



Government of the Republic of Trinidad and Tobago

Ministry of Trade and Industry

MEDIA RELEASE

Full proclamation of the Special Economic Zones Act, 2022

05 July 2024 – The Ministry of Trade and Industry wishes to advise the public that the **Special Economic Zones (SEZ) Act, 2022**, was fully proclaimed on **05 July 2024** by Her Excellency, **Christine Kangaloo, President of the Republic of Trinidad and Tobago**. The Act was partially proclaimed on 31 January 2022, to allow for the establishment of the Trinidad and Tobago SEZ Authority (SEZA); the appointment of a Board for the Authority; and the staffing and setting up of the SEZA. The full proclamation of the SEZ Act repeals the Free Zones Act, brings into effect the SEZ Regulations, 2023, and allows any public, private or public-private partnership to apply to the SEZA for specific licenses in which to function in the new regime.

The new Special Economic Zones regime represents a holistic investment framework, which aims to attract local and international investment, boost exports and economic diversification, create new employment opportunities, and encourage increased private sector participation in the economy, all within globally accepted standards and best practices.

Some of the distinguishing characteristics of the SEZ regime, include specially designated zones, a robust institutional framework, and a dynamic incentive framework.

Designation of SEZs

The designation of various types of Special Economic Zones for specific types of activities enables the government to encourage activities that are critical to national development, and focus these investments in urban and rural communities throughout Trinidad and Tobago. Special Economic Zones will be designated as one of the following:

- *Free Port*: a duty-free area, located at a port of entry where imported goods may be unloaded for warehousing, repackaging or processing of imported goods for value-adding activities, and logistics services and sales;
- *Free Trade Zone*: a duty-free area that accommodates specific activities targeted for international trade;
- *Industrial Park*: a purpose-built industrial estate that leverages domestic and foreign fixed direct investment in value-added and export-oriented manufacturing industries.
- *Specialized Zone*: a place designated for specialized activities including: manufacturing, maritime services, aviation services, fishing and fish processing, agriculture and agro-processing, information and communications technology, creative industries, financial services, medical tourism services, renewable energy, logistics and distribution, and business process outsourcing.
- *Development Zone*: area where activities are focused on the development of a specific geographic region with emphasis on factors such as employment, skills training, entrepreneurship and rural development and overall social and economic development of the area.

SEZ Authority and Entities

The new SEZ regime comprises of an SEZ Authority, as well as three entities—SEZ Operators, SEZ Enterprises and Single Zone Enterprises. The SEZ Authority will provide the necessary supervision and regulation of SEZs, and will be a critical part of the overarching governance of the new SEZ regime. The SEZ Operator will be responsible for the management of an SEZ, the SEZ Enterprise will be an enterprise approved by the SEZA and located in a Special Economic Zone, while a Single Zone Enterprise will be a Zone under whose operation is restricted to one business entity.

Incentive Framework

The SEZ incentive framework will be consistent with international best practice, and enhance the attractiveness of the business climate of Trinidad and Tobago, while also protecting the domestic revenue base to the greatest extent possible. These incentives, which will be conditional on transparent eligibility criteria, include a 15 percent Corporation Tax rate, and exemptions and waivers on customs duty, value-added tax and other taxes. SEZ entities will also benefit from non-fiscal incentives that include an enhanced operating environment through harmonized and efficient regulatory approvals to improve the ease of doing business.

Transition Arrangements

It should be noted that notwithstanding the immediate Repeal of the Free Zones Act, approval has been granted via Legal Order for all Enterprises granted under section 15(2) of the Free Zones Act prior to 31 December 2018, to continue to be entitled to all benefits under the Free Zones Act in accordance with section 88(2) of the SEZ Act, 2022 until **31 December 2024**. These entities have been granted a six-month transition period to determine if they are interested in becoming an Operator, SEZ Enterprise or Single Zone Enterprise under the new legislation.

The SEZA, under the stewardship of the newly appointed Chief Executive Officer, Stephen De Gannes, will collaborate with other Ministries, Agencies and the private sector to implement the new legislation.

Interested applicants can call 868-226-5593 or send an email to the SEZ Authority at info@seza.gov.tt

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