entrepreneurs in the local environment and consultants/trainers are sourced from a pool of well qualified and experienced professionals that has been built up over the years.

Apart from our usual hosting of training sessions, programmes were also designed and delivered for a number of external agencies including The Unemployment Relief Programme, The National Energy Skills Centre, Nature Seekers Limited, The Ministry of Food Production and Fire Services Credit Union. We will elaborate on two of these initiatives:

1. **National Energy Skills Centre** – This initiative serves to complement the services provided by NESC. As an organisation, it provides technical and vocational training to persons in various areas such as welding and mechanical repairs. With NEDCO now providing entrepreneurial skills training, the trainees will be better positioned to start their own business upon completion as opposed to searching for employment.
2. **Nature Seekers Limited** – This targeted training programme was developed to provide support to rural women entrepreneurs in Matura. While initiated in FYE14, it will continue in FYE15 and NEDCO will remain a partner to ensure the progress and development of the individuals in the programme and by extension the community.

Overall, a total 952 individuals benefited from the training initiatives of NEDCO in 2013-2014 which included programmes such as Steps to Starting Your Business, Record Keeping & Cash Management, Costing & Pricing and Tendering for Contracts.

Special Training Initiative

NEDCO / UWI Entrepreneurship Boot Camp

July 2014 saw the execution of the third (3rd) Entrepreneurship Boot Camp – a joint initiative between the University of the West Indies and NEDCO. The NEDCO/ETIIC team again provided solid support with respect to preparation and technical guidance with the feedback from the sessions generally being very positive. The programme was expanded to include sessions on “Digital Business”; “Green Technology”; “Idea Generation” and “Innovation”. Boot Camp 2014 provided an immersion programme for the attendees in the various skills and disciplines necessary to increase the likelihood of success for their intended businesses. The presence of dedicated NEDCO officers for the entire five (5) day period carried the added advantage for the participants to:

- Clarify any issues regarding the application of academic / theoretical concepts to actual business practices
- Assistance with the various elements in the preparation of the Business Plan.
- Assistance with the actual application process for NEDCO and IBIS
- Information on related support services for the MSME sector available through Fairshare, i2i and exportTT Research and Development Fund

There were 41 participants registered for the 2014 edition of the Boot Camp, with attendees drawn not only from UWI but also UTT (4); ALJ GSB (1); USC (1); SBCS (1); YTEPP (9); NRWPTT (2) in addition to a few members of the public. Gender participation was almost equal with 20 Females and 21 Males in attendance, with age distribution – 21 to 55 years old.

Successful entrepreneurs were also brought in to speak on their experiences. In addition, the attendees were carried on a field trip to The House of Angostura, Laventille, to observe an actual business in operation. These initiatives were conducted with the view of assisting the participants to prepare a business plan. The persons who prepared the top three (3) plans were presented with prizes of \$50,000, \$30,000 and \$20,000 respectively.

Business Advisory

In addition to training, ETIIC also provides Business Advisory services to the public at no cost. These services are provided by our Programme and Outreach Coordinators and entail general advice on business setup and all areas of business operations. These are delivered mostly in one on one sessions.

The number of persons that benefited from Business Advisory services for the period was 252 comprising of one hundred and eighteen (118) males and one hundred and thirty-four (134) females. Individuals who benefited from this service came from varying parts of the country with some of the main business areas being:

- Events Management
- Retail
- Information Technology
- Catering
- Car Wash
- Retail sales
- Distribution
- Transport Contractor
- Salon
- Whole sale Tools ,Car Parts & Accessories
- Language interpretation & Translation services
- Leather Craft
- Online Radio Station

- Joinery & Cabinetry
- Food preparation
- General Contracting
- Painting & Construction
- Hospitality Training & Consultancy
- Manufacturing and Bottling of Condiments
- General Maintenance
- Animation & Art Studio (Film & Music)
- Garment Construction

Better advised clients will undoubtedly contribute to a more successful business operation and as such ETIIC plays a critical role in ensuring a higher quality of entrepreneurial effort in Trinidad and Tobago.

Outreach

The unit also engages and is engaged by numerous entities, both public and private, to increase entrepreneurial awareness throughout Trinidad and Tobago. These engagements are fulfilled via outreach efforts that include:

- Facilitating information sessions at schools and other educational institutes
- Participation in various conferences
- Partnering with stakeholder groups including Credit Unions, Regional Corporations, Constituency Offices, educational institutes and various Ministries.
- Setting up of information booths in strategic areas

These outreach efforts have been conducted throughout the country in areas including: Barataria, Maraval , Santa Cruz, El Socorro, Arouca, Tacarigua, Tunapuna, St Augustine, Maloney, Arima, San Juan Chaguanas, Couva, Carapichima, Fyzabad, Palo Seco, Marabella, La Romaine, Gasparillo, Siparia, Freeport, , Moruga and Point Fortin.

Initiatives such as these have served to promote the services offered by NEDCO, increase the company's profile and to highlight entrepreneurship as a viable option for the achievement of career and personal goals. The total number of persons impacted by outreach efforts was 5,731.

Library

The Library was able to procure software in the previous fiscal which will allow ETIIC to put its catalogue of material online. This process is ongoing and on completion will serve to make the library more relevant by making its content more accessible, especially to remote areas.

NEDCO continues its initiatives to increase awareness and usage of our library services, with one hundred and twelve (112) persons having utilised the service for the period under review.

Reporting Function

- ETIIC Reports monthly to the Promotions and Development Committee of NEDCO on all its activities.
- Staff Meeting are held monthly and minutes are reported to Head Office.
- On occasions, various reports are requested from the Ministry of Labour and Small and Micro Enterprise Development.

Staffing

Subsequent to the roll out of NEDCO's new structure, all positions were filled except for one Training Officer Position which was filled in the 1st quarter of fiscal 2014-15.

Conclusion

ETIIC, as the development arm of NEDCO continues to play a key role in the entrepreneurial landscape of Trinidad and Tobago. It is the intention of the unit to increase the scope and reach its activities in fiscal year 2014-15 by, among other things:

- Hosting conferences and seminars
- Development and execution of industry specific training courses
- Engaging in dedicated research activity
- Developing strategic relationships with local, regional and international entities

By achieving the above goals, the department will be well positioned to continue fulfilling its mandate and to assist NEDCO in its role as the leader in the MSE sector.

15.0 NATIONAL INTEGRATED BUSINESS INCUBATION SYSTEM (IBIS)

The National Integrated Business Incubator System (IBIS) has been operational since October 2011 and is managed and operated by NEDCO with guidance, support and technical advice from the Enterprise Development Division of the Ministry of Labour and Small and Micro Enterprise Development (MOLSMED). NEDCO's mandate includes the implementation of the sector development plans of the line ministry for MSEs. This will see the promotion of activities for the expansion, growth and modernization of the MSE sector. To this end, IBIS strives to support the development of valuable, pioneering businesses to enable Trinidad and Tobago to effectively leverage its human and natural capital.

IBIS is governed by a Business Advisory Board which comprises eight (8) members including the Permanent Secretary of MOLSMED who chairs the Board. This Board consists of NEDCO representatives, members from MOLSMED, representatives from Ministry of Planning and Sustainable Development, Ministry of Trade, Industry and Investment and Communications, Ministry of the Attorney General and the Trinidad and Tobago Chamber of Industry and Commerce. These individuals were appointed by Cabinet upon the recommendation of the Minister of Labour and Small and Micro Enterprise Development.

IBIS is a comprehensive system that centres on supporting the prospective entrepreneur, as well as those already operating micro and small businesses that are seeking to grow. The aim is to increase the chances of achieving successful outcomes for diverse business areas and to support the necessary strategies to treat effectively with the challenges of entrepreneurship. The programme aims to assist all selected candidates by providing them with the appropriate support, skills and network to create successful businesses. IBIS is driven by its main objective i.e. to enable and inspire the creation of successful sustainable businesses that are (a) novel, entrepreneurial and globally competitive and (b) yield value and produce high quality rewarding employment opportunities. This overarching objective embodies all of the elements of IBIS – its phases, the learning processes, the applied techniques, and the overall framework.

This will be achieved within an all-embracing holistic system that includes:

- A formal Candidate Selection process during which there is an assessment of the candidates' entrepreneurial capacity.
- An Orientation Session for IBIS candidates. This enables the expectations of all stakeholders to be expressed, as well as a comprehensive understanding of the various elements of the IBIS programme. This serves as a precursor to the commencement of the Pre-Incubator programme.
- An Entrepreneurial Training component – the first component of Pre-Incubator Training - where candidates develop their entrepreneurial mind-set and associated attitudes, develop their own vision for the future in an immersion learning process that equips them with 'big picture' thinking skills and a better idea of how sectors, consumers, business models, and market places are evolving.
- A Skills Development component – the second part of Pre-Incubation Training - in association with private sector partners
- A Business Investment Proposal development component, where candidates are required to develop their business proposals, and present them in writing as well as in a 15-minute verbal presentation to an evaluation panel
- A Business Incubation component. This is the core of the incubation programme in which clients are offered financing, business space, mentoring along with operational and networking support.
- A Post-Incubation long-term monitoring and support component. Clients are monitored and remain part of the IBIS network to their benefit and the benefit of other entrants.

IBIS enables the creation of a 'one-stop-shop' for entrepreneurs, offering a synergistic relationship with relevant stakeholders including financiers, business support services and mentors. It is designed to generate an empowering environment for successful entrepreneurship. As quoted in **The National Integrated Business Incubator System's 1st Annual Report 2012:**

"The success of IBIS will depend in upon its ability to access suitable candidates who possess an "entrepreneurial attitude", develop an investment plan that is realistic and then successfully operationalize that plan into a business that creates value."

A key objective of this project is to develop the best outcomes for both the programme participants and the nation within a future-focused context and by engaging a wide range of stakeholder groups (public, private and NGO) in an aligned and mutually beneficial way. The end goal is to achieve economic diversification based upon a thriving entrepreneurship sector. This provides a basis for citizens to better achieve their aspirations, and towards improving the quality of life and status of the citizens of Trinidad & Tobago.

A total of nine million, six hundred and ninety eight thousand, nine hundred and seventy three dollars (\$9,698,973.00) was spent on IBIS during fiscal 2014.

CLIENT SELECTION PROCESS

Client Selection Diagnostic Tool

The programme developed a thorough diagnostic tool for Pre-Incubation. The primary goal was to strengthen the Client Selection process of the IBIS programme. This will allow the streamlining of prospective clients into two specific arenas: 1. Remedial training, and 2. Continuation to Pre-Incubator training. The programme also sought to ascertain whether or not the client is in need of fast-tracking into the Incubator phase or qualifies for exemption from specific modules. Two documents were drafted for review in this period by the programme's service providers, namely:

- Pre-Incubator diagnostic tool
- Fast tracking assessment instrument

The Service providers involved in this process are the University of the West Indies and COSTAATT.

Diversion Process

Developed in August 2013, the diversion process is necessary to ensure only suitable candidates progress within the programme and aims to treat with a number of scenarios within the programme. Upon completion of Pre- Incubation training, a total of seven (7) applicants were unsuccessful, nine (9) clients exited the programme and one hundred and forty eight (148) applicants were diverted at earlier stages, a total of 164 persons. These individuals have not been overlooked, but rather have been ushered into other national programmes more suited to their abilities and objectives.

PRE-INCUBATION

Application status

As at September 2014, there have been a cumulative total of four hundred and thirteen (413) IBIS applications from persons interested in entering the programme. This number continues to increase weekly.

Completion of Pre-Incubation Training

A total of seventy seven (77) Pre-Incubation candidates from Diego Martin/Carenage, Couva and Chaguanas were accepted into the programme. Pre-Incubation Training for Couva, Chaguanas and Diego Martin cohorts commenced in October 2013 and concluded in June 2014. The Business Investment Proposals (BIPs) were presented to an evaluation panel in July, 2014. The BIP panels consisted of external judges, experienced in assessing business plans, entrepreneurs, a NEDCO Manager and a representative from the IBIS Management Team. Forty-nine (49) completed full pre-incubation training, while 38 (78%) were accepted into the Incubation phase: fourteen (14) Diego Martin, sixteen (16) from Chaguanas and eight (8) from Couva. There are an additional five (5) clients from the Couva and Diego Martin cohorts classified as Active Pre- Incubation Clients; they are preparing to present their proposals to be considered for funding.

Additional presentations were scheduled for December 2014 to accommodate persons who were unable to present in July. This would also benefit clients who were unsuccessful at the BIP stage as well as clients who were successful and opted to change their business idea.

To ensure transparency in its execution, Monitoring and Evaluation personnel from the Ministry of Labour and Small and Micro Enterprise Development were engaged to oversee the entire process.

INCUBATION

Site Acquisition

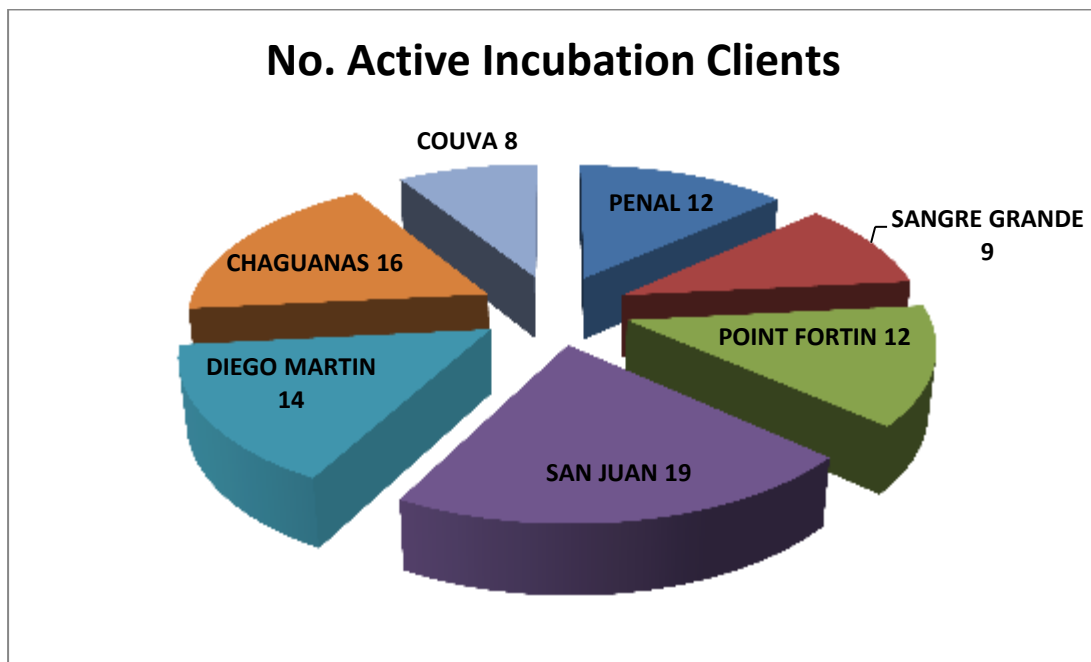
The Laventille/ San Juan/ Barataria site was secured in March 2014 and is housed at The Atrium on Don Miguel Extension Road, San Juan. This site includes three (3) floors of commercial space and is designed to house an incubator as well as administrative centre for the entire programme. The site was outfitted and became operational shortly after acquisition.

Site Operations

Three (3) sites are outfitted and operational. These are Penal, Sangre Grande and Laventille/San Juan/ Barataria. Upgrade works are in progress for Diego Martin with additional works planned for Point Fortin and Sangre Grande. A suitable location for the Chaguanas cohort is being sought with the possibility of housing the Couva cohort at the same site, once possible.

Client Management

For the period under review, there were ninety (90) active clients operating across all the targeted communities, both on site and off site. These clients operate a wide range of businesses spread throughout Trinidad and Tobago, ranging from software development to light manufacturing. Active clients include those businesses operating both within the incubators and offsite at another location but accessing the services offered by the programme, including mentorship, access to financial and human resources and information and communication technologies (ICTs.)



INCUBATOR	PENAL	SANGRE GRANDE	POINT FORTIN	SAN JUAN	DIEGO MARTIN	CHAGUANAS	COUVA	TOTAL
No. Active Incubation Clients	12	9	12	19	14	16	8	90

Agreements

Various agreements are used to identify the services offered by IBIS to clients as well as outline the responsibilities of clients. These agreements must be signed by both parties to formalise the relationship and gain access to the resources provided by IBIS.

Over the period, there were forty three (43) Seed Capital Financing Agreements and forty two (42) Equipment Financing Agreements signed, and a commitment for funding totalling \$4,363,270.00 in approved seed and equipment financing.

Incubator Managers are assigned to each site and are responsible for providing guidance and oversight to the clients assigned to them. Clients have the option of operating offsite or within one of the incubators. To access the services provided by IBIS, these clients have executed Incubation Services Agreements. To operate within an incubator, the Incubator Residency Agreement is a prerequisite.

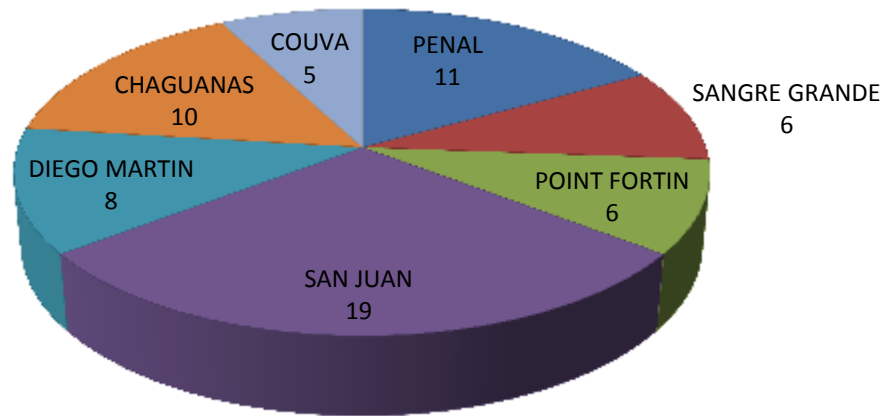
ICT Equipment

In addition to the business support services available at the various incubator sites, clients are given the option of accessing a laptop for use while participating in the IBIS programme. In today's fast paced business environment, this service allows even budding business to operate at an optimal level with reference to connectivity and data management. A total of forty two (42) laptops have been distributed to clients and are maintained periodically to ensure the lifespan of the equipment is maximised.

Active Businesses

The full potential of the IBIS programme is mainly achieved when it produces businesses that are able to generate consistent revenue, thus providing an income stream for the owners of the businesses. To date, sixty five (65) active businesses within the programme are generating revenue through the provision of various goods and services.

No. Active Businesses (Generating Sales)



General Meetings - Client-IBIS Management.

General Meetings continue to be a monthly feature across all incubators. These meetings are designed to improve the communication between IBIS Management and the clients as well as create an environment for clients to interact with their peers – which also assists with the formation of networks. Clients are encouraged to state any issue that may be affecting the effective operation of their business as well as identify areas in which they may require additional training. This creates an opportunity for the provision of additional training to ensure clients are able to successfully manage their business. This training varies by incubator and covers a wide range of topics including tax compliance, banking requirements and basic contract preparation. These sessions are led by Incubator Managers and facilitated by subject matter experts. Across all sites, these meetings were conducted at least once per quarter.

INCUBATOR STAKEHOLDER RELATIONSHIPS

Strategic stakeholder relationships were maintained with a number of agencies, internationally, regionally and locally, to ensure IBIS clients are provided with access to the best networks to contribute to their success.

In May 2014, NEDCO's Chairman – Dr Natasha Ramkissoon presented at the National Business Incubation Association's (NBIA) 28th International Conference on Business Incubation held in New Orleans, United States of America. She presented on the topic "Selecting the Right Clients for Your Incubator" which highlighted the Client Selection process employed by IBIS to conference participants from all over the world. This high level interaction has paved the way for collaboration between IBIS and its international counterparts.

Regionally, relationships forged from the World Bank's Info Dev Training in 2013 with incubator professionals from Barbados, Jamaica, St. Vincent and the Grenadines and St. Lucia have been maintained and strengthened through mutually beneficial dialogue.

Locally, relationships have been maintained with all key players on the MSE landscape. These include government ministries, state agencies, Trinidad and Tobago Chamber of Commerce, regional chambers, other incubators (BizBooster, CED, UTT), lending institutions (YBTT, Banks, Credit Unions) and NGOs.

The programme has also collaborated with the "Start-up Weekend" programme. This is a global initiative designed to inspire/promote entrepreneurship among individuals, teams and communities. Start-up weekend was held in Trinidad at the Atrium Incubator facility in June 2014.

MENTORSHIP

The IBIS Mentorship programme aims to provide support to all clients attached to the programme by giving them access to experts in their various areas of commerce to guide decision making and improve the chances of positive outcomes. The programme comprises of fourteen (14) highly qualified and experienced mentors with diverse backgrounds ranging from accounting to human resources management. The impact of these mentorship relationships has been positive as clients experienced tangible outcomes; they included; streamlining of their business plans, with specific emphasis on financial projections, enhanced marketing of their products/services coupled with an understanding of marketing distribution channels. For the period under review, one hundred and forty two (142) structured mentorship sessions were held.

COMMERCIAL INCUBATORS

In September 2014, Cabinet agreed to, inter alia, the investment of the sum of \$7.5 million over five (5) years and \$4million over four (4) years in the Arthur Lok Jack Graduate School of Business' (GSB) BizBooster and Caribbean Industrial Research Institute's (CARIRI) Centre for Enterprise Development, respectively, to support the implementation of the commercial business incubators of the Arthur Lok Jack GSB and CARIRI.

**MEMBERSHIP OF THE BOARD OF THE NATIONAL ENTREPRENEURSHIP DEVELOPMENT COMPANY
LIMITED (NEDCO) WITH EFFECT FROM JUNE 28 2013 TO JUNE 27, 2016
BY RESOLUTION DATED JUNE 28, 2013
IN ACCORDANCE WITH THE COMPANIES ACT CHAPTER 81:01 SUB-SECTION 132 (1)**

Name	Occupation	Telephone/Email Contact	Position	Appointment Date	Term of Office
Dr Natasha Ramkissoon	Lecturer Entrepreneurial Studies, University of the West Indies	(C) - 789-6918 Email: natasha.ramkissoon@gmail.com	Chairman (3) Years	Re-appointed by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Mr Calvin Bijou	Managing Director EM ² – Engage My Mind Ltd	(C) - 684-1720 Email: calvin.bijou@gmail.com	Deputy Chairman (3) Years	Appointment by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Dr Camille Samuel	Vice President, Student Affairs - COSTAATT	(C) - 478-1527 Email: camsam2k@yahoo.com	Director (3) Years	Re-appointed by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Mr Ramesh Lalla	Managing Director, Target Market Advertising Limited	(C) - 758-4522 Email: ramadama@hotmail.com or targetmarketadv@gmail.com	Director (3) Years	Re-appointed by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Mr Allister Khan	Attorney at Law, Invictus Law Chambers 35 Richmond Street Port of Spain	(C) - 708-7051 Email: khanallister@gmail.com	Director (3) Years	Re-appointed by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Mr Willvan Ramlakhan	Retired Public Servant	(C) - 483-1422	Director (3) Years	Re-appointed by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016

Name	Occupation	Telephone/Email Contact	Position	Appointment Date	Term of Office
Mr Suneesh Singh	Attorney at Law, Allum Chambers, 3 Shine Street, POS - 9 Guanaco Street, Arima - 17 Cumberbatch Street, Chaguanas	(C) - 799-3722 Email: suneesh.singh@gmail.com	Director (3) Years	Re-appointed by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Ms Sheryl-Anne Haynes	PS (Ag) - Ministry of Land and Marine Resources cor Hassanali Street and El Socorro Road, San Juan	(C) - 684-7628 Email: Sheryl-AnneH@gov.tt	Director (3) Years	Appointment by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Ms Simone Lampkin	Manager Investment Centre Trinidad & Tobago UTC	(C) - 687-5686 Email: slampkina@yahoo.com	Director (3) Years	Appointment by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Ms Glenda Joseph-Dennis	Business Development Consultant	(C) - 727-1760 Email: glendajo2911@gmail.com	Director (3) Years	Appointment by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Mr Vijay Parabdeen	Director of Client Services Aegis Business Solutions Ltd, 18, Scott Bushe Street, Port of Spain	(C) - 718-4379 Email: vijay_parabdeen@hotmail.com vijay.parabdeen@aegistt.com	Director (3) Years	Appointment by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016
Mr Christopher Lewis	CEO – exporTT Ltd 151B Charlotte Street Port of Spain	(C) - 462-5152 Email: ttchris.lewis@gmail.com	Director (3) Years	Appointment by letter dated June 28, 2013 from the PS, Ministry of Finance.	June 28, 2013 – June 27, 2016



Staff Fun at the Fun & Family Day, July 2014.



Dr. Natasha Ramkissoon - Chairman of NEDCO, Honourable Errol McLeod - Minister of Labour Small & Micro Enterprise Development, Ms. Cecelia Greaves-Smith – Permanent Secretary at Minister of Labour Small & Micro Enterprise Development and Mr. Julian Henry - Chief Executive Officer of NEDCO at the CEO's Welcome Reception, September 2014.



Staff being addressed by Mr. Julian Henry – CEO at Staff Forum, September 2014.