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SMALL-SCALE ENTERPRISES IN BELIZE: A SURVEY
PART I

FINAL REPORT

AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES A.I.D. MISSION TO BELIZE
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EXECUTIVE SUMMARY

A. Introduction

Belize is a small country with an open economy. The country is endowed with extensive natural resources, such as arable land, water, and timber, although it lacks mineral resources and has an undersupply of skilled human resources. The output of the Belizean economy in 1987, as measured by the gross domestic product (GDP), was BZ$432,447,000. The agricultural sector accounted for 22.2 percent of the GDP. The per capita GDP for Belize was BZ$2,468 in 1987.

According to the 1988 Belize Abstract of Statistics, the 1987 mid-year population estimate for Belize was 175,153 residents. The country has a population density ratio of 19.9 persons per square mile.

One of the country's main resources that often goes unmentioned in discussions of the economy is its small-scale enterprise sector. However, the importance of the small-scale enterprise sector in providing needed goods and services has not gone unnoticed in the Five-Year Macro-Economic Development Plan, 1985-1989, of the Government of Belize. This plan lists no less than fifty-eight different project areas that have the potential for commercial development. These commercial projects, ranging from tortilla factories to handicrafts, from furniture making to soap production, etc. are uniquely suited for development as small-scale business ventures. Such areas for new or additional small business ventures have the potential to reduce the dependency of Belizeans on imported goods, while at the same time creating wage employment opportunities and generating personal and business income.

In spite of the potential promise the small-scale enterprise sector offers in the development of Belize, there is a continuing need to develop and target new policy approaches to encourage and strengthen this sector. This is also necessary in order to spread the benefits of providing credit and technical assistance to the broadest segments of the small business community. The United States A.I.D. Mission to Belize (U.S.A.I.D./Belize) recognizes such a need and, through the commissioning of this survey, seeks not only to better understand the requirements of the micro-enterprise and small business sector, but also to develop effective and efficient policy initiatives for meeting these requirements. In order to accomplish these tasks, the following objectives were set forth by U.S.A.I.D./Belize in the Scope of Work as basis for guiding the survey research.

B. Objectives of the Survey

The objectives of this survey of micro-enterprises and small-scale enterprises are set forth in four specific areas of research. The objectives are to:

1. Compile a comprehensive profile of the micro-enterprises and small-scale enterprises.

2. Describe and analyze the inputs needed for the development of these sectors.

3. Estimate the extent to which the credit and technical assistance needs are being met and by whom.

4. Recommend A.I.D.'s role in meeting the needs of these sectors.

This survey of micro-enterprises and small-scale businesses was a country-wide effort undertaken on behalf of U.S.A.I.D./Belize. The survey was conducted for the purposes of developing a comprehensive profile of the type and level of assistance needed in the areas of credit, technical assistance, and marketing in order to strengthen the small business sector. The information obtained from the survey research and the resulting scope for policy intervention is intended for inclusion in U.S.A.I.D./Belize's Country Development Strategy Statement for 1990. This survey was conducted along with a companion survey of small holder farms. The companion survey is reported on under the title, ''Small Holder Farms in Belize: A Survey, Part II''.

The survey field work was conducted in Belize from November 2nd through November 14, 1988 with the assistance of the National Development Foundation of Belize (NDF/B). The field work covered the nine major urban centers in Belize including: Belize City, Belmopan, Benque Viejo del Carmen, Corozal, Dangriga, Orange Walk, Punta Gorda, San Ignacio and Santa Elena. Interviews were conducted with 189 small-scale business owners and managers comprising some eighteen business sectors.

The term small-scale enterprise is used throughout this report for ease of reference only and is fully intended to incorporate micro-enterprises. The authors make no attempt to exclude micro-enterprises. While we recognize that there is a difference between small-scale enterprises and micro-enterprises, for all practical purposes in the Belizean context the real differences may only be at the margins. For purposes of this survey research, however, we have used the generic term small-scale enterprise. Small-scale enterprises are defined in this study as all small business enterprises engaged in manufacturing, processing, assembly, or repair and servicing

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activities. Additional criteria included small-scale enterprises employing less than five employees and those firms that have less than BZ$50,000 in fixed assets. The criterion with regards to fixed assets exceeds the present level of NDF/B's requirement of BZ$25,000. However, as the demand for credit continues to increase both in average loan amounts and volume, it is expected that a substantial market of firms with fixed assets between BZ$25,000 to BZ$50,000 will develop. Additionally, as financial intermediaries, such as NDF/B, seek to recover their administrative overhead through loan charges they will have to make larger loans to the small business sector. Such loans will have to be secured by business assets that provide sufficient comfort to the lending institution. Should borrowers default on their loan obligations, the assets of the firms can then be used to recover the loan loss.

C. Main Findings of the Survey

Small-scale business enterprises, like any other sector of the economy, have peculiarities that are only unique to small businesses. This section provides a summary of the type and level of credit and technical assistance needed and requirements for improved marketing arrangements.

The most important findings of the survey are summarized in the following sections. The results reported below are based on field interviews conducted in Belize with 189 small-scale enterpreneurs in eighteen different small business groups.

1. Credit Demand

The lack of credit continues to be one of the most significant constraints to small-scale business development in Belize. This situation persists despite the fact that, in recent years, there has been a sizable increase in the supply of credit assistance for small-scale enterprises. A variety of international sources (e.g., U.S.A.I.D./Belize, Foundation for International Training, and I.A.F. etc.) provide assistance. Nonetheless, the demand for credit continues to outstrip the supply as more firms seek assistance to improve and expand their business operations. The results obtained from the survey indicate that the median loan demand across all industry groups is BZ$5,000. The average size loan needed is BZ$11,669, about two and one-third times the median demand for a loan. The average loan demand for all firms surveyed is approximately seven times the average size loan disbursed by NDF/B (BZ$1,608) in 1987. Only about 25 percent of the loans in NDF/B's loan portfolio was in the range from BZ$5,001 to BZ$12,500.

The industries with the highest median loan demand are health care at BZ$15,000, auto repair, food processing, metal work, woodwork and furniture making, motorcycle repair, and other services, each of which has a median loan demand of BZ$10,000.

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Aggregate Credit Demand

The total demand for credit assistance by micro-enterprises and small-scale enterprises in Belize, excluding retail establishments, distribution firms, and agribusinesses is estimated at approximately BZ$5,750,000. The total estimated credit demand also excludes firms that qualify for assistance at commercial banks and credit unions. The aggregate credit demand figure is based on an estimate of 1,150 small-scale enterprises times the median loan demand of BZ$5,000 per business. The loan portfolio for NDF/B for the period ending 1987 represents only 15.2 percent of the total estimated credit demand. This means that NDF/B would have to increase it loan portfolio more than six and a half times to meet the future demand for small business loans.

Use of Loan Funds

The manner in which the entrepreneurs would use their loans, if granted, is indicated by the following results. Some 31.7 percent of the small business owners said that they would secure building space, followed by 19.8 percent who would use their loan to purchase equipment and tools for their business operations.

Collateral

The aggregate demand for credit assistance to small-scale enterprises was estimated at BZ$5,750,000. The question then arises as to the ability of the small business sector to collaterize such credit, if granted. The small-scale enterprise sector, with 74.1 percent reporting, indicated that fifty percent would use their business assets to secure this credit, followed by personal assets (27.1%) and both personal and business assets (22.9%). The average net worth of all small-scale enterprises was estimated at BZ$21,173.

2. Technical Assistance and Factor Input Requirements

In addition to the need for the financial support discussed above, the small-scale enterprise sector also requires technical assistance and training to aid in expanding their business operations. Some 45.2 percent of the small businesses reported that they intend to seek technical assistance for their business in the coming year. Based on the results obtained from the survey, two areas of technical assistance will be required by small businesses in the coming year. These include technical assistance involving professional services and factor input requirements. The professional services requirements refer to such areas as accounting, budget control and management, employee training, personnel management, legal affairs and financial management, etc. The factor inputs relate to the production capacity of the firm and include, for example, equipment and machinery, plant space, transportation, spare parts, and raw material and supplies, etc.

Professional Services Needed

The type of professional services cited most often by small-scale enterprise owners as most important to help in expanding their business was assistance in marketing their products and services. Some 33.5 percent of all businesses indicated that assistance with marketing was the most important area of support.

Employment and training was indicated by small businesses as the second most important type of professional assistance needed to expand their business. Twenty percent of all small-scale enterprises reported employment and training as their choice for professional assistance.

Factor Inputs Needed

The factor inputs mentioned most frequently as being needed by small-scale enterprise owners were equipment and tools. Twenty-six percent of all firms reporting indicated that equipment and tools were the most important inputs needed to expand their businesses.

The need for plant space was cited as the second most important input needed by small-scale enterprise owners to expand their businesses with 22.3 percent of all firms reporting.

D. Recommendations and Scope for Policy Intervention

In view of the credit and technical assistance needs of small-scale enterprises discussed above, a number of recommendations and policy actions are set forth below. These recommendations are formulated for the expressed purpose of assisting U.S.A.I.D./Belize in shaping its role and strengthening its support in the area of small-scale and micro-enterprise development. The recommendations are presented in four main policy areas. The policy areas include credit support, technical assistance and business management training, marketing, and institutional linkages. It is recommended that the United States A.I.D. Mission to Belize undertake the following:

1. Credit Support

A. Increase its grant support to non-governmental financial intermediaries in the area of credit to an annual level of BZ$1,150,000 per year over five years. Such credit assistance should be aimed at those small-scale enterprises sectors that have the potential to increase domestic employment, to reduce import dependency of foodstuffs and other goods, and to increase foreign exchange earnings through exports. An aggregate amount of BZ$5,750,000 is required over five years to meet the demand for credit by micro-enterprises and small-scale enterprises.

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B. Expedite efforts through direct consultations with NDF/B and the Belize Institute of Management to have the existing revolving loan funds released in order to increase the program support for small businesses in management, training, and technical assistance. An instrument such as a Memorandum of Understanding setting forth the specific roles of each of the parties concerned should be negotiated in order to facilitate the transaction and provide the needed assistance.

2. Technical Assistance and Business Training

A. Increase financial support to institutionally-based technical assistance and business management training programs for small-scale enterprise owners with a view towards strengthening their basic management skills. This financial support should extend beyond what is already provided for in the revolving loan fund.

B. Promote collaboration between those institutions that provide technical assistance and business management training through specialized training programs and seminars country-wide.

C. Promote the establishment of a centralized Small-Scale Enterprise Management Institute that focuses exclusively on the provision of business management training and technical assistance to small-scale enterprises using the case study approach.

D. Target technical assistance support to specific industries with export potential, as well as those industries that have the potential to reduce import dependency such as woodwork and furniture making, soap production, food processing, etc. Such assistance should focus on improving mass production capabilities and small business management.

E. Sponsor a study of the feasibility of developing incubator-type facilities for those business groups with export potential (e.g., handicrafts, food processing, woodwork and furniture making, and shoemaking, and soap production, etc.).

F. Promote through sponsored publications and support for conferences, training seminars and courses the use of cooperative production facilities, cooperative transport

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systems, bulk purchasing of raw materials, and other cost-minimization schemes for small-scale enterprises.

G. Undertake a detailed sector study of the woodwork and furniture making industry in order to fully assess its capacity to produce and export its products. The study should also seek to establish the market and financial feasibility of this industry to export.

3. Marketing and Promotion

A. Intensify efforts and provide additional assistance to those institutions that offer programs and courses in marketing for small-scale enterprises for domestic and international markets.

B. Review existing policies and proceedures in order to intensify efforts and provide promotional assistance to those targeted industries that have an interest in joint ventures or cooperative efforts with U.S.-based companies.

C. Intensify efforts in collaboration with the Government of Belize in organizing trade delegations to travel to international trade fairs and to other forums to display domestically produced products for the export market.

4. Institutional Linkages

A. Promote institutional cooperation in the areas of credit assistance and technical assistance among financial intermediaries, institutions that provide technical assistance, and public sector institutions through the establishment of a joint coordinating council of local financial intermediaries and technical assistance organizations.

B. Promote international cooperation and coordination of development assistance with U.S.-based and Belizean non-governmental organizations, particularly in the areas of technical assistance and training through information exchanges, brochures, etc.

C. Sponsor a national conference of organizations and institutions operating in Belize that provide credit and technical assistance to micro-enterprises and small-scale enterprises. The purpose of such a conference should be to explore the most effective means of cooperation and coordinating assistance programs to the small business sector.

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I. INTRODUCTION

A. Background to the Survey

This survey was commissioned by United States A.I.D. Mission to Belize (U.S.A.I.D./Belize). The survey was a country-wide effort conducted for the purpose of gathering information on the micro- and small-scale enterprise sectors in the areas of credit, technical assisstance, and marketing. This information is intended to provide a background profile and a scope for policy intervention in the small-scale enterprise sector for inclusion in U.S.A.I.D./Belize's Country Development Strategy Statement for 1990 and beyond. Additionally, this survey was conducted along with a companion national survey on small holder farms. The companion survey will be reported on under the title, ''Small Holder Farms in Belize: A Survey'', Part II.

The Scope of Work which is presented in its entirety in Appendix A was discussed during the survey team's presentation to U.S.A.I.D./ Belize on the plan of work after arrival in Belize. Following these discussions, some modifications were made to the survey questionnaire to include household information of the business owners. This resulted in five additional questions being added to the original survey instrument. The final survey questionnaire is presented in Appendix C.

The survey field interviews were conducted in Belize over a two-week period from November 2nd to November 14th. The work of the survey team was facilitated by the support provided by the management and staff of the National Development Foundation of Belize who provided logistical, administrative, and technical support during the survey period. The survey methodology and proceedures used to conduct the survey are presented in Appendix B of this report.

The main focus of this chapter is to provide an overview and background information on the different types and level of business activities carried on by small-scale enterprises in Belize. The results reported on here are based on a country-wide survey of nine major urban centers in Belize. The survey results are based on interviews conducted with 189 micro- and small-scale enterprises in eighteen industry groups.

B. The Target Population

One of the main tasks of this study was to estimate the target population of small-scale enterprises in Belize. However, there does not appear to be a uniform definition of what type of business

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constitutes a small-scale enterprise. The lack of a uniform definition of a small-scale enterprise is not peculiar to development institutions or financial intermediaries in Belize. Although no unanimity exists, the development literature is replete with characteristics that we are told are unique to small-scale enterprises. The World Bank has reported that there are at least fifty different definitions of small-scale enterprise being used in seventy-five countries, (World Bank, 1978). Some researchers define small-scale enterprises or SSEs as own-account workers and establishments employing fewer than five workers (Squire, 1981). More often than not, financial intermediaries use several criteria to define a small-scale enterprise. Typically, the criteria include, for example: a ceiling on fixed assets; less than five employees, and a ceiling on annual gross sales. The National Development Foundation of Belize during its start-up years defined small-scale enterprises as firms engaged in productive activities, having less than ten employess and with fixed assets valued less than BZ$12,000. This definition has been subsequently expanded to include retail establishments, distribution firms, and agribusinesses. At present, the loan ceiling for NDF/B loan is BZ$25,000.

For purposes of this research, the target population has been defined as all small business enterprises engaged in manufacturing, processing, assembly, or repair and servicing activities with assets under BZ$50,000 and having less than five employees. The range of enterprises included (e.g., auto repair, woodwork and furniture making, crafts and related, food processing, and tailoring, etc.). Such enterprises are typically own-account workers or sole proprietorships. Retail establishments, distribution firms or other firms not engaged in such productive activities as described above were not included in the survey, because they tend not to produce added value. Such small firms generally do not sell locally produced goods, but mainly sell imported goods.

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II. THE SMALL-SCALE ENTERPRISE SECTOR

A. Type of Businesses

Although there are several hundred, if thousands of, small-scale enterprises carrying on a variety of business activities in Belize, we have for purposes of this study and to the extent possible, attempted to group the enterprises into sixteen categories. These business categories are in accordance with the major divisions, divisions and major groups listed in the International Standard Industrial Classification of All Economic Activity (ISIC) code. The exceptions are for those enterprises that are not listed in the code as a separate industry category. Those firms that were few in number and which could not be classified as described above were included into two additional generic categories of Other Services or Other Manufacturing.

The results of this country-wide survey of 189 small-scale enterprises by type of business activity is presented in Table II-1. As shown in Table II-1, auto repair services and woodwork and furniture making represent the two largest categories of enterprises by number of firms in the same industry group. Auto repair services which include mechanical repair work, and body and fender work, etc. represent some 20.6 per cent of all businesses in the survey. The woodwork and furniture making, industry ,which also include carpentry and cabinetry, comprise about 15.4 per cent of all firms surveyed. Why these two business sectors constitute such large shares relative to other small business sectors is perhaps explainable by the fact that severe tariffs (e.g., in excess of 70% import duty on automobiles) are imposed on imported automobiles and furniture. The net results of such tariff policies have been to encourage import substitution whereby domestic manufacturing of furniture and other woodwork is stimulated and the importation of finished wood products is restricted. Thus, increasing domestic consumption and developing a sizable domestic market. Whereas, in the case of automobiles, a rather sizable resale market in used automobiles has developed. This market appears to be supported by the ubiquitous auto repair service industry.

TABLE II-1
SMALL-SCALE ENTERPRISES IN
BELIZE BY BUSINESS TYPE

BUSINESS TYPE	TOTAL	PERCENT SHARE
Auto Repair	39	20.63%
Beauty Care Services	15	7.94%
Bicycle Repair	2	1.06%
Construction Material	3	1.59%
Craft and Related	3	1.59%
Dressmaking	3	1.59%
Electrical Work	18	9.52%
Food Processing	13	6.88%
Health Care	1	0.53%
Jewelry & Watches	15	7.94%
Metal Work	10	5.29%
Motorcycle Repair	1	0.53%
Shoe Making & Repair	5	2.65%
Tailoring	16	8.47%
Tire Repair	5	2.65%
Woodwork & Furniture	29	15.34%
Other Manufacturing	4	2.12%
Other Services	7	3.70%
TOTAL	189	100.00%

It is difficult to know, in the absence of any detailed sector studies, the extent to which these two industries are overly saturated by firms. In an open competitive market such as that of Belize, firms that do not sell quality products at competitive prices eventually are forced out of business. The survey results reveal that the median number of years in business for small firms operating in the woodwork and furniture making and the auto repair industries is eight years.

What can be said, in addition to the above, is that these sectors, as measured by their median annual gross sales, have remained rather stable over the past three years, although the auto repair industry sales were flat. On the other hand, the woodwork and furniture making industry, as a whole, actually experienced a net increase of 3.3 per cent in its median annual gross sales from 1985 to 1987. Although, the sector needs to be examined in much more detail than what was possible in this survey, the woodwork and furniture making industry appears to have significant export potential. The export potential of the woodwork and furniture making industry suggests that export promotion policies should be directed specifically towards this sector.

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The results of this survey regarding the type of business enterprises are consistent with the widely held view that the small business sectors are largely providers of services (Mazumder, 1976). Fully two in three of the firms in the survey can be characterized as service enterprises.

B. Demographic Characteristics of the Entrepreneurs

This section examines the personal characteristics of small-scale entrepreneurs in terms of their sex, age and education. Additional information is provided regarding the business training of the small business owners.

1. Sex

An analysis of the demographic data on the owners of small-scale enterprises indicates that of the 189 firms in the survey, 91 percent were either owned or were managed by males. Comparatively, as Figure II-1 shows only about 9 percent of the small-scale enterprises are operated by female owners or managers. Moreover, of those few women-owned and operated firms that do exist, 82.4 percent are concentrated almost entirely in three out of eighteen business sectors in the survey. These sectors include beauty care services, dressmaking, and the food processing sectors of the economy.

Small firms owned and operated by males, on the other hand, tended to be more evenly distributed throughout the small business sector. The only business classification which men-owned firms are not represented in is dressmaking, a type of business activity that could easily be carried on by a tailor.

2. Age

The age of the entrepreneurs interviewed in the survey tended to indicate a rather mature and stable population. The median age of all business owners or managers interviewed was 41 years as Figure II-2 indicates. When the age of respondent is analyzed on a sector by sector basis, the sector representing other services (i.e., laundry, car wash and undertaking, etc.) reveals the lowest median age at 27 years. The next industry with the highest median age is the shoe making and repair industry at 59 years. However, the main point to be made about the age of small business owners is the maturity of their age.

Additionally, when the median age is compared to the median number of years the enterprises have been in business this provides an indication of the durability and longevity of such firms. The survey results indicate that the median number of years in business for all small-scale enterprises surveyed was 8 years. Subtracting the median number of years in business from the median age of the business owners

FIGURE II-1
SEX OF SMALL-SCALE ENTERPRISE OWNERS

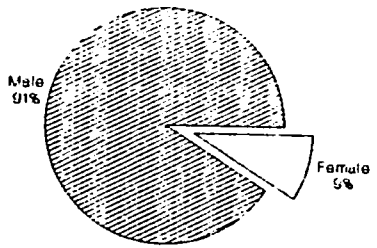


FIGURE II-2
MEDIAN AGE OF SSE OWNERS

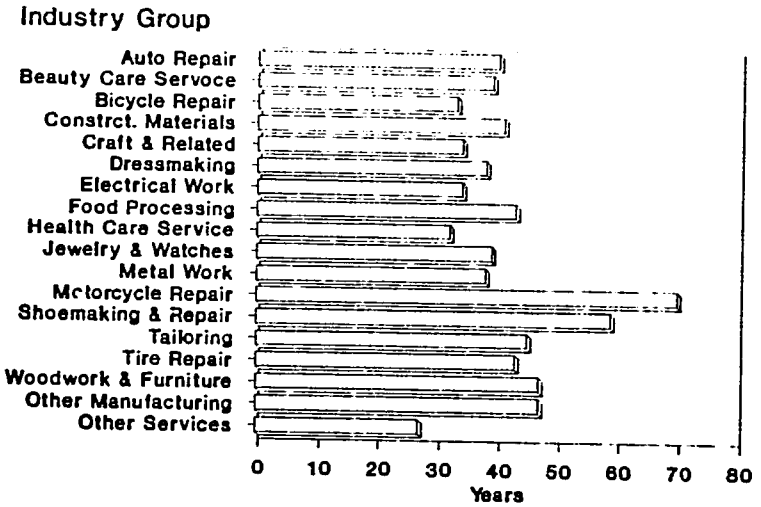


FIGURE II-3
EDUCATION LEVELS OF SSE OWNERS

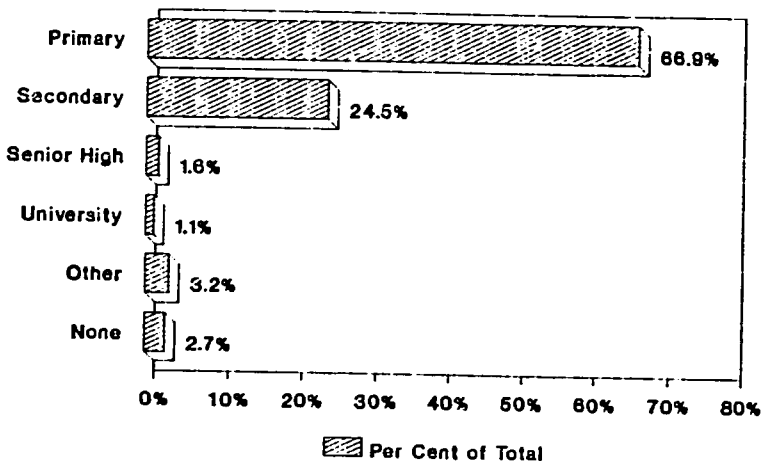
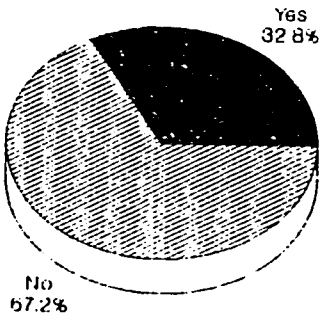


FIGURE II-4
BUSINESS AND TECHNICAL TRAINING OF SSE



provides an estimate of the median age entreperneurs start their businesses in Belize. This calculation suggests that most businesses are started when the owners are about 33 years old. This is an age well after they would have theoretically completed at least secondary schooling, entered the adult labor force for the first time and would have possibly accumulated some personal savings.

3. Education

The level of education achieved by small-scale enterprise owners is revealed in Figure II-3. Some 97.3 percent of all entreperneurs interviewed had completed either primary, secondary or post-secondary or technical school; while only 2.7 percent of the respondents indicated that they had no formal schooling. As would be expected, those business sectors where at least a secondary level of education or technical schooling would be required, such as in the technical trade areas, the auto repair, electrical work, and woodwork and furniture making firms, were more significantly represented in comparison to the other business sectors.

4. Business Training

When asked the question ''do you have any special technical education or management training'', 67.2 percent of the entrepreneurs who answered the question said no, as shown in Figure II-4. Although, when the data is examined by business category, we find, as expected, that the more technically-oriented industries such as electrical work tended to have special training as did such sectors as motor cycle repair, health care and dressmaking. Surprisingly, in the auto repair and woodwork and furniture making sectors, two of the largest business categories in the survey, 38.5 and 18.5 percent, respectively, of the entrepreneurs said they had no special technical training. This may suggest that the majority of these business owners are learning their trade either through formal vocational training of an apprenticeship. or through some other method of on-the-job training.

For the remaining 32.8 percent of entrepreneurs who had special training, much of this training was actually learning a trade or skill at a vocational or technical school.

C. Household Characteristics of the Entrepreneur

In addition to the personal characteristics of the entrepreneur discussed in the previous section, the following sections are intended to provide a profile of the entrepreneur's household. The results reported on below include data on household size, household income, household employment, household members employed in the firm, and the income of the household member employed in the firm.

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1. Household Size

With 96.8 percent of all firms surveyed reporting, the average household size as shown in Figure II-5 for all business enterprises is 5.07 persons per household. This figure is well within the range reported in the 1988 Belize Abstract of Statistics for communities with more than 200 persons. With only a few exceptions, the average household size appears to be rather evenly distributed across the industry groups. The exceptions are the construction materials and the other manufacturing groups which were both below the survey average at 3.0 persons per household. The industries which reported household sizes above the survey average were food processing at 6.54 persons per household and the tire repair industry at 5.88 persons per household. Because these firms are located in urban centers where labor, although expensive, is abundant there is no reason to suspect that the type of firm should be in some way correlated with the size of the household, as might be the case in the agricultural sector. It is reasonable to suspect, however, and the empirical evidence seems to support this, that small-scale enterprises are likely to hire a family member or relative first.

2. Household Income

In addition to collecting information on the size of the entrepreneur's household, household income data were also collected. The results of the household income data for all firms reporting are presented in Figure II-6. The median household income is about $167 per week or (BZ$166.54 x 52) approximately BZ$8,660 per year, as shown in Figure II-6. Average household income, on the hand, for all enterprises is about BZ$215 per week or about BZ$11,190 per annum. The small-scale enterprise group which reported the highest median household income was shoemaking and repair at BZ$700 per week or BZ$36,400 per annum. Households which owned dressmaking, tailoring, and craft and related businesses fared the worst of any industry groups. The median income of households owning dressmaking shops was annualized to BZ$980. Households owning tailoring and craft and related businesses had slightly improved incomes with the median income annualized to BZ$1,200.

The average annual household income of BZ$11,190 works out to be approximately BZ$2,207 per capita, based on an average household size of 5.07 persons per household. However, the annual per capita household income estimate of all small-scale enterprises surveyed is below the per capita GDP in 1987 of BZ$2,468 by 10.6 percent.

3. Household Employment

The results of data on the number of members of the household employed, excluding the small business owner, are presented in Figure II-7. With 95.8 percent of the respondents reporting, the survey results indicate that the average number of household members employed

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FIGURE II-5
AVERAGE HOUSEHOLD SIZE OF SSE OWNERS

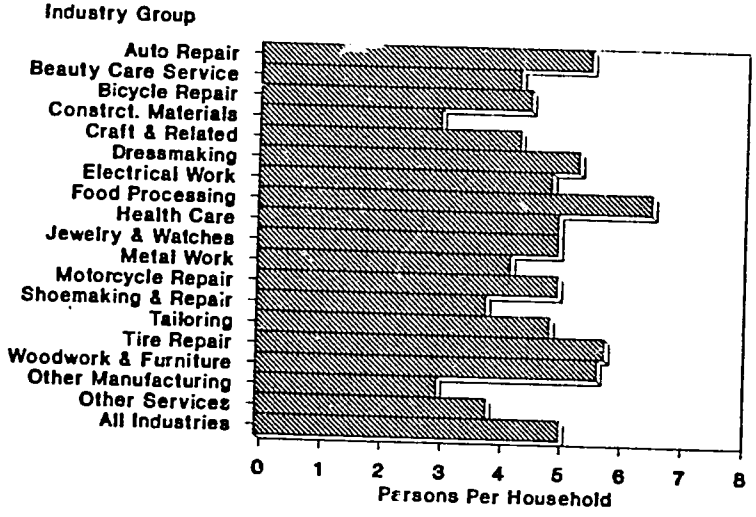


FIGURE II-6
MEDIAN HOUSEHOLD INCOME OF SSES

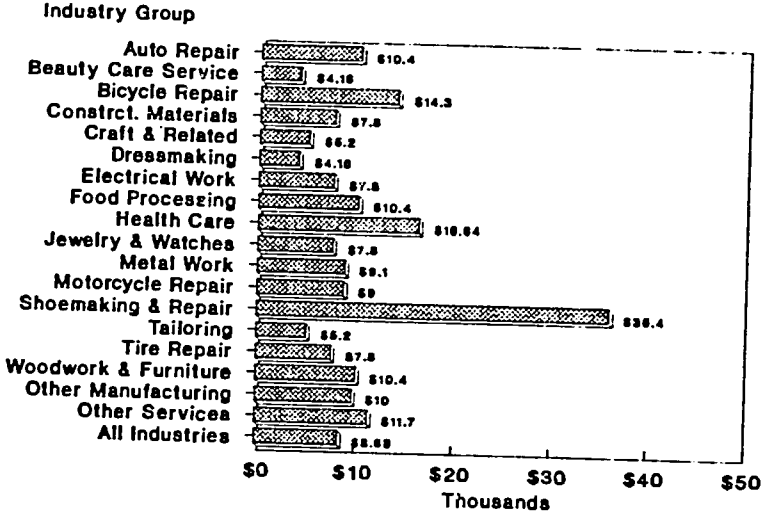


FIGURE II-7
AVERAGE HOUSEHOLD EMPLOYMENT OF SSES

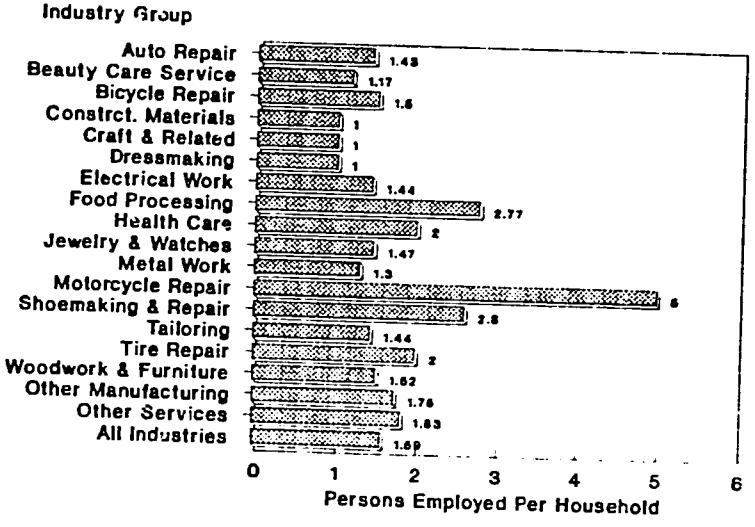
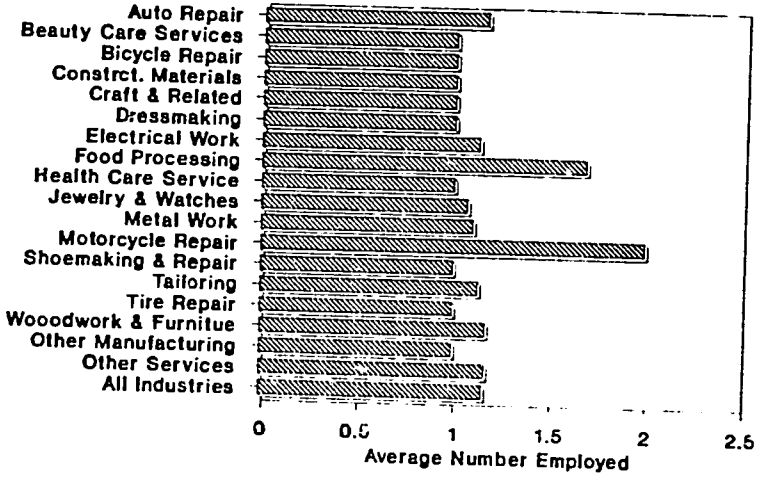


FIGURE II-8
HOUSEHOLD MEMBERS EMPLOYED IN SSES



across all industry groups is 1.59 persons per household. Although several industry groups had higher than average rates of household members employed, owners of food processing and shoemaking and repair businesses tended to have the highest rates of household members employed. These two sectors reported an average of 2.77 and 2.60 persons household members employed, respectively. No industry group surveyed had less than one member of its household employed. For the small-scale enterprise sector as a whole, we can infer from the above results that, apart from the owner, there are at least an additional 0.59 member of the household ''gainfully'' employed.

4. Household Members Employed in the Firm

The average number of household members employed in the business excluding the owner for all industry groups is 1.16 as shown in Figure II-8. With the exception of the motorcycle repair business, which had an average of two household members employed in the firm, only three industries (food processing, woodwork and furniture making, and other services) exceeded the average for all industries. The food processing, woodwork and furniture making and other services had an average of 1.69, 1.17 and 1.17 household members employed in their businesses respectively.

The job production rate for household members employed in the firm for all industry groups as indicated above is 1.16 persons per household. The employment data in Section III indicate that the average number of employees per business for all industry groups is 1.0 person per business. We can assume that the respondent may have interpreted the question so as to include themselves when they reported the number of household members employed in their business. Assuming this to be case, then the average number of household members employed in the business should be adjusted downwards to 0.16 persons per household employed in the firm. The difference between the number of employees per business (1.0) and the number of persons per household employed in the firm (0.16) represent the number of non-family members employed in the firm or 0.84 persons.

5. Income of Household Members Employed in the Firm

The median income of household members employed in the business for all industry groups is BZ$7,800 per annum. However, this figure is not consistent with the results reported for wages by the industry groups. The median wages paid in 1987 for all business sectors were BZ$4,160 per business. This finding seems to understate the annual wage bill. It does not seem reasonable that the wage bill per business would have increased by 87.5 percent over the previous year. The entrepreneur may have included his income in the total when reporting the total income received for household members employed in the firm. This effectively means that the reported income of the household members employed in the business should be adjusted downwards.

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III. OPERATIONS OF SMALL-SCALE ENTERPRISES

A. Business Start-ups, Ownerships, and Outside Support

This section presents additional information on the backgroun characteristics of the small-scale enterprise sector. The sectio examines the equity invested to start a small business, the source o this equity, and some of the management characteristics of small-scal enterprises.

1. Business Start-ups

The estimated median age for starting a small business in Belize based on the difference between the median median age and the median number of years in business was estimated at eight years. This estimate assumes that the entrepreneur did not start any business other than the one he was questioned about. The amount and source of equity used to start a small business in Belize is presented below. The sources of equity used to start small businesses and the preferred types of business ownership are also discussed. Additional information is provided on type of outside assistance received from the public and non-governmental sectors.

2. Equity Invested to Start Business

With some 88.9 per cent of all entrepreneurs reporting, Figure III-1 reveals that the median equity invested by all entrepreneurs to start their business enterprise was BZ$1,500. The average equity invested, on the other hand, was calculated at BZ$4,443 or about three times the median equity investment. Because the median equity invested is the value dividing the sample population into two equal groups, it is likely to reflect a more accurate measure of the central tendency than the average. The average equity investment in this survey appears to be artificially inflated by a few exceptionally high values, particularly in the the woodwork and furniture making and the metal work industries.

The business category which shows the highest median equity investment compared to other businesses is the food processing industry at BZ$10,000. This industry, which consists primarily of tortilla factories, is highly competive. The need to procure modern equipment for product differentiation in manufacturing and packaging, as well as for transportation to deliver the product on a reliable schedule, might help to explain why the median equity invested in the food processing industry is so high.

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FIGURE III-1
MEDIAN EQUITY INVESTED TO START SSE

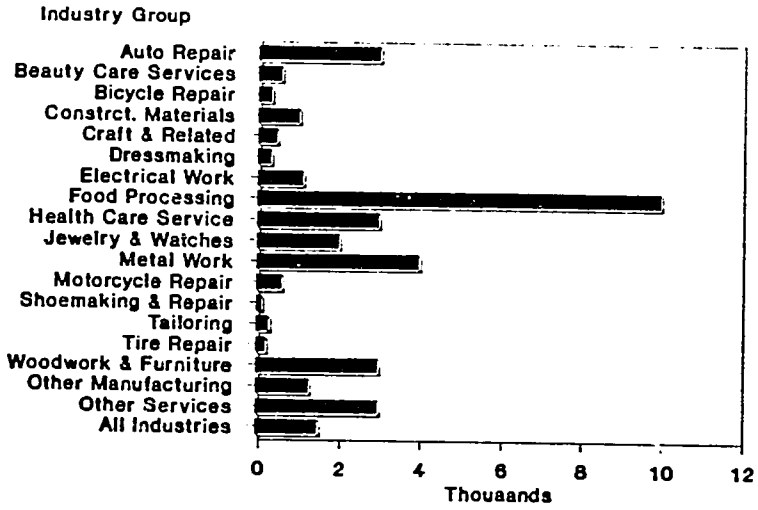


FIGURE III-2
SOURCE OF EQUITY TO START FIRM

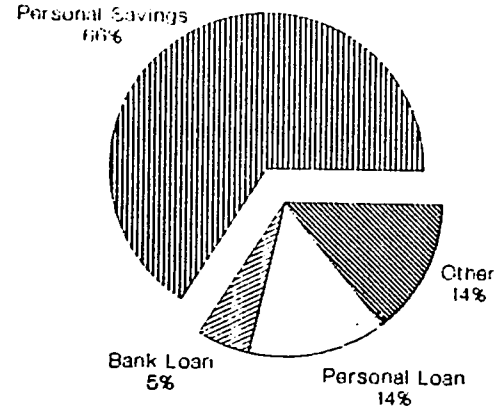


FIGURE III-3
OWNERSHIP OF SSES BY TYPE

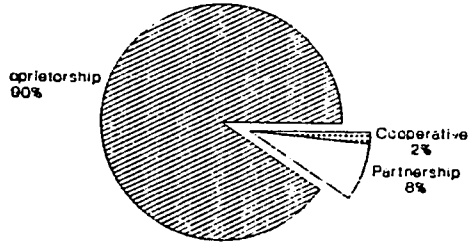
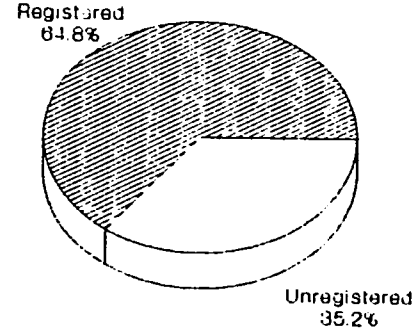


FIGURE III-4
PERCENT OF REGISTERED SSES



3. Source of Equity Invested

The source of their equity investment as revealed by Figure III-2 shows that 65.7 percent of those entrepreneurs reporting used their personal savings to start their business, while only 5.3 percent relied on a loan from a bank. The use of personal loans and other sources of funding for business start ups such as DFC, NDF/B, credit unions, and money lenders account for more than 29 percent of the source of the equity used to start a business in Belize.

Commercial banking support for small business start-ups appears to be more prevalent in the auto repair and other services sectors. As reported in Appendix D-10, these two sectors represent a 11.4 and 20.0 percent share respectively of the firms reporting commercial banks as their source of equity to start their business. Even in these two sectors, only five such loans were made. And of the total of eleven business start-up loans made by commercial banks in the entire survey, such loans averaged BZ$7,339. This is well above the average equity of BZ$4,443 most entrepreneurs claimed they invested to start their business. Commercial institutions provide an overall share of 5.3 percent of funds for small business start-ups. Although, commercial institutions make larger loans on a per loan basis than other institutions, such results clearly indicate that the banks offer only marginal support, as revealed by their percent share of loan to small-scale enterprises, in the start-up phase for small-scale enterprise development.

The findings indicated above are not entirely surprising. First, setting aside the risk involved, most small-scale enterprises, particularly those firms seeking start-up capital, cannot meet the loan requirements such as collateral that commercial banks require. They, therefore would need credit on some concessionary terms which most of the commercial banks in Belize are unwilling to make. Second, assuming that the entrepreneur could meet the banks' loan requirements, the commercial banks still may be unwilling to make business start-up loans because of the loan size and the cost associated with processing such loans. This is especially evident when we consider the fact that the median equity invested to start a business in Belize is BZ$1,500 as the results obtained in this survey indicate. Clearly, commercial loans of this size for starting a business are uneconomical for commercial banks to process in any significant volume.

It has been observed in other studies of small-scale enterprise development that the loan processing costs of small business loans does not vary substantially with loan size, (World Bank, 1978). Research conducted at the World Bank indicates that because there is a minimum cost associated with processing any size loan, small business loans tend to be more expensive per unit of principal than larger sized commercial loans. Therefore, as profit maximizing institutions, there

appears to be little, if any, financial incentive for commercial banks in Belize to make small business loans to start new business enterprises.

4. Business Ownership

Small businesses in Belize are owned and managed by a rather mature population with a medain age of 41 years old. Such firms tend to be predominately sole proprietorships or one-person owned enterprises. Out of a total of 171 entrepreneurs interviewed, Figure III-3 shows that 90.5 percent of all the business ownerships in the survey are sole proprietorships. Comparatively, only 7.9 percent were partnerships and only 1.6 percent indicated that they were a cooperative. This finding was not unexpected, because small-scale enterprises more often than not tend to be owned by one person.

5. Business Registration

Although it was not expected, some 64.8 percent of the respondents claimed that their business, as shown in Figure III-4 is registered with a public licensing authority. One of the predominant characteristics found in the literature on small-scale enterprises in developing countries is that they tend to be unregistered and unincorporated business enterprises,(World Bank,1978). It is difficult to verify this claim directly in Belize, because there is no national business registry that can be used to determine the number of small-scale enterprses. However, information provided by the Belize City Council on small business in Belize City seems to be consistent with the results obtained in this survey.

B. Gross Sales, Employment and Wages

1. Gross Sales

As we have already observed, the median length of time that a small-scale enterprise has been in business is eight years, while mean number of years in business was calculated at 11.8 years. These central tendency measurements provide an indication of the staying power and the ability of small firms to compete in a highly competitive market. However, this is not the entire story. Because, in the final analysis, what counts in the business world is business performance. The survey sought to determine how well the small business sectors were performing on a industry by industry basis by collecting data on the revenues of the firms as measured in annual gross sales. Gross sales information was collected for three years beginning in 1985 and ending in 1987 and are presented in Figure III-5. As Figure III-5 shows, the median gross sales for all firms reporting a complete series for the years 1985, 1986, and 1987 were respectively BZ$10,000, BZ$7,000 and BZ$8,000. The median gross sale for the last years have been somewhat uneven with a decrease in sales in 1986 and an increase in 1987. However, the net

results are that median gross sales for all industry groups show a net annual increase of 15.2 percent between 1987 and 1985.

The business sector with the highest median annual gross sales is the woodwork and furniture industry. This industry had annual average gross sales of BZ$26,655 over the last three years.

2. Employment Characteristics of SSES

An argument for encouraging the development of the small-scale enterprise sector in Belize is its potential to create employment. This is not to suggest that this sector should be treated simply as a source for residual employment for urban dwellers, but rather, as a dynamic linkage to stimulate demand for both labor, as well as for locally produced goods and services.

Figure III-6 shows the average number of employees per business, excluding the owner, by industry group. The survey results revealed that five in eighteen (27.8 percent) of the business groups averaged more than one worker per business and that 11.1 percent averaged more two workers per business. Taken together, the average number of employees per firm for all businesses surveyed is 1. The industry groups which emerge from Figure III-6 as having the highest job production rate, as measured by the average number of employees, are bicycle repair, craft and related, food processing, and other services. These industries averaged 2, 2, 3, and 3 employees per business, respectively.

The overall job production rate for small-scale firms in Belize is not consistent with results reported from other countries (Ettema, 1984). The job production rate of small-scale enterprise sector in Belize appear to be almost three times the rate of similar sized firms reported in other studies of small-scale enterprise employment (Ettema, 1984).

Hired labor appeared to be significant in at least 33 percent of the small enterprise groups surveyed. Some 33 percent, mainly service enterprises, have at least one employee per business. Surprisingly, the two largest industry groups, in terms of 1987 gross sales and the number of firms represented in the industry, averaged only one employee per business. When the service industry firms are compared with those in the manufacturing sectors, the job production rate, as revealed in Figure III-6, for the manufacturing firms is higher.

3. Wages

This section discusses the differences in wages paid out by industrial groups. The annual wage bill in 1987 for all small-scale enterprises reporting are presented in Figure III-7. Although less

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FIGURE III-5
MEDIAN GROSS SALES OF SSES

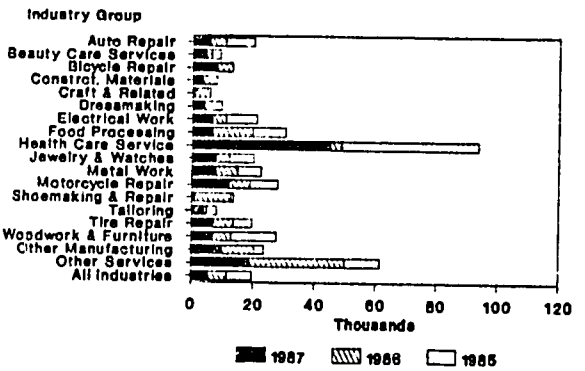


FIGURE III-6
AVERAGE NUMBER OF EMPLOYEES OF SSES

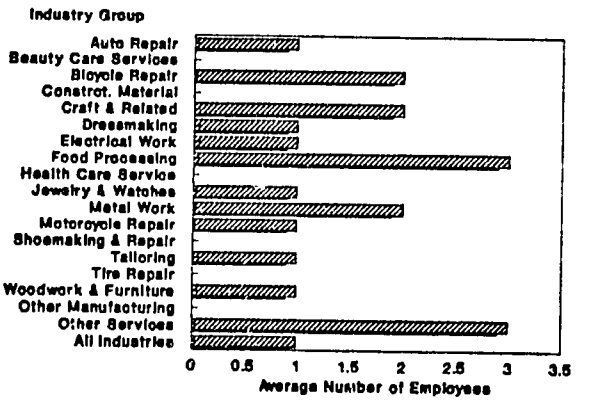
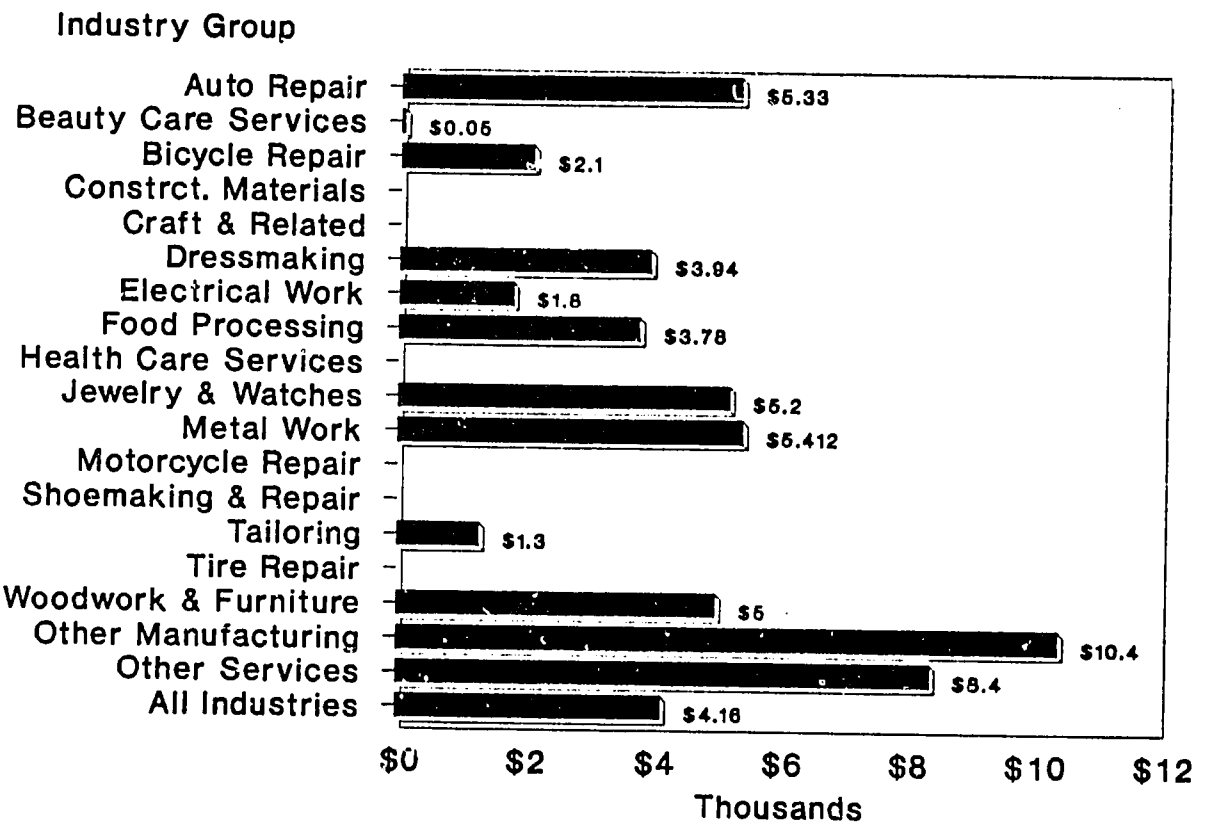


FIGURE III-7
MEDIAN WAGES OF SSES IN 1987



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than 50 percent of the businesses (44.4%) provided a response, some significant results were obtained nonetheless. Overall, the median annual wages paid out by all firms, as revealed in Figure III-7, was BZ$4,160. The average wage bill per business enterprise in 1987 was BZ$7,703. The industry group which reported paying the highest median annual wages per enterprise was the generic category of other manufacturing, although these results are not meaningful because only one observation was reported in this business category. The business group which had the next highest median annual wage bill was other services at BZ$8,400. This group is followed by the metal work and auto repair sectors with median annual wage bills of BZ$5,412 and BZ$5,330, respectively.

The results of the data on wages in Figure III-7 indicate that a rather sizable 27.8 percent of the businesses reported paying out no wages in 1987. This does not necessarily mean that such firms had no employees. Family members or relatives are oftentimes employed in small-scale enterprises but may not receive cash income for their labor.

C. Small Business Assets, Liabilities and Net Worth

1. Business Assets

The type and average value of assets held by small-scale enterprises are detailed in Table III-1. As Table III-1 shows, small-scale enterprises own a variety of both fixed and liquid assets, including land, buildings, machinery, as well as cash and other receivables. The average value of the fixed assets such as land, buildings and machinery owned by all small-scale enterprises were respectively BZ$30,500, BZ$21,765 and BZ$10,625. The average value of the liquid assets, such as securities, cash and recievables, held by small firms were respectively BZ$2,000, BZ$2,813, and BZ$1,450.

Table III-2 presents the total assets of small-scale enterprises by business type. As Table III-2 reveals, metal work firms had the highest average value of assets of all firms at BZ$70,667 followed by dressmaking firms at BZ$45,500. Service related businesses such as bicyclr repair, tire repair and motorcycle repair reported having little or no assets.

2. Business Liabilities

The type and average value of liabilities owed by small-scale enterprises is shown in Table III-1. The reported liabilities of small-scale enterprises consisted of loans and taxes owed. The average loan and taxes owed by all small-scale enterprises in the survey were respectively BZ$5,540 and BZ$390 respectively.

The amount of the liabilities owed by the different types of

TABLE III-1. FINANCIAL ASSETS OF SSES BY TYPE

BUSINESS TYPE	LAND	BUILDINGS	MACHINERY	INVENTORY	SECURITIES	CASH	RECEIVABLES	OTHER
Auto Repair	$42,042	$15,100	$5,895	$20,000	$0	$1,250	$0	$10,000
Beauty Care Service	$1,500	$500	$1,000	$0	$2,000	$0	$0	$5,000
Bicycle Repair	$0	$0	$600	$0	$0	$0	$0	$0
Construction Material	$1,500	$12,000	$3,000	$0	$0	$2,000	$0	$0
Craft & Related	$30,000	$40,000	$1,000	$0	$0	$0	$0	$2,000
Dressmaking	$10,000	$75,000	$3,000	$0	$0	$0	$0	$0
Electrical Work	$30,000	$10,000	$6,271	$5,000	$0	$3,000	$900	$2,167
Food Processing	$22,500	$21,200	$14,833	$0	$0	$0	$3,000	$2,000
Health Care	$20,000	$15,000	$0	$0	$0	$0	$0	$0
Jewelry & Watches	$8,000	$45,000	$2,457	$35,000	$0	$0	$0	$0
Metal Work	$200,000	$40,250	$27,571	$0	$0	$0	$0	$1,500
Motorcycle Repair	$0	$0	$0	$0	$0	$0	$0	$0
Other Manufacturing	$0	$0	$10,000	$0	$0	$0	$0	$0
Other Services	$7,000	$10,000	$15,000	$5,000	$0	$10,000	$0	$0
Shoemaking & Repair	$10,000	$8,000	$1,750	$0	$0	$1,000	$0	$0
Tailoring	$4,500	$19,250	$1,271	$0	$0	$0	$0	$4,000
Tire Repair	$1,500	$16,000	$1,650	$0	$0	$0	$0	$0
Woodwork & Furniture	$31,545	$20,682	$10,622	$5,000	$0	$2,000	$1,000	$0
All Firms	$30,500	$21,765	$8,028	$10,625	$2,000	$2,813	$1,450	$4,583

small firms were aggregated and are presented in Table III-2. As Table III-2 indicates, the food processing industry had the largest average value of liabilities outstanding at BZ$17,400. Food processing firms were followed by the woodwork and furniture making industry with average liabilities at BZ$4,944.

3. Small Business Net Worth

The financial position of small-scale enterprises was estimated using the net worth criteria. The net worth of a business is calculated by taking the difference between the assets and liabilities. The results of this analysis is shown in Table III-2 for each business group. As revealed in Table III-2, average net worth for all firms is BZ$21,174. The metal work firms had the highest average net worth at BZ$67,367. Metal work firms were followed by dressmaking and craft related firms with net worths at BZ$44,800 and BZ$36,500, respectively.

TABLE III-2: ASSETS AND LIABILITIES OF SSES

Business Type	Mean Assets	Mean Liabilities	Estimated Net Worth
Auto Repair	$28,538	$833	$27,704
Beauty Care Service	$2,167	$200	$1,967
Bicycle Repair	$600	$0	$600
Construction Material	$7,167	$700	$6,467
Craft & Related	$36,500	$0	$36,500
Dressmaking	$45,500	$700	$44,800
Electrical Work	$14,657	$900	$13,757
Food Processing	$32,222	$17,400	$14,822
Health Care	$35,000	$0	$35,000
Jewelry & Watches	$11,320	$1,511	$9,809
Metal Work	$70,667	$3,300	$67,367
Motorcycle Repair	N/A	N/A	N/A
Other Manufacturing	$10,000	$0	$10,000
Other Services	$11,750	$0	$11,750
Shoemaking & Repair	$7,500	$450	$7,050
Tailoring	$8,262	$600	$7,662
Tire Repair	$0	$4,820	($4,820)
Woodwork & Furniture	$31,877	$4,944	$26,933
All Firms	$24,337	$3,163	$21,174

IV. MANAGING SMALL-SCALE ENTERPRISES

Owners of small business enterprises are typically one-person operations. Such owners have the responsibility for business administration, finance, production, marketing and other functions necessary to sustain their business operations. As previously revealed in Figure III-3 on the ownership structure of small-scale enterprises, 90.5 percent of the businesses surveyed were sole proprietorships. Such firms are occasionally assisted by family members or relatives in carrying out their business management functions, although one person generally has sole responsibility for managing the business.

The survey team collected data in three principal areas regarding the type and nature of the management of small-scale enterprises in Belize. The areas investigated involved the administration of the businesses, the business finance and credit histories, and the extent of marketing products and services. The results of these efforts are discussed in the following sections.

A. Business Management

Only 27.2 percent of the enterprises interviewed indicated that they shared the responsibilty for mananging their business with someone else. The three reasons cited most often for not sharing their management responsibilities were that their business is too slow (14.4%); inadequate finances (16.5%); or that it was unnecessary (42.3%). As presented in Appendix D-17, of those firm that did share their management responsibilities, some 77.6 percent had a family member or a relative assist them. Only 12.2 and 10.2 percent of the firms respectively either had a partner or someone else assist them. Family members provided management assistance mainly in the areas of personnel management, administration, accounting, purchasing, marketing and a generic category other. Figure IV-1 shows the share distribution of assistance provided partners, family members and others. As the Figure IV-1 indicates, administrative assistance at 30.6 percent is the area of shared responsibility cited most often.

B. Business Administration

It is not uncommon for small-scale enterprises not to keep records or some form of accounting of their business activities. When asked the question ''what type of business records do you keep'', almost half (47.1%) of the business owners said none. Of those firm that maintained records, the owner of the business kept records for 92.4 percent of the firms surveyed. Such records were mainly of the firm's accounts payables and accounts receivables.

Even managing to maintain a separate bank account of their business transactions seemed difficult for most small-scale enterprises. Some 81.7 percent reported that they did not have a separate bank account for their business. Of the remaining 18.3 percent (29 firms) of the firms with a separate business account, 65.5% used a savings account and 34.5% used a separate checking account for their business transactions. This result is not entirely surprising, because it is not unusual for small-scale enterprises to comingle bank accounts for their personal financial transactions with those for their business. The results obtained from the survey indicate that, of those enterprises that do not have a separate business account, 46.4 percent comingled funds in their personal bank accounts with those of their business. The remaining 53.6 percent of the enterprises did not use their personal accounts for their business transactions.

C. Quality of SSE Management

The survey results presented above indicates that the management of small-scale enterprises, with the exception of a small percentage of firms, clearly lack appropriate adminstrative controls and management structures to effectively expand their business operations. This is evidenced by: the lack of record keeping; the comingling of personal funds with business transactions; the inability to share or delegate busniess management responsibilities with others; the inability to seek outside assistance in the areas of credit, business management assistance and training, and marketing. Many of these management shortcomings are structural in nature in that they are derive from a lack of capital resources, insufficient market information, and inadequate business management skills. They also reflect a lack of knowledge regarding the range of resources available to the small business sector. They can, however, be mitigated with the intervention of financial intermediaries. Financial intermediaries are in a position to provide credit assistance, as well as offer business management, employee training and marketing assistance in many of the areas that often inhibit the ability of small-scale enterprises to expand.

D. Marketing of Products and Services

It should not come as a surprise that the principal market for the vast majority of small-scale enterprises in Belize is the local market of urban consumers comprising mainly individuals and households. Some 80.3 percent of the firms reported that their market was principally local. As shown in Figure IV-2, the foreign export market accounting for less than 1.0 percent (0.53%) of the small-scale enterprise sales. As can be seen in Figure IV-2, the remaining geographical sales are distributed at the national level at 3.0 percent, district-wide at 10.0 percent, and city-wide at 6.0 percent. With regards to the specific question of who buys the goods and services produced in small-scale enterprises sectors of the economy, there is

FIGURE IV-1
FAMILY ASSISTANCE TO SSES

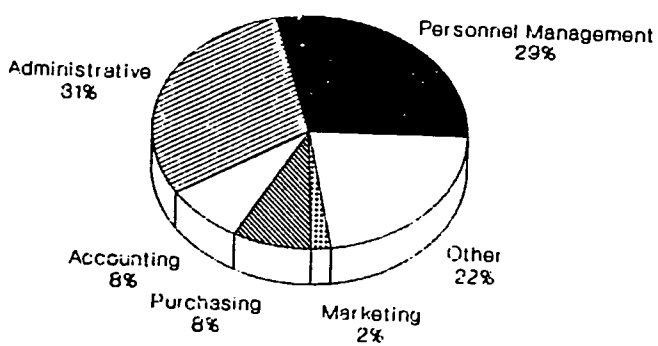
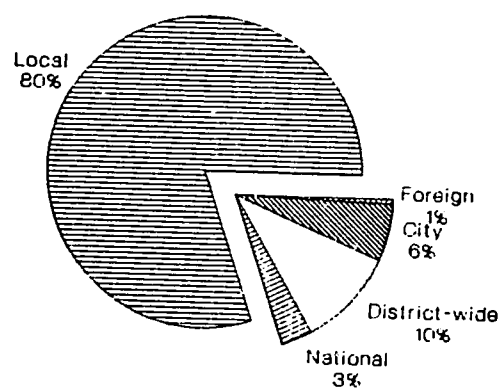


FIGURE IV-2
MARKETS FOR SSES PRODUCTS BY LOCALITY



little doubt that it is overwhelmingly individuals or urban consumers. Urban consumers or individuals accounted for 90.7 percent of the small-scale enterprise market in Belize.

In order to gain market share, stimulate demand and increase sales, advertising and promotion is usually the approach adopted by the business sector. Although there are alternative methods, this approach is widely accepted. Normally, advertising is done through advertising agencies using mass media outlets such as the electronic and print media. This promotional approach generally tends to be too expensive for many small businesses to consider as an option. Only 31.7 percent of the businesses interviewed said they promoted their products or services. Of those who did, 52.0 percent said they used the electronic and print media for their advertising while others (30.9%) used less conventional approaches such as distributing flyers and posters (16.4%), and distributing information at public events (1.8%).

The survey results further revealed that 80.6 percent of the enterprises had plans to expand their business in the coming year. The reasons offered most often for not having done so were financial (53.5%) and business too slow (7.1%). Some 39.4 percent of the firms indicated other reasons for not expanding their new business. These reasons clearly suggest potential areas (i.e., financing and marketing) in which to strengthen outside support to the small-scale enterprise sector.

V. FINANCIAL INTERMEDIATION

A. Lending Criteria, Loan Size and Finance Charges

Both governmental and non-governmental financial intermediaries in Belize offer a wide range of financial packages to small-scale enterprises. These financial transactions involve various criteria for making a loan, different requirements with regard to the loan size and various approaches to loan financing.

1. Lending Criteria

There are no uniform criteria among financial intermediaries for granting loans to small-scale enterprises in Belize. The lending criteria used by financial intermediaries are generally derived from the program objectives and the mission of the particular intermediary in question. However, one common feature among financial intermediaries is that they make concessionary loans to small-scale enterprises. Their lending policies are generally less restrictive than those of commercial banks. Financial intermediaries, more often than not, offer credit assistance to those small businesses that commercial institutions find too risky to lend to.

The lending criteria of the NDF/B for example are based on: 1.) firms with a maximun of BZ$25,000 in assets; 2.) firms with less than ten employees; 3.) firms engaged in productive activities including service industries, distribution firms, agribusinesses, and retail establishments providing they sell locally produced goods, and 4.)new firms provided they have previous experience.

The basic loan policy of the credit unions, such as Holy Redeemer Credit Union the largest credit union in Belize, is that the loan applicant must be a member of the cerdit union. Holy Redeemer Credit Union also requires fixed assets as collateral to secure its loans or alternatively loans can be secured by third party guarantees.

The loan policies of Development Finance Corporation (D.F.C.) are designed so as to determine the suitability of a loan request based on: 1.) the viability of the enterprise; 2.) the management capabilities of the borrower; 3.) the financial structure of the enterprise in terms of soundness; 4.) the suitability of the marketing arrangements, and 5.) the ability of the loan recipient to provide adequate security for the loan.

The lending policies of the four commercial institutions in Belize tend to be more restrictive than those of financial intermediaries. As profit maximizing business, commercial banking

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institutions base their loan policies on market conditions and the ability of the loan recipient to repay the loan. They require collateral to secure their loans and do not make loans on a concessionary basis.

2. Loan Ceillings

Because of limited resources and the risk factors involved, financial intermediaries typically have a ceilling on the loans they grant. The NDF/B, for example, does not make loans above BZ$25,000. The Holy Redeemer Credit Union also has a loan ceilling of BZ$25,000 on small business loans. The D.F.C has a loan ceilling of BZ$750,000 but their loan portfolio also include large industries.

In addition to a ceilling on loans, some financial intermediaries also have a minimun loan amount that they will grant. The NDF/B does not make loans below BZ$250. Such small business or micro-loans are usually granted if they can be guaranteed by a third party guarantor. In practice, however, the good character of the loan applicant is sufficient to grant the loan. Holy Redeemer Credit Union also has a minium loan amount of BZ$1,000 that they will make. Such loans are usually personal loans.

Some commercial banks such as Belize Bank make personal or consumer loans in the range of BZ$1,000 to BZ$5,000. Such loans are usually secured by the assets of the borrower or by a third party guarantee. These loans can also be granted if the borrower has a steady job. In such a case, the loan payment to the bank is remitted directly to the bank from the borrower's employer.

3. Loan Finance Charges

The interest rates charged on loans to small-scale enterprises by financial intermediaries range from 12 percent to 15 percent nominal interest. The NDF/B charges a nominal interest rate of 12 percent on the principal. However, because of the way the interest is calculated, the effective interest rate is approximately 20 percent.

Commercial lending institutions charge a nominal interest rate of between 15 to 18 percent on the declininng loan balance. In the event the borrower miss a payment on the loan, the past due amount is added to the principal resulting in interest being paid on interest.

In addition to interest rate charges, financial intermediaries in Belize also charge loan processing or loan administration fees on the loans they disburse. Holy Redeemer Credit Union, for example charges a loan processing fee of 4 to 5 percent above the nominal interest rate on its loan. The NDF/B charges a fee of 2 percent of the loans disbursed to cover its administrative costs. The D.F.C. charges a loan processing fee of 3 percent on loans under BZ$5,000 and a loan committment fee of 1 percent of the loan on loans over BZ$20,000.

4. Staffing and Loan Administration

The operational policy staff of NDF/B consist of a senior level management team that include the managing director, the financial controller, the accountant/administrator, and the assistant loans officer. The management team is supported by a loan portfolio staff that include five field extension officers. The management staff is also supported by a clerical/accounts staff that include a four-person administrative staff. The specific staffing and loan administrative functions of the NDF/B is reported in detail in the evaluation report of NDF/B prepared by Barash and Yumiseva (1988).

B. Small Business Credit and Finance History

Credit and financial assistance to small-scale enterprises in Belize can be divided into two groups of lenders. The two groups include institutional lenders and non-institutional lenders. Institutional lenders can be further divided into two credit categories that consist of the four commercial banks in Belize and non-bank lenders or financial intermediaries such NDF/B, D.F.C. and credit unions. This section reports on the credit and finance experience of the small-scale enterprise and seeks to document the level and type of financial assistance made available by both institutional and non-institutional sources.

1. Institutional Credit

A widely held view of small-scale enterprises is that their inabilty to grow is directly related to their lack of access to commercial credit and to technical assistance. This survey collected information on the credit histories of some 189 small-scale enterprises in order to assess the extent to which credit and technical assistance from traditional institutions have been forthcoming to small-scale enterprises. Some 56.4 percent of the enterprises interviewed had never applied for a business loan from a commercial lending institution. Of the remaining firms who said that they had applied for a commercial loan, 85.7 percent indicated that they were successful in getting the loan. Such a success rate is somewhat surprising because it goes against the conventional wisdom regarding the credit history of small-scale enterprises and their inability to attract loans from conventional credit institutions. However, because concessionary lending through financial intermediaries (e.g., NDF/B, D.F.C. credit unions, etc.) has increased substantially in the last five years in Belize, the results are not entirely unexpected. Before additional inferences can be drawn from these survey results, it is necessary to document: when these loans were made; what institutions made the loans; what were the amounts of loans made; what were the terms of the loans; what purposes were the loans to be used for, and what type of loans were sought.

Approximately 80 percent of the loan assistance to small-businesses in 1987 was disbursed through institutional lending. Of the loans disbursed by institutional lenders in 1987, commercial banks had the largest institutional share at 34.7 percent followed by credit unions at a 30.42 percent share. NDF/B and the D.F.C. had only a 10.9 percent and a 2.2 percent share, respectively, of the loans disbursed. Such results are quite surprising because of the increasing availability of loan funds through, for example, NDF/B in the last five years. Because NDF/B loan funds are targeted specifically to the micro-enterprise and small-scale enterprise sectors, one would have expected that this institution would have had a more significant share of the market.

2. Non-Institutional Credit

Development policy initiatives on small-scale enterprises development oftentimes seeks to interpose itself between the small-scale entrepreneur and the non-traditional or the non-institutional credit source. This is done by trying to replicate the operational flexibility (i.e. decision making ability) and low overhead that non-institutional lenders operate on, as well as minimize the sometimes exploitative nature of loans made by informal moneylenders. The obstensible purpose for such an approach is to provide more effective and efficient organized credit support to small-scale entrepreneurs.

The availability of loans from non-institutional lenders or informal sources such as money-lenders, family members, friends and business associates is not as significant as the institutional support received from both the D.F.C. and NDF/B in meeting the credit and financial needs of small-scale enterprises in Belize. The vast majority of small-scale enterprises (91.8%) indicated that they did not seek a loan from a non-institutional source in the past. Some 19.6 percent of the firms indicated that they had received a loan from a non-institutional source in 1987.

The distribution of non-institutional loans to small-scale enterprises by lending source is presented in Figure V-1. Figure V-1 reveals that the largest share of non-commercial loans to small firms made by a either friend or a family member is 46.2 percent and 38.5 percent respectively.

Of the few firms which reported interest rate charges on loans from non-institutional sources, the interest rates charged are comparable to those charged by commercial lenders, i.e, 10% to 14%.

C. Technical Assistance to SSES

There does not appear to be any significant support in the area of technical assistance that small-scale enterprises receive from either the public sector or from private sources. When asked the

FIGURE V-1: SHARE OF NON-INSTITUTIONAL LOANS TO SSES BY SOURCE

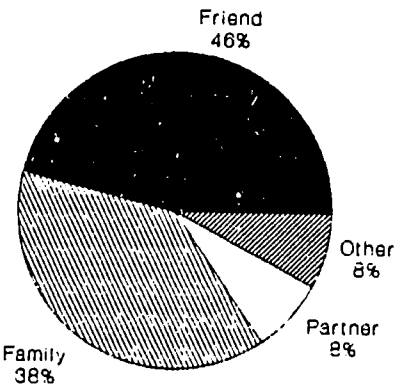
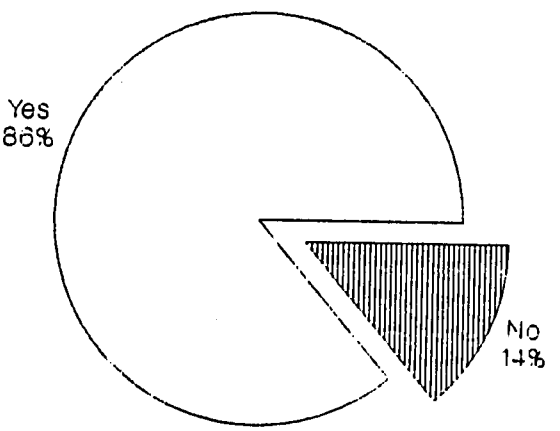


FIGURE V-2
NON-FINANCIAL ASSISTANCE TO SSES



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question ''have you received any outside assistance other than financial from either government or other sources'', 86.2 percent of all those who provided a response indicated that they had not received any outside assistance, as Figure V-2 shows. Of those firms that did not seek technical assistance, when the results are examined on an industry by industry basis, there is a significant improvement and a surprising results. One in three of the small business sectors in the survey indicated that they had received outside support for their business.

Several reasons were offered to explain why so many firms in the survey had not sought technical assistance for their businesses. Of those firms who did not seek technical assistance and indicated why they didn't, 63.5 percent said it was not necessary. These results were obtained in spite of the fact that several organizations in Belize such as the Belize Chamber of Commerce, NDF/B, DFC, Belize Institute of Management, B.I.C.E.T.D., and credit unions, etc. offer either direct or third party technical assistance in a variety of business areas. It still remains quite surprising, however, that so few firms sought their help. This, perhaps, is due in part to several factors; 1) the lack of knowledge regarding the availability and type of assistance; 2) not having a clear understanding as to the type of assistance needed; 3) the lack of knowledge as to where to seek the assistance, and 4) unavailability at the time the assistance is offered, particularly in classroom situations.

Of the 17.3 percent of all enterprises that had received support from the government or other sources, almost all of them interpreted the question to mean financial assistance rather than assistance in the management of their business operations. This is evidenced by the fact that almost all of the respondents indicated financial as the type of assistance received. Nonetheless, the results reported on here suggest that financial intermediaries in Belize, such as the NDF/B, DFC, etc. fall short in meeting the non-financial (technical assistance) needs of small-scale enterprises in four out of five cases examined in this survey. This is understandable in light of the fact that so few firms have sought technical assistance from such organizations.

VI. CREDIT DEMAND OF SMALL-SCALE ENTERPRISES

A. The Size of the Small-Scale Enterprise Sector

Before proceeding to estimate the size of the small-scale enterprise sector in Belize and assess the level of financial assistance needed, several issues were discoverd during the course of this research that should not pass without a few comments. To begin with, some researchers have reported that there are a 8,245 small-scale enterprises conducting business activities in Belize (Barash and Yumiseva, 1988). Further, these estimates have been made on the basis of employment statistics from the Belize Labor Force Survey of 1983-1984. This estimate in our opinion grossly overstates the size of the small-scale enterprise sector. No distinction was made between firms engaged in productive activities and those which are retailers or distribution firms. Many researchers seem to agree that retailers should not be included when estimating the size of the small-scale enterprise sector (Ettema, 1984). Other researchers even go so far as to exclude, in addition to retailers, personal care service firms and transport providers. While a variety of definitions are present throughout literature on small-scale enterprises, in most empirical research, small-scale enterprises are usually limited to employers with five or less workers (Squire, 1981). In the Belizean context, which has such a small economy, a firm with ten employees should be considered as a small-scale enterprise.

The extent to which financial intermediaries in Belize such as the D.F.C., NDF/B and credit unions, etc. choose to offer credit to retailers and distribution firms is a policy decision to be made by these institutions. Such policy choices will have effectively little, if anything, to do with affecting import substitution, tourism, or export promotion and development of the small-scale enterprise sector. A large number of the retail firms typically purchase and sell imported goods, not locally produced goods. Imported goods consume valuable foreign exchange resources without creating added value.

In order to provide a fuller appreciation as to the magnitude of the credit needs of the productive small-scale enterprise sector in Belize as a whole, we have attempted to determine the size of the sector. It is useful to again point out here that this survey covered all of the urban centers in the six administrative districts of Belize. Because complete data on loans made by credit unions in 1987 were only available for one credit union, some allowances have been made for firms that may have received assistance from credit unions and were underreported during the survey. We have increased our estimate of loans provided by credit unions by 10.0 percent to account for this fact.

Because there is no public directory or registry of small-scale enterprises in Belize, several methods have been utilized in order to estimate the size of the sector. As we have suggested above, previous estimates of the total size of the small-scale enterprise sector appear to overestimate the size of the small business sector by a factor of two. Having said this, the following estimates should be treated with some caution.

The total number of small-scale enterprise seeking credit assistance was estimated on the basis of the number of firms in the survey that received a loan in 1987 as shown in Table VI-1. The survey sample revealed that twenty loans were disbursed, from the three principal lending sources. Based on the disbursement sources, the number of loans were then divided by the total number of firms in the survey (189) and taken as a proportion of the loans disbursed in 1987 by NDF/B, D.F.C. and credit unions, respectively 100, 25, and 282 loans. The results of these calculations yielded an estimate of the total number of small-scale enterprises based on the share of loans disbursed. The estimated results for each loan source 3,780, 4,725, and 3,807 firms respectively were then adjusted by a weighted average of the three estimates. This brings our estimate of the total number of firms in the small-scale enterprise and micro-enterprise sector engaged in productive activities to 4,151 firms.

TABLE VI-1
SAMPLE DISTRIBUTION OF SSE LOANS IN 1987

Lending Source	Loans Disbursed	Loans In Sample	Share of Total
NDF/B	100	5	10.9%
D.F.C.	25	1	2.2%
Banks	N.A.	16	34.7%
Credit Unions	282	14	30.4%
Other	N.A.	1	2.2%
Informal Lenders	N.A.	9	19.6%
Total		46	100.0%

One of the most surprising findings based on the above results is that the share of loans made by D.F.C. has fallen dramatically since 1983 when it commanded a share of 18.6 percent of all loans made to small-scale enterprises. While the share of loans in the sample are fairly consistent for commercial banks from the 1983 period, credit unions and NDF/B have increased their share of the credit market. It is concievable that D.F.C. had very limited credit resources available to lend during this period. Although, it is also quite plausible that because of the increased credit assistance made availabale through

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other institutions, such as the NDF/B and credit unions, D.F.C. may have targeted its credit resources to other sectors of the economy.

The estimated number of small-scale enterprises were further adjusted downwards to 3,296 firms from 4,151 firms or by 20.6 percent to arrive at the total demand for credit. This downward adjustment was made because the results obtained from the survey indicated that only 79.4 percent of the firms surveyed said that they wanted a loan. This is against 100.0 percent of the firms in the 1983 small-scale enterprise survey who indicated that they wanted a loan, (Mintz,1983). These factors, taken together, brings our estimate of the total number of firms in the small-scale enterprise sector which may seek credit assistance to 3,296 firms.

In order to determine the specific credit demand for NDF/B loans, firms that could qualify for a loan from commercial banks and credit unions were excluded from the final estimate of 3,296 firms. This further reduces the total estimate by some 65.1 percent to 1,150 small-scale enterprises that may seek credit from NDF/B in the future.

The estimated distribution of small-scale enterprises that will seek a loan by district is presented in Figure VI-1. As Figure VI-1 reveals, approximately 47.0 percent of the estimated 1,150 firms seeking a business loan will be located in Belize City. This is against only 2.0 percent of such firms that will be based in the town of Benque Viejo del Carmen.

B. Level of Credit Assistance Needed

As stated throughout this report, the lack of credit support continues to be one of the most significant constraints to small-scale business development in Belize. However,in the last five years, there has been a sizable increase in the supply of credit assistance for small-scale enterprises. Such assistance has come from a variety of international sources (e.g., U.S.A.I.D./Belize, Foundation for International Training, and I.A.F. etc.). Apart from the D.F.C., there are also a number of non-governmental organizations such as the NDF/B, and credit unions, administering credit assistance programs. Nontheless, the demand for credit continues to outpace the supply as more small-scale enterprises seek credit assistance to improve and expand their business operations. The results obtained from the survey indicate that the median loan demand across all industry groups is $5,000. The average size loan needed is BZ$11,669, about two and one-third times the median demand for a loan.

As can be seen in Figure VI-2 for each industry group, the industries with the highest median loan demand are health care at BZ$15,000, auto repair, food processing, metal work, woodwork and furniture making, and other services, each of which has a median loan demand of BZ$10,000. The results of the analyses of the small-scale

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FIGURE VI-1: SSE SHARE OF CREDIT DEMAND BY LOCALITY

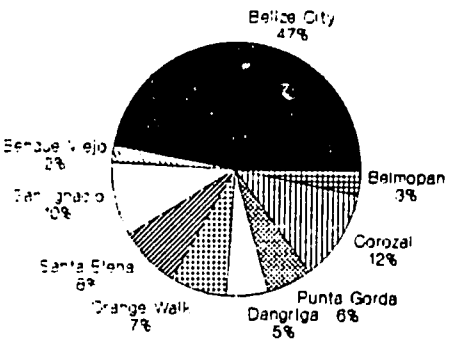


FIGURE VI-2
CREDIT DEMAND OF SMALL-SCALE ENTERPRISES

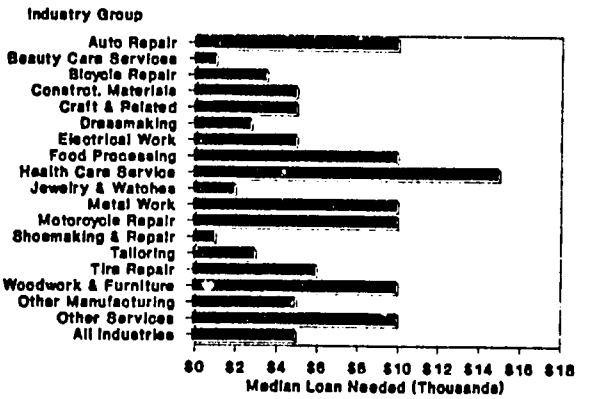
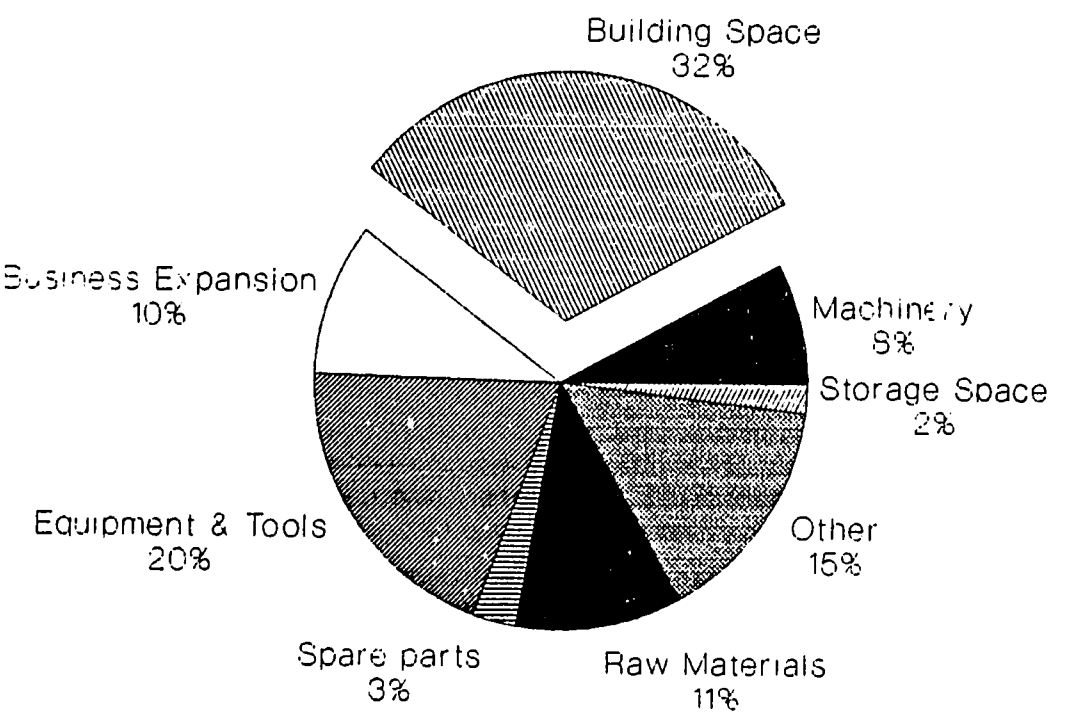


FIGURE VI-3
USE OF LOAN FUNDS BY SSES



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enterprises credit needs clearly indicate that median and average size loan demands (with a few exceptions) are well within the proposed $50,000 credit limit of NDF/B to consider granting more loans throughout the country.

C. Aggregate Credit Demand

Apart from the demand for credit on an industry-specific basis, there is also a need to determine what the total requirements for credit assistance are throughout the country for small-scale enterprise development. The number of small-scale enterprises engaged in productive activities, as have been defined in this research, was estimated to be 1,150. Taking the total number of small businesses (1,150) times the median loan demand (BZ$5,000) yields the aggregate demand for credit assistance that financial intermediaries will have to face. Were each of the 1,150 micro-enterprises and small-scale enterprises to seek a loan today, an estimated BZ$5,750,000 would be required in loan funds to meet the demand. Figure VI-2 shows the demand for credit an industry-specific basis should all businesses seek a loan.

D. Use of Loan Funds

Figure VI-3 shows how the use of loan funds would be distributed by each small-scale enterprise group. Some 31.7 percent of the small business owners said that they would secure building space, if granted a loan followed by 19.8 percent who would use their loan to purchase equipment and tools for their business operations. The purpose for which entrepreneurs would use their loans, if granted, tended to be predictable because such uses tend to relieve the barriers to small-scale enterprise expansion.

E. Collateral

The aggregate demand for credit assistance to small-scale enterprises was estimated above at BZ$5,750,000. The ability of the small business sector to collaterize such credit, if granted was assessed on the basis of the small business owners' assets available to secure the loans. The small-scale enterprise sector, with 74.1 percent reporting, indicated that fifty percent would use their business assets to secure their loan, followed by personal assets (27.1%) and both personal and business assets (22.9%) for other businesses.

The reported average net worth for all firms in the survey was BZ$21,174. Although financial intermediaries will have to examine the loan requests on a loan-specific basis, the average net worth position of the small-scale enterprises surveyed offer evidence that the median(BZ$5,000) and the average credit demand (BZ$11,669) that small-scale firms seek can be supported by the assets they hold.

VII. TECHNICAL ASSISTANCE AND FACTOR INPUT REQUIREMENTS

As has been pointed out earlier in this study, the need for technical assistance to improve the business management skills and the production capacity of small-scale entrepreneurs continues to be one of the main obstacles to small-scale enterprise development in Belize. The first step in seeking to overcome this obstacle is to get an accurate assessment of the technical assistance needs. Because of limited resources, it is not likely that technical assistance can be made available to all firms who request it. As such, financial intermediaries and the public sector agencies will have to devise policy actions and specific strategies which target those industry groups for assistance that serve the broader public policy objectives of reducing the dependency on imported goods, increasing the export capacity and generating employment.

This section examines the technical assistance needs and the factor input requirements of the small-scale enterprise sector. Technical assistance as defined in this study refers to professional business management assistance. Professional business management assistance include those areas of outside assistance that can improve the business management skills of the entrepreneur. Professional services such as accounting, employee training, financial management and budget control, marketing, legal affairs, and banking, etc. are the types of outside assistance typically included in this category.

In addition to technical assistance involving business management training, there is also a need to assess the factor inputs requirements necessary to improve the production capacity of small-scale enterprises. Factor inputs include, for example, equipment and machinery, plant space, transportation, spare parts, and raw materials, etc. Assuming that there are no supply constraints, such factor input requirements can usually be met with an infusion of outside capital.

The need for outside assistance to improve small-scale enterprises' capacity to grow and expand is fully recognized by small business entrepreneurs in Belize. Almost half (45.2%) of the businesses surveyed indicated that they intend to seek technical assistance in the coming year.

Small business entrepreneurs were asked to ''indicate the most important type of professional assistance needed to expand their business operations''. They were further asked to ''identify the most important input needed to expand their businesses''. The results obtained from these two questions are discussed below.

A. Professional Services Needed

The professional assistance cited most often by small-scale entrepreneurs as the most important to help their business expand are shown in Figure VII-1. Approximately 34.0 percent of all the firms reporting indicated that assistance in marketing is the most important professional input need to expand their business operations. Such results are not surprising and is an acknowledgement by entrepreneurs of the need to more effectively market their goods and services to improve sales.

Employee training was the second most important type of professional assistance needed to improve small business expansion. This category accounted for 20.0 percent of the professional services needed. The employee training category as the second most important category of professional assistance needed is somewhat unexpected. This is because of the widely held view that the business management skills of small business owners in Belize are not as developed as they should be and one wounld expect this category to either be in need first or second. Moreover, business management training is often a condition for being granted a loan by such organizations as the NDF/B and D.F.C. This seems to lend support to the view that entrepreneurs need to first improve their skills in this area. Nonetheless, what these results appear to suggest is that there is a perceived connection between marketing and the need for improved employee training. Successful marketing tends to induce sales which in turn signals production increases. Production increases may in turn require additional labor inputs, including more experienced labor, in order to satisfy the production requirements.

B. Factor Input Requirements

The factor inputs mentioned most frequently as needed by small-scale enterprise owners are shown in Figure VII-2. Twenty-six percent of all firms reporting indicated that equipment and tools were the most important inputs needed to expand their businesses.

The need for plant space was cited as the second most important physical input needed by small-scale enterprise owners to expand their businesses with 22.3 percent of all firms reporting. Such a need may suggest that special manufacturing zones such as those found in the United States. These special zoning areas take advantange of intermodal transshipment facilities, bonded warehouses, joint purchasing arrangements and modern security systems, etc. Such areas can be developed as incubator type facilities. While this research did not focus on the market demand for manufacturing and storage space for small-scale enterprises, such an effort may warrant an investigation to determine if such facilities are appropriate for satisfying plant space needs of small businesses.

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FIGURE VII-1
PROFESSIONAL SERVICE NEEDS OF SSES

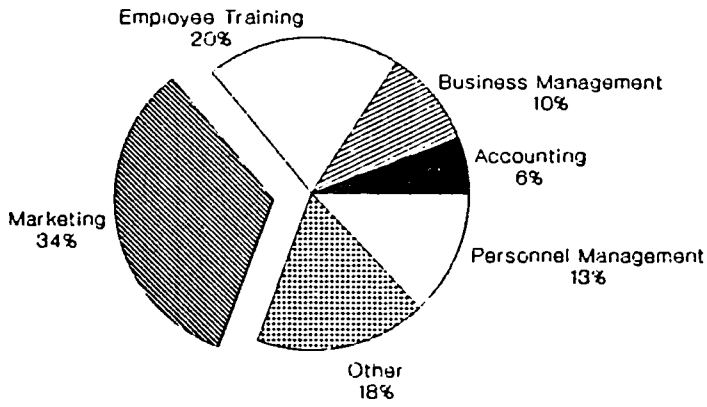
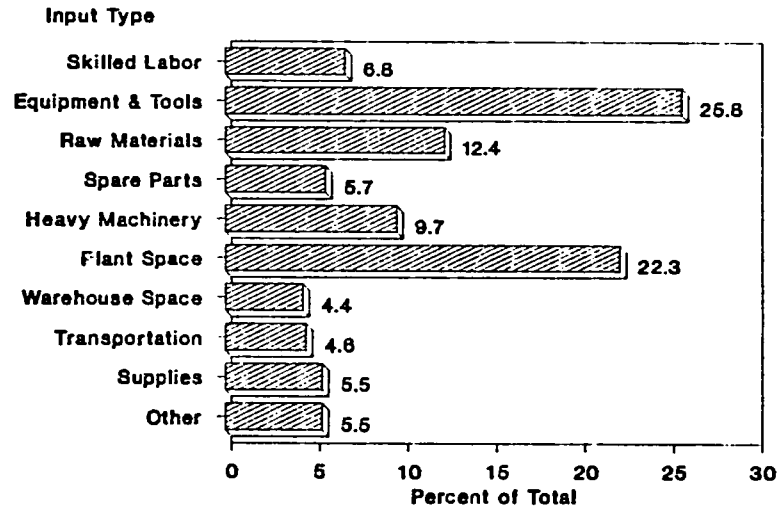


FIGURE VII-2
FACTOR INPUT REQUIREMENTS OF SSES



46.

VIII. SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS

A. Summary and Conclusions

The survey research findings presented in this report were guided by four principal objectives: i) to compile a comprehensive profile of the micro-enterprise and small-scale enterprise sectors; ii) to describe and analyze the inputs needed for the development of these sectors; iii) to estimate the extent to which credit and technical assistance needs are being met, and iv) to recommend U.S.A.I.D./Belize's role in meeting the needs of these sectors. The results obtained from the survey are summarized below.

1. Background Characteristics

Small-scale business enterprises, like any other sector of the economy, have peculiarities that are unique to small businesses. This section provides a summary of the background characteristics, type and level of activity of the small business sector in Belize. The most salient result are as follows:

Type of Business

The auto repair and woodwork and furniture making industries account for the largest share of the eighteen industries in the survey. These two industries represent 20.6 and 15.3 percent, respectively of all firms surveyed. The woodwork and furniture making industry, because of its size and export potential, offers the most promise of any industry group in the survey to increase Belize's export capacity.

Demographics of SSE Owners

Ninety-one percent of all small-scale enterprises are owned or operated by men. Of those firms that are women-owned, 82.4 percent are concentrated almost entirely in the three business sectors consisting of beauty care services, dressmaking, and food processing.

The median age of all small-scale enterprise owners is 41 years old.

Some 24.5 percent of all small-scale entrepreneurs indicated that they had completed at least a secondary level of education, while only 2.7 percent had no formal schooling.

Household Characteristics

The average household size across all firms in the survey is 5.07

persons per household. The median annual household income was reported at BZ$8,660 per household for all businesses surveyed. The average number of household members employed is 1.59 persons per household for all industry groups. The average number of household members employed in the business for all industries is 0.16 persons per household. The median income of household members employed in the business was estimated at BZ$7,800 per annum.

Credit and Finance History of SSES

Of the 189 firms surveyed, 56.4 percent had never applied for a commercial loan before. Of those firms which had applied for credit in 1987, institutional lenders such as commercial banks, the National Development Foundation, the Development Finance Corporation, and credit unions, etc. provided approximately 80 percent of the commercial credit to small-scale enterprises. Non-institutional lenders (e.g.,, other businessperson, friends, and family members, etc.) provided 19.6 percent.

Business Startups

The median age for starting a small business is 33 years old. This figure was estimated indirectly by taking the difference between the median age and the median number of years in business. It further assumes that the entrpreneur did not own a previous business. The median equity invested to start a business was BZ$1,500. Some 65.7 percent of the firms indicated that the source of equity to start their business was from personal savings, while only 5.3 percent indicated that commercial institutions were the source of their business startup capital.

Non-financial Assistance

Only 17.3 percent of the businesses surveyed indicated that they had received outside non-financial assistance involving business management training and technical assistance. Some 45.2 percent of the entrepreneurs intend to seek technical assistance for their business in the coming year.

Gross Sales, Employment and Wages

The median annual gross sales for all firms reporting for 1987, 1986 and 1985 were respectively BZ$10,000, BZ$7,000, and BZ$8,000. Woodwork and furniture making firms had the highest median annual gross sales of any industry group.

Only 27.8 percent of all firms averaged more than one employee per business. The average number of persons employed per business for all enterprises is one.

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The median annual wage bill for all firms who responded was BZ$4,160. Some 27.8 percent of the firms in the survey indicated that they paid no wages.

Business Management

Only 27.2 percent of the firms interviewed reported that they shared the responsibility for managing their business with someone else, citing not necessary (42.3%), the lack of business or the smallness of the business (30.9%) as the principal reasons for not doing so. Of those businesses that do share responsibility, a family member shared the responsibility for managing small businesses in 77.6 percent of the firms surveyed. Family members assisted mainly in the areas of administrative and personnel management, accounting, purchasing and marketing.

Marketing and Promotion

An estimated 80.3 percent of the small-scale enterprises surveyed indicated that the market for their goods and services was the local market made up of individuals and households. The foreign export market accounts for only 0.53 percent of the market share of small-scale enterprise products. The remaining sales are distributed at the city-wide level, district-wide and nationally.

Some 80.6 percent of the entrepreneurs said that they had plans to market their products or services in the coming year. Lack of finances was cited most often as the principal reason for not having done so before.

2. Credit Demand

The lack of credit continues to be one of the most significant constraints to small-scale business development in Belize. In recent years there has been a sizable increase in the supply of credit assistance for small-scale enterprises from a variety of international sources (e.g., U.S.A.I.D./Belize, Foundation for International Training, and I.A.F. etc.). However, the demand for credit continues to outstrip the supply as more firms seek assistance to improve their business operations. The results obtained from the survey indicate that the median loan demand across all industry groups is BZ$5,000. The average size loan needed is BZ$11,669, about two and one-third times the median demand for a loan. The average loan demand for all firms surveyed is approximately seven times the average size loan disbursed by NDF/B (BZ$1,608) in 1987. Only about 25 percent of the loans in NDF/B's loan portfolio was in the range from BZ$5,001 to BZ$12,500.

The industries with the highest median loan demand are auto repair, food processing, metal work, woodwork and furniture making, and other services, each of which has a median loan demand of BZ$10,000.

Aggregate Credit Demand

The total demand for credit assistance by micro-enterprises and small-scale enterprises in Belize, excluding retail establishments, distribution firms, and agribusinesses is estimated at approximately BZ$5,750,000. The total estimated credit demand also excludes firms that qualify for assistance at commercial banks and credit unions. The aggregate credit demand figure is based on an estimate of 1,150 small-scale enterprises times the median loan demand of BZ$5,000 per business. The loan portfolio for NDF/B for the period ending 1987 represents only 15.2 percent of the total estimated credit demand. This means that NDF/B would have to increase it loan portfolio more than six and a half times to meet the future demand for small business loans.

Use of Loan Funds

The manner in which the entrepreneurs would use their loans, if granted, is indicated by the following results. Some 31.7 percent of the small business owners said that they would use loan for the purpose of securing additional building space, followed by 19.8 percent who would use their loan to purchase equipment and tools for their business.

Collateral

The aggregate demand for credit assistance to small-scale enterprises was estimated at BZ$5,750,000. The question then arises as to the ability of the small business sector to collaterize such credit, if granted. The small-scale enterprise sector, with 74.1 percent reporting, indicated that fifty percent would use their business assets to secure this credit, followed by personal assets (27.1%) and both personal and business assets (22.9%). The average net worth of the small business was estimated at $21,174 per firm which is more than adequate to collateralize their loans.

3. Technical Assistance and Factor Input Requirements

In addition to the need for the financial support discussed above, the small-scale enterprise sector also requires technical assistance to aid in expanding their businesses. Some 45.2 percent of the small businesses reported that they intend to seek technical assistance for their business in the coming year. Based on the results obtained from the survey, two areas of technical assistance will be required by small businesses in the coming year. These include technical assistance involving professional services and physical

input requirements. The professional services requirements refer to such areas as accounting, budget control and management, employee training, personnel management, legal affairs and financial management, etc. The physical inputs relate to the production capacity of the firm and include, for example, equipment and machinery, plant space, transportation, spare parts, and raw material and supplies, etc.

Professional Services Needed

The type of personal services cited most often by small-scale enterprise owners as most important to help in expanding their business was assistance in marketing their products and services. Some 33.5 percent of all businesses indicated that assistance with marketing was the most important area of support.

Employee training was indicated by small businesses as the second most important type of professional assistance needed to expand their business. Twenty percent of all small-scale enterprises reported employee training as their choice for professional assistance.

Technical Inputs Needed

The technical inputs mentioned most frequently as being needed by small-scale enterprise owners are equipment and tools. Twenty-six percent of all firms reporting indicated that equipment and tools are the most important inputs needed to expand their businesses.

The need for plant space was cited as the second most important input needed by small-scale enterprise owners to expand their businesses with 22.3 percent of all firms reporting.

B. Policy Implications

There are a number of areas discussed in this report that have implications for public policy at the international, national and local level. However, what shall be the primary focus in this section are the implications for policy from the perspective of U.S.A.I.D/ Belize. The principal areas having implications for public policy are i.) credit assistance, ii.) technical assistance and training, and iii.) marketing. This section discusses the implications for policy by assessing both the constraints and opportunities for small-scale enterprise development.

1. Constraints and Opportunities for SSE Development

Although several of the small-scale enterprises sectors reviewed in this study offer tremendous promise in reducing import dependency, increasing exports and creating employment, they continue

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to be burdened with structural constraints. Many of the constraints that the small-scale enterprise sector face are symptomatic of simply being a small business. For example, their inability to attract commercial loans is attributed to their lack of assets, or their inability to grow is because they lack market support, etc. At this low level of business activity, very little can be done without the support of government, the private sector, and non-governmental organizations to overcome these problems. If, however, such a collaborative effort is not mounted, then the obstacles to small-scale enterprise development are likely to persist well into the future.

The structural constraints occur primarily in three areas. These include business management and training, marketing, and credit assistance. Despite the fact that in Belize, there are at least a dozen public and non-governmental organizations providing technical assistance in the area of business management, the business management skills of small-scale enterpreneurs remain inadequate. This is, perhaps, attributed to the fact that the institutions which offer business management training are too dispersed. Thereby, creating confusion as to what support is offered, when it is offered and under what circumstances it is offered. What is required, in our view, is a more comprehensive approach to the problem of inadequate small business skills. One in which the institutional support is more centralized in, for example, a small business management institute. Such an institution could not only offer a variety of scheduled business courses but also has the advantage of maximizing the use of available resources. This approach we believe will be effective in improving the business management skills of the small-scale enterprise sectors.

Even if the problem of improving the business skills and providing sufficient credit to small-scale enterprises is adequately addressed, marketing will continue to be one of the most serious obstacles to small-scale enterprise development. Not only does the marketing of goods and services produced by small-scale enterprises need to be improved at the domestic level, it is even more of a challenge to penetrate foreign markets for those business sectors with export potential. Taking the problem associated with the export market first, what's required in order for small businesses to significantly penetrate foreign markets is clearly an aggressive strategy which identifies and targets those business sectors for assistance with export potential. Secondly, a mechanism needs to be developed to ensure that only high quality products at competitive prices are aggressively promoted. This can be accomplished through international trade fairs and direct contacts with foreign companies who have distribution channels and a need for such products.

Increasing market share in the domestic markets is less of a problem of policy than it is with foreign markets. Notwithstanding the fact that most small businesses sell their goods and services in

the domestic markets, the small entrepreneur is likely to have a better understanding as to how to approach this market than he will with foreign markets. Promotion of small business products and services vis a vis mass media is perhaps one such approach. However, the availability of funds to secure advertising space can be overcome when small-scale enterprises apply for credit assistance. If their marketing strategy, like business management training, is made a part of the condition for getting the loan, this will effectively encourage small businesses to include an advertising budget in their loan request. This, in turn, should increase the sales of other small firms in the advertising and promotion industry because of additional business, as well as the sales of the firms advertising.

In addition to promotion, small-scale enterprises can be helped enormously with the cooperation of the public sector. As we have already observed, the central government only accounts for about 6.3 percent of the small-scale enterprise market share. The central government can be more effective if procurement policies are established which ensure that the goods and services produced by small-scale enterprises are purchased more frequently.

In spite of the fact that a number of public and private non-governmental financial intermediaries (D.F.C., NDF/B and credit unions, etc.) provide credit assistance to small-scale enterprises, the need for credit continues to be a major impediment to small-scale enterprise development. The problem might not be that the supply of credit is limited because funding for credit to these institutions have increased significantly over the past five years and it is expected to continue. Rather, the problem appears to be one of how best to deliver the credit assistance to a wider segment of the small business community and to areas of the country yet underserved. With the exception of the D.F.C., many of the credit programs of the financial intermediaries are limited to a few areas of the country and cannot, as yet, be considered to be truly national in scope; although, this is rapidly changing as the financial intermediaries seek to extend their programs to new credit markets.

The results of this survey should provide some guidance to the financial intermediaries in Belize in terms of how to approach the national market, particularly in terms of their credit, marketing, and technical assistance requirements. Having said this, two strategies for extending credit assistance to small business become apparent. First, financial intermediaries should concentrate their resources on providing assistance to those small firms that create additional employment, produce goods which reduce dependency on imported goods, and/or to increase foreign exchange earnings through exports. This effectively means adopting policies which target or prioritize assistance to specific such industries as woodwork and furniture making, auto repair, soap production and food processing etc.

An alternative strategy is to focus credit assistance on the broadest segment of the small business community by providing assistance to any firm which meets the basic credit requirements of the financial intermediary. Such a strategy is not without pitfalls. To begin with, unless there is a companion strategy within a particular industry group that can take advantage of, for example, joint purchasing of raw materials, storage, transportation, and market supply, the prospects for growth and expansion will continue to be limited. Additionally, while it is desirable to have as many small-scale enterprises as the market can support, it is also desirable to have a wide variation in the type and supply of products and services available on the domestic market. Therefore, the second strategy should also seek to encourage and support new business ventures and avoid those business sectors with limited expansion potential.

IX. RECOMMENDATIONS AND SCOPE FOR POLICY INTERVENTION

While there are many constraints to small-scale enterprise development in Belize as we pointed out above, there are also a number of opportunities which can significantly improve the capacity of the small business sector to grow and expand. It is our view that this can be accomplished through increased institutional support at the level of the public sector and non-governmental organizations and with the adoption of more comprehensive credit, technical assistance and marketing policies towards small-scale enterprises than had previously been the case.

The recommendations and policy actions set forth below are intended assist U.S.A.I.D./Belize in shaping its role and strengthening its support in the area of small-scale and micro-enterprise development. The recommendations are presented in four main areas including credit support, technical assistance and business management training, marketing, and institutional linkages. It is recommended that the United States A.I.D. Mission to Belize undertake the following:

1. Credit Support

A. Increase grant support to non-governmental financial intermediaries in the area of credit to an annual level of BZ$1,150,000 per year over five years. Such credit assistance should be aimed at those small-scale enterprise sectors that have potential to increase domestic employment, reduce import dependency of foodstuffs and other goods, and increase foreign exchange earnings through exports. An aggregate amount of BZ$5,750,000 is required over five years to meet the demand for credit by micro-enterprises and small-scale enterprises.

B. Expedite efforts through direct consultations with NDF/B and the Belize Institute of Management to have the existing revolving loan funds released in order to support small businesses in management, training, and technical assistance. An instrument such as a Memorandum of Understanding setting forth the specific roles of each of the parties concerned should be negotiated in order to facilitate the transaction and provide the needed assistance.

2. Technical Assistance and Business Training

A. Increase financial support to institutionally-based technical assistance and business management training programs for small-scale enterprise owners with a view towards strengthening their basic management skills.

B. Promote collaborative efforts such as joint courses, training seminars, etc., among those institutions that provide technical assistance and business management training.

C. Promote the establishment of a centralized Small-Scale Enterprise Management Institute that focuses exclusively on provision of business management training and technical assistance to small-scale enterprises using the case study approach.

D. Target technical assistance support to specific industries with export potential, as well as those industries that havt the potential to reduce import dependency, such as woodwork and furniture making, soap production, food processing, etc. Such assistance should focus on providing mass production capabilities and small business management.

E. Sponsor a study of the feasibility of developing incubator type facilities for those business groups with export potential such as, handicrafts, food processing, woodwork and furniture making, soap production, etc.

F. Promote through sponsored publications and support for conferences, training seminars and courses the use of cooperative production facilities, cooperative transport systems, bulk purchasing of raw materials and other cost minimization schemes for small-scale enterprises.

G. Undertake a detailed sector study of the woodwork and furniture making industry in order to fully assess its capacity to produce and export its products. The study should also seek to establish the market and financial feasibility of this industry to export.

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3. Marketing and Promotion

A. Intensify efforts and provide additional financial and technical assistance to those institutions that offer programs and courses in marketing for small-scale enterprises for domestic and international markets.

B. Review existing policies and proceedures in order to intensify efforts and provide additional promotional assistance to those targeted industries that have an interest in joint ventures or cooperative efforts with U.S.-based companies.

C. Intensify efforts in collaboration with the Government of Belize in organizing trade delegations to travel to international trade fairs and to other forums to display domestically produced products for the export market.

4. Institutional Linkages

A. Promote institutional cooperation in the areas of credit assistance and technical assistance among financial intermediaries, institutions providing technical assistance, and public sector institutions through the establishment of a joint coordinating council of development assistance organizations.

B. Promote international cooperation and coordination of development assistance with U.S.-based and Belizean non-governmental organizations, particularly in the areas of technical assistance and training through information exchanges and conferences.

C. Sponsor a national conference of organizations and institutions operating in Belize that provide credit and technical assistance to micro-enterprises and small-scale enterprises. The purpose of such a conference should be to explore the most effective means of cooperation and coordinating assistance programs to the small business sector.

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APPENDIX A: SCOPE OF WORK

SCOPE OF WORK-SURVEY OF MICRO AND SMALL SCALE ENTERPRISES INCLUDING SMALL FARMS

I. Background

The Belizean private sector is traditionally trader/importer dominated. Yet to develop economically, with its limited domestic market and untapped natural and archaeological resources, Belize must develop exports and tourism. The private sector, as a whole, must expand. One way of achieving such goals is to develop the private sector from the "bottom up" in both the agricultural and non-agricultural sectors. There are several thousand micro and small scale enterprises in Belize in a wide variety of areas, including wood-working, food processing, tile manufacturing, services, etc. In addition, there are some 8,000 small farm holdings in Belize. Such numbers represent a potentially powerful force in the private sector of Belize. Yet, these types of businesses have remained underdeveloped, and have not received adequate inputs necessary for development such as credit and technical and marketing assistance. If assisted, micro and small businesses and farms could contribute significantly to the development of the economy, on a broad-scale basis, and in both the domestic and foreign markets. It is A.I.D.'s intention to specifically address the development of these sectors in its Country Development Strategy Statement for 1990 and beyond.

II. Objectives

A. Through sampling and surveying techniques, compile comprehensive profiles of the micro, and small scale enterprises, including small farms. (higher priority)

B. Through sampling and surveying techniques, describe and analyze inputs needed for the development of these sectors, focusing especially on the perceived need for credit. (higher priority)

C. Estimate the extent to which credit and technical assistance needs are being met and by whom. (lower priority).

D. Recommend A.I.D.'s role in meeting the needs of these sectors. (lower priority)

III. Tasks (To be achieved through a combination of interviewing, gathering existent information, sampling/surveying, extrapolating)

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TASK GROUP 1-GENERAL BACKGROUND:

A. Using the survey instrument in the survey entitled A Survey of Micro-Enterprises and Small-Scale Businesses in Belize, prepared by S. Mintz in Nov./Dec. 1983, develop a survey instrument/questionaire and a methodology to gather information as described below.

B. Through discussion with USAID staff, officers of Government of Belize, the National Development Foundation of Belize (NDFB), the Development Finance Corporation (DFC), for the purposes of the survey, define the terms: micro-enterprise, small-scale enterprise, and small farm. Through discussion with USAID, establish target groups for such businesses. (Presumably operations directly or indirectly producing products related to exports, import substitution or tourism.)

C. Through sampling and interview with the GOB, DFC, Ministry of Agriculture, NDFB, etc. estimate total numbers of each micro-enterprises (ME), small-scale enterprises (SSE) and small farms (SF). Estimate total numbers by district.

D. Through sampling and extrapolation, estimate total numbers of MEs, SSEs, or SFs according to type of business, activity, or product produced.

TASK GROUP 2-
SURVEY THE FOLLOWING AND GENERALIZE TO TOTAL TARGET GROUPS :

E. According to business or activity category describe the following general (non-credit) information: age, sex, education of owner; gross sales, average assets, liabilities, and net worth of business.

F. Through surveying the businesses, and consulting with financial institutions such as NDFB, DFC and commercial banks, etc., gather the following credit related information: loan demand of target groups, average size of loan by business category and loan source, distribution of loans by lending source and borrowers, loan demand by business categories, distribution of loans by use.

G. Describe banking and financing experience of target groups, including terms and source of loans, use and availability of collateral.

H. Describe other important aspects of target groups, such as: quality of management, technical knowledge, support from cooperatives, government.

I. Describe perceived needs of target groups, other than credit: technical assistance, marketing, business guidance/management, etc.

TASK GROUP 3-
DESCRIBE FINANCIAL INTERMEDIATION THROUGH DISCUSSIONS WITH AND GATHERING INFORMATION FROM FINANCIAL INSTITUTIONS LENDING TO TARGET GROUPS

J. Through obtaining information from the NDFB, DFC and to a lesser extent commercial banks and credit unions describe the following: lending criteria, loan ceilings, minimum loans, finance charges, technical assistance, and staffing and loan adminstration.

IV. Reports

A. Description: Include information generated from carrying out the tasks into a report. The following chapters are recommended: Executive Summary, Introduction, Survey Methodology, Survey Results and Interpretations, Financial Intermediation, Recommendations to USAID.

B. Timing: USAID expects a draft report to be completed within six weeks of arrival in Belize. Fieldwork in Belize is expected to be completed in three to four weeks and compiling/writing in the U.S. is expected to be completed in two to three weeks.

C. Submission of Reports: Contractor will provide oral reports to the USAID Program and Project Development Office (PPDO) once a week, after arrival in Belize. Contractor is expected to submit the written draft report to USAID/Belize six weeks after the arrival date in Belize. USAID will respond to draft within two weeks. Final report will be due one week later (nine weeks after arrival in Belize.)

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APPENDIX B: SURVEY METHODOLOGY

APPENDIX B: SURVEY METHODOLOGY

The design of the small-scale enterprises involved a number of steps. First, the main objectives and purpose of the survey, in addition to specific work activities to be accomplished were set forth in a detailed Scope of Work prepared by the United States A.I.D. Mission to Belize. Second, the methods and procedures for collecting the information on SSEs as specified in the Scope of Work had to be determined. To accomplish this task, a structured survey questionnaire was developed to collect the primary information on SSEs. Additional information were collected through interviews with officials of the Government of Belize and other non-governmental organizations involved in the provision of credit and technical assistance to SSEs.

Survey Instrument

The survey instrument was designed to collect information in eight specific categories comprising a total of sixty-six questions. The information categories are detailed in Appendix B include the following: 1) background information; 2) operational profile; 3) business management; 4) credit history; 5) marketing; 6) credit demand; 7) technical assistance needs; and 8) household information.

Sample Size Determination

The sample size was determined on the basis of several factors. First, the sample distribution based on the the population in each geographical location of the major towns and cities in Belize was taken. The underlying assumption of using the population as the sample distribution was based on the notion that the number of small-scale enterprises in any locality is directly proportional to the size of the population. Additionally, no registry of businesses exist in Belize to use as a sample frame. Having said this, the original sample size was determined to be 244 with a confidence level of 94.26 percent that the observations would fall within the sample distribution. An allowable error of plus or minus 10% was estimated on the basis of a Z-value of 1.9 from the normal curve table. The original sample survey was designed to cover only six urban centers. However, during the consultants presentation of their plan of work to U.S.A.I.D./Belize, it was agreed that three additional towns and cities (Punta Gorda, Dangriga, and Benque Viejo del Carmen) should be added to the survey coverage area. The final survey sample size was adjusted to reflect the increase in the number of additional urban centers and was estimated to be 245. The theoretical sample size was not achieved for two reasons. First, because of time and logistical constraints, follow-up visits were not possible to all of the small business owners who were not available to be interviewed during the first visit. The

spatial distributions of the firms simply made it impossible to conduct follow-up visits in all cases. Second, some locations, such as Benque Viejo Del Carmen, Punta Gorda and Belmopan, were overestimated in terms of the expected number of small-scale firms operating there. Because of these factors, the final survey sample was resulted in only 189 firms being surveyed..

Survey Coverage Areas

The sample survey was designed to be representative of not only all of the different types of micro- and small-scale enterprises conducting business activities nation-wide but was also to represent their geographical distribution in the country. As such, all of the major urban centers in Belize were sampled. The localities where sample surveys were taken included: Belize City, Belmopan, Benque Viejo Del Carmen, Corozal, Dangriga, Orange Walk, Punta Gorda, San Ignacio, and Santa Elena.

Field Surveys

As we have already indicated, field survey interviews were conducted in Belize from November 2nd through November 14th. The field interviews involved fielding two-person teams of enumerators to a specific area in a town or city. Within that zone, the enumerators were instructed to interview firms that were of a specific type. A list of potential small-scale enterprises by type of business had been identified and preselected in consultation U.S.A.I.D./Belize for use in the survey. Enumerators were instructed only to interview those business on the approved list. The survey interview technique involved interviewing only the owners or managers of the firm. In situations where the business owner/manager was not available, return visits were undertaken when appropriate. Enumerators were instructed to canvas their assigned areas block by block. Each team of enumerators were also assigned a field supervisor who had responsibility for monitoring the progress of the field work, checking for accuracy and proper recording of the information, verifying that the assigned areas were surveyed, and collecting completed survey forms.

APPENDIX C: SURVEY QUESTIONNAIRE

SMALL-SCALE ENTERPRISE SURVEY QUESTIONNAIRE

DATE: _____ CITY/TOWN: _____
ENUMERATOR: _____ DISTRICT: _____

SECTION 1. BACKGROUND INFORMATION

1. Name of Business: _____
   Address: _____
   Telephone: _____

2. Type of Business: _____

3. Type of goods produced or services offered: _____

4. Type of Ownership:

   Partnership ☐ Sole Proprietor ☐
   Corporation ☐ Cooperative ☐

5. What is your position in this business?

   Owner ☐ Partner ☐
   Manager ☐ Other ☐

6. Sex of Respondent: Male ☐ Female ☐

7. Age of Respondent: ☐

8. How many years have you been in this business? ☐

9. What's the highest level of education you've achieved? ☐

10. Do you have any special technical education or management training?

    Yes ☐ No ☐

11. If yes, what kind? _____

SECTION 2. OPERATIONAL PROFILE

12. Have you received any support from the government or other sources?

    Yes ☐ No ☐

13. If yes, When? ☐
    From what agency? ☐
    What kind of support? ☐

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14. What were your gross sales for the last three years?

1987 ☐ 1986 ☐ 1985 ☐

15. How much money did you invest to start this business? ☐

16. What was the source of this money?

Savings ☐ Personal Loan ☐
Bank ☐ Other ☐

17. How many people do you employ in this business? ☐

18. How many of your employees are the following:

Full-time ☐ Part-time ☐ Family ☐
Male ☐ Male ☐ Male ☐
Female ☐ Female ☐ Female ☐

19. How many of your employees are skilled workers? ☐

20. Is your business registered? Yes ☐ No ☐

21. How much do you pay out in wages annually? ☐

SECTION 3. BUSINESS MANAGEMENT

22. What type of business records do you keep?

Accounts Receivable ☐ Payroll ☐
Accounts Payable ☐ P & L ☐
Material Inventory ☐ Sales ☐
Checkbook ☐ None ☐

23. By whom are these records kept?

Owner ☐ Bookkeeper ☐
Accountant ☐ Other ☐

24. Do you have a separate bank account for your business?

Yes ☐ No ☐

25. If yes, what type of bank account do you have?

Savings ☐ Checking ☐

26. If no, does your personal bank account include your business transaction

Yes ☐ No ☐

27. Does anyone share the responsibility with you for managing the business?

Yes ☐ No ☐

28. If yes, whom? ☐

29. What kind of assistance does he/she provide?

Accounting	☐	Purchasing	☐
Personnel Mgm't	☐	Marketing	☐
Administrative	☐	Other	☐

30. If no one assists you, why not? _____

SECTION 4. CREDIT HISTORY

31. Are you a member of a Credit Union or Cooperative?

Yes ☐ No ☐

32. If yes, which one? _____

33. Have you ever applied for a loan from a lending institiution before?

Yes ☐ No ☐

34. If yes:

When?	☐
Where?	☐
What type of loan?	☐
What amount?	☐
For what purpose?	☐

35. Were you successful in getting the loan?

Yes ☐ No ☐

36. If yes, what were the basic terms of the loan?

Interest Rate	☐	Repayment Schedule	☐
Loan Period	☐	Borrower's Contribution	☐
Collateral	☐	Other	☐

37. If not, why were you turned down? _____

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38. Have you ever sought a loan from a non-institutional source before?

Yes ☐ No ☐

39. If yes:

When?
What type?
From what source?
What amount?
For what purpose?

40. Why did you go to this source for a loan? _____

41. What were the basic terms of the loan?

Interest Rate ☐
Loan Period ☐
Collateral ☐

Repayment Schedule ☐
Borrower's Contribution ☐
Other ☐

SECTION 5. MARKETING

42. Where is your principal market?

Local ☐
National ☐

District-wide ☐
City-wide ☐

Foreign ☐
Other ☐

43. Who buys your products/goods/services?

Individuals ☐
Institutions ☐
Exporters ☐

Local Manufacturers ☐
Local Wholesalers ☐
Central Government ☐

44. Do you promote your products or services?

Yes ☐ No ☐

45. If yes, where do you advertise?

Newspaper ☐
Radio/TV ☐
Flyers/Posters ☐

Mailings ☐
Public Events ☐
Other ☐

46. Do you have plans to expand your market in the coming year?

Yes ☐ No ☐

47. What has prevented you from doing so? _____

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SECTION 6. CREDIT DEMAND

48. If you applied for a loan today, how much would you seek? [ ]

49. What would this money be used for? _____

50. What assets would you use to secure this loan?

Personal [ ] Business [ ] Both [ ]

51. What are your business assets and how much are they worth?

	Value		Value
Land		Securities	
Building		Cash	
Machinery		Receivables	
Inventory		Other	

52. What are your business liabilities?

Loans		Accounts Payable	
Suppliers' Credit		Business Taxes	
Loan Guarantee		Other	

SECTION 7. TECHNICAL ASSISTANCE NEEDS

53. Have you ever sought technical assistance/training for you business befo

Yes [ ] No [ ]

54. If yes,

When?	
What kind?	
From whom?	
What for?	

55. Were you successful in getting the technical assistance or training?

Yes [ ] No [ ]

56. If not, why not? _____

57. If yes, did you find the technical assistance/training useful?

Yes [ ] No [ ]

58. If you did not, why not? _____

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59. Will you seek any technical assistance or training in the coming year?

Yes [ ] No [ ]

60. Wha is the most important type of professional assistance needed to expand your busniess?

Accounting	[ ]	Personnel Management	[ ]
Marketing	[ ]	Business Management	[ ]
Legal	[ ]	Employee training	[ ]
Credit Managem't	[ ]	Other	[ ]

61. What is the most important input needed to expand your business?

Skilled labor	[ ]	Plant space	[ ]
Equipment/tools	[ ]	Warehouse/storage	[ ]
Raw materials	[ ]	Transportation	[ ]
Spare parts	[ ]	Supplies	[ ]
Heavy machinery	[ ]	Other	[ ]

SECTION 8. HOUSEHOLD INFORMATION

62. What is the size of your household? [ ]

63. What is the total income of yourhouse? [ ]

64. How many members of your household are employed?

65. How many members of your household are working in the enterprise? [ ]

66. What is the total income of the household members working in the enterprise? [ ]

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APPENDIX D: SUMMARY DATA TABLES

PROFILE OF SMALL-SCALE ENTREPRENEURS BY CITY

TYPE	Total	BEL. CITY	% TOTAL	COR-OZAL	% TOTAL	SAN IGNA.	% TOTAL	SANTA ELENA	% TOTAL	ORNG WALK	% TOTAL	PUNTA GORDA	% TOTAL	DAN-GRIGA	% TOTAL	BELMO-PAN	% TOTAL	BEN VIEJO	% TOTAL
Auto	39	16	41.03%	7	17.95%	2	5.13%	2	5.13%	5	12.82%	2	5.13%	3	7.69%	2	5.13%	0	0.00%
Beauty	15	4	26.67%	3	20.00%	1	6.67%	0	0.00%	3	20.00%	0	0.00%	3	20.00%	0	0.00%	1	6.67%
Bicycle	2	2	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Const	3	2	66.67%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	33.33%	0	0.00%	0	0.00%	0	0.00%
Craft	3	1	33.33%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	66.67%	0	0.00%	0	0.00%
Dress	3	3	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Elec.	18	7	38.89%	1	5.56%	4	22.22%	1	5.56%	2	11.11%	1	5.56%	1	5.56%	1	5.56%	0	0.00%
Food	13	5	38.46%	1	7.69%	1	7.69%	5	38.46%	0	0.00%	0	0.00%	0	0.00%	1	7.69%	0	0.00%
Health	1	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%
Jewelry	15	11	73.33%	2	13.33%	1	6.67%	0	0.00%	1	6.67%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Metal	10	6	60.00%	2	20.00%	0	0.00%	1	10.00%	0	0.00%	1	10.00%	0	0.00%	0	0.00%	0	0.00%
Mtrcycle	1	1	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Shoe	5	4	80.00%	0	0.00%	0	0.00%	0	0.00%	1	20.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Tailor	16	6	37.50%	2	12.50%	2	12.50%	2	12.50%	2	12.50%	0	0.00%	0	0.00%	1	6.25%	1	6.25%
Tire	5	1	20.00%	1	20.00%	0	0.00%	1	20.00%	0	0.00%	1	20.00%	1	20.00%	0	0.00%	0	0.00%
Furn	29	14	48.28%	2	6.90%	5	17.24%	3	10.34%	0	0.00%	2	6.90%	0	0.00%	1	3.45%	2	6.90%
O.Mfg	4	2	50.00%	0	0.00%	2	50.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
O.Ser	7	4	57.14%	1	14.29%	0	0.00%	0	0.00%	0	0.00%	2	28.57%	0	0.00%	0	0.00%	0	0.00%
TOTAL	189	89	47.09%	22	11.64%	18	9.52%	15	7.94%	14	7.41%	11	5.82%	10	5.29%	6	3.17%	4	2.12%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY TYPE OF OWNERSHIP AND POSITION OF RESPONDENT

		TYPE OF OWNERSHIP								POSITION OF RESPONDENT							
BUSINESS TYPE	Total	Sole Pro.	% Total	Part.	% Total	Corp.	% Total	Coop.	% Total	Owner	% Total	Mgr.	% Total	Part.	% Total	Other	% Total
Auto Repair	39	34	87.18%	5	12.82%	0	0.00%	0	0.00%	34	87.18%	1	2.56%	4	10.26%	0	0.00%
Beauty Care Services	15	15	100.00%	0	0.00%	0	0.00%	0	0.00%	15	100.00%	0	0.00%	0	0.00%	0	0.00%
Bicycle Repair	2	2	100.00%	0	0.00%	0	0.00%	0	0.00%	2	100.00%	0	0.00%	0	0.00%	0	0.00%
Construction Material	3	3	100.00%	0	0.00%	0	0.00%	0	0.00%	3	100.00%	0	0.00%	0	0.00%	0	0.00%
Craft and Related	3	2	66.67%	0	0.00%	0	0.00%	1	33.33%	3	100.00%	0	0.00%	0	0.00%	0	0.00%
Dressmaking	3	3	100.00%	0	0.00%	0	0.00%	0	0.00%	3	100.00%	0	0.00%	0	0.00%	0	0.00%
Electrical Work	18	15	83.33%	3	16.67%	0	0.00%	0	0.00%	17	94.44%	0	0.00%	1	5.56%	0	0.00%
Food Processing	13	12	92.31%	1	7.69%	0	0.00%	0	0.00%	12	92.31%	1	7.69%	0	0.00%	0	0.00%
Health Care	1	1	100.00%	0	0.00%	0	0.00%	0	0.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%
Jewelry & Watches	15	14	93.33%	1	6.67%	0	0.00%	0	0.00%	14	93.33%	0	0.00%	1	6.67%	0	0.00%
Metal Work	10	10	100.00%	0	0.00%	0	0.00%	0	0.00%	10	100.00%	0	0.00%	0	0.00%	0	0.00%
Motorcycle Repair	1	0	0.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	100.00%	0	0.00%
Shoe Making & Repair	5	5	100.00%	0	0.00%	0	0.00%	0	0.00%	5	100.00%	0	0.00%	0	0.00%	0	0.00%
Tailoring	16	14	87.50%	2	12.50%	0	0.00%	0	0.00%	13	81.25%	1	6.25%	2	12.50%	0	0.00%
Tire Repair	5	5	100.00%	0	0.00%	0	0.00%	0	0.00%	5	100.00%	0	0.00%	0	0.00%	0	0.00%
Woodwork & Furniture	29	29	100.00%	0	0.00%	0	0.00%	0	0.00%	29	100.00%	0	0.00%	0	0.00%	0	0.00%
Other Manufacturing	4	3	75.00%	1	25.00%	0	0.00%	0	0.00%	4	100.00%	0	0.00%	0	0.00%	0	0.00%
Other Services	7	4	57.14%	1	14.29%	0	0.00%	2	28.57%	4	57.14%	0	0.00%	1	14.29%	2	28.57%
TOTAL	189	171	90.48%	15	7.94%	0	0.00%	3	1.59%	174	92.06%	3	1.59%	10	5.29%	2	1.06%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY AGE, SEX, YEARS IN BUSINESS AND TYPE OF BUSINESS

BUSINESS TYPE	TOTAL	% TOTAL	AGE				SEX				YEARS IN BUSINESS			
			MEDIAN	MEAN	MIN	MAX	MALE	%TOTAL	FEMALE	%TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	20.63%	40	43.7	27	76	38	97.44%	1	2.56%	8	11.7	0.16	48
Beauty Care Services	15	7.94%	39	40.3	22	67	8	53.33%	7	46.67%	5	11.2	0.08	35
Bicycle Repair	2	1.06%	33	33	25	41	2	100.00%	0	0.00%	8.5	8.5	2	15
Construction Material	3	1.59%	41	42	25	60	3	100.00%	0	0.00%	7	6	2	9
Craft and Related	3	1.59%	34	38	23	57	3	100.00%	0	0.00%	4	6	2	12
Dressmaking	3	1.59%	38	38.7	30	48	0	0.00%	3	100.00%	12	12.3	5	20
Electrical Work	18	9.52%	34	34.2	20	59	18	100.00%	0	0.00%	3	6.4	0.08	25
Food Processing	13	6.88%	43	44.5	19	70	9	69.23%	4	30.77%	3	4.4	0.08	14
Health Care	1	0.53%	32	32	32	32	1	100.00%	0	0.00%	4	4	4	4
Jewelry & Watches	15	7.94%	39	39	22	59	14	93.33%	1	6.67%	9	12.2	0.16	36
Metal Work	10	5.29%	38	41.9	28	63	10	100.00%	0	0.00%	10	9.9	1	25
Motorcycle Repair	1	0.53%	70	70	70	70	1	100.00%	0	0.00%	8	8	8	8
Shoe Making & Repair	5	2.65%	59	61	42	85	5	100.00%	0	0.00%	11	20.4	4	70
Tailoring	16	8.47%	45	45.4	27	66	16	100.00%	0	0.00%	18	21.8	1.5	55
Tire Repair	5	2.65%	43	40	21	52	5	100.00%	0	0.00%	3	5.5	1	17
Woodwork & Furniture	29	15.34%	47	48.2	29	73	29	100.00%	0	0.00%	15	16.6	0.08	50
Other Manufacturing	4	2.12%	47	58.7	44	79	4	100.00%	0	0.00%	7	8	1	17
Other Services	7	3.70%	27	34.4	19	68	6	85.71%	1	14.29%	3	9	0.75	34
TOTAL	189	100.00%	41	43	19	86	172	91.01%	17	8.99%	8	11.8	0.08	70

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY LEVEL OF EDUCATION

BUSINESS TYPE	Total	TOTAL RESP.	PRIMARY	% TOTAL	SECONDARY	% TOTAL	SENIOR HIGH	% TOTAL	UNIVER-SITY	% TOTAL	OTHER	% TOTAL	NONE	% TOTAL
Auto Repair	39	37	29	78.38%	5	13.51%	1	2.70%	0	0.00%	1	2.70%	1	2.70%
Beauty Care Services	15	14	11	78.57%	3	21.43%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Bicycle Repair	2	2	0	0.00%	2	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Construction Material	3	3	2	66.67%	1	33.33%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Craft and Related	3	3	2	66.67%	1	33.33%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Dressmaking	3	3	1	33.33%	0	0.00%	1	33.33%	0	0.00%	0	0.00%	1	33.33%
Electrical Work	18	18	8	44.44%	7	38.89%	0	0.00%	0	0.00%	3	16.67%	0	0.00%
Food Processing	13	13	7	53.85%	4	30.77%	0	0.00%	0	0.00%	0	0.00%	2	15.38%
Health Care	1	1	0	0.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Jewelry & Watches	15	13	10	76.92%	3	23.08%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Metal Work	10	10	4	40.00%	4	40.00%	0	0.00%	0	0.00%	2	20.00%	0	0.00%
Motorcycle Repair	1	1	0	0.00%	0	0.00%	0	0.00%	1	100.00%	0	0.00%	0	0.00%
Shoe Making & Repair	5	5	5	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Tailoring	16	16	12	75.00%	3	18.75%	1	6.25%	0	0.00%	0	0.00%	0	0.00%
Tire Repair	5	5	3	60.00%	2	40.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Woodwork & Furniture	29	29	24	82.76%	5	17.24%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other Manufacturing	4	4	2	50.00%	1	25.00%	0	0.00%	0	0.00%	0	0.00%	1	25.00%
Other Services	7	7	3	42.86%	3	42.86%	0	0.00%	1	14.29%	0	0.00%	0	0.00%
			123											
TOTAL	189	184	123	66.85%	45	24.46%	3	1.63%	2	1.09%	6	3.26%	5	2.72%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY SPECIAL TRAINING

BUSINESS TYPE	TOTAL	TOTAL RESPONDENTS	%TOTAL	SPECIAL TRAINING NO	%TOTAL	YES	%TOTAL
Auto Repair	39	39	100.00%	24	61.54%	15	38.46%
Beauty Care Services	15	15	100.00%	10	66.67%	5	33.33%
Bicycle Repair	2	2	100.00%	2	100.00%	0	0.00%
Construction Material	3	3	100.00%	2	66.67%	1	33.33%
Craft and Related	3	3	100.00%	3	100.00%	0	0.00%
Dressmaking	3	3	100.00%	0	0.00%	3	100.00%
Electrical Work	18	18	100.00%	5	27.78%	13	72.22%
Food Processing	13	13	100.00%	11	84.62%	2	15.38%
Health Care	1	1	100.00%	0	0.00%	1	100.00%
Jewelry & Watches	15	15	100.00%	11	73.33%	4	26.67%
Metal Work	10	10	100.00%	6	60.00%	4	40.00%
Motorcycle Repair	1	1	100.00%	0	0.00%	1	100.00%
Shoe Making & Repair	5	5	100.00%	4	80.00%	1	20.00%
Tailoring	16	16	100.00%	13	81.25%	3	18.75%
Tire Repair	5	5	100.00%	4	80.00%	1	20.00%
Woodwork & Furniture	29	27	93.10%	22	81.48%	5	18.52%
Other Manufacturing	4	4	100.00%	4	100.00%	0	0.00%
Other Services	7	6	85.71%	4	66.67%	2	33.33%
TOTAL	189	186	98.41%	125	67.20%	61	32.80%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY GOVERNMENT & OTHER SUPPORT

BUSINESS TYPE	TOTAL RESPONDENTS		%TOTAL	GOVERNMENT & OTHER SUPPORT NO	%TOTAL	YES	%TOTAL
Auto Repair	39	39	100.00%	35	89.74%	4	10.26%
Beauty Care Services	15	15	100.00%	15	100.00%	0	0.00%
Bicycle Repair	2	2	100.00%	2	100.00%	0	0.00%
Construction Material	3	3	100.00%	3	100.00%	0	0.00%
Craft and Related	3	3	100.00%	3	100.00%	0	0.00%
Dressmaking	3	3	100.00%	3	100.00%	0	0.00%
Electrical Work	18	18	100.00%	18	100.00%	0	0.00%
Food Processing	13	13	100.00%	10	76.92%	3	23.08%
Health Care	1	1	100.00%	1	100.00%	0	0.00%
Jewelry & Watches	15	15	100.00%	10	66.67%	5	33.33%
Metal Work	10	10	100.00%	8	80.00%	2	20.00%
Motorcycle Repair	1	1	100.00%	1	100.00%	0	0.00%
Shoe Making & Repair	5	5	100.00%	5	100.00%	0	0.00%
Tailoring	16	16	100.00%	16	100.00%	0	0.00%
Tire Repair	5	5	100.00%	5	100.00%	0	0.00%
Woodwork & Furniture	29	28	96.55%	19	67.86%	9	32.14%
Other Manufacturing	4	4	100.00%	4	100.00%	0	0.00%
Other Services	7	7	100.00%	4	57.14%	3	42.86%
TOTAL	189	188	99.47%	162	86.17%	26	13.83%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY MEDIAN GROSS SALES FOR 1985-1987

BUSINESS TYPE	TOTAL	TOTAL RESP87	% TOTAL	MEDIAN SALES87	TOTAL RESP86	% TOTAL	MEDIAN SALES86	TOTAL RESP85	% TOTAL	MEDIAN SALES85
Auto Repair	39	18	46.15%	5600	9	23.08%	5200	14	35.90%	9100
Beauty Care Services	15	9	60.00%	4000	1	6.67%	2000	1	6.67%	3000
Bicycle Repair	2	1	50.00%	8000	1	50.00%	5000	0	0.00%	N/A
Construction Material	3	2	66.67%	3000	1	33.33%	5000	0	0.00%	N/A
Craft and Related	3	3	100.00%	800	0	0.00%	N/A	0	0.00%	N/A
Dressmaking	3	3	100.00%	3800	2	66.67%	4400	1	33.33%	6000
Electrical Work	18	10	55.56%	6500	4	22.22%	13000	7	38.89%	10000
Food Processing	13	8	61.54%	6585	3	23.08%	3670	5	38.46%	10800
Health Care	1	1	100.00%	45000	1	100.00%	4500	1	100.00%	45000
Jewelry & Watches	15	11	73.33%	7800	6	40.00%	7100	9	60.00%	7800
Metal Work	10	5	50.00%	7800	1	10.00%	7000	2	20.00%	7400
Motorcycle Repair	1	1	100.00%	12000	1	100.00%	12000	1	100.00%	9000
Shoe Making & Repair	5	5	100.00%	800	5	100.00%	700	5	100.00%	800
Tailoring	16	10	62.50%	3950	2	12.50%	6580	6	37.50%	3580
Tire Repair	5	4	80.00%	6900	1	20.00%	6000	1	20.00%	6000
Woodwork & Furniture	29	15	51.72%	7000	9	31.03%	10400	15	51.72%	14582
Other Manufacturing	4	3	75.00%	10000	2	50.00%	5560	3	75.00%	3120
Other Services	7	4	57.14%	18538	1	14.29%	3:200	4	57.14%	11500
TOTAL	189	113	59.79%	5200	50	26.46%	6500	75	39.68%	7800

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY GROSS SALES

BUSINESS TYPE	TOTAL	TOTAL RESP.87	% TOTAL	SALES 1987 MEAN	MIN	MAX	TOTAL RESP.86	% TOTAL	SALES 1986 MEAN	MIN	MAX	TOTAL RESP.85	% TOTAL	SALES 1985 MEAN	MIN	MAX
Auto Repair	39	18	46.15%	8277	300	41600	9	23.08%	10298	2000	41600	14	35.90%	12556	2000	41600
Beauty Care Services	15	9	60.00%	6222	1300	20800	1	6.67%	2000	2000	2000	1	6.67%	3000	3000	3000
Bicycle Repair	2	1	50.00%	8000	8000	8000	1	50.00%	5000	5000	5000	0	0.00%	0	0	0
Construction Material	3	2	66.67%	3000	1000	5000	1	33.33%	5000	5000	5000	0	0.00%	0	0	0
Craft and Related	3	3	100.00%	1500	700	3000	0	0.00%	0	0	0	0	0.00%	0	0	0
Dressmaking	3	3	100.00%	5000	1200	10000	2	66.67%	4400	3800	5000	1	33.33%	6000	6000	6000
Electrical Work	18	10	55.56%	7660	200	18200	4	22.22%	13550	10000	18200	7	38.89%	9046	125	18200
Food Processing	13	8	61.54%	69709	300	500000	3	23.08%	6690	2400	14000	5	38.46%	10574	2400	24000
Health Care	1	1	100.00%	45000	45000	45000	1	100.00%	4500	4500	4500	1	100.00%	45000	45000	45000
Jewelry & Watches	15	11	73.33%	10555	3900	44000	6	40.00%	10583	3900	30000	9	60.00%	12229	3900	50000
Metal Work	10	5	50.00%	65560	3000	300000	1	10.00%	7000	7000	7000	2	20.00%	7400	7000	7800
Motorcycle Repair	1	1	100.00%	12000	12000	12000	1	100.00%	12000	12000	12000	1	100.00%	9000	9000	9000
Shoe Making/Repair	5	5	100.00%	1160	600	3000	5	100.00%	1140	600	3000	5	100.00%	1100	300	3000
Tailoring	16	10	62.50%	4462	1000	10400	2	12.50%	6580	4160	9000	6	37.50%	4893	700	10000
Tire Repair	5	4	80.00%	6560	2000	10400	1	20.00%	6000	6000	6000	1	20.00%	6000	6000	6000
Woodwork & Furniture	29	15	51.72%	16693	500	100000	9	31.03%	24278	1500	100000	15	51.72%	29199	1500	160000
Other Manufacturing	4	3	75.00%	7707	3120	10000	2	50.00%	5560	3120	8000	3	75.00%	4833	1380	10000
Other Services	7	4	57.14%	19344	9100	31200	1	14.29%	31200	31200	31200	4	57.14%	13644	375	31200
TOTAL	189	113	59.70%	159[illegible]	200	500000	50	26.46%	11209	600	100000	75	39.68%	13703	125	160000

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PROFILE OF SMALL-SCALE ENTREPRENEURS BY MEDIAN GROSS SALES
FOR 1985-1987 FOR BUSINESSES REPORTING ALL THREE YEARS

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN SALES87	MEDIAN SALES86	MEDIAN SALES85	MEAN SALES87	MEAN SALES86	MEAN SALES85
Auto Repair	39	8	20.51%	7800	7800	7800	11210	11210	11210
Beauty Care Services	15	1	6.67%	3000	2000	3000	3000	2000	3000
Bicycle Repair	2	0	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
Construction Material	3	0	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
Craft and Related	3	0	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
Dressmaking	3	1	33.33%	10000	5000	6000	10000	5000	6000
Electrical Work	18	4	22.22%	13500	13000	11000	13800	13550	12550
Food Processing	13	3	23.08%	3670	3670	3670	9023	6690	5623
Health Care	1	1	100.00%	45000	4500	45000	45000	4500	45000
Jewelry & Watches	15	6	40.00%	7800	7100	6600	13583	10583	13750
Metal Work	10	1	10.00%	7000	7000	7000	7000	7000	7000
Motorcycle Repair	1	1	100.00%	12000	12000	9000	12000	12000	9000
Shoe Making & Repair	5	5	100.00%	800	700	800	1160	1140	1100
Tailoring	16	2	12.50%	7080	6580	7080	7080	6580	7080
Tire Repair	5	1	20.00%	6000	6000	6000	6000	6000	6000
Woodwork & Furniture	29	8	27.59%	19000	16200	13200	27738	26238	25988
Other Manufacturing	4	2	50.00%	6560	5560	6560	6560	5560	6560
Other Services	7	1	14.29%	31200	31200	31200	31200	31200	31200
TOTAL	189	45	23.81%	10000	7000	8000	13836	11890	13047

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY START-UP INVESTMENT AND SOURCE OF MONEY

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	START-UP INVESTMENT MEDIAN	MEAN	MIN	MAX	TOTAL RESP.	% TOTAL	SAVINGS	% TOTAL	BANK	% TOTAL	PER. LOAN	% TOTAL	OTHER	% TOTAL
Auto Repair	39	36	92.31%	3000	5226	0	22000	35	89.74%	23	65.71%	4	11.43%	4	11.43%	4	11.43%
Beauty Care Services	15	12	80.00%	550	1935	200	12000	13	86.67%	9	69.23%	0	0.00%	1	7.69%	3	23.08%
Bicycle Repair	2	2	100.00%	300	300	100	500	2	100.00%	1	50.00%	0	0.00%	0	0.00%	1	50.00%
Construction Material	3	3	100.00%	1000	933	300	1500	3	100.00%	3	100.00%	0	0.00%	0	0.00%	0	0.00%
Craft and Related	3	2	66.67%	450	450	400	500	2	66.67%	2	100.00%	0	0.00%	0	0.00%	0	0.00%
Dressmaking	3	3	100.00%	300	3533	300	10000	3	100.00%	1	33.33%	0	0.00%	1	33.33%	1	33.33%
Electrical Work	18	16	88.89%	1100	1727	25	6000	17	94.44%	12	70.59%	1	5.88%	4	23.53%	0	0.00%
Food Processing	13	13	100.00%	10000	9436	23	30000	13	100.00%	5	38.46%	1	7.69%	2	15.38%	5	38.46%
Health Care	1	1	100.00%	3000	3000	3000	3000	1	100.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%
Jewelry & Watches	15	12	80.00%	2000	3653	30	20000	13	86.67%	8	61.54%	0	0.00%	2	15.38%	3	23.08%
Metal Work	10	9	90.00%	4000	10067	600	50000	9	90.00%	7	77.78%	0	0.00%	1	11.11%	1	11.11%
Motorcycle Repair	1	1	100.00%	600	600	600	600	1	100.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%
Shoe Making & Repair	5	5	100.00%	100	81	15	150	5	100.00%	4	80.00%	0	0.00%	1	20.00%	0	0.00%
Tailoring	16	14	87.50%	275	352	0	1000	11	68.75%	9	81.82%	1	9.09%	1	9.09%	0	0.00%
Tire Repair	5	4	80.00%	200	304	15	800	4	80.00%	3	75.00%	0	0.00%	0	0.00%	1	25.00%
Woodwork & Furniture	29	27	93.10%	3000	7443	35	50000	28	96.55%	16	57.14%	1	3.57%	6	21.43%	5	17.86%
Other Manufacturing	4	2	50.00%	1275	1275	50	2500	4	100.00%	3	75.00%	0	0.00%	1	25.00%	0	0.00%
Other Services	7	6	85.71%	3000	3533	0	10000	5	71.43%	3	60.00%	1	20.00%	0	0.00%	1	20.00%
TOTAL	189	168	88.89%	1500	4443	0	50000	169	89.42%	111	65.68%	9	5.33%	24	14.20%	25	14.79%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY NUMBER OF EMPLOYEES

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	36	92.31%	1.00	1.00	0.00	5.00
Beauty Care Services	15	12	80.00%	0.00	0.00	0.00	2.00
Bicycle Repair	2	2	100.00%	2.00	2.00	0.00	3.00
Construction Material	3	2	66.67%	0.00	0.00	0.00	0.00
Craft and Related	3	3	100.00%	2.00	2.00	0.00	4.00
Dressmaking	3	2	66.67%	1.00	1.00	0.00	2.00
Electrical Work	18	12	66.67%	1.00	1.00	0.00	2.00
Food Processing	13	13	100.00%	2.00	3.00	0.00	20.00
Health Care	1	1	100.00%	0.00	0.00	0.00	0.00
Jewelry & Watches	15	14	93.33%	0.00	1.00	0.00	4.00
Metal Work	10	8	80.00%	2.00	2.00	0.00	4.00
Motorcycle Repair	1	1	100.00%	1.00	1.00	1.00	1.00
Shoe Making & Repair	5	1	20.00%	0.00	0.00	0.00	0.00
Tailoring	16	13	81.25%	1.00	1.00	0.00	2.00
Tire Repair	6	6	100.00%	0.00	0.00	0.00	0.00
Woodwork & Furniture	29	26	89.66%	1.00	1.00	0.00	5.00
Other Manufacturing	4	4	100.00%	0.00	0.00	0.00	1.00
Other Services	7	7	100.00%	2.00	3.00	0.00	13.00
TOTAL	189	162	85.71%	1.00	1.00	0.00	20.00

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY BUSINESS REGISTRATION

BUSINESS TYPE	TOTAL	TOTAL RESPONDENTS	%TOTAL	BUSINESS REGISTERED			
				NO	%TOTAL	YES	%TOTAL
Auto Repair	39	39	100.00%	13	33.33%	26	66.67%
Beauty Care Services	15	14	93.33%	4	28.57%	10	71.43%
Bicycle Repair	2	2	100.00%	1	50.00%	1	50.00%
Construction Material	3	3	100.00%	2	66.67%	1	33.33%
Craft and Related	3	3	100.00%	2	66.67%	1	33.33%
Dressmaking	3	2	66.67%	1	50.00%	1	50.00%
Electrical Work	18	17	94.44%	5	29.41%	12	70.59%
Food Processing	13	12	92.31%	2	16.67%	10	83.33%
Health Care	1	1	100.00%	0	0.00%	1	100.00%
Jewelry & Watches	15	15	100.00%	2	13.33%	13	86.67%
Metal Work	10	10	100.00%	5	50.00%	5	50.00%
Motorcycle Repair	1	1	100.00%	0	0.00%	1	100.00%
Shoe Making & Repair	5	5	100.00%	2	40.00%	3	60.00%
Tailoring	16	15	93.75%	6	40.00%	9	60.00%
Tire Repair	5	5	100.00%	3	60.00%	2	40.00%
Woodwork & Furniture	29	28	96.55%	15	53.57%	13	46.43%
Other Manufacturing	4	4	100.00%	1	25.00%	3	75.00%
Other Services	7	6	85.71%	0	0.00%	6	100.00%
TOTAL	189	182	96.30%	64	35.16%	118	64.84%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY ANNUAL WAGES PAID

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	20	51.28%	5330	8631	70	31200
Beauty Care Services	15	3	20.00%	50	723	40	2080
Bicycle Repair	2	2	100.00%	2100	2107	300	3900
Construction Material	3	0	0.00%	N/A	N/A	N/A	N/A
Craft and Related	3	0	0.00%	N/A	N/A	N/A	N/A
Dressmaking	3	2	66.67%	3940	3940	80	7800
Electrical Work	18	7	38.89%	1800	2179	0	7800
Food Processing	13	10	76.92%	3780	17078	1200	100000
Health Care	1	0	0.00%	N/A	N/A	N/A	N/A
Jewelry & Watches	15	7	46.67%	5200	4795	25	7800
Metal Work	10	8	80.00%	5412	9897	50	31200
Motorcycle Repair	1	0	0.00%	N/A	N/A	N/A	N/A
Shoe Making & Repair	5	0	0.00%	N/A	N/A	N/A	N/A
Tailoring	16	3	18.75%	1300	1120	60	2000
Tire Repair	5	0	0.00%	N/A	N/A	N/A	N/A
Woodwork & Furniture	29	16	55.17%	5000	7043	75	23140
Other Manufacturing	4	1	25.00%	10400	10400	10400	10400
Other Services	7	5	71.43%	8400	7008	700	15600
TOTAL	189	84	44.44%	4160	7703	0	100000

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY TYPE OF RECORDKEEPING

BUSINESS TYPE	TOTAL	ACCT REC.	ACCT PAY	MAT. INVEN.	CHECK BOOK	PAYROLL	P & L	SALES	NONE	RECORDKEEPER				
										TOTAL	OWNER	ACCT.	BKEEPER	OTHER
Auto Repair	39	8	5	2	0	1	0	3	24	15	14	0	0	1
Beauty Care Services	15	3	2	0	0	0	0	0	11	3	3	0	0	0
Bicycle Repair	2	0	0	0	0	0	0	0	1	0	0	0	0	0
Construction Material	3	2	0	1	0	0	0	0	0	2	2	0	0	0
Craft and Related	3	1	1	0	0	0	0	0	2	1	1	0	0	0
Dressmaking	3	1	1	1	0	0	0	0	1	2	2	0	0	0
Electrical Work	18	3	4	1	2	1	1	7	8	10	10	0	0	0
Food Processing	13	2	2	2	1	4	0	5	4	9	9	0	0	0
Health Care	1	1	1	1	0	0	0	1	0	1	1	0	0	0
Jewelry & Watches	15	2	0	0	0	1	1	5	7	7	7	0	0	0
Metal Work	10	6	6	3	4	5	2	4	1	9	6	1	1	1
Motorcycle Repair	1	1	0	0	0	0	0	0	0	1	1	0	0	0
Shoe Making & Repair	5	0	1	0	0	0	1	3	0	5	5	0	0	0
Tailoring	16	1	0	3	0	0	0	2	9	6	6	0	0	0
Tire Repair	5	1	0	0	0	0	0	0	4	1	1	0	0	0
Woodwork & Furniture	29	7	5	7	0	5	2	6	13	13	13	0	0	0
Other Manufacturing	4	1	1	0	0	0	0	1	2	2	2	0	0	0
Other Services	7	2	2	2	2	2	1	4	2	5	2	2	1	0
TOTAL	189	42	31	23	9	19	8	41	89	92	85	3	2	2

PROFILE OF SMALL-SCALE ENTREPRENEURS BY WHETHER THERE IS A SEPARATE ACCOUNT FOR BUSINESS

BUSINESS TYPE	TOTAL	TOTAL RESP	%TOTAL	SEPARATE ACCOUNT NO	%TOTAL	YES	%TOTAL	TOTAL RESP	TYPE OF ACCOUNT SAVINGS	%TOTAL	CHECKING	%TOTAL
Auto Repair	39	35	89.74%	31	88.57%	4	11.43%	4	3	75.00%	1	25.00%
Beauty Care Services	15	14	93.33%	10	71.43%	4	28.57%	3	2	66.67%	1	33.33%
Bicycle Repair	2	2	100.00%	2	100.00%	0	0.00%	0	0	N/A	0	N/A
Construction Material	3	2	66.67%	2	100.00%	0	0.00%	0	0	N/A	0	N/A
Craft and Related	3	3	100.00%	2	66.67%	1	33.33%	1	1	100.00%	0	0.00%
Dressmaking	3	2	66.67%	2	100.00%	0	0.00%	0	0	N/A	0	N/A
Electrical Work	18	18	100.00%	13	72.22%	5	27.78%	5	3	60.00%	2	40.00%
Food Processing	13	13	100.00%	10	76.92%	3	23.08%	3	1	33.33%	2	66.67%
Health Care	1	1	100.00%	0	0.00%	1	100.00%	1	1	100.00%	0	0.00%
Jewelry & Watches	15	12	80.00%	10	83.33%	2	16.67%	2	2	100.00%	0	0.00%
Metal Work	10	8	80.00%	6	75.00%	2	25.00%	2	0	0.00%	2	100.00%
Motorcycle Repair	1	0	0.00%	0	N/A	0	N/A	0	0	N/A	0	N/A
Shoe Making & Repair	5	5	100.00%	5	100.00%	0	0.00%	0	0	N/A	0	N/A
Tailoring	16	15	93.75%	14	93.33%	1	6.67%	1	1	100.00%	0	0.00%
Tire Repair	5	3	60.00%	2	66.67%	1	33.33%	1	1	100.00%	0	0.00%
Woodwork & Furniture	29	26	89.66%	24	92.31%	2	7.69%	2	2	100.00%	0	0.00%
Other Manufacturing	4	3	75.00%	3	100.00%	0	0.00%	0	0	N/A	0	N/A
Other Services	7	7	100.00%	2	28.57%	5	71.43%	4	2	50.00%	2	50.00%
TOTAL	189	169	89.42%	138	81.66%	31	18.34%	29	19	65.52%	10	34.48%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY IF THEY USE PERSONAL ACCOUNT FOR BUSINESS

BUSINESS TYPE	TOTAL	TOTAL RESP	% TOTAL	USE PERSONAL ACCOUNT			
				NO	%TOTAL	YES	%TOTAL
Auto Repair	39	27	69.23%	13	48.15%	14	51.85%
Beauty Care Services	15	10	66.67%	6	60.00%	4	40.00%
Bicycle Repair	2	2	100.00%	1	50.00%	1	50.00%
Construction Material	3	2	66.67%	0	0.00%	2	100.00%
Craft and Related	3	3	100.00%	2	66.67%	1	33.33%
Dressmaking	3	2	66.67%	1	50.00%	1	50.00%
Electrical Work	18	10	55.56%	6	60.00%	4	40.00%
Food Processing	13	12	92.31%	5	41.67%	7	58.33%
Health Care	1	0	0.00%	0	#DIV/0!	0	#DIV/0!
Jewelry & Watches	15	9	60.00%	4	44.44%	5	55.56%
Metal Work	10	6	60.00%	3	50.00%	3	50.00%
Motorcycle Repair	1	0	0.00%	0	#DIV/0!	0	#DIV/0!
Shoe Making & Repair	5	2	40.00%	2	100.00%	0	0.00%
Tailoring	16	13	81.25%	9	69.23%	4	30.77%
Tire Repair	5	2	40.00%	2	100.00%	0	0.00%
Woodwork & Furniture	29	21	72.41%	10	47.62%	11	52.38%
Other Manufacturing	4	2	50.00%	1	50.00%	1	50.00%
Other Services	7	2	28.57%	2	100.00%	0	0.00%
TOTAL	189	125	66.14%	67	53.60%	58	46.40%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY IF THEY SHARE MANAGEMENT RESPONSIBILITY

BUSINESS TYPE	TOTAL	TOTAL RESP	% TOTAL	SHARE RESPONSIBILITY NO	%TOTAL	YES	%TOTAL	TOTAL RESP	IF YES, WHOM FAMILY	%TOTAL	PARTNER	%TOTAL	OTHER	%TOTAL
Auto Repair	39	38	97.44%	29	76.32%	9	23.68%	9	6	66.67%	3	33.33%	0	0.00%
Beauty Care Services	15	15	100.00%	15	100.00%	0	0.00%	0	0	N/A	0	N/A	0	N/A
Bicycle Repair	2	2	100.00%	1	50.00%	1	50.00%	1	0	0.00%	0	0.00%	1	100.00%
Construction Material	3	3	100.00%	3	100.00%	0	0.00%	0	0	N/A	0	N/A	0	N/A
Craft and Related	3	3	100.00%	2	66.67%	1	33.33%	1	0	0.00%	1	100.00%	0	0.00%
Dressmaking	3	3	100.00%	1	33.33%	2	66.67%	2	2	100.00%	0	0.00%	0	0.00%
Electrical Work	18	17	94.44%	10	58.82%	7	41.18%	7	6	85.71%	1	14.29%	0	0.00%
Food Processing	13	13	100.00%	6	46.15%	7	53.85%	7	7	100.00%	0	0.00%	0	0.00%
Health Care	1	1	100.00%	0	0.00%	1	100.00%	1	1	100.00%	0	0.00%	0	0.00%
Jewelry & Watches	15	14	93.33%	10	71.43%	4	28.57%	3	2	66.67%	0	0.00%	1	33.33%
Metal Work	10	10	100.00%	6	60.00%	4	40.00%	4	4	100.00%	0	0.00%	0	0.00%
Motorcycle Repair	1	1	100.00%	0	0.00%	1	100.00%	1	1	100.00%	0	0.00%	0	0.00%
Shoe Making & Repair	5	4	80.00%	4	100.00%	0	0.00%	0	0	N/A	0	N/A	0	N/A
Tailoring	16	16	100.00%	12	75.00%	4	25.00%	4	3	75.00%	1	25.00%	0	0.00%
Tire Repair	5	5	100.00%	4	80.00%	1	20.00%	1	1	100.00%	0	0.00%	0	0.00%
Woodwork & Furniture	29	28	96.55%	24	85.71%	4	14.29%	4	4	100.00%	0	0.00%	0	0.00%
Other Manufacturing	4	4	100.00%	3	75.00%	1	25.00%	1	1	100.00%	0	0.00%	0	0.00%
Other Services	7	7	100.00%	4	57.14%	3	42.86%	3	0	0.00%	0	0.00%	3	100.00%
TOTAL	189	184	97.35%	134	72.83%	50	27.17%	49	38	77.56%	6	12.24%	5	10.20%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY IF NO ONE SHARES RESPONSIBILITY, WHY NOT?

BUSINESS TYPE	TOTAL	NOT NEC-ESSARY	FINAN-CIAL	BUSI-NESS SLOW	BUSI-NESS TOO SMALL	JUST STARTED	NO RELI-ABLE PERSON	CONFI-DENTIAL PUR-POSES	DOESN'T HAVE ANYONE	DOESN'T TRUST ANYONE	NEVER ASK	NO ONE INTER-ESTED	NOT APPRO-ACHED ANYONE	NOT MUCH JOB/LO-CATION	PER-SONAL REASON
Auto Repair	39	9	4	5	2	0	0	1	0	1	0	0	0	0	0
Beauty Care Services	15	8	0	1	1	0	0	0	0	0	0	0	0	0	1
Bicycle Repair	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Material	3	1	0	0	2	0	0	0	0	0	0	0	0	0	0
Craft and Related	3	2	0	0	0	0	0	0	0	0	0	0	0	0	0
Dressmaking	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Electrical Work	18	2	0	0	1	1	0	0	0	0	0	0	1	0	0
Food Processing	13	2	2	1	0	0	0	0	0	0	0	0	0	0	0
Health Care	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jewelry & Watches	15	2	1	2	1	0	0	0	0	0	0	0	0	0	0
Metal Work	10	3	0	1	0	0	0	0	0	0	1	0	0	0	0
Motorcycle Repair	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shoe Making & Repair	5	1	1	0	1	0	0	0	0	0	0	0	0	0	0
Tailoring	16	3	1	1	2	0	0	0	0	0	0	1	0	1	0
Tire Repair	5	0	1	0	1	0	0	0	0	0	0	0	0	0	0
Woodwork & Furniture	29	5	4	2	2	2	2	0	1	0	0	0	0	0	0
Other Manufacturing	4	1	0	1	0	0	0	0	0	0	0	0	0	0	0
Other Services	7	1	2	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	189	41	16	14	13	3	2	1	1	1	1	1	1	1	1

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PROFILE OF SMALL-SCALE ENTREPRENEURS
BY CREDIT UNION MEMBERSHIP

BUSINESS TYPE	TOTAL	TOTAL RESPONDENTS	%TOTAL	MEMBER OF CREDIT UNION			
				NO	%TOTAL	YES	%TOTAL
Auto Repair	39	37	94.87%	27	72.97%	10	27.03%
Beauty Care Services	15	15	100.00%	8	53.33%	7	46.67%
Bicycle Repair	2	2	100.00%	2	100.00%	0	0.00%
Construction Material	3	3	100.00%	1	33.33%	2	66.67%
Craft and Related	3	3	100.00%	2	66.67%	1	33.33%
Dressmaking	3	3	100.00%	1	33.33%	2	66.67%
Electrical Work	18	18	100.00%	12	66.67%	6	33.33%
Food Processing	13	12	92.31%	6	50.00%	6	50.00%
Health Care	1	1	100.00%	0	0.00%	1	100.00%
Jewelry & Watches	15	15	100.00%	9	60.00%	6	40.00%
Metal Work	10	10	100.00%	4	40.00%	6	60.00%
Motorcycle Repair	1	0	0.00%	0	N/A	0	N/A
Shoe Making & Repair	5	5	100.00%	5	100.00%	0	0.00%
Tailoring	16	16	100.00%	15	93.75%	1	6.25%
Tire Repair	5	5	100.00%	3	60.00%	2	40.00%
Woodwork & Furniture	29	28	96.55%	18	64.29%	10	35.71%
Other Manufacturing	4	4	100.00%	4	100.00%	0	0.00%
Other Services	7	6	85.71%	4	66.67%	2	33.33%
TOTAL	189	183	96.83%	121	66.12%	62	33.88%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY WHICH CREDIT UNION

Holy Redeemer Credit Union	27
Saint Martin's Credit Union	14
St. Francis Xavier Credit Union	9
Monte Carmelo	2
Art Cooperative Belize	1
Belize Cooperative League	1
Benque Credit Union	1
Big Falls Farmers Cooperative	1
H.B. Hershey Credit Union	1
Immaculada Credit Union	1
Menopolina Credit Union	1
Southern Fishermen	1
Treasury	1
TOTAL:	61

PROFILE OF SMALL-SCALE ENTREPRENEURS BY WHETHER THEY HAVE APPLIED FOR A LOAN FROM A LENDING INSTITUTION

BUSINESS TYPE	TOTAL	TOTAL RESPONDENTS	%TOTAL	APPLIED FOR LOAN NO	%TOTAL	YES	%TOTAL	TOTAL RESP	WERE YOU SUCCESSFUL NO	%TOTAL	YES	%TOTAL
Auto Repair	39	38	97.44%	21	55.26%	17	44.74%	17	4	23.53%	13	76.47%
Beauty Care Services	15	15	100.00%	7	46.67%	8	53.33%	8	1	12.50%	7	87.50%
Bicycle Repair	2	2	100.00%	0	0.00%	2	100.00%	2	0	0.00%	2	100.00%
Construction Material	3	3	100.00%	3	100.00%	0	0.00%	0	0	N/A	0	N/A
Craft and Related	3	3	100.00%	3	100.00%	0	0.00%	0	0	N/A	0	N/A
Dressmaking	3	3	100.00%	2	66.67%	1	33.33%	1	0	0.00%	1	100.00%
Electrical Work	18	17	94.44%	9	52.94%	8	47.06%	8	0	0.00%	8	100.00%
Food Processing	13	12	92.31%	3	25.00%	9	75.00%	8	0	0.00%	8	100.00%
Health Care	1	1	100.00%	1	100.00%	0	0.00%	0	0	N/A	0	N/A
Jewelry & Watches	15	15	100.00%	8	53.33%	7	46.67%	6	0	0.00%	6	100.00%
Metal Work	10	10	100.00%	3	30.00%	7	70.00%	7	2	28.57%	5	71.43%
Motorcycle Repair	1	1	100.00%	1	100.00%	0	0.00%	0	0	N/A	0	N/A
Shoe Making & Repair	5	5	100.00%	5	100.00%	0	0.00%	0	0	N/A	0	N/A
Tailoring	16	15	93.75%	11	73.33%	4	26.67%	4	1	25.00%	3	75.00%
Tire Repair	5	5	100.00%	3	60.00%	2	40.00%	2	0	0.00%	2	100.00%
Woodwork & Furniture	29	29	100.00%	12	41.38%	17	58.62%	17	4	23.53%	13	76.47%
Other Manufacturing	4	3	75.00%	3	100.00%	0	0.00%	0	0	N/A	0	N/A
Other Services	7	7	100.00%	3	42.86%	4	57.14%	4	0	0.00%	4	100.00%
TOTAL	189	184	97.35%	98	53.26%	86	46.74%	84	12	14.29%	72	85.71%

PROFILE OF SMALL-SCALE ENTREPRENEURS BY SOURCE OF INSTITUTIONAL LOANS APPLIED FOR SINCE 1976

NDF	14
Belize Bank	9
DFC	9
Barclays Bank	8
Holy Redeemer Credit Union	6
Nova Scotia Bank	6
Saint Martin's Credit Union	5
St. Francis Xavier Credit Union	5
Royal Bank	4
Royal Bank of Canada	2
Bank	1
Barclays	1
Benque Viejo Del Carmen	1
Organization for Refugee	1
Rural Bank	1
TOTAL:	72

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PROFILE OF SMALL-SCALE ENTREPRENEURS BY AMOUNT OF LOAN SOUGHT FROM INSTITUTIONAL LENDERS

BUSINESS TYPE	MEDIAN LOAN AMOUNT SOUGHT
Auto Repair	5000
Beauty Care Services	2000
Bicycle Repair	4250
Construction Material	N/A
Craft and Related	N/A
Dressmaking	4500
Electrical Work	3500
Food Processing	6500
Health Care	N/A
Jewelry & Watches	1600
Metal Work	3000
Motorcycle Repair	N/A
Shoe Making & Repair	N/A
Tailoring	1250
Tire Repair	2000
Woodwork & Furniture	5000
Other Manufacturing	N/A
Other Services	7000
TOTAL	3000

PROFILE OF SMALL-SCALE ENTREPRENUERS BY PURPOSE
FOR ALL LOANS APPLIED FOR SINCE 1986

Transportation	10
Equipment	7
Start Business	6
Materials	5
Develop Business	4
Machinery	4
Spare Parts	3
Tools	3
Land	2
Machinery/Materials	2
Build Garage	1
Build House	1
Build Workshop	1
Business	1
Changing Garage	1
Construct Building	1
Equipment/Materials	1
Equipment/Start Business	1
Expand Business	1
Expand Equipment	1
Family Purposes	1
Farming	1
Furniture	1
Materials/Tools	1
Mortgage	1
Necessities	1
Open Bigger Business	1
Pay Debt	1
Personal	1
Personal Purposes	1
Personal Use	1
Renovate Building	1
Repairs	1
School Material	1
Store/Equipment	1
Tools/Materials	1
Tortilla Business	1
Work Shop	1
TOTAL:	74

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY INTEREST RATES PAID ON INSTITUTIONAL LOANS

12%	19
1%	9
10%	6
11%	5
6%	2
18%	2
2%	1
7%	1
9%	1
13%	1
13%	1
14%	1
16%	1
TOTAL:	50

PROFILE OF SMALL-SCALE ENTREPRENEURS BY INTEREST
RATE PAID FOR NON-INSTITUTIONAL LOANS

1%	1
10%	1
14%	1
TOTAL:	3

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY SOURCE OF NON-INSTITUIONAL LOANS

Friend	6
Family	4
Customer	1
Father	1
Mich.Part.	1
TOTAL:	13

PROFILE OF SMALL-SCALE ENTREPRENEURS BY WHETHER THEY HAVE SOUGHT LOAN FROM NON-INSTITUTIONAL LENDER

BUSINESS TYPE	TOTAL	TOTAL RESPONDENTS	%TOTAL	SOUGHT NON-INSTITUTIONAL LOAN			
				NO	%TOTAL	YES	%TOTAL
Auto Repair	39	38	97.44%	37	97.37%	1	2.63%
Beauty Care Services	15	14	93.33%	14	100.00%	0	0.00%
Bicycle Repair	2	2	100.00%	2	100.00%	0	0.00%
Construction Material	3	3	100.00%	1	33.33%	2	66.67%
Craft and Related	3	3	100.00%	2	66.67%	1	33.33%
Dressmaking	3	3	100.00%	2	66.67%	1	33.33%
Electrical Work	13	17	94.44%	17	100.00%	0	0.00%
Food Processing	13	11	84.62%	10	90.91%	1	9.09%
Health Care	1	1	100.00%	0	0.00%	1	100.00%
Jewelry & Watches	15	15	100.00%	14	93.33%	1	6.67%
Metal Work	10	10	100.00%	9	90.00%	1	10.00%
Motorcycle Repair	1	0	0.00%	0	N/A	0	N/A
Shoe Making & Repair	5	5	100.00%	4	80.00%	1	20.00%
Tailoring	16	16	100.00%	15	93.75%	1	6.25%
Tire Repair	5	5	100.00%	5	100.00%	0	0.00%
Woodwork & Furniture	29	29	100.00%	26	89.66%	3	10.34%
Other Manufacturing	4	4	100.00%	4	100.00%	0	0.00%
Other Services	7	6	85.71%	5	83.33%	1	16.67%
TOTAL	189	182	96.30%	167	91.76%	15	8.24%

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY CREDIT DEMAND

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	36	92.31%	10000	12722	0	75000
Beauty Care Services	15	13	86.67%	1000	1400	0	5000
Bicycle Repair	2	2	100.00%	3500	3500	2000	5000
Construction Material	3	3	100.00%	5000	4000	2000	5000
Craft and Related	3	3	100.00%	5000	9167	2500	20000
Dressmaking	3	2	66.67%	2750	2750	2500	3000
Electrical Work	18	16	88.89%	5000	6750	1000	20000
Food Processing	13	9	69.23%	10000	11667	0	33000
Health Care	1	1	100.00%	15000	15000	15000	15000
Jewelry & Watches	15	11	73.33%	2000	2864	0	5000
Metal Work	10	9	90.00%	10000	37333	0	250000
Motorcycle Repair	1	1	100.00%	10000	10000	10000	10000
Shoe Making & Repair	5	5	100.00%	1000	1400	1000	2000
Tailoring	16	12	75.00%	3000	3050	500	10000
Tire Repair	5	4	80.00%	6000	6250	3000	10000
Woodwork & Furniture	29	27	93.10%	10000	22130	0	200000
Other Manufacturing	4	3	75.00%	5000	3833	1500	5000
Other Services	7	5	71.43%	10000	15800	1000	40000
TOTAL	189	162	85.71%	5000	11669	0	250000

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY HOW CREDIT DEMAND WILL BE SECURED

BUSINESS TYPE	TOTAL	TOTAL RESP	% TOTAL	HOW SECURED					
				PERSONAL	%TOTAL	BUSINESS	%TOTAL	BOTH	%TOTAL
Auto Repair	39	35	89.74%	8	22.86%	17	48.57%	10	28.57%
Beauty Care Services	15	7	46.67%	0	0.00%	5	71.43%	2	28.57%
Bicycle Repair	2	2	100.00%	2	100.00%	0	0.00%	0	0.00%
Construction Material	3	3	100.00%	2	66.67%	0	0.00%	1	33.33%
Craft and Related	3	2	66.67%	1	50.00%	1	50.00%	0	0.00%
Dressmaking	3	2	66.67%	0	0.00%	2	100.00%	0	0.00%
Electrical Work	18	15	83.33%	5	33.33%	9	60.00%	1	6.67%
Food Processing	13	6	46.15%	1	16.67%	5	83.33%	0	0.00%
Health Care	1	1	100.00%	0	0.00%	0	0.00%	1	100.00%
Jewelry & Watches	15	8	53.33%	3	37.50%	5	62.50%	0	0.00%
Metal Work	10	7	70.00%	1	14.29%	4	57.14%	2	28.57%
Motorcycle Repair	1	1	100.00%	0	0.00%	1	100.00%	0	0.00%
Shoe Making & Repair	5	4	80.00%	1	25.00%	3	75.00%	0	0.00%
Tailoring	16	11	68.75%	5	45.45%	5	45.45%	1	9.09%
Tire Repair	5	4	80.00%	2	50.00%	2	50.00%	0	0.00%
Woodwork & Furniture	29	24	82.76%	5	20.83%	7	29.17%	12	50.00%
Other Manufacturing	4	3	75.00%	1	33.33%	1	33.33%	1	33.33%
Other Services	7	5	71.43%	1	20.00%	3	60.00%	1	20.00%
TOTAL	189	140	74.07%	38	27.14%	70	50.00%	32	22.86%

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PROFILE OF SMALL-SCALE ENTREPRENEURS
BY HOUSEHOLD SIZE

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	38	97.44%	5.00	5.50	1.00	17.00
Beauty Care Services	15	13	86.67%	3.00	4.31	1.00	10.00
Bicycle Repair	2	2	100.00%	4.50	4.50	4.00	5.00
Construction Material	3	3	100.00%	1.00	3.00	1.00	7.00
Craft and Related	3	3	100.00%	4.00	4.33	1.00	8.00
Dressmaking	3	3	100.00%	6.00	5.33	3.00	7.00
Electrical Work	18	17	94.44%	4.00	4.88	1.00	15.00
Food Processing	13	13	100.00%	7.00	6.54	3.00	10.00
Health Care	1	1	100.00%	5.00	5.00	5.00	5.00
Jewelry & Watches	15	15	100.00%	5.00	5.00	1.00	10.00
Metal Work	10	10	100.00%	3.00	4.20	1.00	8.00
Motorcycle Repair	1	1	100.00%	5.00	5.00	5.00	5.00
Shoe Making & Repair	5	5	100.00%	1.00	3.80	1.00	12.00
Tailoring	16	16	100.00%	5.00	4.88	1.00	8.00
Tire Repair	5	5	100.00%	6.00	5.80	2.00	11.00
Woodwork & Furniture	29	28	96.55%	5.00	5.68	1.00	14.00
Other Manufacturing	4	4	100.00%	3.00	3.00	1.00	5.00
Other Services	7	6	85.71%	3.00	3.83	2.00	8.00
TOTAL	189	183	96.83%	5.00	5.07	1.00	17.00

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY WEEKLY HOUSEHOLD INCOME

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	33	84.62%	200.00	259.09	40.00	800.00
Beauty Care Services	15	12	80.00%	80.00	109.13	20.00	200.00
Bicycle Repair	2	2	100.00%	275.00	275.00	150.00	400.00
Construction Material	3	3	100.00%	150.00	151.28	150.00	153.85
Craft and Related	3	1	33.33%	100.00	100.00	100.00	100.00
Dressmaking	3	3	100.00%	80.00	120.90	75.00	207.69
Electrical Work	18	16	88.89%	150.00	176.62	39.00	385.00
Food Processing	13	10	76.92%	200.00	249.42	19.23	600.00
Health Care	1	1	100.00%	320.00	320.00	320.00	320.00
Jewelry & Watches	15	13	86.67%	150.00	193.97	41.67	846.15
Metal Work	10	10	100.00%	175.00	222.13	50.00	500.00
Motorcycle Repair	1	1	100.00%	173.08	173.08	173.08	173.08
Shoe Making & Repair	5	5	100.00%	700.00	483.00	55.00	800.00
Tailoring	16	16	100.00%	100.00	122.07	15.00	275.00
Tire Repair	5	5	100.00%	150.00	227.00	100.00	600.00
Woodwork & Furniture	29	25	86.21%	200.00	253.39	57.69	923.08
Other Manufacturing	4	3	75.00%	192.31	150.77	60.00	200.00
Other Services	7	5	71.43%	225.00	224.00	70.00	400.00
TOTAL	189	164	86.77%	166.54	215.20	15.00	923.80

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PROFILE OF SMALL-SCALE ENTREPRENEURS
BY TOTAL HOUSEHOLD EMPLOYMENT

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	37	94.87%	1.00	1.43	1.00	8.00
Beauty Care Services	15	12	80.00%	1.00	1.17	1.00	2.00
Bicycle Repair	2	2	100.00%	1.50	1.50	1.00	2.00
Construction Material	3	3	100.00%	1.00	1.00	1.00	1.00
Craft and Related	3	3	100.00%	1.00	1.00	1.00	1.00
Dressmaking	3	3	100.00%	1.00	1.00	1.00	1.00
Electrical Work	18	16	88.89%	1.00	1.44	1.00	3.00
Food Processing	13	13	100.00%	2.00	2.77	1.00	7.00
Health Care	1	1	100.00%	2.00	2.00	2.00	2.00
Jewelry & Watches	15	15	100.00%	1.00	1.47	1.00	4.00
Metal Work	10	10	100.00%	1.00	1.30	1.00	3.00
Motorcycle Repair	1	1	100.00%	5.00	5.00	5.00	5.00
Shoe Making & Repair	5	5	100.00%	1.00	2.60	1.00	8.00
Tailoring	16	16	100.00%	1.00	1.44	1.00	4.00
Tire Repair	5	5	100.00%	1.00	2.00	1.00	5.00
Woodwork & Furniture	29	29	100.00%	1.00	1.52	1.00	4.00
Other Manufacturing	4	4	100.00%	1.50	1.75	1.00	3.00
Other Services	7	6	85.71%	2.00	1.83	1.00	3.00
TOTAL	189	181	95.77%	1.00	1.59	1.00	8.00

PROFILE OF SMALL-SCALE ENTREPRENEURS
BY NUMBER OF PERSONS IN HOUSEHOLD EMPLOYED IN ENTERPRISE

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	37	94.87%	1.00	1.16	1.00	3.00
Beauty Care Services	15	12	80.00%	1.00	1.00	1.00	1.00
Bicycle Repair	2	2	100.00%	1.00	1.00	1.00	1.00
Construction Material	3	3	100.00%	1.00	1.00	1.00	1.00
Craft and Related	3	3	100.00%	1.00	1.00	1.00	1.00
Dressmaking	3	3	100.00%	1.00	1.00	1.00	1.00
Electrical Work	18	16	88.89%	1.00	1.13	1.00	3.00
Food Processing	13	13	100.00%	1.00	1.69	1.00	7.00
Health Care	1	1	100.00%	1.00	1.00	1.00	1.00
Jewelry & Watches	15	15	100.00%	1.00	1.07	1.00	2.00
Metal Work	10	10	100.00%	1.00	1.10	1.00	2.00
Motorcycle Repair	1	1	100.00%	2.00	2.00	2.00	2.00
Shoe Making & Repair	5	5	100.00%	1.00	1.00	1.00	1.00
Tailoring	16	16	100.00%	1.00	1.13	1.00	2.00
Tire Repair	5	5	100.00%	1.00	1.00	1.00	1.00
Woodwork & Furniture	29	29	100.00%	1.00	1.17	1.00	3.00
Other Manufacturing	4	3	75.00%	1.00	1.00	1.00	1.00
Other Services	7	6	85.71%	1.00	1.17	1.00	2.00
TOTAL	189	180	95.24%	1.00	1.16	1.00	7.00

PROFILE OF SMALL-SCALE ENTREPRENEURS BY WEEKLY HOUSEHOLD INCOME FROM PERSONS EMPLOYED IN ENTERPRISE

BUSINESS TYPE	TOTAL	TOTAL RESP.	% TOTAL	MEDIAN	MEAN	MIN	MAX
Auto Repair	39	26	66.67%	212.50	249.76	40.00	800.00
Beauty Care Services	15	6	40.00%	52.50	64.94	40.00	134.62
Bicycle Repair	2	1	50.00%	300.00	300.00	300.00	300.00
Construction Material	3	3	100.00%	150.00	151.28	150.00	153.85
Craft and Related	3	1	33.33%	100.00	100.00	100.00	100.00
Dressmaking	3	2	66.67%	141.35	141.35	75.00	207.69
Electrical Work	18	10	55.56%	175.00	171.39	12.00	350.00
Food Processing	13	8	61.54%	175.00	228.13	50.00	600.00
Health Care	1	1	100.00%	150.00	150.00	150.00	150.00
Jewelry & Watches	15	15	100.00%	125.00	167.85	25.00	846.15
Metal Work	10	8	80.00%	142.31	187.76	50.00	480.77
Motorcycle Repair	1	1	100.00%	173.08	173.08	173.08	173.08
Shoe Making & Repair	5	5	100.00%	700.00	483.00	55.00	800.00
Tailoring	16	10	62.50%	85.00	102.81	20.00	300.00
Tire Repair	5	5	100.00%	150.00	147.00	100.00	200.00
Woodwork & Furniture	29	21	72.41%	200.00	243.45	57.69	923.08
Other Manufacturing	4	2	50.00%	126.15	126.15	60.00	192.31
Other Services	7	6	85.71%	237.50	236.67	70.00	400.00
TOTAL	189	131	69.31%	150.00	205.07	12.00	923.08