



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF TRADE AND INDUSTRY

*Reception hosted by
the West Indies Rum
& Spirits Producers'
Association Inc.
(WIRSPA)*

REMARKS

SENATOR THE HONOURABLE PAULA GOPEE-SCOON
MINISTER OF TRADE AND INDUSTRY

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MINISTRY OF TRADE AND INDUSTRY

I am pleased to join you today on the occasion of the Technical Workshop hosted by the West Indies Rum & Spirits Producers' Association (WIRSPA) and Angostura Holdings Limited. We all look forward to learning more about Authentic Caribbean Rums and the outcomes of the Technical Workshop.

This workshop as I understand it, is to contribute towards improved capabilities among WIRSPA members and it is well-timed given the positive outlook on the global rum industry. According to the International Wine and Spirits Record (UK), following a 15 year period of exponential growth, global rum sales, by value, are expected to continue rising given the propensity towards higher-value rum products. Conditions such as an increasing trend towards premium and super premium rums, increased popularity of cocktails among younger generations and a growing preference for spiced or flavoured rums augur well for this industry in both mature and also in emerging markets.

Caribbean territories have come to recognise the imperative of pursuing sustainable economic growth to achieve their social and economic development initiatives. In Trinidad and Tobago, emphasis is on the diversification of the non-energy sector. In neighbouring CARICOM countries, generally the focus has tended towards a few agricultural products and tourism. Consequently, when faced with exogenous shocks in these areas, all spheres of society are challenged to ramp up initiatives that will widen our countries' economic bases.

It bears noting that the Caribbean rum industry stands out as the largest agro-based export sector within several CARIFORUM countries. More than US\$300 million is collected annually in tax revenues from this industry in the Caribbean. Additionally, rum and spirits producers employ on average 55,000 persons across the region.

From the days of being favoured mainly by sailors and pirates, Caribbean rums now appeal to consumers with sip and savour palates. Indeed, this industry is now recognised within the global marketplace despite the trials of an increasingly competitive global economy.

To this end, the Government of Trinidad and Tobago is committed to collaborating with the private sector in full support of its further growth and development. The Official Policy Framework of the Government states that we will develop appropriate strategies in partnership with local manufacturers to create and sustain a more enabling business environment. This is being pursued using a multi-pronged approach.

The Ministry of Trade and Industry is keenly working towards expanding market access for local manufacturers. According to WIRSPA, over 60% of the region's rum production is exported which is approximately US\$550 million annually. This industry is therefore a significant earner of foreign exchange and we would like to see these figures go up.

The Ministry will collaborate to facilitate linkages between local manufacturers and the West Indian diaspora to stimulate penetration of these foreign markets.

The Ministry of Trade and Industry, also calls on the private sector to invest in research and development, not only of products and processes, but also to exploit potential export markets. Our State Agency, ExporTT stands ready to provide information on market intelligence, facilitate trade missions and a range of other services that can help build export capacity.

Speaking more broadly, the Government is aware of some of the challenges facing the manufacturing sector as they pertain to shortages of skilled labour, obtaining foreign exchange and regulatory issues, among others. I want to assure you that we are working assiduously on short, medium and long-term measures to address all of these.

To this end, the Ministry of Trade and Industry is engaged in exploratory discussions with the Ministry of Finance and the Central Bank to implement a US Dollar Credit line that will be reserved for local manufacturers only. These may be small steps but they reflect the Government's undertaking to support the business community.

The country I must say, is proud of Angostura Holdings Limited and its globally recognised brand. Angostura, which is Trinidad and Tobago's only rum distillery, certainly stepped out of their natural comfort zone, took calculated risks and pursued available opportunities and so the world renowned Aromatic Bitters is exported to 164 countries. Countless gold standard awards have been won for their rum products and they have also been successful in penetrating the super-premium segment of the rum industry with their Cask Collection marketed in the United Kingdom, the European Union and even Australia. This is indeed commendable.

In terms of product excellence, our CARICOM neighbours can also boast of gold standard awards for their rum products such as the Mount Gay collection from Barbados, the Appleton Estate Reserve Blend from Jamaica and the El Dorado brand produced by Demerara Distillers in Guyana.

The very existence of the West Indies Rum and Spirits Producers' Association is testimony to the strength and viability of this industry. WIRSPA's efforts to improve the global competitiveness of regional rum producers is acknowledged. The development and marketing of the ACR Marque¹ in Europe, North America and Canada is one of several initiatives that will cement a place for Caribbean Rums among premium alcoholic beverages worldwide.

The Caribbean rum industry's strength is well recognised as demonstrated by your engagement with pertinent authorities on rum subsidies in Puerto Rico and the US Virgin Islands and the willingness to take this issue to the World Trade Organisation. I too feel that I am better poised to represent you at COTED meetings when these discussions come up. This industry is well organised, steeped in capacity building initiatives and an aggressive defender of fair-trade practices. This is applauded.

Ladies and gentlemen, I also took note of the 2012 – 2016 CARIFORUM Rum Sector Support project² which was partially funded by the European Union and was implemented by WIRSPA. This programme was comprehensive and covered, among other areas, infrastructural upgrades, waste and environmental management, marketing and even management training, and ensures that Caribbean rum and spirits producers have the capacity to compete at any level. This convinces all, that the rum-producing private sector is doing their part to ensure the industry's longevity.

¹The Authentic Caribbean Rum (ACR) marque was developed as a symbol of authenticity, provenance and quality for rums within the WIRSPA family.

²<http://wirspa.com/rum-programme.html>

The European Union is very important to the CARIFORUM rum industry. CARIFORUM states have been able to partner with the European Union towards the strengthening of Caribbean economies. In this regard, the EU has provided significant financial and technical support to help build the capacity of regional industries and we look forward to deepening those ties to the mutual advantage of all concerned.

In closing, I wish you a productive and beneficial Technical Workshop over the next few days. I look forward to continued innovative and exciting product lines being introduced by this industry with benefits that we can continue to enjoy - from 'tasting' point of view and ofcourse to the increased revenues that eventually we will all benefit from.

I thank you very much and I congratulate all of you on what you have attained and I wish you once again a successful workshop and we look forward to the results thereafter.

Thank you.