Local green enterprises: A pathway to an inclusive, green and resilient economy in Trinidad and Tobago

March 2019
Acknowledgements

This study was prepared by Akosua Dardaine Edwards, Keisha Sandy and Nicole Leotaud. It draws primarily on interviews with key persons in economic development and economic transformation in Trinidad and Tobago, desk reviews and information collected during the launch of the Trinidad and Tobago Micro and Small Enterprise Action Learning Group (TT SME ALG) in February 2017. #GE4U aims to create a movement for transformation to economies that are sustainable and inclusive in the Caribbean. The authors wish to thank all those who participated in the study including Alan Cooper, Keron Niles, Elaine Francois-Phillips, CindyAnn Currency, and Adrian Thomas.

This study was produced under the project #GE4U: Transformation towards an inclusive green economy in the Caribbean that is being funded by the European Union (DCI-ENV/2016/372-847).

Citation: Dardaine Edwards, A., K. Sandy & N. Leotaud, 2019. Opportunities for local green enterprises in Trinidad and Tobago. Port of Spain: CANARI.
# Table of contents

Acknowledgements ................................................................................................................................. i

Table of contents ..................................................................................................................................... ii

Acronyms ................................................................................................................................................ iii

1. Background and introduction .................................................................................................................. 1
2. Overview of the context ........................................................................................................................... 2
   2.1 What is the state of the economy? ...................................................................................................... 2
   2.2 What is the national policy context for green economy? ................................................................. 3
   2.3 What are LGEs in the SME sector? .................................................................................................... 4
3. Is there is a supportive policy and decision-making framework? ......................................................... 5
4. Are key actors engaging? .......................................................................................................................... 6
5. Is there financing support? ...................................................................................................................... 7
6. Is nature being valued? ............................................................................................................................ 8
7. Do the poor and vulnerable have economic opportunities? ............................................................... 9
8. Which economic sectors are greening? .................................................................................................. 10
9. What about resilience? ........................................................................................................................... 11
10. Conclusion ........................................................................................................................................... 11
11. References ......................................................................................................................................... 13
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANARI</td>
<td>Caribbean Natural Resources Institute</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil society organisation</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GORTT</td>
<td>Government of the Republic of Trinidad and Tobago</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>LGE</td>
<td>Local green enterprise</td>
</tr>
<tr>
<td>SDGs</td>
<td>Sustainable Development Goals</td>
</tr>
<tr>
<td>SME</td>
<td>Small and micro enterprise</td>
</tr>
</tbody>
</table>
1. Background and introduction

In the Caribbean context, a green economy “is one that aims for long-term prosperity, rather than solely for growth, through equitable distribution of economic benefits and effective management of ecological resources. It is economically viable and resilient to both external and internal shocks; self-directed and not driven by external agendas or funding opportunities, and self-reliant by being based predominantly on domestic production and investment. A Caribbean Green Economy is pro-poor and generates decent jobs and working conditions that offer opportunities for self-advancement for local people” (CANARI, 2012).

This report provides a snapshot of the state of the Trinidad and Tobago’s economy and lays out the potential benefit of embracing small and micro enterprises (SMEs), particularly local green enterprises (LGEs), as a vehicle for driving a transition to more environmentally sustainable, inclusive and resilient economic development. The study comes at a time when the country is facing continued economic depression with associated social upheaval. Trinidad and Tobago’s economy has been led by oil and gas for over seventy-five years, thus being exposed to a boom and bust cycle dependent on the prices of these commodities which are usually set by external market forces. The over-dependence on this sector made the country very vulnerable to global markets and set the stage for economic collapse. At the same time, Trinidad and Tobago hosted the birth of the Santa Cruz Declaration on Local Green Enterprises1. This is a call to action from manufacturers, producers, business owners, entrepreneurs, innovators, and local communities in recognition of the vital importance of smaller businesses to addressing global challenges.

In a policy brief published in 2014, CANARI found that SMEs2 in the Caribbean can be a pathway to economic development that is environmentally sustainable (green), inclusive and resilient. Their “innovativeness and resilience to changing conditions, importance to poor and vulnerable groups, roots in local communities and stewardship of resources make them potential engines for the transition to more environmentally sustainable and socially equitable economies” (CANARI, 2014).

A Working Paper (draft August 2017) by the Poverty Environment Partnership notes that “A significant body of research and practical experience demonstrates the transformative potential of LGEs to generate a mix of economic, social and environmental benefits, and deliver the integrated solutions needed to meet today’s rural development challenges and accelerate the transition to inclusive and resilient rural green economies.3” As global interest in this niche expands, there is a need to explore its potential in the Caribbean small island context, where formal and informal community LGEs in the agriculture, fisheries and tourism sectors are particularly critical for rural and coastal communities.

The approach to this paper was guided by the Green Economy Coalition’s five themes against which they assess the current state of the transition to an inclusive green economy:
1. Measuring and governing
2. Reforming financial systems

---

1 https://sites.google.com/view/santa-cruz-declaration/home
2 A working definition is used by CANARI where micro enterprises in the Caribbean context are defined as having five or less employees while small enterprises have six to twenty-five employees.
3. Greening economic sectors  
4. Tackling inequality  
5. Valuing nature  

The paper reflects on the extent LGEs can be used for real economic transformation in Trinidad and Tobago, given its dependence on oil and gas. It looks at some of the factors that will indicate that economic transformation is or is not occurring and presents recommendations on opportunities moving forward.

2. Overview of the context

2.1 What is the state of the economy?

Trinidad and Tobago is a twin-island Caribbean nation with a population of just over 1.2 million. The economy’s mainstay is oil and natural gas and the country is the leading Caribbean producer of oil and gas, with exports of these and petrochemicals accounting for 85% of total export earnings, 40% of government revenue and over 35% of Gross Domestic Product (GDP) (GORTT, 2017). Some light manufacturing is now making headway into the economy’s landscape, and Trinidad and Tobago also supplies manufactured goods (notably food and beverages as well as cement) to the Caribbean region. Oil and gas account for about 40% of GDP and 80% of exports, but only 5% of employment. Services make up most of the labour force. These industries are the engines of the country’s economy. It is without question that, at this moment and for the foreseeable future, Trinidad and Tobago is over dependent on a “brown economy”.

Having enjoyed several years of prosperity and high oil prices, Trinidad and Tobago entered a recession in 2011, fuelled by declining oil prices. This overdependence on oil and natural gas revenues was compounded by declining foreign exchange and a very high public-sector expenditure and debt. Trinidad and Tobago’s current growth rate is -2.3% and the recession is expected to continue in coming years.

To address the challenge of lower energy revenues, the Government took several measures and notably increased the Value Added Tax (VAT) base, decreased fossil fuel subsidies and decreased the number of ministries (to decrease the cost of the public service). The recession also spurred the Government’s new thrust to diversify the economy. In the 2017 reading of the Appropriations (Financial Year 2018) Bill, the Government announced the introduction of a Business Development Incentive Programme that provides seed capital to small enterprises (Ministry of Finance, 2017). This in addition to other incentives, such as the existing National Integrated Business Incubation System (IBIS), signals the Government’s intention to support the development of SMEs and their potential for real economic transformation that is sustainable and inclusive.

Despite this, Trinidad and Tobago’s record in advancing economic freedom and enhancing its entrepreneurial climate has been mixed in recent years. Overdependence on oil and gas continues to hold back private sector development, although there has been some progress in diversification of the economic base, as in the financial sector. Non-oil productivity and job growth have been hurt by an inefficient and non-transparent investment regulatory framework.

It is without question that there must be a shift away from the heavy lean on the revenue from energy and energy sources, this view validated as well by the International Monetary Fund (IMF) mission that visited the country in 2016. They called for more investment and diversification away from the energy sector. The

The economy is highly sensitive to global fuel prices which it has absolutely no control over and can change quickly giving the country very little time to adjust and adapt. According to the IMF, Trinidad and Tobago has substantial strengths, including low energy prices available to the general population and a well-educated workforce. However, the regulatory system lacks transparency and clarity, and regulations are enforced inconsistently, injecting uncertainty into entrepreneurial decision-making and holding back lasting economic development. The relatively flexible labour market facilitates the matching of jobs with available workers. Fuel subsidies have dropped because of lower global oil prices, and the Government has announced its intention to phase them out completely.

The economic situation is dire and the need for transformation critical.

2.2 What is the national policy context for green economy?

There is no overarching green economy policy in Trinidad and Tobago and the term is not widely known or used. There is some evidence however, of silos of action on the triple bottom line – environmental sustainability, social inclusiveness and economic benefits – at the national policy level.

The Vision 2030: National Development Strategy (2016-2030) (GORTT, 2017), which was approved by Cabinet in 2018, does aim to reduce inequality, unemployment and poverty, while simultaneously transitioning to a just society and a low-carbon and climate-resilient. There is some alignment with the United Nations Sustainable Development Goals. Theme V is called Placing the Environment at the Centre of Social and Economic Development and noted that “[economic] activity is driven by environmental exploitation and the environment must, therefore, be placed at the heart of this country’s development focus”. The policy also talks about eradicating poverty as its top long-term goal and identifies one of the five necessary transformations as “Engender(ing) greater care for the environment” (p. 2). It identifies one of the areas to be addressed in re-thinking macro-economic fiscal policy as “Investing in strategic infrastructure – that is, infrastructure that is growth enhancing and crucial to stimulating economic activity, to be funded through innovation avenues such as a green infrastructure fund” (p. 2).

The revised National Environmental Policy (NEP) (2018)\(^5\), which was laid in Parliament on November 2, 2018, aims to improve environmental quality while ensuring continued wellbeing and development of Trinidad and Tobago. The NEP outlines six priorities through national consultations which are critical to achieving environmental sustainability and which are also aligned to the SDGs. Priority 4: Evolving a Green Economy outlines policy actions to support economic transformation through greening existing and new economic activities including generating green jobs in Trinidad and Tobago (p. 30). The harmonisation of the National Green Fund, which is the country’s national environment fund, with the revised NEP by 2020 is noted to be a key policy action to catalyse the growth of a greener economy.

Vision 2030 and the revised NEP, although new, are still being very slowly implemented. The intention is that implementation will be via development of sectoral plans by line agencies. This may therefore create some opportunities to promote inclusive green economy approaches.

It is significant to note that the Economic Development Advisory Board (EADB) worked on exploring priority sectors for a green economy and the studies produced may provide useful guidance on implementation in sectors. The priority sectors it targeted are: agriculture, energy, tourism, manufacturing (food and beverage), construction, waste management, transport, and water resources. However, the EADB’s work was put on hold as the relevant authorities look to restructure their operations. It is hoped that within the restructuring the

---

\(^5\) [https://www.ema.co.tt/~emacott/images/Files/policies/Nep2018V01Ema20181102.pdf](https://www.ema.co.tt/~emacott/images/Files/policies/Nep2018V01Ema20181102.pdf)
emphasis on the priority sectors remain, as well as the addition of innovative methods and policies to promote a green economy.

Overall, while the country’s strategies and plans provide some opportunities to drive the transition to a low-carbon, climate-resilient economy and a just society, significant challenges persist.

2.3 What are LGEs in the SME sector?

SMEs present opportunities for economic development in Trinidad and Tobago. They promote innovation, create employment and economic opportunities and contribute to economic growth and development. A recent estimate found that SMEs accounted for more than 70,000 jobs and approximately 25% of the national output of Trinidad and Tobago (Jezic von Gesseneck, et al., 2014). These estimates do not include those SMEs in the informal sector. It is widely believed that informal SMEs employ a large percentage of the workforce and particularly the poor and other vulnerable groups, for example craft-makers, vendors and domestic workers (CANARI, 2014). The contribution of the sector to economic development, particularly inclusive development, is therefore extremely significant.

LGEs which are based on the use of ecosystem goods and services are particularly important in rural communities in the Caribbean, including Trinidad and Tobago, and seek to sustainably use natural resources to deliver economic, social and environmental benefits to the communities in which they are found. They are community-owned and socially conscious and strive to be socially inclusive and deliver benefits to the wider community. As an example, the Brasso Seco Paria Tourism Action Committee established a fund from the profits of its enterprise to help persons in the community who may need food, money for medical bills, etc.

LGEs can also be considered as social enterprises⁶. Many community-based organisations, which may be non-profits or associations, operate revenue-generating activities. Longstanding and award-winning community organisations such as Nature Seekers Inc., Fondes Amandes Community Reforestation Project and Grande Riviere Nature Tour Guides Association focus on enhancing community livelihoods and empowerment alongside environmental conservation. Private sector for-profit enterprises based on the sustainable use of natural resources or delivering environmental benefits are beginning to identify themselves as social enterprises to indicate that there is a conscious decision to maximise the social impact of the enterprise on other stakeholders. Examples

---

⁶ Social enterprise is a term used to describe the purpose of a business not its legal form. It is defined as “a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners”. Social enterprises can be not for profit or for profit companies. (A Guide to Legal Forms for Social Enterprise. Department for Business Innovation Skills. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/31677/11-1400-guide-legal-forms-for-social-enterprise.pdf)
include the Brasso Seco Paria Tourism Action Committee (Franscois-Phillips, 2017), RenewTT (Thomas, 2017) and Vetiver TT.7

A SME sub-sector explicitly aimed at delivering social and environmental co-benefits is emerging in Trinidad and Tobago.

3. Is there a supportive policy and decision-making framework?

Trinidad and Tobago’s economic decision-making still places great importance on GDP and traditional macroeconomic indicators (such as employment), which ignore or undervalue nature and social metrics. Within this approach to measuring economic progress, it is difficult to consider the actual and potential contribution of SMEs, and particularly informal SMEs and LGEs, as part of a more holistic approach to spreading economic benefits alongside enhancing resilience and protecting or enhancing natural assets. Interestingly, the assessment in the Vision 2030: National Development Strategy (2016-2030) noted a de-linking between the macroeconomic indicators and concomitant results improvements in socio-economic indicators. For example, the report notes that “In fact, during the period of rapid economic growth (2004-2008), spending on social protection doubled. However, the high levels of expenditure were not translated in significantly improved socio-economic indicators.”

The major challenges facing measuring Trinidad and Tobago using green metrics relate to the limited availability of data, financing and few precedents set by other developed and developing nations in using these methods. The obsession with the availability and use of foreign reserves also plays a part in the continued use of traditional measurement methods.

In terms of the current policy framework, despite aligning the National Development Goals with the SDGs in the Vision 2030, government agencies are still struggling to align their policies, plans and work programmes with the SDGs. The sectoral approach to implementation also seems counter to the integrated nature of the SDGs which require a cross-sectoral approach. In parallel, civil society organisations (CSOs) are seeking their role as key development actors and making great efforts to align their work across the SDGs through efforts like the CSOs for Good Governance project8. It is uncertain whether the SDGs are being integrated into big business or SMEs. The SDGs are certainly not mainstreamed into the national consciousness and social dialogue.

In terms of specific policies enabling the SME sector, including LGEs, to contribute to an inclusive and resilient green economy, the Government has developed a 2014 Draft Enterprise Development Policy (2014-2016) and a 2013 Draft Trinidad and Tobago Green Enterprise Development Policy for Micro and Small Enterprises and Cooperatives 2013 to 2016. The latter policy purported to support “Community-based enterprises involved in management of ecosystems and resource conservation, including waste management” (GORTT, 2013). There are no other policies that are supporting LGEs in Trinidad and Tobago. Neither policy has yet been approved by Cabinet. The green enterprise policy recognised the importance of the tenets of green economy and was an effort to provide structure and coordination to the green enterprise sector. It also proposed avenues for financing those green enterprises.

7 Vetiver TT says it “is a holistic company which offers environmental, land and conservation services primarily based on The Vetiver System” (www.vetiver.org). RenewTT is a small consultant firm that installs solar energy systems throughout the Caribbean.

8 http://www.canari.org/csos4goodgov
Social enterprises are unique as having revenue generation alongside social and/or environmental objectives. Currently in Trinidad and Tobago, the legal, fiscal and funding framework does not provide for these types of new and innovative actors in development. Organisations must register as for-profit organisations under the Companies Act where there are no incentives recognising their social and environmental contribution. For example, they will be liable to pay Green Fund tax and not eligible to apply to the Green Fund for support for their work.

Given the intertwined social, environmental and economic challenges facing Trinidad and Tobago, there may be a growing appetite for considering new approaches to measuring development progress that can better guide decision-making that delivers economic, social and environmental benefits.

There is an opportunity to promote the SDGs as a framework to think about a holistic integrated approach to development that leaves no one behind.

The Government has taken important strides with development of draft policies and adoption of these policies could provide valuable clarity of vision and powerful impetus to strengthen the support to SMEs, including LGEs.

Addressing the specific legal, fiscal and funding needs of social enterprises will be key.

4. Are key actors engaging?

There are very progressive, though nascent, movements in civil society and the private sector for transformation of development approaches emphasising issues of social inclusivity, environmental sustainability and good governance.

There are numerous examples of action by civil society. Under the #GE4U project⁹, CANARI seeks to build a social movement supporting LGEs as pathways to an inclusive and resilient green economy. The Women’s Institute for Alternative Development (WINAD), the Institute of Development and Gender Studies in the University of the West Indies and others have been promoting participatory and gender sensitive budgeting. Fishermen and Friends of the Sea are successfully undertaking legal challenges to physical developments that damage the environment. Social enterprises are emerging and niche markets supporting these, like the Green Market Santa Cruz and Upmarket are thriving. Youth are coalescing around movements like the New Fire Festival which promote a new word view and way of living. Community enterprises are forming collectives like Destination Chocolate Trinidad and Tobago and branding themselves as delivering eco-friendly and socially responsible products. The Incoming Tour Operators Association are vocal advocates for nature conservation as essential for tourism businesses. A coalition of CSOs have been working towards reform of the legal, fiscal and funding framework to better support the non-profit sector¹⁰ and within this there is need for recognition of the unique niche of social enterprises.

New partnerships are also emerging. The Turtle Village Trust is a non-profit organisation founded as a partnership between private companies and local community organisations towards achieving joint turtle conservation and community development. Under the #GE4U project, CANARI has convened a unique grouping of LGEs and support agencies as the Trinidad and Tobago Small and Micro Enterprise Action Learning Group

⁹ www.canari.org/ge4u
¹⁰ Current work is being supported by the European Union under the CSOs4GoodGov project – see csosforgoodgov.org.
who are collectively working towards enhancing understanding and support for LGEs in Trinidad and Tobago. The Green Market Santa Cruz and others (including private sector associations) are catalysing discussions around a new relationship between civil society and the private sector for greater impact on development.

**Spaces are opening up and aligned movements are building, despite the lack of coordinated leadership.**

5. **Is there financing support?**

The transition to a green economy will require substantial financial investment. Although there are systems in place for the financing of SMEs, mainly through the public sector, there are currently limited efforts by the country’s financial sector to a greener economy. Opportunities for Government and private sector financing formal (legally registered) SMEs and LGEs exist and are growing in Trinidad and Tobago. The Government has introduced the Business Development Incentive Programme that provides seed capital to small enterprises in 2017. This adds to existing funds such as National Integrated Business Incubation System (IBIS) that itself provides seed capital and act as incubators for enterprises and longstanding government agencies such as the National Entrepreneurship Development Company Limited (NEDCO) which provide loan services for SMEs (NEDCO, 2017). These funds are also now quite limited given the public sector’s dependence on oil and gas revenues, which have been falling over the past few years with lower prices.

Private sector organisations such as the Digicel Trinidad and Tobago Foundation provide grants for micro and small community-based enterprises that also seek to ensure that there is equitable distribution of economic benefits (Currency, 2017). What is transformational about the financing offered is that mentoring and coaching the LGEs are being used to support their development. This increases the chances that the enterprises will be sustained beyond the set-up phase.

Despite these numerous financing opportunities for SMEs, support for the specific niche of LGEs is very limited and fragmented. But while still a niche area, there is evidence that LGEs are gaining support. Civil society organisations like CANARI and Turtle Village Trust target LGEs because they deliver the triple bottom line. Some private sector organisations are seeking economic transformation, mainly through corporate social responsibility though others have taken this further and are recognising the importance of LGEs and are beginning to support them. For example, Digicel Trinidad and Tobago Foundation gives grants to communities to develop SMEs that are socially inclusive and environmentally sustainable\(^{11}\) (Currency, 2017). Atlantic’s Loan for Enterprise and Network Development (LEND) Agency targets SMEs development in southern Trinidad that is socially inclusive (Atlantic, n.d.). Impact investing has not yet been mainstreamed, but there was an early effort by the American Chamber of Commerce Trinidad and Tobago to support renewable energy SMEs. Specific support for green enterprises from Government is proposed in the 2013 Draft Trinidad and Tobago Green Enterprise Development Policy for Micro and Small Enterprises and Cooperatives 2013 to 2016 but this is apparently stalled. Development and commercial banks as well as credit unions have yet to recognise the potential of the LGE niche sector. A few programmes and projects by CSOs have focus on LGEs as a niche.

Financial support and related systems for a transition to a green economy cannot be business as usual. This is a relatively new area. The current systems have been supporting traditional business models which are perceived

as low risk as compared to business models that support a green economy. A total mindset shift in areas such as risk analysis, financing entrepreneurial ventures and financing options.

There are bright spots in terms of financing support for LGEs but these need to be enhanced and scaled up.

6. Is nature being valued?

Ecosystem goods and services provide much of the raw materials for LGEs. Ecosystem goods include timber and non-timber products from forests, fish and other marine animals and plants. Ecosystem services include pollination of agricultural crops, coastal protection by wetlands, soil stabilisation by hillside forests and carbon sequestration. Appreciation of the value of these forms of capital and inclusion in economic decision-making is important to ensure that these assets are protected so that they can continue to be used by LGEs (as well as other economic sectors). In the small island context with limited landscape and intense competition for space and natural resources, this recognition must be explicit.

Ecosystem valuation work has been done that provides a strong argument for recognition of the value of natural capital in economic decision-making in Trinidad and Tobago. The Cropper Foundation led collaborative research on the value of the Northern Range’s forest, freshwater and coastal ecosystems as part of the Millennium Ecosystem Assessment. The report noted that “As an ecosystem it is very significant to the environmental, economic, and sociocultural life of the island, and the country of Trinidad and Tobago, because of the range of services—the benefits that the society enjoys—from its various functions and resources.” The World Resources Institute’s valuation of coral reefs in Tobago noted for example that “Coral reef-associated tourism and recreation is estimated to contribute between US$100 and $130 million to the national economy in 2006. Coral reef associated fisheries are an important cultural tradition, safety net, and livelihood, with annual economic benefits estimated at between US$0.8 – 1.3 million. Coral reefs also provide shoreline protection services in reduced erosion and wave damage valued between US$18 and $33 million per year. These economic contributions are significant compared to Tobago’s GDP, which was $286 million in 2006.” This work was followed by valuation of pollination services to farmers by ecosystems of the Nariva Swamp under the Project for Ecosystem Services (ProEcoServ).

The ProEcoServ global initiative was led by the United Nations Environment Program (UNEP) and aimed to better integrate ecosystem assessment and economic valuation of ecosystem services into poverty reduction and national sustainable development planning. Trinidad and Tobago was a pilot country and there was an explicit aim to promote the use of natural capital accounting in the Government’s financial decision-making process. As part of this effort, a pilot study of the application of Environmentally Adjusted National Accounts (EANA) based on ecosystem services provided by the forests of the Northern Range indicated that “EANA and economic valuation present innovative and potent tools for addressing the weak sustainability

---


14 http://proecoservtt.weebly.com

of the management of T&Ts ecosystems through the improved understanding of nature’s ‘true’ value as well as the costs of current actions (in some cases inaction) on future wellbeing.”

An article in one of the national newspapers featuring these studies elegantly presents the argument with the headline “No economy without nature”.16

**Despite the general public appreciation and tacit recognition by policy makers of the value of natural capital, integration of natural capital into national accounting never materialised in a tangible way.**

7. Do the poor and vulnerable have economic opportunities?

Economic transformation requires that social inclusiveness is part of policies and actions that support enterprises and particularly target inclusion of marginalised groups (e.g., the poor, women, youth, disabled, etc.). Economies need to be fairer and address the growing gap between rich and poor. Green growth must include green entrepreneurial opportunities and green jobs. There is room for the country to expand its measurement of exactly what green jobs are through surveys and evaluations. This can determine how “green” jobs are by measuring the characteristics of social responsibility, providing decent wage and social protection and environmental sustainability.

Trinidad and Tobago, like much of the Caribbean, is going through a recession. More than 1,200 persons from both private and public sectors have lost their jobs between 2016 and 2017 (Clyne, 2017) with more to be considered in 2018 (Hassanali, 2017). This has the potential to widen the gap between the country’s rich and its poor. In this context, existing SME support programmes which particularly target women, youth and other vulnerable communities are extremely important.

The non-profit National Centre for Persons with Disabilities offers vocational training and apprentice for persons with disabilities, including in agriculture, basketry and producing marketable products from recycled paper. Youth Business Trinidad and Tobago supports youth entrepreneurs and is currently developing a programme focusing on youth green enterprises. The Women Innovators Network in the Caribbean17 supports female entrepreneurs through peer mentorship and training. NEDCO targets developing enterprises particularly those by marginalised groups for training and for small business loans. NEDCO offers some mentoring to its clients. CANARI’s Rural Livelihoods programme18 specifically targets development of LGEs in rural communities and has included work with women entrepreneurs19.

The potential for LGEs to provide economic opportunities for marginalised rural areas, where natural resources are often the strongest assets for the communities, is not fully appreciated. However, useful work has been done to catalyse and support geographic clusters of LGEs. For example, a government programme run by the then Tourism Development Company (which has since been disbanded) had catalysed establishment of community tourism initiatives Tourism Action Committees in rural communities with natural heritage potential.

17 This is part of the Entrepreneurship Programme for Innovation in the Caribbean (EPIC), funded by the government of Canada and implemented by the World Bank’s infoDev programme for innovation and entrepreneurship. See [http://www.infodev.org/EPIC](http://www.infodev.org/EPIC).
These were most successful where a strong community organisation grew and provided leadership for development of collective LGEs in the community. The Brasso Seco Paria Tourism Action Committee supports chocolate and ecotourism enterprises in their community. In other cases, conservation-focused work stimulated the development of strong community organisations which have developed a cluster of LGEs around a natural resource. Nature Seekers Inc. and the Grande Riviere Nature Tour Guides Association are strong community non-profit organisations which support collective and individual LGEs in the communities of Matura and Grande Riviere in north-east Trinidad based around tours to experience nesting sea turtles on their beaches. Current efforts by the Government to strengthen management of protected areas to deliver conservation benefits have recognised the importance of developing livelihoods in the surrounding communities.  

There is potential for SME support programmes to explore the potential of green enterprises for vulnerable groups, including women and youth. Explicit attention needs to be given to the potential of LGEs to deliver economic opportunities for rural communities in Trinidad and Tobago.

8. Which economic sectors are greening?

Trinidad and Tobago is still heavily dependent on oil and natural gas in sectors such as electricity and transportation. Despite this, LGEs are taking small steps particularly in the agriculture, tourism, renewable energy and construction sectors.

In the agricultural sector, the organic agriculture, permaculture and slow food movements are growing. Local chocolate LGEs are emerging which are explicitly marketing their products as environmentally friendly and supportive of local communities.

In the tourism sector, community tourism and eco-tourism based on Trinidad and Tobago’s rich natural heritage has been recognised as a key strategy and LGEs are important in the sub-sector. For example, Nature Seekers Inc. in Matura is a community-based organisation that employs persons from its community. It conducts turtle watching that is seasonal but recently developed other enterprises such as using recycled glass to make jewellery and other items for sale.

Interest in the renewable energy sector is growing, with small firms like RenewTT emerging to supply solar energy products and companies are emerging to supply solar energy products. For example, Brasso Seco Paria Tourism Action Committee, a small community group in northern Trinidad that has several agriculture-based enterprises, recently installed a solar energy system to power production of its cocoa and coffee products.

The Trinidad and Tobago Green Building Council has been promoting environmentally friendly building practices and the country opened its first LEED certified “green building” in 2017. In addition, Nature Seekers Inc. has designed a green building made of natural materials (and in the shape of a turtle) as their new visitors centre in Matura.

There is potential for LGEs to utilise renewable energy technologies to enhance their business resilience and delivery of environmental benefits.

---

There is a potential for LGEs to emerge to supply the green buildings market, as well as to utilise the green building technologies in their communities.

9. What about resilience?

Monster hurricanes Irma and Maria devastated the Caribbean in late 2017 and underscored the need for robust approaches to building resilience that incorporate approaches to economic development. These natural and climate-induced disasters usually have long-lasting effects in the region. Their economic impacts are significant and sometimes can even exceed a country’s GDP. Threats from climate change variability and associated natural hazards pose a critical threat the livelihoods of rural communities in Caribbean islands. Higher temperatures can cause illnesses in people, plants and animals and can also change flowering and fruiting patterns in plants. Droughts can limit the availability of natural resources (plants and animals) used in SMEs based in rural communities. More intense storms can cause landslides that destroy infrastructure of SMEs and block access to communities.

As part of a strategy to build economic resilience of this particularly vulnerable group, CANARI has developed a simple method to climate-proof or build resilience of LGEs using a value-chain approach and recently piloted these with LGEs in the community of Brasso Seco.21

Building resilience of SMEs to the impacts of climate change and natural disasters will be a critical component of an inclusive, green and resilient economy.

10. Conclusion

Local green enterprises can play a role in transitioning to an inclusive, green and resilient economy in Trinidad and Tobago. This will require a change in the current fragmented approach to economic development to recognise and support the contribution of LGEs in delivering economic, social and environmental benefits. Attention will need to be focused on building a more enabling ‘ecosystem’ of laws, policies, regulations, fiscal, funding and technical support programmes.

Key areas for attention will include:

1. Supporting new and increased financing mechanisms for LGEs by:
   a) Fostering public-private partnerships to support LGEs;
   b) Enhancing funding support (and especially micro-finance) appropriate to LGEs, including from the private sector and cooperatives.

2. Creating the enabling environment for transitioning to the green economy by:
   a) Promoting the SDGs as a framework to think about a holistic integrated approach to development that leaves no one behind;
   b) Considering new approaches to measuring development progress that can better guide decision-making that delivers economic, social and environmental benefits;

c) Adopting policies, regulations and fiscal regimes (including incentives) that strengthen the support to SMEs, including LGEs in their unique role as enterprises delivering social and environmental benefits;

d) Building and strengthening mechanisms for effective engagement of LGEs in decision-making to foster development of the sector and its role in sustainable development in T&T;

e) Building connections across and fostering collaboration and synergies between economic and enterprise development sectors and other key sectors, for example sectors with responsibilities for managing natural resources upon which LGEs depend (e.g. forestry), key economic sectors where LGEs can play a significant role (e.g. tourism, agriculture) as well as related social development sectors (e.g. community and rural development, women and youth).

3. Enhancing technical business support programmes for LGEs, especially so they can better meet the needs of informal and micro-LGEs.

4. Strengthening role of LGEs as drivers of the green economy by:

a) Fostering and facilitating knowledge sharing among LGEs, including in the use of local knowledge, green technologies and other innovations;

b) Encouraging collaboration among LGEs, as they feel is appropriate, to take advantage of opportunities for collective efforts on research and development, accessing markets, quality control and standards and advocacy;

c) Documenting and communicating LGE experiences, emerging best practices, lessons and recommendations.
11. References


CANARI, 2014. *Supporting SMEs to be pathways to a Caribbean green economy*, Laventille: CANARI.

CANARI, 2014. *Supporting SMEs to be pathways to a Caribbean green economy*, Laventille: CANARI.


