



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

LAUNCH OF BARON FOODS T&T LTD

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FEATURE ADDRESS

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MINISTER OF TRADE AND INDUSTRY

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INTRODUCTION

A pleasant evening.

It is indeed my pleasure to address you on behalf of the Honorable Prime Minister and the Government of the Republic of Trinidad and Tobago, and to participate in the grand opening of Baron Foods, Trinidad and Tobago Ltd. On behalf of the Government, I would like to formally welcome Baron Foods to our country and extend my congratulations to you on this landmark accomplishment.

Ladies and gentlemen, as Minister with responsibility for trade, business development and investment promotion, I am always encouraged by new corporate ventures such as these in the non-energy manufacturing sector. These investments signal the unwavering commitment, confidence and vision of the private sector to continue investing in our economy amidst these challenging times. I am very pleased that Baron Foods has chosen Trinidad and Tobago as a strategic investment location, extending its footprint in the Caribbean beyond Saint Lucia and Grenada.

Baron Foods' establishment in Trinidad and Tobago creates a mutually beneficial arrangement for all parties involved. Operations here provide a strategic opportunity for the company to expand and extend its products' reach into new markets while the Government and people of Trinidad and Tobago reap the rewards of a major international investment and our citizens access additional employment options.

BARON FOODS LTD.

Ladies and gentlemen, Baron Foods has made a substantial investment in excess of US \$5 million to establish their manufacturing facility on 15,000 sq. ft. of land. Employment opportunities for over 50 persons and the export potential will contribute significantly to the economy and generate foreign exchange in the process. The average value of output per annum is expected to be over US \$1 million and the estimated value of exports per annum is US \$400,000 with a growth potential of 15% per annum.

Currently Baron Foods produces more than 150 products, many of which are internationally recognized with exports totaling approximately 45% of its existing total production. The company has also solidified its regional and international presence and it is now a brand known for quality products in the Caribbean, the United States, Canada and Europe. Additionally, Baron has recently begun exporting to Cuba, and is targeting countries in South and Central America.

Although Caribbean born, Baron Foods is indeed world class. In 2017, the company was the recipient of the Superior Taste Award from the International Taste and Quality Institute for its Sweet Chili Thai Sauce, while in 2014, it received recognition for its world-renowned Banana Ketchup. Baron Foods exemplifies the level of innovation and quality that is desired for our food and beverage products to effectively compete on the international market.

Baron Foods T&T Ltd is located in the bustling borough of Chaguanas home to many new businesses. It is anticipated that the company will be establishing linkages with farmers and other agro-suppliers, for the provision of raw materials and other inputs into manufacturing and agro-processing. This supports the Government's thrust to strengthen the value chain for our Agriculture Sector. In fact, the company's new plant will produce a range of sauces and condiments and can also utilize our local hot peppers, herbs and spices in its production; and I encourage management to explore these opportunities.

Baron Foods has already outsourced its supply of bottles from Carib Glassworks Ltd. and its labels from Label House Group Ltd. for its factories in St Lucia and Grenada. These are the types of linkages and networking the Government anticipates to drive not only our economic diversification but the integration of regional industry.

INCENTIVE REGIME

Ladies and gentlemen, in these challenging times the symbiotic relationship between Government and the private sector is critical. Only recently, the Minister of Finance in his 2018 budget contribution announced a TT\$50 million Business Development Incentive Programme which will provide working or seed capital, up to a maximum of TT\$100,000 to successful small businesses. This will create opportunities for growth and development necessary for local firms to become globally competitive.

The Minister of Finance also stated that EximBank will be licensed as a foreign exchange dealer for the benefit of eligible manufacturers and exporters to access raw materials and other essential inputs and this will be capitalized at US\$100 million. EximBank's portfolio has also been increased further by US\$55 million to provide for trade financing and discounting arrangements, for our local export manufacturers.

In addition to this, a new TT \$25 million Grant Fund Facility was launched by the Ministry of Trade and Industry earlier this month to support the acquisition of machinery and equipment by SMEs involved in manufacturing and agro-processing that are export-oriented and import-substitution focused. This accompanies the existing Research and Development Fund which has been revamped to support the various stages of product development from conceptualization to commercialization.

The Investment Facilitation Framework

Ladies and gentlemen, in an effort to enhance the domestic investment climate, the Cabinet in April 2017 approved a new Investment Approval and Facilitation Framework, which is designed to reduce bureaucracy faced by current and potential investors. The key objectives of this Framework are to:

- facilitate investors in need of regulatory compliance with national laws and/or regulations.
- simplify the regulatory decision making processes (registration, licensing, permitting, land allocation) by increasing transparency, clarifying regulations and improving the quality and timeframe of service.
- provide pre-approval services (market and business data, investment opportunities etc.) to investors.
- facilitate post-approval services (permits, approvals, import of equipment & raw materials, work permits, etc.) to investors.

A key component of the Framework is a Cabinet-appointed Inter-Ministerial Committee constituted to improve the processing and approval times for investments in the non-energy sector valued at over US\$5 million. The Committee's work will also rationalize current regulatory processes to meet international best practice, in the medium to long term.

Essentially, the work of the Inter-Ministerial Committee will improve the quality and speed of service delivery in the Public Sector. The main reforms being undertaken include the automation of government services, introduction of online payments by the Government and capacity building in government agencies.

THE EASE OF DOING BUSINESS

Ladies and gentlemen, evidence supports the fact that the Government also continues to enhance the domestic investment climate. In fact, according to the most recent Global Competitiveness Index published by the World Economic Forum, Trinidad and Tobago improved 11 positions from 94th (out of 138 economies) to 81st (out of 137 economies). However, there is still much to be done.

To this end, the Government is currently undertaking a number of administrative and legislative reforms, aimed at improving the ease of doing business in the country. The implementation of these reforms have already commenced and will be implemented over a three year period. The major reforms being pursued include:

- the revision of the Bankruptcy and insolvency Framework;
- the improvement in the timeframe for business registration;
- the operationalization of the fixed scanner at the Port of Port of Spain and the mobile container scanners at the Port of Point Lisas;
- the automation of the construction permitting process; and,
- the implementation of a secured transaction and collateral registry system, which will allow for the use of moveable property as collateral to improve the access to credit.

In addition to these reforms, the Government has placed considerable emphasis and resources on the National Single Electronic Window for Trade and Business Facilitation – TTBizLink. I am proud to state that TTBizLink currently facilitates the delivery of forty-seven (47) trade and business related services online. Its intent is to attain greater efficiency by eliminating existing barriers in trade and business facilitation. To date, it has received several international accolades and this year, reached the milestone of one million transactions.

However, the Government does not intend to stop here. We are currently working with the Inter-American Development Bank through a US\$25 million dollar loan for the strengthening and expansion of TTBizLink.

The Government has already begun to expand and strengthen TTBizLink with this funding, and by 2019 will:

- enhance and expand the services offered on the platform;
- facilitate the exchange and analysis of data between TTBizLink and the information systems of key stakeholders; and,
- modernise the legislative and institutional framework of TTBizLink.

Apart from these structural and administrative reforms, we have initiated work to put into effect the new Special Economic Zones policy to reinvigorate efforts to create competitive economic spaces for business and investment. Our regional and trade linkages are being reinforced through the pursuit of agreements or trade arrangements with regional and extra-regional partners.

INCREASED MARKET ACCESS

The Ministry of Trade and Industry is also exploring new export markets. We are strengthening commercial ties with Cuba and Venezuela; we have signed Trade Agreements with Panama and put in place its implementation plan and strategy; and we are currently in negotiations with Chile and El Salvador to establish similar types of agreements. Mexico and Ghana as markets of interest for Trinidad and Tobago. The Government is aware that Central and South America are markets of interest to Baron Foods, the alignment of strategic directions of both the company and the State augurs well for entry into these lucrative regions.

CONCLUSION

Ladies and gentlemen, in closing, I once more congratulate Baron Foods T&T Ltd. on achieving this milestone. Undoubtedly its operations will leave an indelible impression on Trinidad and Tobago's economic landscape. You have made a prudent decision and the Government will extend its support wherever possible to facilitate the deepening of your commercial ties here and abroad. Your company's investment will continue to positively impact our local economy and we welcome this relationship which we anticipate will continue for decades to come.

I thank you.