



ECFH Financially Speaking

East Caribbean Financial Holding Company Limited

As we come to the end of the observance of Global Entrepreneurship Week, we feature a term that has played a key role in the lives of many Saint Lucians. This week's term - **Small & Medium-Sized Enterprises (SMEs)**.

An **SME** is as the name suggests a small or medium sized business venture normally undertaken by an individual to earn a living. In Saint Lucia, a Micro business is defined as one that has no more than five staff, an asset base of no more than \$75,000.00 and total annual sales of no more than \$100,000.00. A Small business is defined one that employs fifty persons or less, has an asset base of \$500,000.00 and total annual sales of no more than \$1,000,000.00 In Saint Lucia, for example, **SMEs** account for over 80% of all business on island. It is often said that they are responsible for driving innovation and competition in many economic sectors.

What does this mean for you?

SMEs are a major source of employment and job creation for many Saint Lucians. They play a major role in promoting social and economic stability while reducing poverty. The main **SME** sectors are retail, construction, service, hospitality tourism and agriculture. On a daily basis, we encounter and purchase items from people who are part of the SME sector, from street vendors to tailors, pre-school operators and even business consultants. If you are thinking of starting a small business and do not know where to start, there are a number of agencies where you can get valuable information. The Small Enterprise Development Unit (SEDU) in the Ministry of Commerce can provide assistance. Some Financial Institutions like the Bank of Saint Lucia also have special units set up to provide financial as well as technical assistance to persons who are thinking of opening a micro or small business. For more information on SMEs, call Bank of Saint Lucia's SME Unit at 457-7128.