

For immediate release

**Kingston, Jamaica**  
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## **MULTILATERAL INVESTMENT FUND and SCOTIABANK IMPLEMENT PROJECT TO BOOST SME RISK MANAGEMENT**

An innovative risk management and risk-rating model is being implemented to better serve the financing needs of small and medium sized enterprises.

Initiated by the Multilateral Investment Fund, a member of the Inter-American Development Bank Group, and executed by Scotiabank Jamaica, the pilot Scotiabank Enterprise-Wide Risk Management and Financing (SERMAF) Programme will deploy an upgraded business and risk rating system for SMEs in eight targeted sectors, which include health, education, housing, transport and the visual and creative sectors.

SERMAF will be executed over 24 months at a cost of US\$970,000, with US\$550,000 funded through the IDB's Multilateral Investment Fund and US\$420,000 by Scotiabank.

“Small business financing is one of the single most important elements that drive economic growth. Scotiabank has developed unique insights into the needs of the sector, and we believe that by deepening the understanding of risk management among business owners we will make important gains in helping them access financing to grow their businesses,” said Patsy Latchman-Atterbury, Scotiabank's Vice-President, SMEs.

With a special mandate to reach women-owned businesses, one key project component is risk management awareness and capacity building for SMEs. By mentoring business operators, Scotiabank will help improve their knowledge of risk management and by extension, improve their capacity to access financing provided by the Bank.

Three hundred SMEs will be targeted for the programme with a target of 75 receiving financing, 30 percent of which are to be women-owned businesses. Other components of the project include a refinement of Scotiabank's SME loan appraisal process with enhance risk management, staff training and the development of the business case for the replicating the project in other countries in the English speaking Caribbean.

Gerard Johnson, General Manager of the Caribbean Country Department described the project as an essential facilitator of growth through SMEs.

“The massive challenge facing Jamaica in the form of unsustainable debt makes this project essential because of its unique focus on growth. Growth is the only way Jamaica can climb out of the debt trap. By linking small informal atomised Jamaican enterprises with large international partners such as Scotiabank, new doors can be opened to formality, networking and to export, which our life blood,” Mr Johnson said.

Other partners in the project are the Development Bank of Jamaica, Microsoft and the University of Technology.

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**About Scotiabank:**

Scotiabank has been in Jamaica since 1889 and is the premier financial institution in the country with just over 2,000 employees and 34 Branches Island wide. Scotiabank is a subsidiary of Scotiabank Group which offers a diverse range of products and services including personal, commercial, and small business banking; wealth management; insurance; and mortgages. The Group is an award winning institution having been named on numerous occasions as the Bank of the Year and Best Bank in Jamaica by international financial publications - the Banker, Latin Finance, Euromoney, and Global Finance magazines. The Scotiabank Group has \$358 billion in assets (as at Oct 31, 2012). For more information please visit [www.jamaica.scotiabank.com](http://www.jamaica.scotiabank.com).

**About the MIF/IADB**

The Multilateral Investment Fund (MIF), funded by 39 donors, supports private sector-led development benefitting low-income populations and the poor - their businesses, their farms, and their households. The aim is to give them the tools to boost their incomes: access to markets and the skills to compete in those markets, access to finance, and access to basic services, including green technology. A core MIF mission is to act as a development laboratory - experimenting, pioneering, and taking risks in order to build and support successful micro and SME business models. More information at [www.fomin.org](http://www.fomin.org).