



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

# *Republic Bank's Trade Facilitation Summit*

REMARKS

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

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Good morning to you all.

It is my distinct pleasure and honour to join you for today's opening ceremony and I extend a warm welcome to all our visitors. Today's event has not only been able to attract local persons, but regional and international government officials, businessmen, professionals as well, who will undoubtedly contribute to the meeting's success.

It comes as no surprise that Republic Bank would be hosting this Summit. The Bank has long been recognised as being committed to the development of businesses in Trinidad and Tobago. In more recent times its focus has been directed at enterprises with an export focus operating within the region and extra regionally.

It may be unknown to some, that the Bank was recently awarded the Spirit of Emancipation Award 2018 by the Emancipation Support Committee for its successful business operations in Ghana. I would also like to congratulate the Bank on this achievement and encourage its leadership to continue to look towards the African continent, and beyond, but more than ever championing South-South Cooperation. Apart from that, in line with the Government's focus on tightening its Latin American relationship, trade wise, perhaps you can lean towards a similar focus.

The Ministry of Trade and Industry is quite pleased to support this Summit for several reasons, key among which is its alignment with Government's National Development Strategy 2016-2013 otherwise known as Vision 2030.

Under Pillar IV of Vision 2030, the Government has prioritized the building of globally competitive businesses in Trinidad and Tobago as a major element in the transformation of the economy away from oil and gas.

The Government continues to acknowledge the significance and importance of deepening and improving relations with our regional and international trading partners. Trinidad and Tobago has a very strong relationship with our CARICOM neighbours in particular as a result of our shared legacies and culture. This is reflected in our trade and businesses relations as well.

This administration is keen on maintaining and developing those relations. The presence of participants this morning from Jamaica, Guyana, Barbados, the Cayman Islands, Cuba among others is therefore encouraging. As it tells us that the private sector in Trinidad and Tobago and the region also share these views.

Ladies and gentlemen, the Ministry of Trade and Industry in collaboration with United Nations Economic Commission for Latin America and the Caribbean (UNECLAC) has commenced work on a new Trade Policy and Strategy for Trinidad and Tobago for the period 2018-2022. The new Trade Policy and Strategy will articulate Government's trade-related policies aimed at enhancing and diversifying the country's economy and exports and increasing its earnings of foreign exchange.

The new Trade Policy and Strategy will also identify key policy objectives, as well as policy prescriptions to address constraints to taking advantage of existing market access opportunities; expanding and diversifying exports; and building resilience to exogenous shocks.

The Strategy will be contextualized by the multilateral, regional and bilateral agreements signed by the country and will contain five core components:

- First, identifying the optimal approach to export diversification and expansion, the challenges and constraints, and the measures to support the adoption of this optimal approach.
- Second, identifying the constraints and challenges affecting market access for exports, and the policy objectives and measures to be adopted to address them.
- Third, identifying the constraints and challenges affecting export promotion through market and product diversification, and the policy objectives and measures needed to address them.
- Fourth, identifying the constraints and challenges affecting trade facilitation, and the policy objectives and measures to address them.
- And finally, identifying the constraints and challenges related to trade remedies, and the policy objectives and measures designed to address them.

We recognize that these components may require significant restructuring of the domestic economy towards increased production and trade in emerging areas across the goods and services sectors. The Policy would therefore examine the issues involved in this regard.

This Summit is also timely as trade facilitation has emerged in recent times as a key issue for business competitiveness and trade efficiency for countries around the world. This is primarily due to the benefits to be derived by both governments and the business community from improved trade facilitation arrangements.

Businesses benefit from enhanced competitiveness in national and international markets due to reductions in shipping delays and transaction costs and better transparency and predictability in the market. Governments benefit from better controls of goods at the border, revenue collection and a more encouraging environment for foreign investment.

Cognizant of these advantages, the Government of Trinidad and Tobago, through the Ministry of Trade and Industry has embarked on a number of initiatives in the area of trade facilitation.

Trinidad and Tobago has recently signed on to the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) joining more than 100 other member states. This Agreement requires the implementation of measures that would, among other things, expedite the movement, release and clearance of goods at the border. A National Trade Facilitation Committee has been established to oversee the implementation of this Trade Facilitation Agreement. The Committee has commenced work and is being guided by a Cabinet approved Implementation Plan.

Also being pursued by the Ministry of Trade and Industry in the area of trade facilitation is the implementation of the Istanbul Convention to help improve the ease of doing business in Trinidad and Tobago. Implementation of the Convention would allow Trinidad and Tobago to benefit from the ATA Carnet which is an international customs and excise document that allows goods that will be re-exported out of Trinidad and Tobago within 12 months to clear customs without paying duties and import taxes.

This facility would be especially beneficial to firms in several sectors and in particular those in the creative industries. In film production for example, foreign film crews would now be able to ship their equipment and machinery for filming into Trinidad and Tobago and benefit from immediate duty free treatment. This will undoubtedly improve the attractiveness of Trinidad and Tobago as a production destination to international production houses, giving the country international exposure and appeal.

In terms of improving the business environment and to help ensure that Trinidad and Tobago's goods remain competitive, the Ministry of Trade and Industry will also be pursuing measures to improve compliance with international standards. In collaboration with the Trinidad and Tobago Bureau of Standards the Ministry of Trade and Industry has developed a National Quality Policy (NQP). The NQP will help Trinidad and Tobago develop a quality culture, which would ultimately aid in diversification. It will also assist with improving productivity, safety and security and the long-term well-being of all citizens.

#### **TTBizLink (SEW)**

We are also deploying technology to improve the trade facilitation environment in Trinidad and Tobago. In this regard, the Single Electronic Window (SEW) for trade and business facilitation is one of many accomplishments of the Government. This system also known as TTBizLinK has transformed the way business is done. TTBizLink now provides 46 trade and business-related e-services, across 24 unique agencies from seven (7) ministries, in collaboration with the Trinidad and Tobago Chamber of Industry and Commerce and other stakeholders. Since the launch of the first e-service in January of 2012, significant advances have been recorded. Numerous persons and firms are now connected to TTBizLink and benefiting from its services and as at August 2018 there are 3,031 local and regional companies and 9,408 persons registered and accessing the service. We are currently implementing an IDB loan funded programme to further strengthen the SEW which will see us implement several new systems to improve the efficiency of our border agencies involved in international trade.

Over the next three years, focus will be placed on the strengthening and expansion of the Single Electronic Window (SEW) - TTBizLink, via a US\$25 million Inter-American Development Bank (IDB) Loan. The

expected outcomes of this project are enhanced trade performance and competitiveness of Trinidad and Tobago and improved coordination and interoperability between government agencies and main international trading partners.

The project is divided in three (3) major components with the following major consultancies in progress or under procurement:

Component 1 – Enhancing and expanding the services of TTBizLink which focuses on upgrading TTBizLink to international best practice:

- Consultancy to Develop and Implement an Integrated Risk Management System for the major border agencies involved in Trade Facilitation such as the Customs and Excise Division, TTBS, Food and Drugs Division and Plant Quarantine Services.

- Consultancy to Develop and Implement an Automated Construction Permit System which will completely re-engineer and automate the Construction Permitting Process in the country starting with the City of Port of Spain in March 2019.

- Implementation of a Port Community System which will be aimed at integrating the IT systems between the Major Ports and Customs and Excise Division and other Agencies to ensure a seamless clearance of goods at the Border.

Component 2 – Enhancing the Interoperability of TTBizLink which will facilitate the exchange and analysis of data between TTBizLink and the information systems of key stakeholders as well as the information systems of strategic trading partners of Trinidad and Tobago such as those in CARICOM and other Latin American Countries such as Colombia, Chile and Panama.

Component 3 – Modernizing the Legislative, Institutional Framework for International Trade and Institutional Governance of the SEW which will address the deficiencies in the legislative framework and strengthen the institutional governance of the SEW:

- Consultancy to Review the Legislative and Institutional Framework for Trade and Business in Trinidad and Tobago is currently in progress and involves a comprehensive updating of the major business and trade related legislation in Trinidad and Tobago to meet best practices internationally.

### **SEZ Policy**

In terms of our other policy initiatives, the Ministry of Trade and Industry is pursuing a new Special Economic Zones Policy. The primary objectives of the SEZ Policy are:

- to develop a new, modern Special Economic Zone Regime locally;
- to expand the country's revenue base;
- to increase and diversify exports from and investments in economic zones;
- to increase and enhance private sector participation in the economy through inter alia SEZ development and operations;
- to integrate SEZ enterprises with national developmental objectives to facilitate economic development across all regions of the country;
- to increase compliance of SEZ operations with local, regional and international standards and laws.

In October 2017, the GORTT agreed to join the Base Erosion and Profit Shifting (BEPS) Inclusive Framework, which falls under the Organization for Economic Cooperation and Development (OECD) and is collaborating with that body to ensure compliance of the new Policy Framework with the relevant OECD Standards.

Also, the Ministry has implemented a Trade Mission Strategy to coordinate and improve the efficacy of Trinidad and Tobago's market penetration when participating in overseas trade missions.

Ladies and gentlemen, these are just some of the initiatives the Ministry is focused on in relation to trade facilitation and improving the business environment in Trinidad and Tobago.

All with the intent of increasing of Trinidad and Tobago's export of goods and services to more markets around the world.

The Government has negotiated a number of trade agreements and is working on others to help make it easier for Trinidad and Tobago's exporters to enter markets in Panama, El Salvador, Guatemala, Chile, the Dominican Republic, Costa Rica, Cuba and Colombia among others. A number of Bilateral Investment Treaties and Cooperation Agreements with countries such as Guatemala, Mexico, Cuba, China, Germany and Spain have also been negotiated. At this point, we are moving towards Colombia, Panama and Chile. I wish to remind you of the existence of these agreements and the protection it affords investors on either side.

The Government's responsibility is to create an enabling environment, but equally important is the role of the banking sector to provide the necessary financial products and services to meet the needs of the new agenda. Moreover as we look to diversification in other sectors such as tourism, agriculture, heavy and light manufacturing, maritime services and the creative arts - your support is needed. I therefore once more impress upon you the critical role you play in the economic growth of our country and the region.

It will be negligent of me if I did not speak to the benefit of investing locally. Our country can boast despite the odds, of economic, political and social stability. Our competitive advantage lies in:

- our geographical location - below the hurricane belt, between the Americas and with a nearshore advantage - just over 3.3 hours to Miami and 40 direct daily flights to major international cities,
  
- our infrastructure ranking on the Global Competitiveness Index with regard to infrastructure puts us at 54 out of 140 countries, ahead of Costa Rica, India, Jamaica, Colombia and the Dominican Republic,
- our technological readiness at 50 ahead of Colombia, Jamaica and the Dominican Republic,
- in terms of low business costs, number 1 in cost effectiveness in Central America and the Caribbean,
- the lowest electricity rate in the Western Hemisphere (0.03 USD),
- a competitive minimum wage of US\$ 2.22,

- water at US \$0.17, and
- our people - highly educated, skilled, culturally diverse, creative and friendly and English speaking.

All in all, a well-developed business human resource base.

As a Government, it cannot only be about blue skies, but about having the willingness and commitment to, as far as it is humanly possible, remove the barriers and the obstacles towards a better society and high performance economy.

There will always be issues, but if left unresolved will have the potential to threaten the process of development and diversification and so, we take very seriously the matters of corruption, productivity, crime and criminality. As we work our way towards solving these, we ask that you too have confidence in our Government and boundless faith in our people and our country.

We are a resilient Trinidad and Tobago.

The Government therefore looks forward to all players within the banking and financial sector to passionately and diligently pursue their role in improving the standard of living of all citizens of Trinidad and Tobago. Republic Bank's leadership in making today's event possible, as well as, your presence here today will assist us in meeting our developmental objectives.

Thank you.