

## The Ministry of Finance, Central Bank of Trinidad and Tobago and the Trinidad and Tobago Stock Exchange work together to Improve Access to Equity Financing for SMEs

[PORT OF SPAIN, TRINIDAD]

The Trinidad and Tobago Stock Exchange (TTSE), in collaboration with the Central Bank of Trinidad and Tobago (CBTT) and the Ministry of Finance (MoF), will launch the SME Mentorship Programme later this year. The Mentorship Programme aims to provide SMEs with the guidance required to successfully transition and grow its business whilst practicing good corporate governance.

Noting the challenges faced by SMEs in securing the financing needed for growth, the soon-to-be-launched SME Mentorship Programme is just one of the many facilities offered by the TTSE and its collaborators, in support of SMEs development.

In an effort to deepen the capital markets and improve the attractiveness of listing on the equity market, the Government of the Republic of Trinidad and Tobago (GORTT) also enacted legislation via the Finance Act on December 17th, 2021, to include tax incentives to encourage SMEs to seek alternative equity financing by Listing on the Stock Exchange. These tax incentives became applicable from January 2022.

Newly listed SMEs will automatically benefit from:

1. A full tax holiday for the first five years (exemption from the payment of Corporation tax, Business Levy and Green Fund Levy);
2. A fifty percent (50%) reduction in taxes for the second five-year period (Corporation Tax, Business Levy and Green Fund Levy).

In addition, SMEs listing on the Stock Exchange, may also benefit from:

1. Advisory support through the Mentorship Programme;
2. Access to another form of financing other than bank credit and debt;
3. Access to the long-term capital that is needed to grow and expand;
4. An initial listing will attract a broader investor base and can increase a company's ability to raise further capital via the stock market; and
5. Enhanced visibility and the opportunity to build a stronger reputation in the market.

Operationalisation of the Mentorship Programme, as well as its integration into other support services provided to SMEs by government agencies, will improve access to financing and promote a stable environment for the growth of SMEs.

Following the official launch later this year, both individuals and corporations are welcomed to apply to serve as mentors, while we await approval of the Listing Rules and Mentorship Guidelines from the Trinidad and Tobago Securities and Exchange Commission.

We invite all SMEs and eligible mentors to please email [ttse@stockex.co.tt](mailto:ttse@stockex.co.tt) for further details on the mentorship criteria and the application process.