

Ministry of Trade and Industry's EPA Awareness
Workshop – *Taking Advantage of the CARIFORUM-EU
EPA: Doing Business in the EU*

February 2 -3, 2010
Hilton Conference Centre

Opening Remarks

By the Permanent Secretary
Ministry of Trade and Industry



2010

ADDRESS BY

MR. CARL FRANCIS
PERMANENT SECRETARY
MINISTRY OF TRADE AND INDUSTRY

AT THE EPA WORKSHOP

**“TAKING ADVANTAGE OF THE CARIFORUM-EU EPA
– HOW TO DO BUSINESS IN THE EU”**

8:30 AM,
TUESDAY 2ND FEBRUARY, 2010

BELMONT SALON
TRINIDAD HILTON AND CONFERENCE CENTRE
LADY YOUNG ROAD
BELMONT

Senator the Honourable Mariano Browne – Minister of Trade and Industry

Distinguished Members of the Diplomatic Corp

Mr. Stelios Christopoulous, Chargé d’Affaires, Delegation of the European Union

Permanent Secretaries and other representatives of the State Sector,

Representatives of Government Agencies

Esteemed members of the Business Community

Ms. Pernille Boulter and other representatives of Kisserup International

Members of the Media

Other Distinguished Guests,

Ladies and Gentlemen

A very Good Morning to you all.

It is a great pleasure for me to welcome you to this workshop on the theme of, “*Taking advantage of the CARIFORUM – European Union Economic Partnership Agreement – How to Do Business in the EU*”. This two-day workshop aims at capacity building among the private sector, with Day one focusing on Goods exporters and Day two on Services exporters. I am also pleased at the interest displayed by our existing and potential exporters, who have accepted the Ministry’s invitation to be here today.

The rationale for today's event is partly derived from an attempt to address the reasons behind the low performance of trade under the preferential trading arrangements which have been wrought by this country. The Ministry has estimated that only 5.5% of our exports are sent to the five (5) markets with which Trinidad and Tobago as part of CARICOM, has bilateral agreements, namely Venezuela, Colombia, Cuba, the Dominican Republic and Costa Rica.

Reasons for the low usage of negotiated trade agreements include inadequate understanding of the agreements, lack of awareness of the trading opportunities in partner countries and insufficient information on how to do business in the related markets. As a consequence, therefore, research and awareness activities play a critical role in addressing the obstacles and therefore increasing exports to these countries.

This workshop is part of our on-going effort to reverse this trend and to develop and grow exports, in this instance to the markets of the European Union with which we, as a member of CARIFORUM, have negotiated the Economic Partnership Agreement or (EPA).

Trinidad and Tobago has provisionally applied the CARIFORUM – EU EPA since December 29, 2008, just over a year ago. How significant is the EU as an export partner one may therefore ask? As of 2008, the EU was our third ranked export market, accounting for 17% of Trinidad and Tobago's goods exports, behind CARICOM at 18% and the USA for 44% of total exports. This may not seem very significant but the trends tell a different story. From 2006 to 2008, the EU's share of Trinidad and Tobago's goods exports increased from 12.3% to 17%, while the US' share dropped from 57% to 44%. It is hoped that this workshop will fuel further growth in exports to the EU by building knowledge of techniques and strategies for successful exploitation of the EPA.

What trade opportunities has the EPA opened up to Trinidad and Tobago? For trade in services, it has opened a new realm of possibilities. For trade in goods, while the EPA represents the continuation of existing market access, it has taken the arrangements in the Cotonou Agreement with the EU to another level, given that the latter provided only for one way duty-free market access to the EU and was to be replaced by EPA trade provisions by December 2007. Without an EPA by that date, trade

relations between Trinidad and Tobago and the EU would have operated under the Generalized System of Preferences (GSP).

There are two main implications of the GSP which would have changed the landscape for Trinidad and Tobago's exporters. Firstly, the GSP works under the principle of non-discrimination, meaning that it treats all developing countries alike. Trinidad and Tobago's exports would have had to face heightened competition from a greater number of developing countries. Secondly, some traditionally duty-free exports to the EU would have attracted tariffs ranging from 1.1% to 9.6%. The EPA, therefore, secured this traditional duty-free market access and in a manner that is both permanent and compatible with World Trade Organization (WTO) obligations.

For trade in services the EPA has created the greatest potential for new trade. The Cotonou arrangements did not include services trade concessions. New concessions in the EPA, particularly in the sphere of temporary movement of persons, offer access to 29 sub-sectors for contractual services suppliers and 11 sub-sectors for independent professionals. The European Union is a large market, comprising twenty seven (27) Member States totaling approximately 450 million persons. By comparison, our

largest trading partner, the US, has a population of about 308 million. The EU market, therefore, is one that also has great potential.

The Ministry of Trade and Industry has partnered with the Commonwealth Secretariat Hub and Spokes Project, the Business Development Company, NEDCO and the various business associations to host this workshop. We are grateful for the cooperation and collaboration in organizing and planning the event.

We are pleased to welcome consultants Kisserup International Trade Roots Inc from Denmark, who will be providing the EU market-based information to our exporters.

Ladies and Gentlemen, we appreciate the sacrifice that you are making today, of time away from your business, in attending this Workshop. We trust that the event will be invaluable for the further development of your business.

I thank you.