



Government of the Republic of Trinidad and Tobago

Ministry of Trade and Industry

Launch of the 2022 Trade and Investment Convention Trinidad and Tobago Manufacturers Association “Business Resilience”

REMARKS

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

AUGUST 24TH, 2022

SALUTATIONS

- Senator the Honourable Dr. Amery Browne, Minister of Foreign and CARICOM Affairs
- Honourable Terrence Deyalsingh, Minister of Health
- Honourable Renuka Sagramsingh-Sooklal-Minister in the Office of the Attorney General and Ministry of Legal Affairs
- The Honourable Farley Augustine, Chief Secretary of the Tobago House of Assembly
- Members of the Diplomatic Corps
- Permanent Secretary, Ministry of Trade and Industry, Mrs. Ayleen Alleyne-Ovid
- Ms. Tricia Coosal, President of the TTMA
- Members of the Board of the Trinidad and Tobago Manufacturers' Association
- Dr. Mahindra Ramdeen, CEO of TTMA
- Past Presidents and Past Members of the Board of Trinidad and Tobago Manufacturers' Association
- Members of the Local, Regional and International Business Community
- Specially Invited Guests
- Members of the Media

Good evening Ladies and Gentlemen

It is indeed a pleasure to address you this evening at the opening ceremony of the 23rd Annual Trade and Investment Convention (TIC) on behalf of Prime Minister Dr the Honourable Keith Rowley.

Let me say how pleased we are to be back in this physical setting after a two (2) year hiatus. We acknowledge that technology ensured the continuity of this event during the Covid-19 pandemic, however, there is absolutely no doubt that face-to-face interactions add a distinctive element to strong relationships between buyers and sellers, create a long-lasting impact and contribute to the vibrant atmosphere for which the Trade and Investment Convention is known.

The Trinidad and Tobago Manufacturers' Association (TTMA) must be commended for developing this invaluable platform which brings together manufacturers, service providers, buyers, distributors, financial institutions, investors and regulatory agencies. Your success has positioned the Trade and Investment Convention as the Caribbean's premier business to business trade show. I also acknowledge the President of the TTMA, Ms. Tricia Coosal, for her astute leadership and ensuring that the TTMA remains critically involved in the growth and development of the manufacturing sector in Trinidad and Tobago.

This year's theme '**Business Resilience**' is very appropriate. Resilience is key to not only recovering and doing so quickly, but also to maintaining the flexibility and perseverance to thrive and developing the capacity to expand and adapt to disruptions and threats, that will come in some shape or another in the future.

IMPORTANCE OF THE SECTOR

The strength of the manufacturing sector is evident in the data. In 2021, the Manufacturing Sector accounted for 19.3 per cent of real GDP valued at approximately TT\$26.4 Billion. Its importance is also evident as the sector has consistently employed more than 52,000 persons.

According to the most recent available data from the Central Statistical Office (CSO), exports within the manufacturing sector grew by 7.7 per cent in the fourth quarter of 2021 from TT\$6.19 Billion to TT\$6.66 Billion. The largest growth was registered in the Food, Beverage and Tobacco sub-sectors from TT\$1.58 Billion to TT\$1.84 Billion representing an increase of 16%. This growth has followed through in 2022.

For the first half of 2022 (January-June), Trinidad and Tobago's non-energy manufacturing sector exports valued approximately TT\$5.98 Billion which was 17% higher than the same period the previous year (January-June 2021 at TT\$5.10 Billion). A closer examination of the data exemplifies this resilience in a number of the industry's sub sectors showing increases from January to June 2021 to January to June 2022 as follows:

- Food and Beverage Industry increased by 28% from TT\$1.13 Billion to TT\$1.44 Billion
- Chemicals and Fertilizers increased by 103% from TT\$186 Million to TT\$379 Million.
- Paper and Paper Related products increased by 29% from TT\$215 Million to TT\$278 Million.
- Tobacco increased by 31% from TT\$84 Million to TT\$110 Million.
- Glass and Glass products increased by 45% from TT\$70 Million to TT\$102 Million.
- Furniture and Lighting Fittings increased by 12% from TT\$42 Million to TT\$47 Million.
- Wood and Wood Related increased by 55% from TT\$9 Million to TT\$14 Million.

The data underscores the dynamic role and contribution of the Manufacturing Sector to our economy. According to the United Nations Industrial Development Organization, the Covid-19 pandemic has drawn attention to the manufacturing industry's role in social and economic resilience in national economies across three dimensions. The first dimension entails the role of manufacturing industries as providers of essential goods which are critical to life and national security. The second highlights the role of manufacturers in supplying goods that are critical to tackling the emergency itself. The third dimension relates to the manufacturing sector's contribution to the recovery and growth of national economies.

The Government of Trinidad and Tobago has always valued the significant role of our local manufacturing sector and remains committed to transforming it into one that is globally competitive, productive and innovative, utilizing advanced technologies and environmentally friendly practices as articulated in the Roadmap to Recovery Report, the National Development Strategy (Vision 2030) and the Trinidad and Tobago Trade Policy 2019-2023.

While the domestic manufacturing sector has displayed exceptional performance and gained significant momentum in 2021, which is synonymous with global trends, it should be noted that Deloitte in its 2022 Manufacturing Industry Outlook has cautioned that there are ongoing risks associated with supply chain instability, rising commodity prices and environmental challenges.

To treat with the various challenges, Deloitte specifies in the context of resilience, that countries must not only defend against disruption but strengthen their offense through the consideration of preparing the workforce, remaking supply chains and acceleration of digital technologies.

BUILDING A SKILLFUL WORKFORCE

As companies seek to be long lasting, **building a skillful workforce** and resolving the talent scarcity are crucial. The World Economic Forum in an article entitled *“Empowering the next-generation manufacturing workforce”* tells us that *“despite the fact that manufacturing jobs are in demand, the number of vacant, entry-level manufacturing positions continue to increase.* The reality is manufacturers are finding it more difficult to find talent today as many vacancies require hands-on training. Further, the digital transformation of the manufacturing sector is also changing the skills required.

Businesses therefore have the responsibility to re-architecture the work place, rethink the composition and capabilities of their workforce and adopt flexible and innovative strategies to attract and retain talent. This should be paired with strategies in up-skilling and reskilling of the workforce within your organizations.

Recognizing this, the Government too, has identified the need to address skills and jobs in an integrated manner. Pillar 4 of the Roadmap for Trinidad and Tobago Transforming to a New Economy and a New Society identifies the need to enhance Human Resource Capacity in the Manufacturing Sector to address the existing labour skills gaps. In May 2022, the Ministry of Trade and Industry launched the first Apprenticeship Programme for the Non-energy Manufacturing Sector. This three-year Programme is expected to train over 300 apprentices in the industrial areas of: Mechanical Engineering Technology, Electrical/Electronic Technology; Industrial Maintenance Technology and Mechatronics. This was based on the vacancies identified in a 2019 labour market review of selected Non-energy Manufacturing sub-sectors.

The Government is also very pleased that we were able to launch another Apprenticeship Programme for the Wood and Wood Products Manufacturing Sub-sector on August 16, 2022. This Programme seeks to transform and expand the industry to produce higher value added products through the use of modern technology. It will also provide an opportunity to diversify Trinidad and Tobago's manufacturing profile, expanding from the production of food and beverage which currently dominates Trinidad and Tobago's non-energy manufacturing. In the first instance, the Programme will enroll fifty (50) apprentices to be trained for a two-year duration at MIC-IT's St. Bede Technology and Pleasantville Technology Centres.

INTEGRATED SUPPLY CHAINS

Another key area of focus for a resilient manufacturing sector is **the development of diverse, flexible and more integrated supply chains**. Re-shoring and near shoring have become necessary to maintain an advantage not only for growth, but also in preparation for what may be the next disruption. The private sector therefore is encouraged to remake and diversify their supply chains through the identification of multiple sources of raw materials, multiple production locations, and multiple warehouse hubs and distribution channels.

Only, last weekend, August 19-21, 2022, the Government of Trinidad and Tobago hosted the Agri-Investment Forum and Expo with the main objective being to reduce the CARICOM region's food import bill by 25% by 2025; requiring the development of regional value chains in agriculture and agro-processing. The CARICOM Private Sector Organization has identified nineteen potential agri-food investment opportunities in keeping with the objective to reduce the regional food import bill. Further, a Food Development Plan between the Republic of Trinidad and Tobago and Republic of Guyana identifies the following priority areas for further development which include aquaculture, rice, agro-processing and food distribution, livestock production, coconut, corn and soya. The private sector is invited to capitalize on the opportunities for investment along the value chain in the growth and production of primary products, sorting and processing, manufacturing, packaging, transportation, distribution and brokerage, wholesale and retail and to get involved in the remaking of the value chains associated with the food and beverage sector.

It is fortuitous that this year's TIC was preceded by the country's first ever Agri-Expo as there are many backward and forward linkages between the Agriculture, Manufacturing and Downstream Energy sectors.

The Government is also supporting the private sector in strengthening and advancing supply chains through exporTT's implementation of the International Certification Fund (ICF) which is one initiative under the Export Booster Initiative. The overall thrust of the Initiative is to facilitate the continuing evolution of the Manufacturing sector to become globally competitive, productive, and innovative. In this vein, the ICF provides assistance to exporters in achieving international certification in food/beverage and other product compliance so as to meet the quality and safety standards of international markets and franchises; reduce the quantity of imported goods that can be produced locally (i.e. import substitution); and boost the production of non-energy exports. A total of eleven (11) companies have benefited from the ICF to date and there is room for many more firms to participate in this expansionary opportunity.

Further to this, the negotiation and expansion of trade agreements with countries in Central, South and Latin America continue to create further opportunities for near shoring.

ADOPTION OF TECHNOLOGY, DATA AND INNOVATION

The acceleration of digital technology and innovation are pivotal to the success of the manufacturing sector. The convergence of artificial intelligence, blockchain and robotics are fundamentally shifting manufacturing and therefore local enterprises should be embedding these technologies in their operations today if they wish to remain competitive.

Data analytics allows businesses to optimize their performance and drive innovation. The Ministry of Trade and Industry launched the Trinidad and Tobago Trade and Business Information Portal in May 2022, geared towards redoubling our efforts to amplify international competitiveness and enhance the ease of doing business locally.

This new portal provides access to multiple tools and resources under the categories of: Trade, Business, and Investment. Under each category detailed step-by-step guidance on how to import and export goods; regulatory requirements for starting a new business or expanding an existing business; and regulatory requirements when undertaking an investment are provided.

The portal also has an extremely useful HS Code and Tariff Finder which will allow users to search for the Most Favoured Nation (MFN) tariff rates for commodities imported into Trinidad and Tobago. It also allows users to access updated legislation, trade agreements, bilateral investment treaties, double taxation treaties and other legal reference documents pertaining to trade and business.

Our Portal is one of the few globally, that utilises customised tools developed by the International Trade Centre (ITC) to make global trade more transparent and to facilitate access to markets. These tools will enable your companies to identify export and import opportunities compare market-access requirements, monitor national trade performance and make well-informed trade decisions. These tools cover the world's largest databases on trade statistics, tariff data, and rules of origin related to applicable free trade agreements.

Since its launch in May 2022, the Portal has received over **120,000** visits from persons in over seventy-seven (77) countries. The Ministry's team will be here at the TIC promoting this tool through interactive presentations and I encourage you to visit our booth for more information.

The Trade Portal is an integral component of the MTT's flagship TTBizLinK platform which is currently utilized by almost all of the companies represented here. The platform is currently undergoing a

comprehensive upgrade which will be completed by January 2023.” Through this enhancement project, users can expect a faster, more user-friendly software as well as a range of new e-services as we continue the drive to digitize the trading environment.

INVESTMENT

Investment in technology, know-how and knowledge transfer is critical to innovating, creating new products and increasing trade.

To develop the appropriate environment for the promotion of investments, the government has developed and is currently implementing the Special Economic Zones Regime which will incentivize traditional and emerging sectors inclusive of manufacturing.

The SEZ Act, 2022, which was partially proclaimed by Her Excellency the President in January, creates a modern licensing and administrative regime for Operators, SEZ Enterprises and Single Zone Enterprises. Once fully operationalised, domestic and foreign investors can expect enhanced transparency, predictability and security for their new investments.

As we seek to reshape our institutions, another major initiative to strengthen and modernize the country’s export and investment promotion arrangements is the establishment of a Trade and Investment Promotion Agency. Akin to international models, the creation of one interface for exporters and investors, both local and foreign, will simplify doing business with Trinidad and Tobago. The local private sector will also benefit from a more strategic and focused approach to export and investment promotion primarily through sales and marketing. Under the ambit of this new entity, commercial offices will be established in targeted markets which will assist to boost exports, diversify export markets and promote inward investment.

CONCLUSION

The Government remains steadfast in its commitment to assist the manufacturing sector in becoming more agile and responsive in this rapidly changing and disruptive global environment...yet one that is replete with opportunities to strive for excellence and to new heights.

To this end, the Trade and Investment Convention continues to provide tremendous avenues and a live demonstration of a resilient manufacturing ecosystem which has withstood the challenges of the pandemic and continues to grow despite other global events of which we are all familiar.

As I close, while the TIC has been with us for twenty-three (23) years, on this 60th year of our country's independence, we must acknowledge the phenomenal role of the Trinidad and Tobago Manufacturers' Association in the development and transformation of the manufacturing sector (since 1956) into one that is globally recognised.

I take the opportunity to wish Happy 60th Independence to all of you; your employees and your families.

I thank you.