



Government of the Republic of Trinidad and Tobago

**Ministry of Trade and Industry**

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# *Pivoting in the Future of Business*

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TTMA 65<sup>TH</sup> ANNUAL MEETING  
SENATOR THE HONOURABLE PAULA GOPEE-SCOON,  
MINISTER OF TRADE AND INDUSTRY

MARCH 24<sup>TH</sup>, 2021

## SALUTATIONS

- Mrs. Ayleen Alleyne-Ovid, Permanent Secretary of the Ministry of Trade and Industry
- Ms. Vidya Marcelle, Comptroller of Customs and Excise, Ministry of Finance
- Mr. John Tang Nian, Chairman of EXIM Bank
- Mr. Angus Young, CEO of NCB Global Finance
- Newly Elected President of the TTMA
- Board of Directors of the TTMA
- Dr. Mahindra Ramdeen, CEO of the TTMA
- Past Presidents of the TTMA
- Specially Invited Guests
- Members of Media
- Ladies and Gentlemen

Good morning.

It is a pleasure to join you today for the 65<sup>th</sup> Annual Meeting of the Trinidad and Tobago Manufacturers' Association (TTMA).

### **Global, regional & domestic perspectives**

The past year has been unlike any other. Although the global economy is expected to slowly recover during 2021, the COVID-19 pandemic has perhaps disrupted business activity worldwide for a very long time. While controlling the spread of COVID-19 and ensuring rapid and widespread vaccine deployment remain **Public** policy priorities across the globe; there is an urgent need for the **Private** sector globally to support Governments in rebuilding more competitive and resilient economies.

According to the International Monetary Fund's January 2021 World Economic Outlook Update, the global economy contracted by 3.5% in 2020, the worst since the 2008 global financial crisis. Although growth is projected for 2021-2022, the IMF has warned that the *return to pre-pandemic levels* will be "**long, uneven, and uncertain.**"

Like most others, the Caribbean Region has taken quite a beating. Due to our limited room to maneuver, Caribbean economies were among the most affected by the pandemic. According to the Caribbean Development Bank (CDB), economies in the Region contracted by 12.8% on average in 2020 on account of Covid-19. Tourism-dependent countries in the Caribbean contracted by more than 12 percent in 2020,

while commodity exporters in the Region also experienced economic contraction of over 10% due to depressed commodity prices.

### **Pivoting in the 'New Normal'**

Beyond the challenges of COVID-19, manufacturers today face not just a global pandemic but a whole host of factors that are forcing them to pivot; from geopolitical uncertainty; climate change; regulatory changes in export markets; and to changing consumer trends driven by technological innovation.

Companies that are successfully navigating the challenges of the 'new normal' in the global economy have moved to business models that are conducive to both *short-term* survival, and *long-term* resilience and growth. This is being achieved by pursuing strategies that preserve and enhance brand value in the mind of the consumer. In order to remain competitive, and boost exports, domestic manufacturers must continue to become more agile, customer focused and keep abreast of the rapid changes in the global economy including technology and innovation.

### **Manufacturing Sector and Government Intervention**

Trinidad and Tobago is still the largest and one of the more resilient and competitive bases for manufacturing in the wider Caribbean. The Manufacturing sector in Trinidad and Tobago remains an important and dynamic sector in the economy and is a catalyst for achieving economic transformation and diversification through the reduction of the country's food import bill, generation of foreign exchange via exports, and the provision of sustainable employment for over 50,000 persons.

The Government has heard the cries of the private sector and has acted. In addition to providing access to critical foreign exchange as well as settling long outstanding VAT rebates and Income tax refunds, the Government is also providing significant resources to assist our manufactures in ultimately becoming more competitive and to reach new export markets. Our portfolio of transformative measures are well formulated in the National Roadmap for Recovery under key areas:

- I. *Improving the Ease of Doing Business;*
- II. *Improving the Production Capacity and Promoting New and Niche Products;*
- III. *Expanding Export Growth to Traditional and Non-Traditional Markets; and*
- IV. *Incentives for Market and Product Development.*

#### ➤ *Boosting exports*

The Government remains resolute in boosting non-energy exports to new and traditional export markets of strategic interest. To this end, the Ministry of Trade and Industry in collaboration with exporTT and the TTMA, launched the Export Booster Initiative (EBI).

This \$50 Million investment in our manufacturing sector seeks to build capacity in local firms and prepare them to meet and exceed international health, safety and quality standards in order to access new

and differentiated export markets. To achieve this target, sixteen (16) initiatives under three (3) broad strategic areas namely Export Promotion, Capacity Building and Institutional Strengthening will be pursued.

The rollout of the EBI commenced this month with the promotion of the *Certification Programme for Food and Beverage Standards and other Product Compliance*. The initiative will provide financial assistance to the Manufacturing sector (including Agro-processing) for a range of applicable international standards to boost production of non-energy exports and contribute to import substitution.

It is to be noted that many of the initiatives and targets of the EBI align with the TTMA's Manufacturing Export Strategy, including the doubling of key non-energy exports by 2025. The MTI through exportTT (which is essential to implementing the EBI and providing advisory services) will work closely with the TTMA to ensure that manufacturers are able to take full advantage of this programme.

#### ➤ *Digitization & Doing Business*

The future of manufacturing is being redefined by the convergence of digital and other advanced technologies. These include the Internet of Things, Artificial Intelligence, Robotics and Additive Manufacturing. Businesses must therefore now evolve and embrace the wider use of digital technology in their operations. That apart, an improved business environment is key. Accordingly, the Government remains steadfast in its efforts aimed at improving the ease of doing business in Trinidad and Tobago. Various initiatives are being actively implemented towards transforming the public service to radically improve the time and cost of doing business.

In February 2021, Cabinet approved 61 Business Process Re-engineering (BPR) recommendations to improve the ease of doing business in Trading across Borders. Priority recommendations to be implemented in the next six months include:

- the Implementation of online payments for all TTBizLinK and Customs e-services.
- the conduct of an audit of scanning operations to ensure maximum efficiency in tandem with the various risk management systems available by Customs and Excise Division.
- the continued implementation of a Port Community System (PCS) to allow the intelligent and secure exchange of information between public and private stakeholders along the port and logistics supply chain.
- the adoption of the full functionality of ASYCUDA to allow electronic processing of declaration data at the Ports by Customs and Excise Division.
- the allowance of Border Agencies to process e-goods declarations outside of the regular hours of work.
- the elimination of the need for physical copies and applicant visits to Border Agencies and allow end-to-end digitization of their e-services.

#### ➤ *Transforming Trade Related Institutions*

The Government understands that in order to facilitate increased exports, our trade related support institutions must be transformed. Accordingly, under the EBI resources have been made available for the Institutional Strengthening of EXPORTT and TTMA. The objective is to transform and modernize

exportTT into a leading export promotion agency. A Change Manager to support and guide exportTT through the implementation of institutional strengthening activities is scheduled to commence services in early April 2021. Further, in order to accelerate sector- wide recommendations and export plans for the expansion and growth of all manufacturing businesses, large, medium and small, the initiative will also focus on strengthening the capacity of the TTMA by securing the services of a suitably qualified consultant with a focus on external trade.

➤ *Building Human capacity in Sector*

To help build a cadre of disciplined, skilled personnel who will play a role in creating world-class manufacturing firms and products, a Sector Advisory Committee (Chaired by the TTMA and comprising the MTI, National Energy Skills Centre and the National Training Agency) has been established. The Committee will develop a National Vocational Apprenticeship Program based on the German *Mittelstand* model and the Point Lisas Apprenticeship Program. Our people are by far our greatest asset and through better techniques and skill enhancements, we can make ***Proudly Made in T&T*** a globally recognizable and reputable brand.

**Conclusion**

Ladies and Gentlemen, pivoting is not an individual action with a single effect; it requires multiple actors working towards a common goal, and has an impact that reverberates far beyond the confines of any factory. It must involve the willingness of businesses to not only adjust to meet their immediate and future needs but the needs of their employees, communities and our nation. The ability to change direction quickly is synonymous with agility, innovation, creativity, resilience and survival instincts for the rough times which surely will come again. These changes and the ability of firms and entire sectors to pivot are also closely tied to leadership. The TTMA's Board and management is a perfect example of this.

I would therefore like to thank Mrs. Franka Costelloe for her invaluable contribution in supporting the Manufacturing sector and leading the TTMA through these very challenging times. She has demonstrated great leadership during her tenure in not only working with the TTMA's members to develop an ambitious Manufacturing Export Strategy, but also in collaborating with the Government to achieve wider national economic and social outcomes for the country.

I look forward to working with your new President, and to continuing the excellent collaboration between the TTMA and the Ministry of Trade and Industry to truly pivot the manufacturing sector for further growth and expansion.

Let us all work together to create a better, brighter future for Trinidad and Tobago.

I thank you.