



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

# *TTMA's President's Dinner and Excellence in Manufacturing Awards Ceremony*

REMARKS

SENATOR THE HONOURABLE PAULA GOPEE SCOON  
MINISTER OF TRADE AND INDUSTRY

8<sup>TH</sup> OCTOBER, 2019

## SALUTATIONS

- Senator the Honourable, Jennifer Baptiste-Primus Minister of Labour and Small Enterprise Development
- Senator the Honourable, Donna Cox, Minister of Communications
- Ms. Franka Costelloe, President of the Trinidad and Tobago Manufacturers' Association and Board of Directors
- Dr Ramesh Ramdeen, Chief Executive Officer, TTMA
- Dr. Camille Wardrop Alleyne – NASA Rocket Engineer and today's Feature Speaker
- Captains of industry
- Ladies and gentlemen
- Members of the media

Good evening.

It is indeed my pleasure to join you on this very special occasion and I wish to thank the Trinidad and Tobago Manufacturers' Association (TTMA) for their kind invitation to deliver remarks. I salute the efforts of the TTMA for always promoting excellence in manufacturing, and recognizing the successes and contributions of our manufacturers and entrepreneurs.

The manufacturing sector has always been a pivotal component of the economic transformation, expansion and growth of the national economy and remains a priority of the Government of Trinidad and Tobago. This is anchored in our *National Development Strategy 2016-2030 – Vision 2030* which places considerable attention on the growth and development of globally competitive businesses. To this end, I am heartened by today's theme, which is entitled "*Thinking Beyond Boundaries*"— ***in order for us to successfully Trade Across Boundaries, we must indeed first Think Beyond Boundaries.*** This vision and attitude is what is required to transform our economy, society and country.

According to the 2019 Review of the Economy, manufacturing activity expanded by 4.9% during the first quarter of 2019. Growth is always encouraging, and this is attributed to the improved economic activity within three (3) manufacturing subsectors, namely Food, Beverage and Tobacco; Petroleum & Chemical Products; and other manufactured products (*which includes the manufacture of paper, pharmaceuticals, rubber, plastics, electronics* ) which grew by 1.3%, 6.3% and 6.9% respectively. In addition, there was a considerable boost in productivity in the manufacturing sector by 7% during January to March 2019 up from 1.8% in the corresponding period in 2017 and 6.3% in 2018. These achievements are testimony of the commitment of the sector where the TTMA has played a pivotal role and of course, reflects the commitment, expertise and hard work of your employees who continue to assist in driving your sector forward.

Ladies and Gentlemen, the Government of Trinidad and Tobago fully supports the TTMA's ambitious goal of doubling manufacturing exports by 2024 and it is evident that you are steadfastly pursuing this objective.

Non-energy exports were valued at **TT\$4.78 Billion** between January-July 2018 and **TT\$5.21 Billion** between Jan-July 2019 which reflects **a 9% increase**.

The top five (5) non-energy exported products that saw a major increase between January-July 2019 compared to January-July 2018 were:

- Mineral Waters/Aerated Waters (increased by 45%);
- Other Toilet and Facial Tissue (increased by 77%);
- Cereal Product (increased by 22%);
- Chocolate Products (increased by 28%); and
- Bottles of Plastics (increased by 41%).

In addition, during this period, non-energy exports to most regions of the world increased:

- North America (increase of 7%)
- CARICOM (increase of 9%)
- Bilateral trade partners (increase of 73%)

In respect of our bilateral trading partners, there were increases in non-energy exports of:

- **20%** to the Dominican Republic (from TT\$50.2 Million to TT\$60.1 Million)
- **103%** to Panama ( from TT\$33.1 Million to TT\$67.1 Million)
- **104 %** to Colombia (from TT\$10.2 Million to TT\$20.9 Million)
- **143%** to Cuba (from TT\$11.2 Million to TT\$27.2 Million)

This suggests that the partnership between the TTMA and the GORTT in respect of the Trade Missions Strategy (where we have jointly collaborated on 19 Trade Missions during the period 2016-2019) is already paying dividends.

## **NEW TRADE POLICY**

Last month, the MTI launched the *Trinidad and Tobago Trade Policy 2019-2023*. Within it, the manufacturing sector was given priority, with the objective of producing more diverse products that will be placed under the “Proudly T&T” banner. The Policy includes a series of measures to take Trinidad and Tobago’s products to new markets. The priority is to nudge the country towards increased production and exports in goods where there are comparative advantages.

In preparing the new Policy, analysis conducted by the United Nations Economic Commission for Latin America and the Caribbean (UNECLAC) reveals that there is significant untapped opportunities in higher-value-added products and services. In matching these to markets, the Trade Policy establishes the concept of *‘Rising Stars’* and *‘Missed Opportunities’*. To explain, the **Rising Star** products command an increased market share in dynamic sectors. Asia, CARICOM and Central America primarily, topped the list of rising star destinations. A major policy priority will therefore be to accelerate export expansion of these products.

In drafting this new policy, you the manufacturers and businesses were frank in expressing your concerns and needs during our consultations.

What is critical, and perhaps requires the most effort and collaboration are the cross-cutting measures required to achieve these export expansion goals. These include:

- Accelerating innovation;
- Building Globally competitive Value Chains;
- Infrastructure modernization; and
- Facilitating e-commerce.

These cross-cutting measures are attainable and can be achieved, and in a number of instances implementation has already begun. The private sector is at the center of the policy framework as a strategic partner in the development of the country's trade agenda and trade negotiation process. You therefore have a key role in the industrial restructuring and export diversification process.

The private sector also has an important role to play in the implementation, monitoring and evaluation of this Policy and will continue to be actively engaged in determining the country's trade priorities.

### ***Fiscal 2020 Budget Measures to meet Manufacturing Sector Challenges***

A number of measures have been introduced in support of the manufacturing sector. Permit me to touch on some of these:

- ***VAT Refunds***-the Government is introducing interest bearing VAT Bonds to eligible businesses to meet arrears to the extent of \$3 billion in the first instance.
- ***Extension of Promotional Allowance***- This allowance, which is available to first time exporters to CARICOM, provides for a 150% write off of monies spent promoting the expansion of exports within that region.
- ***New Special Economic Zone Regime***- This new Regime will replace the existing Free Zone arrangements and will provide an attractive investment framework for a number of industries including manufacturing.
- ***Phoenix Park Industrial Estate***- Construction on this strategically placed 144-acre Estate, just minutes away from the Port of Pt. Lisas, will commence by the end of October and will have all the attributes of a world class industrial estate.

These measures were aimed at addressing some of your concerns and the commitment is there to continue our constructive partnership in addressing further issues based on our economic realities.

## **CONCLUSION**

Every innovator, risk-taker, entrepreneur and any manufacturer must cross boundaries, if he or she is to realize new opportunities, new markets, new consumers and/or new possibilities. For many, the financial cost, a distant country, a foreign language, or even unknown and unavoidable bureaucracy may be the most significant boundaries to overcome if goals are to be achieved. The Government appreciates all of your efforts and will continue to create and implement policies, programmes and reforms which will give you the confidence, support and enabling environment to realize your ambitions.

The Government commits to continue its valued relationship with the TTMA, its members and the entire business community. In particular, we must commend the President, Franka Costelloe, the Board of Directors of the TTMA, CEO Dr Ramesh Ramdeen and his staff on its sterling production of another bigger and better Trade and Investment Convention (TIC). We thank you for your continuing generosity through charitable initiatives.

Lastly, I congratulate all the awardees at this evening's ceremony.

Thank you.