



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF TRADE AND INDUSTRY

*Launch of the
Gasparillo Chamber
of Commerce*

REMARKS

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

8TH SEPTEMBER, 2018

Good evening to you all.

Let me first extend my appreciation to the members of the newly formed Gasparillo Chamber of Commerce for inviting me to address you at this launch today.

The Chamber's founding members, in particular those who have contributed to the successful realisation of what is a collective vision, must be commended for this achievement. This is quite a significant event and signals heightened business activity in Gasparillo.

Chamber organisations facilitate the growth of existing businesses, promote the establishment and improvement of a social, professional, civic and educational environment, which inevitably create and foster more productive and harmonious communities so that we can now expect a brighter and more prosperous Gasparillo.

It is indisputable that a significant percentage of firms in Gasparillo and in Trinidad and Tobago for that matter, are Small and Medium Enterprises (SMEs). These SMEs remain the backbone of our economy and the sheer number, diversity and dynamism of these businesses position them as unequalled social and economic forces. You, are therefore the drivers of growth and sustainable development in our country. As such, the role of the Government is to support and facilitate your competitiveness, and flexibility to transform by creating new economic opportunities.

The Economy

The local economy has come a long way, considering the weakened position which we met in 2015, which was characterized by significant declines in economic activity both in the energy and non-energy sectors; amid a sluggish global economy.

We have come a long way. The economy is now on a sustainable path to growth with the priority, for our Government, being the involvement of the entire population in its necessary transformation and expansion.

As the Minister of Finance would have cited in his last budget statement — we must now diversify our economy and focus on sectors which are competitive and have a real chance of success, such as export-oriented manufacturing, financial services, tourism, ship repair and other maritime activities and the creative arts.

As it is, growth is now led by the energy sector stemming from increased natural gas from the Juniper project and the commencement of the Angelin project in late 2018. The recent historic signing of the terms of development of cross-border natural gas from the Venezuelan Dragon Gas Field to Shell's Hibiscus platform offshore Trinidad, for monetization, bodes well for the benefit of the people of both countries.

What about opportunities in the non-energy sector?

This is where the Ministry of Trade and Industry intervenes. The Ministry is responsible for several initiatives, many of which are executed through our Agencies, to create new opportunities in the non-energy sector for entrepreneurs to innovate, expand and export.

The manufacturing sector has an integral role in the further transformation of the domestic economy. This sector comprises several industries including:

- Food, Beverage and Tobacco,
- Textile, Garments and Footwear,
- Printing and Publishing,
- Wood and related products,
- Chemicals and non-metallic mineral,
- Assembly type and related industries, and
- Miscellaneous manufacturing.

In this regard, several initiatives are being pursued to facilitate the expansion and increased competitiveness of the sector.

The Government understands that quality is critical to productivity, innovation, competitiveness, and trade facilitation and has therefore developed a new National Quality Policy for the period 2018-2030. One of the main objectives of this Policy is to improve the operating framework of Trinidad and Tobago's Quality Infrastructure by providing guidance on the development of the human capital, physical infrastructure, governance arrangements, and implementation of legal reforms.

In May 2018, the Government, through the EXIM Bank, launched a US\$ 100 million foreign exchange facility to assist export oriented manufacturers in securing foreign exchange to purchase raw materials and discounting for US Dollar receivables. This facility is operational and currently being accessed.

Additionally, there is a Grant Fund Facility (GFF), which was introduced in July 2017 in the amount of TT \$25 Mn to:

- facilitate the acquisition of machinery and equipment by export oriented small and medium sized local manufacturers;
- assist locally-based firms to become global; and
- encourage greater investment by the existing private sector companies in manufacturing and agro processing.

To date, two companies have been successful in accessing this fund and there are others in the pipeline for review.

The Research and Development Fund offers tiered funding for capacity-building and innovation for products and services in the non-energy sector, up to a maximum of TT\$1 million per beneficiary. Thus far, two firms in the area of Agro-processing and Information and Communication Technology (ICT) have been approved for funding.

Maritime Sector

The Maritime Sector has been identified as a key area for diversification because of our geographical location and the fact that it remains an untapped market within the southern Caribbean region. The opportunities identified are ship repair and dry docking, transshipment, cold stacking and yachting and maritime development.

Quite significant, was the recent signing for the development of a Dry Docking facility at La Brea which will provide during the construction phase 3,500 direct and 5700 indirect jobs and once operational, 2,700 direct and 13,000-plus indirect jobs.

Ladies and Gentlemen, this is evidence of the much talked about diversification which will see T&T becoming the industrial centre for Maritime traffic in the region.

Creative Industries and Agro-processing

The Ministry of Trade and Industry is also implementing several projects which will expand the Creative Industries in the areas of film, fashion and music.

We are well advanced in the development of a new Moruga Agro-Processing and Light Industrial Park and the Phoenix Park Industrial Estate. Construction of the Moruga Agro-Processing and Light Industrial Park began in June 2018 and is projected to be completed in May 2019. The Park will occupy approximately eighteen (18) acres of land and comprise five (5) factory shells with potential for processing Moruga hill rice, cassava and other root crops, fish, pineapple and other fruits, cocoa, hot peppers and lumber products. This initiative is a component of a wider national policy which prioritizes the creation of a strong, modern, prosperous and competitive agriculture sector, providing employment, increased revenue generation, foreign exchange earnings and an improvement in the nation's food security.

Petrotrin Issue and what the Government will do to mitigate economic impact

Ladies and gentlemen, without a doubt there must be some level of concern with respect to the Government's recent decision to restructure Petrotrin. The troubling state of Petrotrin has been known to all, to the extent that it has strangled our economy and impacted our ratings; it has accumulated a monumental debt to the tune of 12 billion among other troubling issues of asset integrity and declining production levels.

The decision for us was a difficult one, however understanding that something had to be done to deal with the rather troubling situation — we simply could not procrastinate.

It is our view, and this is based on much study and work by the existing Board, that a restructured Petrotrin which focusses on Exploration and Production (E&P) will reenergize (once fully in shape) all of south Trinidad, opening up expanded opportunities for participation by all operators, suppliers and employees. The new business model will focus on increasing the production of barrels of oil for the external market. These activities would include the development and usage of new technologies, production facilities, upgraded infrastructure, and specialized services.

A cadre of skilled and motivated employees will be required. Hardworking and dedicated professionals are the individuals that would truly transform this new Petrotrin; geologists, geophysicists, reservoir engineers, petroleum engineers, drilling engineers, and production engineers as well as other layers of skilled and unskilled labour.

There will be new opportunities for young people throughout the Southwest peninsula, San Fernando and Gasparillo, in firms specializing in areas such as fabrication, instrumentation and other services.

We wish to emphasize that while refining may be a loss-making business, exploration and production, if operated efficiently and done right, can be very profitable to Petrotrin's shareholders—the citizens of Trinidad and Tobago.

Through this major initiative, together with targeted Government projects in the areas of infrastructure development, large scale projects and social support, the people and communities of Gasparillo and other fence line areas will be given the opportunity to rebuild and recover and more importantly participate in the growth we see ahead.

Southern Trinidad has been the main artery through which the national economy has grown and this Government remains committed to pursuing successful ventures in other sectors destined to expand, for the benefit of the entire country.

We are grateful for the support of the business community and many other citizens in understanding the gravity of the situation we have faced with Petrotrin — and the difficult decision which had to be taken. We move now towards a reinvented Petrotrin which according to our Honorable Prime Minister will assume its rightful place in the oil and gas sector of Trinidad and Tobago.

One of the major projects under the Ministry of Trade and Industry which we believe will benefit the South and Central business communities is the new Phoenix Park Industrial Estate located in Couva which will cover an area of approximately 133 acres with some 50-70 plots available for myriad business operations. An anchor tenant has been recruited to establish a Regional Manufacturing and Distribution Facility at the site. In addition, 10 Chinese firms are expected to populate the Park. Areas of interest to date include:

- Glass powder manufacturing facility
- Air conditioner manufacturing facility
- Paper converting operations
- Ceramic manufacturing facility
- Wood processing facility
- Communication equipment facility
- Building materials facility
- Integrated housing manufacturing facility
- Food processing facility

You too, must begin to look at opportunities in heavy and light manufacturing, warehousing and distribution.

Ladies and gentlemen, the creation of the Gasparillo Chamber of Commerce is very encouraging because it points to the solidarity among business communities, the hope that exists and the ability to organize and act on those shared values for a brighter, more prosperous future for your communities. I wish you all success now and in the future. To the Chamber's membership, you can rest assured that the Government and the Ministry of Trade and Industry in particular will work with you for the common good and a better Trinidad and Tobago.

You are encouraged to partner with the Government to ensure that your work is impactful and benefits businesses, the Gasparillo community and the country as a whole.

What the Government has done and continues to do is to provide entrepreneurs, like you, with new opportunities and avenues for financing, expanding, diversifying, innovating, targeting new customers and entering international markets. What this country needs are individuals who are willing to take risks, to become employers, to become providers of goods and services, especially for export, in order to increase job prospects, and improve the overall well-being of families, communities and the country as a whole.

I thank you.