

ADDRESS BY

THE HON. KENNETH VALLEY  
MINISTER OF TRADE & INDUSTRY  
MINISTER IN THE MINISTRY OF FINANCE

AT THE LAUNCH OF

**THE TRINIDAD & TOBAGO BUSINESS ASSOCIATION**

10:00 AM,  
SATURDAY 16<sup>TH</sup> JULY, 2005  
TRINIDAD & TOBAGO CONSULATE  
NEW YORK CITY  
NEW YORK, USA

Dr. Harold Robertson, Consul General of Trinidad & Tobago,

Members of the Trinidad And Tobago Business Association,

Citizens and friends of Trinidad and Tobago,

Distinguished Guests,

Ladies and Gentlemen

Thank you for inviting me here this morning to participate in the official launch of the Trinidad and Tobago Business Association of New York. Last year this time, when we first met at the Business Forum, I pledged my encouragement and support for the formation of this organization, and today I am pleased to see this positive and dynamic development has indeed taken place.

From the perspective of national development, this type of organization serves to deepen and strengthen the business, social and cultural relationships between Trinidad and Tobago and its citizens across the globe. In the increasingly competitive, liberalized global business environment, organizations like yours

have become even more critical as nations strive to enhance their status and create a positive brand and image to attract investors.

In the current business environment, your organization can create significant linkages between home-based business interests and those here in the United States. I envisage that you will seek to extend your reach and influence, increase your advocacy role, and build and strengthen Trinbagonian and US networks.

Yours is a compelling and vastly interesting task involving a number of complementary objectives –promote the growth and development of your own businesses, contribute to your immediate community and positively impact on the economic development of your country of birth.

Some of the distinct advantages of partnering with business organisations in Trinidad and Tobago will allow members of both regions to share experiences and expertise in the following areas:

- Utilisation of technology;
- Latest best practices in business;
- Imports and exports;
- Information on market opportunities;
- Marketing and distribution channels,
- Information on support services
- Identifying and targeting niche markets

The government views your association and others like it as important institutions for promoting trade and investment opportunities in Trinidad and Tobago. This potential will be fully explored as we position Trinidad and Tobago as the preferred location for investors.

As you may be aware, Trinidad and Tobago has often been described in the international business media as the “Tiger of the Caribbean”. Foreign Direct Investment has more than doubled from an average of US\$209 million over the period 1990 –1993, to

US\$757 million during the period 2000 –2003, an increase of approximately 262 per cent.

While the bulk of this investment has been in the energy sector and downstream industries, we are aggressively targetting investments in the non-energy sector in order to build a sustainable and diversified economy as we fully recognize that energy is a non-renewable asset.

In addition, the non-energy sector is the second largest employer next to the Government, so this course of action not only makes good economic sense but it is also part of the holistic policy to achieve developed country status by the year 2020.

We are determined to create the kind of environment that is good for business — whether it be a local firm, a foreign-based Trinidadian firm or foreign investor. This, we believe, is best achieved through trade liberalisation, by employing business

expansion and industrial restructuring initiatives to build competitiveness and, of course, expanded export capability.

We believe in the concentric circle approach to development. By the end of 2005 the Trinidad and Tobago economy will be fully integrated within the CARICOM single market. Simultaneously, we shall be pursuing integration into the Latin American economy through our membership in the Association of Caribbean States (ACS) and then using that market as a platform to enter the wider global economy, through membership in the ACP group and the Free Trade Area of the Americas. In a parallel development, our free trade agreements with Costa Rica, Cuba, the Dominican Republic and Colombia allow prospective investors direct access to these markets.

*While today Trinidad and Tobago is a gateway to the Caribbean and Latin America, our vision is that in time we will become the hub of the Americas.*

In this regard we have focused on certain key initiatives over the past couple of years:

1. Positioning Trinidad & Tobago as the major manufacturing,

- trans-shipment, business and commercial platform in the region;
2. Integrating this country into the wider Latin American economy;
  3. Creating expanded market access opportunities through strategic trade agreements
  4. Re-focusing the Eximbank to support manufacturing sales to the region; and
  5. Providing the environment for citizens to increase their ability to communicate in the Spanish language.

I feel confident that we are well on our way to achieving these objectives, all of which are based on a long-term vision for the overall development of Trinidad & Tobago.

We intend to maximize our nation's ideal geographic position between North, Central and South America, along the middle Atlantic stretch to become the crux for investment, finance, manufacturing and transshipment.

Trinidad and Tobago is a convenient midway point to everywhere in this hemisphere, well served by major airlines, with two large, secure deep water harbours. We are poised to enhance our role in

international shipping, building on the experiences gained in handling specialized cargo. Through managing the requirements of transporting products such as LNG, we have developed a cadre of personnel well versed in applying the most exacting standards of the shipping industry, and we are now creating the appropriate infrastructure to complement these developments, for example, through the programs offered at the University of Trinidad and Tobago's Maritime Institute.

That we intend to make the world our marketplace is a mindset that informs all our policies, as we develop new industrial complexes through the north-south corridor that stretches along the west coast of the country, while at the same time pursuing critical air transport linkages with our South/South route development initiative. The flagship industrial development is the Wallerfield Business and Technology Park, which is envisioned as a nexus for technology-driven business; research and development; and academic achievement, as it will also serve as the campus for the University of Trinidad and Tobago.

Putting the right legislation in place, and upgrading existing trade and business laws will also be crucial to our success, as we seek to improve the operations of the Customs and Excise Division, the

Trinidad & Tobago Bureau of Standards and other critical Regulatory Agencies to sustain the proper environment for trade to flourish.

At the same time, the Prime Minister's Standing Committee on Business Development is coordinating the development of strategic plans for targeted sectors, where we already have a level of competitive advantage and a strong human and capital resource base. Some of the non-energy investment opportunities that have been identified for promotion are:

- Food and beverages.
- Fish and fish processing
- Yachting.
- Printing and packaging.
- Merchant marine
- Film.
- Music and entertainment.

Joint public/private sector industry teams have already developed strategic plans for the development of these sectors.

While all of this is underway, our initiative to make Spanish the First Foreign Language of Trinidad and Tobago will have as its ultimate goal, designated sectors of the community capable of communicating effectively in both English and Spanish by the year 2020, providing investors with a human resource base capable of transacting business in the two major languages of the region.

In the final analysis, being a hub for business and commercial activity is not just about physical location, it also involves a particular frame of mind, a sensitivity to clients in different locations, and a commitment to meeting and exceeding their needs.

This is the context in which we place investment. It is a mechanism which can provide us with the tools to maximize our potential and achieve our developmental goals. In order to be successful, our investment initiatives must focus on and creating an investment-friendly environment and effective promotion strategies, and this is the basis for the draft investment policy currently being prepared by the Ministry of Trade & Industry for

submission to Cabinet. Some of the specific initiatives in this policy will include:

- Upgrading investment incentives;
- Removing disincentives to investment
- Reform the investment approval process taking into consideration the need for increased transparency, simplicity and efficiency;

Currently, this country's investment promotion activities are shared among four main organizations with clear mandates and areas of responsibilities.

- Evolving Technologies and Enterprise Development (E-Tek), is responsible for encouraging business development in the non-energy sector, including ICT, knowledge-based and down stream energy industries.
- The Tourism Development Corporation (TDC) is responsible for all marketing and promotion activities for the tourism sector.

- TIDCO is now responsible for organizing trade and investment missions, and in branding Trinidad and Tobago as a destination for investors.
- Investments in the energy sector are spearheaded by the National Energy Corporation (NEC).

As part of the drive to create an investment friendly environment, Trinidad and Tobago has also signed a number of double taxation treaties with other countries, including include the United States, Canada, the United Kingdom and Germany. We also have investment protection and promotion agreements with the United Kingdom, the United States, Canada, Spain, the People's Republic of China and the Republic of Korea.

Government clearly understands its role in providing an enabling environment for business to operate efficiently and effectively. In this regard, we can currently boast of a relatively low inflation rate, stable exchange rate, educated and competent workforce, relatively

diversified and strong manufacturing base, stable government and transparent policies. By the end of 2004, the nation's economy had expanded by over six per cent, a credible achievement, given the difficulties that were being experienced in some of major markets such as the United States and CARICOM.

Along with implementing policy and creating the best business environment, we also recognize the important role played by strategic business alliances, historic linkages, institutional knowledge and cultural familiarity – factors which are exemplified by organizations such as this one.

Ladies and gentlemen, this is an exciting time in the history of Trinidad and Tobago, for we can truly say that we have the ability, drive, understanding and resources to plan and design our nation's economic future. We consider organizations such as this one part of that resource base, because you have the capability to merge

successfully the demands and opportunities of both your home country and your adopted land in the interests of all involved.

I am proud of your strategic orientation and the priority you place on doing business with Trinidad and Tobago, since we all stand to benefit enormously from this type of partnership. Trinidad and Tobago is on a growth trajectory and your formation could not have taken place at a better time for you to participate in the benefits of this growth.

Thank you for inviting to be part of this historic moment. I look forward to the further growth and development of this organization as it becomes an integral institution in the business environment of the City and State of New York and of Trinidad and Tobago.

I thank you.