



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

# *Trade and Investment Convention 2019*

*“Building a Vision: 20 Years Strong”*

.....  
FEATURE ADDRESS

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

3<sup>RD</sup> JULY, 2019

## Salutations

- Sen. the Hon. Jennifer Baptiste Primus, Minister of Labour and Small Enterprise Development
- Senator the Honourable Clarence Rambharat, Minister of Agriculture, Lands and Fisheries
- The Honourable Ms. Shamfa Cudjoe, Minister of Tourism
- Assemblyman Joel Jack, THA Deputy Chief Secretary, and Secretary of Finance and the Economy
- Distinguished representatives of the Senate (Anita Haynes; Sean Sobers; Taharqa Obika and Khadijah Ameen)
- Ms. Franka Costelloe, President of the TTMA
- Ms Erja Askola, Deputy Head of the EU Commissions DG Trade's Unit
- Members of the Diplomatic Corps
- Ms. Karen Darbasie, Group CEO, First Citizens
- Mr. Ian Galt, General Manager Enterprise Services, TSTT
- Dr. Mikaeel Mohammed, Group Director of S.M. Jaleel Company Limited
- Mr. Vishnu Balroop, CEO of Balroops Vistrac
- Members of the Board of the Trinidad and Tobago Manufacturers' Association
- Past Presidents and Past Members of the Board of Trinidad and Tobago Manufacturers' Association
- Members of the Local, Regional and International Business Community
- Members of the Media
- Honoured Guests

## Introduction

It is indeed a pleasure to address you this evening at the opening ceremony for the 2019 Trade and Investment Convention (TIC) on its 20th Anniversary. International trade plays a pivotal role in the development of Trinidad and Tobago's economy, as indicated by the rising ratio of trade to GDP, currently estimated at 132% and the ratio of exports to GDP being 68% and the ratio of imports to GDP at 64%. For the Government of the Republic Trinidad and Tobago (GORTT), trade is seen as a crucial driver of economic growth, poverty reduction and development. The Trinidad and Tobago Manufacturers' Association (TTMA) must be commended for creating this invaluable platform for the growth and development of trade in the manufacturing sector.

I wish to take this opportunity to thank TTMA's immediate Past President Mr. Alcazar for promoting the Association's mandate and expanding its reach. For the current President, Ms. Franka Costelloe, I wish to commend you for the leadership you have already shown as the new TTMA President.

She is already tackling issues affecting the membership and helping to elevate the TTMA so that it is able to contribute even more meaningfully to the necessary transformation of our economy with logical trade improvements.

## **Success of the Trade and Investment Convention**

This Trade and Investment Convention has become one of the region's largest business-to-business fora for both regional and international companies. The Convention has transformed over the last twenty years starting from 15 booths and just over 200 visitors at the first TIC at Queen's Park Oval, Port of Spain in 1999, to approximately 300 exhibitors, over 12,000 visitors with approximately 250 international visitors, sponsored pavilions, specialized seminars and the inclusion of business to business meetings. I wish to thank Dr. Ramdeen and his team for their role in this success story.

Over the last two decades, the TIC has helped to generate substantial leads for companies, particularly in the areas of food and beverage, trade and logistics, and building solutions and provide access to several new markets regionally and internationally.

## **Domestic Economic Overview**

As a result of the sacrifice and great effort by the government, the business community and citizens in recent years, Trinidad and Tobago's economy is on its way to growth, albeit slowly at this time. Trinidad and Tobago exported to 138 countries in 2018. Exports grew from TT 50 billion dollars in 2016 to TT 59 billion dollars in 2018. A positive trade balance of over TT 11 billion dollars was recorded in 2018. There is no doubt that hosting this Convention for the last twenty years has positively contributed to growth in the non-energy sector and diversification of our export markets.

Only recently, Moody's Investors Service affirmed the Government of Trinidad and Tobago's Ba1 long-term issuer and senior unsecured debt ratings and maintained a stable outlook for the economy.

According to Moody's, the rating was supported by:

- (i) Sizeable fiscal buffers including significant international reserves which limit external vulnerabilities; and
- (ii) Economic recovery driven by the energy sector.

Whilst it is apparent that a sustained increase in oil and gas production would improve the country's outlook once again, I must responsibly point out, that we must work towards improved performance in the non-energy sector.

A vibrant, dynamic private sector is seen as a prerequisite if the growth and welfare gains of trade and trade liberalization are to accrue to the people of Trinidad and Tobago. The private sector has a central role to play in achieving sustained economic growth and poverty reduction. If harnessed and developed properly, the private sector can be an important partner in providing basic services such as economic infrastructure as well as investment in innovation, both of which are central to optimizing output and export growth.

## **Government Initiatives**

A Draft Trade Policy and Strategy for the period 2019 – 2023, is currently before the Cabinet. The Policy was developed in collaboration with the Economic Commission for Latin America and the Caribbean (ECLAC) and through extensive consultation with the public and private sectors.

Trinidad and Tobago's Trade Policy therefore seeks to increase economic growth by diversifying the country's trade in goods and services. Such measures would transform the country's economy from one that is primarily dependent on traditional exports of manufactures tied to the downstream energy subsector, into one that is based on innovation and value-added in both the goods and services sectors. Economic transformation of this nature, would reduce vulnerability to the damaging effects of periodic price and demand shocks affecting the country's traditional exports and build capacity for sustainable growth.

In this regard, the GORTT views investment in innovation, research and development as crucial for closing the technology gap, with developed economies thereby facilitating the country's entry into tertiary industries.

The Government of Trinidad and Tobago continues to support the private sector through the provision of grant facilities such as the Research and Development Facility and the creation of Investment Parks such as the Moruga Agro-Processing and Light Industrial Park, Tamana In- Tech Park and Phoenix Park Industrial Estate. Other supporting initiatives include the enhancement to the Single Electronic Window – TTBizLink to improve the ease of doing business in Trinidad and Tobago. In addition government continues to create the platform for development through policies such as the National Quality Policy for Trinidad and Tobago which is intended to address the major challenge faced by exporters of access to an efficient National Quality Infrastructure.

## **Manufacturing Sector**

Trinidad and Tobago's manufacturing sector remains an important pillar of the economy. From its influence on infrastructure development, job creation, and contribution to Gross Domestic Product (GDP), a strong manufacturing sector can contribute to economic prosperity. We are all aware of the statistics for the Manufacturing Sector in the 2018 Review of the Economy. It is important that we continue to build on the strides made in this Sector and do so more confidently and aggressively.

At our Fourth Trade Policy Review in Geneva held in May 2019, the World Trade Organisation commended Trinidad and Tobago on its openness to trade and on the efforts made to reform its economy and enhance its competitiveness. Trinidad and Tobago remains an attractive and lucrative destination for investment. We benefit from political stability, a responsible government and access to international markets from a strategic set of trade agreements.

Trinidad and Tobago has significant export potential. Research conducted by UNECLAC has showed that Trinidad and Tobago's exports are concentrated in a few destination markets and focused on few sectors and products. The study revealed that there are more Rising Star products and destinations to be explored in Asia, CARICOM, Central America and Africa. A major priority will be immediately accelerating export expansion of rising star products in the agricultural and food and beverage sectors.

We must tap into the missed opportunities in the manufacturing of high value added products such as electronics, textiles, pharmaceuticals, downstream petrochemical and furniture, just to mention a few. In addition, an examination of computed Grubel-Lloyd indices for Trade Complementarity, for selected trading partners, suggests that there is increasing potential for intra-industry trade with Caribbean and Latin American countries.

The global economy has entered a phase where the pace of technological change is transforming the environment.

Many economies across the globe have welcomed the fourth industrial revolution, reflected by the rise in technology-intensive manufacturing such as smart automation, advanced robotics and 3-D printing. Manufacturers are encouraged to continue investing in cutting-edge technology and in forward-thinking systems and processes in line with global standards. As business models evolve, we see the growth of high-value manufacturing-related services such as research and development, engineering, logistics and maintenance. Economies that have the requisite skills and infrastructure will be better positioned to gain from this shift to higher-value advanced manufacturing and services.

Several local manufacturers are paving the way for the sector, not only through domestic expansion, but also by entering regional and international markets. I wish to share a couple examples of these.

- In 2018, exports to Cuba were recorded at TT 56 million dollars. To date, over thirty (30) Trinidad and Tobago companies have registered with key distributors in Cuba. The most recent shipment being ANSA Coatings Limited, estimated at 500,000 Euros.
- Additionally, Trinidad and Tobago's exports to Panama were recorded at 367 million TT dollars in 2018, with recent shipments made by VEMCO and KC Confectionary.
- Moreover, companies such as LTL Manufacturing Limited, have diversified their product base and transitioned from an importer to a net export earner. The Company has now become the sole

manufacturer of vehicle batteries in Trinidad and Tobago and secured market penetration in twelve countries across Latin America and the Caribbean.

The Government of Trinidad and Tobago and its Agencies continue to promote opportunities for trade and to build and maintain relationships with the private sector and key businesses associations such as the TTMA, in an effort to further develop bilateral trade.

Since the last TIC, trade missions have been conducted to Colombia, Canada, and Cuba. The targeted sectors for these Missions were Food and Beverage, Household and Industrial Cleaning Chemicals and Personal Care Products, Printing and Packaging and Construction. I can say without a doubt that our vigorous involvement at Expo Caribe 2019 has led to increased exposure for Trinidad and Tobago and its products in the Cuban market, and the Caribbean at large. Trinidad and Tobago was the only country outside of Cuba to win three awards.

## **Conclusion**

In closing, I thank you once again for the opportunity to address you on the (20<sup>th</sup>) Anniversary of the TIC. I would like to commend the TTMA and all involved in making this event a success.

Ladies and Gentlemen, the Government of Trinidad and Tobago continues to support the growth of the Manufacturing Sector as it is critical to the development of the non-energy sector for the sustainable development of Trinidad and Tobago. Trinidad and Tobago has an open trade environment and remains an attractive and lucrative destination for investment. In spite of our successes, there are still rising star products and untapped opportunities.

In this regard, I encourage all participants to take advantage of the opportunities presented at this Trade and Investment Convention. I challenge you to engage buyers, secure leads and convert those leads into orders. Bear in mind that this is a highly competitive globalized environment and therefore the private sector must maintain an open mind and remain undaunted and committed.

In order to be more productive and more competitive we must work smarter and be more innovative. We must be prepared to create new high value products, discover new customers and develop structures that can serve international markets.

I have every confidence that you will succeed in this task.

I thank you