



Government of the Republic of Trinidad and Tobago

Ministry of Trade and Industry

Opening Ceremony of the Caribbean Investment Forum

FEATURE ADDRESS

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Good morning.

It is my pleasure to extend a warm welcome to each of you to our region and to Trinidad and Tobago. It is a privilege and honour for our twin-island nation to host this Caribbean Investment Forum. I would like to commend all the institutions and officials who have made this unique and exciting, business-centric event a reality, in particular the Caribbean Export Development Agency (CEDA), the CARICOM Secretariat, the Caribbean Development Bank, the Caribbean Association of Investment Promotion Agencies and all sponsors.

For CARIFORUM countries, our cooperation is an important source of socio-economic development for the citizens of the region done in collaboration with the European Union which continues to be a valuable partner. CARICOM and the Dominican Republic have had a constructive relationship with the EU - whether it be through the Lomé or Cotonou Agreements with longstanding African and Pacific partners or through the CARIFORUM-EU Economic Partnership Agreement (EPA). This engagement further fortifies linkages between and among CARIFORUM countries as well as with “Europe in the Caribbean” through the Dutch and French countries and territories.

I am therefore delighted that we have with us Secretary-General Wamkele Mene of the African Continental Free Trade Area, representatives from all CARIFORUM countries as well as delegates from Curaçao and Martinique representing their respective economic development promotion units. Just last week, I had the honour of leading a Trade Mission to Curaçao, which yielded many positive outcomes. I would like to make special mention of our Haitian counterparts, who despite the challenges, are here with us today.

The wide representation of delegates from around the world is, no doubt, indicative of an eagerness to engage and to foster, or deepen, business linkages with the Caribbean. A number of investment promotion agencies will share attractive projects with you and demonstrate that the Caribbean is a premier investment destination.

Global Economic Environment

The International Monetary Fund in its July 2022 World Economic Outlook noted that several shocks have hit a global economy already weakened by the pandemic—higher-than-expected inflation worldwide, a worse-than-anticipated slowdown in China, and further negative spillovers from the war in Ukraine. The baseline forecast is for global growth to slow from 6.1 percent last year to 3.2 percent in 2022; 0.4 percentage points lower than in the April 2022 World Economic Outlook. The same trend is expected in Latin America and the Caribbean.

FDI & SDGs

There is no doubt that foreign direct investment (FDI) remains a major catalyst for development and integration of countries in the global economy. According to the United Nations Conference on Trade and Development (UNCTAD), FDI to Latin America and the Caribbean (LAC) rose by 56 percent in 2021, sustained by inflows in traditional industries such as automotive manufacturing, financial and insurance services, electricity provision and information and communication services.¹ In the **Caribbean**, FDI increased by 39 percent, mainly driven by increases in mining, financial services and special economic zones

¹ https://unctad.org/system/files/official-document/wir2022_en.pdf

(SEZs). The majority of the FDI flows went to the Dominican Republic and we must commend our CARIFORUM partner on their achievements.

I trust that this Forum will act as a catalyst to boost our entire region's flows and this is a major reason why we are here - to showcase our progress and bankable investment opportunities.

Although it may appear to be purely transactional, investments redound directly to the people of the receiving countries, and by extension the region, especially if that investment is in sectors with wide-ranging multiplier effects. FDI therefore is an important component in delivering on the United Nations 2030 Agenda for Sustainable Development where no one is left behind.

Why invest in the Caribbean?

The Caribbean region, in this era of unprecedented global disruption and turbulence, remains a place of relative certainty and continues to be an attractive location for foreign direct investment due to a number of key indicators.

- *The region's Economic and Political stability.* The region largely remains one of stability, democracy and continuity. Although there may be political change, the institutions, laws and policies remain largely intact so that, together with stable levels of GDP and exchange rates, investors have predictability and security that their investments are respected in practice and under the rule of law in the Caribbean.
- *Our People.* The Caribbean's greatest resource is its people. With diverse cultures and languages, but a predominance of English, and world-class education and training facilities, the Caribbean boasts a highly skilled population, gender equality, and overall very high literacy rates in countries such as Barbados (99.9% according to the World Bank), Antigua and Barbuda (99.8%), St Kitts and Nevis (99%) and Grenada (99%).
- *The Location and Accessibility of the Caribbean.*

To the Caribbean's advantage, it is uniquely positioned: a gateway to the Americas – North, South and Central America, and a mere six hours away from the west coast of Africa from some locations.

When a firm locates within the region, its market is more than just here—it extends to the entire one billion people with whom there is access. Through our numerous Trade and Investment Agreements, this becomes a significant and real opportunity for growth and expansion. As an example, through the CARIFORUM-EU EPA, businesses in CARIFORUM countries are afforded favourable access to EU markets for goods and services. This partnership provides for strengthened trade-related institutions, enhanced competitiveness of economic operators and the promotion of diversification.

- *Our abundant Natural Resources.* The size of the Caribbean belies its richness of resources. With unique geography, histories, fauna and flora, each island is a treasure trove of experiences. As with most Small Island Developing States (SIDS), a significant marine space offers key economic and

investment opportunities in the maritime sector, and ocean-based industries such as fisheries and tourism. In addition to pristine beaches, beautiful landscapes and rich pasts, the Caribbean is also a great place to live and work.

- *Our countries' significant Trade Openness* – According to the World Bank, Caribbean countries in 2021 exhibited high levels of trade openness, including Belize (105%), Trinidad and Tobago (76%), Jamaica (75%), The Bahamas (70%).

These are the highlights of the region's readiness, openness and resilience. Now more than ever, is indeed the right time to invest in the Caribbean.

Opportunities

A Smarter World

This Forum's theme, *Building a Smarter, Greener Caribbean*, touches on two of the most defining issues of the 21st century.

Digital technology is continually transforming our world and has fundamentally changed the way that we exist. In the Caribbean, it is no different. This year, CARICOM approved enhanced initiatives for fast-tracking digital transformation, encouraging a greater number of girls in ICT, and the creation of a Digital Skills Task Force, all towards advancing digital skills in the region for economic and social development.²

ICT and Digital Business

The region is home to countries with advanced ICT infrastructure.³ This has led to an accelerated growth of public-private partnerships and greater private sector involvement in development projects. The Caribbean Regional Communications Infrastructure Program (CARCIP)⁴, supported by the World Bank, is an ongoing project that is intended to complement the regional strategy through the creation of an ICT-enabled development framework. Currently, three regional nations are participating in the first phase: Grenada, Saint Lucia, and Saint Vincent and the Grenadines.

We welcome the EU's ongoing commitment to the region's development including through the funding of digital innovation in the Caribbean. In fact, through the 11th European Development Fund, fifteen (15) innovators from Trinidad and Tobago received grants to upscale their innovations and expand their reach into international markets.

² <https://caricom.org/ict-ministers-approve-caricom-secretariat-led-action-plans-to-fast-track-digital-transformation/>

³ ICT for Development: Overview - CARICOM <https://caricom.org/ict-for-development-overview/>

⁴ Caribbean Regional Communications Infrastructure Project – Caribbean Telecommunications Union <https://ctu.int/caribbean-regional-communications-infrastructure-project/#:~:text=CARCIP%20facilitates%20public%20private%2Dpartnership,border%20links%20and%20national%20and>

Trinidad and Tobago can claim the region's most advanced Single Electronic Window, and is committed to the creation of a Digital Society, encompassing a Digital Economy and Digital Government. The region's first FinTech Innovation Hub will be implemented in 2023 as a collaborative environment with an onsite ecosystem, whereby regulators, financial sector actors, Government, fintech start-ups and innovators, both local and foreign can connect and collaborate to achieve the goal of a "cashless" society in Trinidad and Tobago.⁵

A Greener World and Renewable Energy

Like technology, greening the economy has become a core strategy for many Governments, and is recognized as a key driver in tackling climate change, poverty, pollution, health and several critical developmental goals. Global warming is an immediate threat to humanity and, at the CARICOM Heads meeting in Suriname in July, this was the nature of discussions with the UN Secretary General, and the Secretary General of the Organisation of African, Caribbean and Pacific States (OACPS).

Governments across the world in both the developed and developing world are fast adapting to the new reality of the need to green, where both business and the environment can win. The 27th United Nations Climate Change Conference (Conference of Parties (COP27)), currently taking place in Egypt, reinforces this approach to development and our collective responsibility. Being green is no longer an avoidable cost of doing business; it is a catalyst for innovation, new market opportunities, wealth creation and more resilient economies.⁶

Caribbean countries are effecting this transition through greener economic development policies, improved resource efficiency, and increased local production. The region has seen the need to reduce dependence on fossil fuels and develop greater self-reliance on renewable energy, as outlined in the CARICOM Energy Policy and the Caribbean Sustainable Energy Roadmap and Strategy. Harnessing local endowments of natural resources creates more sustainable opportunities, which in turn provides jobs, reduces exposure to price volatility, and decreases environmental liabilities and risks. As with technology, the region is seeking investors willing to build upon a strong foundation to exploit abundant opportunities in renewable energy and green initiatives.

Keep in view the Caribbean's innate advantage of significant wind energy potential and sunshine which offer interesting prospects for wind and solar energy generation. Our international partners are already supporting projects in this area.

Other Investment Opportunities

Beyond these areas, there are several other lucrative investment opportunities.

AgriTech

By far the most important agenda item in the Region is to feed ourselves and reduce the food import level. The regional food import bill is quickly moving towards US\$5 billion, and is substantial when viewed in the

⁵ <https://www.finance.gov.tt/wp-content/uploads/2022/09/Budget-Statement-2023-E-Version.pdf>

⁶ <https://hbr.org/1994/07/the-challenge-of-going-green>

context of the Caribbean. Food security is therefore a major challenge. In CARICOM we have committed to reducing the Region's food import bill by 25% by 2025, through in large part by the implementation of the CARICOM Agri-Food Systems Agenda with four key areas of priority to be addressed being: Food Insecurity; Regional Transportation; Trade Barriers; and Women and Youth. We will also give special attention to priority crops and products which are highly imported products in the region.⁷

Agriculture is a sound investment with 30 million local consumers and several million affluent visitors to the Caribbean region each year. Excellent climate, strong local demand for agricultural products, tourist demand for specialty products and abundant public and private land available for agriculture, have created significant opportunities for investors in high-growth, high-value agro-industries.

The future looks a bit brighter as this important matter has brought about concrete regional responses. This year, two major Agri Investment Fora and Expos have been successfully held in Guyana and Trinidad and Tobago respectively, with a third being planned for Barbados. We remain firmly committed to the cause and intend to build extensively on these initiatives.

Transport & Logistics

I expect the Transport and Logistics Roundtable on Day 3 to be an exciting one, with regional participants, including from key Port Authorities, discussing the advantages of the Caribbean's location and mutually beneficial avenues for investments in areas such as port infrastructure and services and strengthened logistics, among others.

The business model of transportation and logistics is fast evolving. Just over a week ago, the Port of Port of Spain launched its Public-Private Partnership (PPP) Structuring Process, in collaboration with the Inter-American Development Bank (IDB) in order to facilitate port investments, development and operations, shipping, logistics and cruise operations.⁸ With two international seaports, highway infrastructure among the best in the Caribbean and developed space for economic development, Trinidad and Tobago is expected to maintain its rank as one of the top countries in terms of connectivity flows. I would also like to recognize Jamaica for their efforts in making significant strides in port development as they seek to become a major player in the global transport and logistics industry.

Conclusion

As I conclude, we must recognize that the Caribbean has made some strides over the past several decades. Caribbean people can be found far and wide and have excelled and contributed in every sphere of society, including at the international level. The Caribbean's history has been a journey of triumph and beating-the-odds.

Ladies and Gentlemen, the investment opportunities in this region are numerous. However, this is not enough. What is required is investment in critically important areas that link social, economic and environmental well-being that will lead to real and sustained changes, together with more robust systems

⁷<https://agriculture.gov.tt/wp-content/uploads/2022/08/CONCEPT-NOTE-FOR-AGRI-FORUM-EXPO-2022-3.pdf>

⁸ https://trinidadexpress.com/business/local/govt-launches-public-private-partnership-for-port-of-pos/article_0a705376-597d-11ed-b499-c7a8408cbb13.html

and institutions at the national, regional and international levels to facilitate and realize these targeted investments.

I trust that, after this Forum which features a wide range of regional and international speakers and participants, you will establish or reinforce strong connections that will produce real, tangible and mutually beneficial solutions towards a smarter, greener Caribbean and a better future globally for us all.

I thank you.