



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

*Empowering
Entrepreneurs
through e-commerce
and e-Services*

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FEATURE ADDRESS
SENATOR THE HONOURABLE PAULA GOPEE-SCOON
MINISTER OF TRADE AND INDUSTRY
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MARCH 20, 2019
9:30 a.m.

Trinidad and Tobago Chamber of Industry and Commerce

Salutations

- Permanent Secretary Ministry of Trade and Industry- Mr Norris Herbert
- Our guest speakers
 - Mr. Mr. Timothy Oakhill- Worldwide Watson Marketing Strategist and Subject Matter Expert, IBM
 - Mr. Christopher Burns – Chief Executive Officer First Atlantic Commerce Ltd.
 - Mr. Roberto Icasuriaga Gatti Director of Small, Medium and Corporate Business for Latin America and the Caribbean, Microsoft, and
 - Ms. Andrea Davis- Country Manager DHL Caribbean

- Other specially invited guests

- Our entrepreneurs

- Members of the media

- Ladies and gentlemen

Good morning.

It is my pleasure to address you today in the company of our esteemed speakers. This forum is long overdue and I am pleased that we are here to contribute to the development of e-commerce locally and to build capacity within the sector. E-commerce goes by many names—cross-border trade, borderless business, and international online retail among others; however it is defined, we must all acknowledge as stakeholders, that global e-commerce is now a necessity.

The internet, the platform for online trade, is now a critical pillar of economies and our own national economic transformation. It accounts for 3.4 percent of GDP in the largest economies, and it constitutes 70 percent of the world's GDP—larger than the contribution of the energy or agriculture sectors in the global economy. According to the online magazine, *eMarketer*, in 2017, worldwide e-commerce sales reached US\$2.3 trillion and this is expected to grow to US\$4.88 trillion dollars by 2021.

Exploiting the full benefits of e-commerce has the obvious potential to significantly expand opportunities for entrepreneurship and promote inclusive economic growth. Even with limited capital, there is a great chance of success on account of the growth of e-commerce.

With consumers increasingly relying on online shopping, it is estimated that 95% of purchases will be made online by 2040. E-commerce in this regard can open many more doors and increase opportunities to countless entrepreneurs.

E-commerce makes for big business and it continues to proliferate at unprecedented levels when compared to the traditional retail sector. The internet has changed the way we communicate, conduct business while also influencing consumer choices. It continues to create opportunities for the entrepreneur to develop innovative products for niche markets, and unique services, exploit new markets, create new networks, and reduce the cost of doing business. It not only enhances the competitiveness and efficiency of firms, but also gives rise to new economic opportunities.

As a tool, it offers benefits to domestic businesses in the form of automated and instantaneous operations, enhanced participation in international value chains, increased market access and reach, improved internal and market efficiency, low barriers to entry and lower transaction costs. We are all familiar with the potential and reach of e-commerce, as we have seen how firms like Amazon and Alibaba have changed the way we as consumers shop and the way businesses sell their goods and services.

E-commerce in T&T

Businesses today offer a range of goods and services online through media including Facebook and Instagram. While e-commerce is growing, it is still not widely used by local retailers here in Trinidad and Tobago. Statistics show that in 2017 approximately only 10 domestic retailers offered e-commerce services locally, that is simply not enough.

One local firm that has successfully been able to benefit from offering e-commerce services in Trinidad and Tobago is Trini Trolley which is one of the first e-commerce platforms functioning as a local “Amazon”. TriniTrolley is a recognized e-commerce first mover which facilitates online payments, joint marketing and promotion campaigns.

However, even though e-commerce is available through local retailers, TT consumers generally prefer to shop online at U.S. stores for what they perceive to be better quality, variety, and price. It is estimated that TT consumers spend approximately US\$500 million annually on U.S. purchases via e-commerce. This, noticeably, is an immense drain on the country’s foreign exchange.

While we all engage at some level in Trinidad and Tobago in e-commerce, the country is yet to optimise e-commerce as a resource.

Our consumers have leveraged some of the components of e-commerce, and segments of the business community have embraced e-commerce but way more can be done. The question is, whether our entrepreneurs have invested sufficiently in the technology, skills, resources and strategies required to leverage e-commerce. Are our Micro, Small and Medium Enterprises completely accessible in the digital domain? It is concluded that while e-commerce is occurring and few businesses have taken the lead, there is much room for improvement.

Recognizing this, the Ministry of Trade and Industry has developed a National e-commerce Strategy which outlines the Government's framework for the development of e-commerce in Trinidad and Tobago over the next three years. Launched last year, the principal objective of this Strategy is to create an enabling environment that facilitates and promotes e-commerce for local businesses to serve domestic and international consumer markets.

While it is accepted that the private sector drives e-commerce, the Government's role is to ensure that businesses have the necessary tools and resources to derive tangible benefits from e-commerce. This must be supported by the required legal and regulatory framework which will also form the basis for the establishment of a larger digital economy.

The Government is cognisant that e-commerce can be a key driver for economic growth in Trinidad and Tobago, once properly developed and harnessed. E-commerce is therefore seen as a critical tool for revitalizing the economy.

In this regard, the Ministry of Trade and Industry has been collaborating with the Ministry of Public Administration, the Ministry of Communications and the Ministry of National Security to ensure that the necessary legislation is enacted and implemented. Namely:

- the Full Proclamation of the Electronic Transactions Act and in particular Part VIII (Consumer Protection)
- the Full Proclamation of the Data Protection Act and
- the Enactment of Cybercrime Legislation

On a wider note, the Ministry of Trade and Industry has also supported the Ministry of Finance in procuring the services of a consultant to undertake the preparatory work needed to drive the implementation of electronic payments in the public service. The Ministry of Finance continues to advance efforts towards realising this outcome.

Consumer trust in digital markets is paramount in achieving inclusive and sustainable development of e-commerce.

The Ministry's new National Consumer Policy ensures that consumers of services and digital content receive similar protection as consumers of goods by enshrining equitable rights.

MSMEs appear to encounter particular challenges and barriers such as lack of education, awareness, protection and income volatility when utilizing e-commerce. With this knowledge, the Ministry of Trade and Industry has focused its efforts on bringing awareness and access to information to our local MSMEs. Today, all 175 of you are beneficiaries of the first in a series of information sharing sessions intended to sensitise the entrepreneur on each facet of the online process. In the coming months, the Ministry will be executing at least two other events where specialists in the world of e-commerce will share their expertise.

The MTI is also collaborating with exporTT to offer training and support to MSMEs desirous of enhancing their technological capabilities. This training will offer to participants, a step by step guide to e-commerce and provide persons with infrastructure as to how to effectively leverage social media to market their product online. The Ministry of Trade and Industry is also aware that it is difficult for MSMEs to access merchant accounts. We propose to approach the Bankers' Association of Trinidad and Tobago with a view to finding a mutually beneficial solution.

Conclusion

Ladies and gentlemen, there is no doubt that e-business and e-commerce are crucial to the sustained economic development of any modern economy. Not only must governments create an enabling environment, but they must also encourage and promote online commerce. In this regard, public policy must focus on the creation of a holistic e-commerce ecosystem which includes all businesses.

Increased usage and utilization of the internet not only provides an opportunity for the country to diversify the economy and promote entrepreneurship; it encourages cost savings, increased efficiency, and it assists MSMEs in offering niche products and services to the local and global markets. The Government of Trinidad and Tobago, through the implementation of this Strategy, will aggressively seek to capitalize on the growth and development of e-commerce because of its potential to contribute to the transformation of the economy and the success of your business.

Today, therefore, is not only about you hearing from the Government. The Government also wants to hear from you. As the morning progresses you are encouraged to share your challenges, identify obstacles and potential solutions while drawing on the international expertise available to you today.

Let us all capitalise on our unique experiences with the intent of transforming your business Trinidad and Tobago into a digital economy.

I thank you.