

REMARKS BY

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AT THE

SYMBOLIC FOUNDATION LAYING CEREMONY
FOR UWI CHOCOLATE FACTORY

MONDAY 24TH APRIL 202

9:00 AM – 12:00 PM

Good morning

- It is indeed a pleasure for me to deliver remarks at this Symbolic Foundation Laying Ceremony for the University of the West Indies (UWI) Chocolate Factory. I am honoured to be part of this milestone as it represents a critical pillar in advancing the work of the University towards commercialization of innovations utilizing local cocoa as the main input.
- The University of the West Indies' Cocoa Research Centre (CRC) must be applauded for continuing to undertake research and development initiatives to encourage growth within the Cocoa industry and in creating investment opportunities derived from the design and fabrication of technologies to process cocoa.
- This initiative is significant for Trinidad and Tobago as it creates a lucrative opportunity for the production of high value-added products from local cocoa beans, which can be sold locally and exported to foreign markets which will generate much needed foreign exchange and create new employment opportunities.

Export of Cocoa/Cocoa Products

- The Government has identified Agriculture and Agro-processing as key non-energy sectors for sustained socio-economic growth. This has been clearly articulated in the Trinidad and Tobago Trade Policy (2019-2023) which targets, *inter alia*, cocoa as a strategic commodity that has potential for further development and transformation.

- Trinidad and Tobago has a historic and enviable reputation for producing some of the world's finest cocoa beans and, with an exceptional flavour profile. Our Trinitario chocolates are unique and much sought after by cocoa and chocolate connoisseurs around the world, fetching premium prices.
- Notably, our Trinitario cocoa and derived chocolates have captured 10 awards at the prestigious International Chocolate Awards between 2010 and 2021 in addition to 3 additional awards at the 2021 Cocoa of Excellence Awards.
- The increasing demand for assurances of quality and traceability of the origin of cocoa from the international market creates a unique opportunity for Trinidad and Tobago to capitalize on the trade and investment opportunities that exist. Working together with cocoa farmers, artisans, producers and entrepreneurs, the Government is providing the necessary support and incentives to ensure a sustainable and viable industry that is locally based and internationally renowned.
- Based on data from the International Trade Centre (ITC) Trade Map which is now hosted on the Ministry of Trade and Industry's TTBizLink Platform, the value of the global market for cocoa and cocoa preparations was approximately US\$100 billion in 2021, with the United States and European Union countries such as Germany, Netherlands, France and Belgium representing the largest importers. The data also shows that

additional export opportunities for cocoa and related products exist with countries such as Canada, Guyana, Jamaica and the United States.

- There are therefore very buoyant markets for the cocoa products manufactured in Trinidad and Tobago. There has already been an expansion in the export of raw and roasted cocoa beans, cocoa powder, chocolate in blocks, slabs/bars, fat and oil and cocoa butter from TT\$125.3 million to TT\$156.5 million from 2021 to 2022. These products were exported to international markets such as the United States, Ireland and Switzerland.
- I also wish to acknowledge the importance of our EU and UK Economic Partnership Agreements, which allow our cocoa products to enter 27 EU countries and the UK duty-free, allowing local cocoa manufacturers a significant opportunity to boost their exports. In fact, the European Union is CARICOM's second largest cocoa market.
- The EU must also be congratulated for its support of the local cocoa industry. Over the past few years it has provided financial and other resources to *inter alia*:
 - assist T&T to develop the world's largest gene bank;
 - supported T&T to develop the world's best Cocoa Research Centre;
 - supported T&T's Caribbean Research Institute (which is No. 1 in the Caribbean); and
 - supported T&T SME's to meet EU standards through its various Innovation Funds.

Investment Promotion Initiatives

- Research from UWI's Engineering Institute has shown that a Chocolate Manufacturing facility is a lucrative investment opportunity to satisfy an increasing international demand for high value premium cocoa and chocolate products.

- In order to promote investment in the Cocoa industry the National Investment Promotion Agency-InvesTT collaborated with the University of the West Indies (UWI), the Caribbean Export Development Agency (CEDA), the Ministry of Agriculture, Land and Fisheries (MALF) and the Delegation of the European Union (EU), to co-host a three-part Trinitario Cocoa Webinar Series in 2022. Based on the analysis undertaken by InvesTT for this seminar series it was found that the compelling reasons to invest in the local Cocoa industry include:
 - *High global demand for Trinitario cocoa;*
 - *Relatively low cost raw materials, inputs and energy cost;*
 - *Through CARICOM, the country has trade agreements with Colombia, Costa Rica, Cuba, Dominican Republic and Venezuela which allow for greater market access.*
 - *Government's support for investment and Research, Development and Innovation activities;*
 - *Availability of Incentives in the Agriculture and Agro-processing sector.*

Government's Support for the Cocoa industry

- There are currently several entities that provide support to the Cocoa industry in Trinidad and Tobago, such as the Government, academia, research and innovation bodies and financial institutions. In relation to the

work of the Government, the Ministry of Trade and Industry (MTI) has implemented a series of initiatives to create an enabling environment to support entrepreneurs in the Cocoa industry in transforming their businesses.

- The Government also developed an attractive enabling investment incentive framework that supports investment in Agriculture and Agro-processing. Some of the incentives that are available include the following:
 - *Duty Free importation of plant, machinery, equipment, components and raw materials;*
 - *VAT Exemptions on Vehicles, and Equipment;*
 - *Agro Incentive Grants up to a maximum of TT\$100,000; and*
 - Under the Agricultural Incentive Programme-a tangible fiscal and non-fiscal package of rebates and exemption on goods and services are provided including very generous rebates on a range of activities including agro-processing.
- The Grant Fund Facility, which was launched in 2017 provides financing to local SMEs in eight (8) priority sectors, one of which is the Agriculture/Agro-processing sector. Small and Medium-sized Enterprises (SMEs) operating for a minimum of two (2) years can access individual grants up to a maximum of TT\$250,000, to finance 50% of the acquisition cost of new machinery and equipment.
- Since the launch of the Facility, the following three cocoa processing companies have benefitted from funding:
 - *Montserrat Cocoa Farmers' Co-operative Society Limited*

- *Montano's Chocolate Company Limited*
- *Trinidad and Tobago Fine Cocoa Company Limited*

- The MTI has also recognized the importance of maximizing the commercial value of our Trinitario cocoa through the registration of intellectual property rights. In this regard, the Ministry, through ExportTT Limited, also provided funding to assist the Montserrat Cocoa Farmers' Co-operative in 2018 in the registration process for the country's first Geographical Indication (GI) for "*Trinidad Montserrat Hills Cocoa*" which will allow the country's Trinitario Cocoa to join other famous Geographical Indications such as French Champagne, Swiss Watches and Jamaican Blue Mountain Coffee.

- We acknowledge the challenges faced by the Montserrat Cocoa Farmers' Co-operative in registering the country's first Geographical Indication (GI) and am pleased to know that the TTBS is working with the Cocoa Research Centre to overcome these challenges.

- I also wish to underscore the integral role of standards for increasing market access for companies in the Cocoa industry. The Trinidad and Tobago Bureau of Standards (TTBS), under the MTI has developed two (2) standards to promote the continued development of the Cocoa industry and enhance its competitiveness on the international market. The application of these standards will support the establishment of a sustainable, recognized brand for the country's cocoa.

- The TTBS is also conducting a sectoral needs assessment of the Cocoa industry using the Calidena methodology. This Methodology assesses and diagnoses quality infrastructure issues at each level in a value chain, with the final objective of increasing competitiveness of the industry. A series of stakeholder sessions for this study has already commenced.
- As we focus on boosting local production and increasing our exports in cocoa, it is important that we not overlook the role of the hundreds of individuals and businesses that comprise the entrepreneurial eco-system. To strengthen linkages along the food and value distribution chain in the Region in order to make our food more available, affordable and attractive, while reducing our reliance on imported foreign foods the Government hosted the Inaugural Agri-Investment Forum and Expo in August 2022.
- I was pleased to see that at least 9 companies from the local Cocoa industry, mainly in manufacturing and agro-processing, were part of this event and showcased their products which reinforces the inclusion, validation of Cocoa and related production within the Food Value Chain.
- These initiatives confirm the ongoing commitment of the Government in developing Cocoa industry and promoting the export of cocoa and related products from Trinidad and Tobago. This event is another manifestation of the ongoing work by the University, which is in alignment with Government objective to boost capacity in the local Cocoa and Chocolate industry.

- Ladies and gentlemen, today's engagement reaffirms the commitment by the Ministry of Trade and Industry, and by extension the Government of the Republic of Trinidad and Tobago, to support initiatives that will promote joint venture opportunities, stimulate investment, grow the global competitiveness of our cocoa entrepreneurs and innovators and ultimately create a sustainable and viable Non-energy sector in Trinidad and Tobago.
- In closing, I wish to extend congratulations to Professor Belle Antoine and the team at the Cocoa Research Centre in implementing this visionary project, which will have a transformative impact on the Agriculture/Agro-processing sector in Trinidad and Tobago.

I thank you.