



Government of the Republic of Trinidad and Tobago

Ministry of Trade and Industry

Nestle Opening Ceremony

REMARKS

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

SEPTEMBER 30TH, 2022

SALUTATIONS

- Esteemed colleague, Senator the Honourable Kazim Hosein, Minister of Agriculture, Land and Fisheries;
- Mr Josue De La Maza, Head of Market, Nestlé for the Anglo Dutch Caribbean region;
- Ms Tricia Coosal, President, Trinidad and Tobago Manufacturers' Association;
- Dr. Ramesh Ramdeen, CEO, Trinidad and Tobago Manufacturers' Association;
- Nestlé Executives;
- Specially invited guests;
- Representatives from the Ministries of Agriculture, Land and Fisheries and Trade and Industry;
- Members of the Media;

I consider it an honour to be here today on this occasion which signals the beginning of a new era for Nestlé as the company re-opens its office to reflect a post-pandemic working environment which combines the experiences of a traditional workspace with evolving virtual realities. This scenario demonstrates the company's aspirations to adapt and evolve as it moves forward into the future. In this regard, I congratulate Nestlé on providing modern and effective working arrangements for its employees to operate in a dynamic and globally competitive world.

Nestlé has had a long standing operating presence in Trinidad and Tobago, since 1914, well over a century. Such longevity is testament to the company's stability and commitment to high quality production. Over the years, this company has made significant developmental investment and contribution in terms of employment generation, human resource development and support to the local agro and agro processing industry.

On my recent visit in February this year, I had the opportunity to observe first hand, the ongoing building out of investment in the upgrade of plant and machinery. This is in keeping with your strategic outlook towards expansion, change and modernization of the product range and composition to satisfy the evolving patterns of consumer tastes and ensuring a greater variety of products for the local and export markets.

Such investments are now being complemented by the realization of the introduction of a new production line specializing in the production of plant based milks under the brand Nature's Heart, commencing with Almond Milk.

Nestlé's operation in Trinidad and Tobago is primarily rooted in the manufacture of milks and juices. These products are significant to the national Food and Beverage sector and I am cognisant of the company's continued efforts to integrate domestic and regional supply chains into its efforts.

Over the last five years, Nestlé has invested in excess of TT\$250 million locally into its operations in order to improve production efficiency. Nestlé, through a Memorandum of Understanding with the Ministry of Agriculture, Land and Fisheries, is engaged in contracts with seventy (70) local dairy farmers. This arrangement currently covers approximately 80% of the local dairy industry through the provision of fresh milk from farmers to Nestlé for use in the manufacture of the company's line of liquid milk. Programs such as these contribute to food security and sustainability for a vital commodity.

In keeping with the changing global demand patterns of an increasingly health focused consumer, Nestlé's expansion into the production of plant based milks aims to consistently supply locally manufactured products, at affordable prices, not only in the domestic market but also regionally. This move will not only potentially establish the company as the first mover in the manufacture of dairy milk alternatives in the region but will also complement domestic and regional policies aimed at bolstering production in agro-processing industries, import substitution and food security.

On the regional front, CARICOM is implementing its Sustainable Import Replacement Programme 25% by 2025: Reduction in the Regional Food Bill, which has been endorsed by the Conference of Heads of Government. Under this initiative, attention is placed on increased production and productivity, market driven production intelligence and cross border production and investments across CARICOM.

To this end, while Nestlé's finished juices and milks are not identified as the targeted production areas, the inputs into these items are earmarked for the development of comprehensive import replacement programmes being executed by the Ministry of Agriculture, Land and Fisheries in Trinidad and Tobago as well as Agriculture Authorities in the respective CARICOM Member States.

Further it would be remiss of me if I did not acknowledge the introduction of 40 new products over the last 4 years by the company for both local consumption and export; these items include products such as Orchard Fruit and Vegie blends 100% juice, Maggie Pepper Sauces, Maggie Jerk Seasonings and Maggie's Green Seasonings, all produced at this factory. This is very encouraging especially as the launch of these products took place during the pandemic.

As you may recall, we are now moving from the acute phase of the pandemic into the endemic phase of Covid-19. The resiliency of the manufacturing sector and its ability to adopt innovative business strategies and models to ensure economic growth are necessary. This ability has clearly been exhibited by Nestlé in their operations and in the initiatives being launched today.

I take the opportunity to indicate that during the last couple of challenging years, our non-energy sector has risen to the occasion and is expected to grow by 2.5 percent in 2022. Within the non-energy sector, manufacturing remains an important and dynamic catalyst in our economy. It is a major contributor to our gross domestic product at approximately 20 percent with a value of TT\$26.3 billion. It generates significant foreign exchange and employs over 52,000 persons. This sector exported \$7.4 billion in 2020 which rose to \$10.8 billion in 2021. The food and beverage sub sector, where Nestlé is categorized, has increased by 28 percent from \$1.13 billion to \$1.44 billion over the equivalent period January to June 2021 and January to June 2022.

Further, in the 2023 Budget statement delivered earlier this week by the Minister of Finance, it was stated that the measures proposed for the upcoming fiscal are designed to build on our resilience and facilitate a broad-based revival of the economy.

Part of the measures aimed at improving and supporting the business sector include enhancement of the human resource capacity in the manufacturing sector to address existing gaps through the Apprenticeship Programme for the Non-Energy Manufacturing Sector, launched in May 2022. This programme is expected

to train over 300 apprentices in the areas of: mechanical engineering, electrical/ electronic technology, industrial maintenance and mechatronics. Nestlé, like other manufacturers, can access the resources made available through this program.

As I conclude, I wish to convey the Government's continued commitment to providing the necessary support to the manufacturing sector for continued expansion and contribution to the nation's economic well-being and prosperity.

Thank you.