

**SPEAKING NOTES
FOR
SENATOR THE HONOURABLE
PAULA GOPEE-SCOON
MINISTER OF TRADE AND INDUSTRY**

**DEBATE ON THE
FISCAL APPROPRIATION BILL 2021**

OCTOBER 2020

PRESERVATION OF FOREIGN EXCHANGE

- Madam Speaker, **the work of the Roadmap Recovery Committee** appointed by the Honourable Prime Minister has underscored the need for a serious reality check on the entire country; and the urgent need to adjust our economic priorities.
- The Minister of Finance has addressed this in the Budget.
- The fact of the matter is--- this country has been **spending more foreign currency that it earns on an annual basis.**
- During the period January-September 2020 alone, the value of purchases of US Currency from the Central Bank by ALL Authorised FX Dealers in the Financial Sector was **US\$940 Mn.**
- According to the Central Statistical Office (CSO), Food Imports valued approximately **TT\$5.67 Bn** in 2019. Of that amount, **TT\$1.1 Bn** of Fruits and Vegetables and **TT\$1.0 Bn** of Cereals and Cereals Preparations are imported annually.
- We spend **TT\$180 Million** on Biscuits, Breads and Pastries and **TT\$28 Million** on Mixes and Doughs.
- We utilise approximately **TT\$2.5 Billion** on an annual basis to import motor vehicles.

- I say this to say that there is context for decisions taken to curb FX leakages.
- There has been quite some noise from some Foreign Used Car Dealers –I have spoken to the President of the Used Car Dealers Association, Mr. Babwah and will meet and listen to his concerns in relation to goods already on the water.
- In terms of Used Foreign Used Car Industry, we are also looking closely at those Dealers who have not observed all of the terms of their Dealerships and will be moving to De-Register them.
- I will also listen to the New Car Dealers Association as we seek to implement quotas on the importation of new motor vehicles. At the end of it all-our decisions will be **fair and transparent**.
- Madam Speaker, we must therefore prioritize the availability of foreign exchange for the importation of:
 - **Food,**
 - **Medicines**
 - **Inputs into manufacturing**
- We must also **Buy Local** and support locally made goods and services.

TRADE

Strength of Non-Energy Exports

- Madam Speaker, Trinidad and Tobago has a robust non-energy export sector. Over the last five years, Trinidad and Tobago's **average annual exports was TT\$13.6 Bn** representing approximately **21%** of total exports.

Strong Non-Energy Export Base

- **Over 85% of our Non-energy exports are in manufacturing:**

% Non-Energy Exports per Sector (2019)	
Sector	%
Total Manufacturing	85%
Iron, Steel & Metal Products	41%
Food & Beverages	25%
Tobacco Products	4%
Paper & Paper Related Products	4%
Chemicals & Other Related Chemical Products	3%
Printing, Packaging & Bottling	3%
Articles of Concrete/Cement/Plaster	2%
Rubber/Plastics/Foam/PVC Products	1%
Furniture & Accessories	1%
Other Manufacturing (e.g. jewelry, bags, electrical accessories etc.)	1%
Wood & Wood Related	0.2%
Clothing & Textiles	0.1%
Agro processing	0.1%

- In 2019, **Trinidad and Tobago's non-energy exports reached over 120 markets globally**, spanning most regions of the world including North, Central and South America, the Caribbean, Europe, as well as Asia, Africa and Oceania.
- Over the last five years, **Trinidad and Tobago benefitted from significant growth in a number of these regions**, particularly in:
 - Central America (**66% increase**)
 - North America (**61% increase**)
 - Oceania (**61% increase**)
 - Caribbean (**23% increase**)
- Although, our non-energy export market base is quite diverse, the vast majority (86%) of exports are mostly concentrated in the US and the Caribbean markets which account for approximately 47% and 39% respectively.
- In 2019, there were **184 non-energy exporters** whose **export earnings were above TT\$1 Mn.**
- However, **55% of these exporters (102) are SMEs** and as such more support is required to improve their export capabilities in the medium to long term.

VALUE OF EXPORTS	NUMBER OF NON-ENERGY EXPORTERS
OVER TT\$100 MILLION	11
TT\$50 – 100 MILLION	6
TT\$25 – 50 MILLION	17
TT\$10-25 MILLION	25
TT\$5 – 10 MILLION	23
TT\$1-5 MILLION	102

Impact of Covid-19 on T&T's Trade Performance

- Trinidad and Tobago's international trade was no doubt affected by the impact of COVID-19.

	Jan-Jul 2019	Jan-Jul 2020	% Change
Total Exports	TT\$ 23.6 Bn	TT\$13.8 Bn	-41%
Non-Energy Exports	TT\$ 5.2 Bn	TT\$4.3 Bn	-18%

- This decline in international trade was due mainly to the closure of international borders by almost every country in the world, as well as the impact of the virus on the North American and CARICOM markets (our two largest export destinations) which reduced demand for imported products for both inputs and consumption globally.

Rebound in Non-Energy Exports

- Madam Speaker, during the period **January-March 2020** our **Non-energy exports stood at TT\$2.2 Billion** which was near **identical** to the **TT\$2.3 Billion** exported in **Jan-March 2019**.
- However, in **April 2020**, our non-energy exports were only **TT\$270 Million** which was 60% lower than the **TT\$706 Million** exported in **April 2019**.
- We have started to experience encouraging signs indicative of a rebound in our non-energy exports. Our average monthly non-energy exports for the period **August-September 2020** totalled **TT\$628 Mn** per month against **TT\$539 Mn** for the period **January-July 2020** (**16.5% increase in the last two months**).
- Our non-energy exports in **September 2020** stood at **TT\$702 Mn**. This is approximately **91%** of our monthly average for non-energy exports for the period **January – September 2019** which was **TT\$772 Mn** per month. We are therefore seeing non-energy export levels quickly returning to normalcy.
- In **April 2020** (at the height of the Pandemic), Trinidad and Tobago was exporting to only **57 markets** which was a very abnormal trading period for the country. But by **September 2020**, there were already positive signs of an imminent recovery as Trinidad and Tobago's non-energy exports reached **71 markets, an increase of 14 markets** in

comparison to April 2020. Clearly, this is testimony of the resilience of our exporters in maintaining and expanding market share internationally.

T&T's TOTAL EXPORT Performance Jan-Sep 2020 vs Jan-Sep 2019			
Month	2019	2020	% Change
January	\$4,830,067,362	\$2,659,267,035	-44.94%
February	\$2,388,677,250	\$1,920,732,259	-19.59%
March	\$4,422,925,060	\$2,222,587,010	-49.75%
April	\$3,688,330,750	\$1,327,528,547	-64.01%
May	\$2,898,421,171	\$1,526,008,353	-47.35%
June	\$2,367,521,083	\$2,202,734,256	-6.96%
July	\$3,297,343,681	\$1,988,101,187	-39.71%
August	\$2,338,929,750	\$1,505,995,510	-35.61%
September	\$1,972,456,077	\$1,613,500,886	-18.20%
Total	\$28,204,672,184	\$16,966,455,043	-39.85%

Source: TTBizLink

T&T's NON-ENERGY EXPORT Performance Jan-Sep 2020 vs Jan-Sep 2019			
Month	2019	2020	% Change
January	\$645,347,363	\$729,696,927	13.07%
February	\$911,713,157	\$518,602,841	-43.12%
March	\$705,887,065	\$999,801,670	41.64%
April	\$692,795,911	\$270,234,592	-60.99%
May	\$1,071,184,683	\$481,056,514	-55.09%
June	\$521,952,509	\$676,209,540	29.55%

July	\$777,737,714	\$581,281,439	-25.26%
August	\$760,531,669	\$554,807,290	-27.05%
September	\$865,105,168	\$702,404,727	-18.81%
Total	\$6,952,255,239	\$5,514,095,539	-20.69%

Source: TTBizLink

Food and Beverage

- Data from the Single Electronic Window indicates that exports of food and beverage have been unaffected by the COVID-19 in relation to matching 2019 figures for the same time period. Between January to September 2019, exports in the food and beverage sector valued approximately **TT\$1.49 Bn** with a **monthly average** of **TT\$165 Mn**. However, when compared to the same time period in 2020, exports of food and beverage were valued at approximately **TT\$1.37 Bn** with a **monthly average** of **TT\$152 Mn**. **This represents 92% of the 2019 export value.**
- **As we fed ourselves, we fed the Region.**

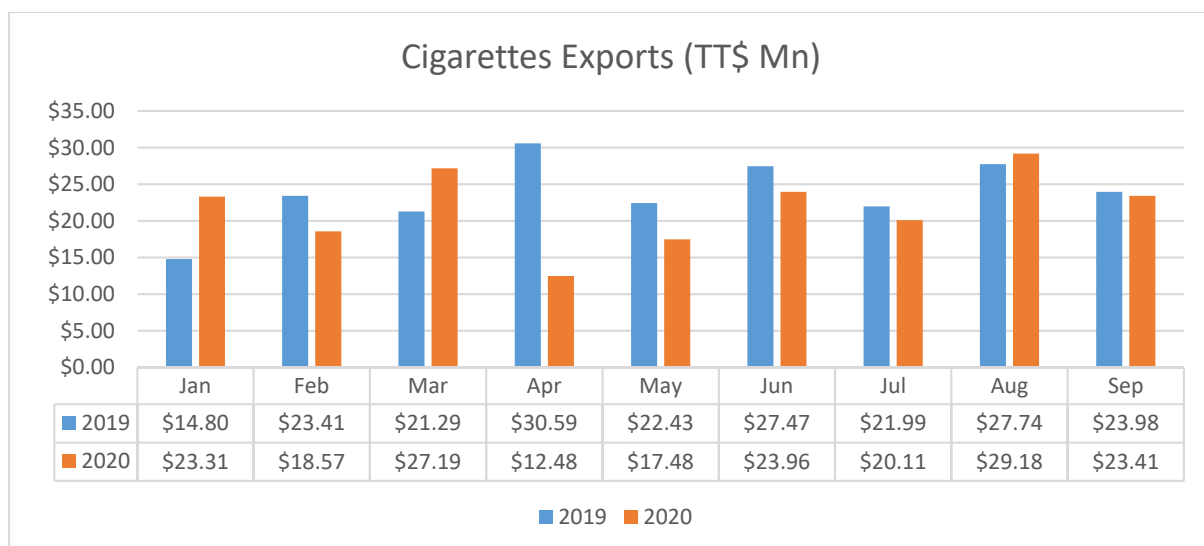
Paper and Paper Products

- Data from the SEW indicates that exports of paper and paper products have been unaffected by the COVID-19, to even surpassing 2019 figures for the same time period. Between January to September 2019, exports of paper and paper products **valued approximately TT\$248 Mn** with a **monthly average** of **TT\$27.6 Mn**. However, when compared to the same time period in 2020, exports of paper and paper

products were valued at **approximately TT\$250 Mn** with a monthly average of **TT\$27.7 Mn**. This represents an increase in exports of paper and paper products over the period January to September 2020 when compared to the same period in 2019.

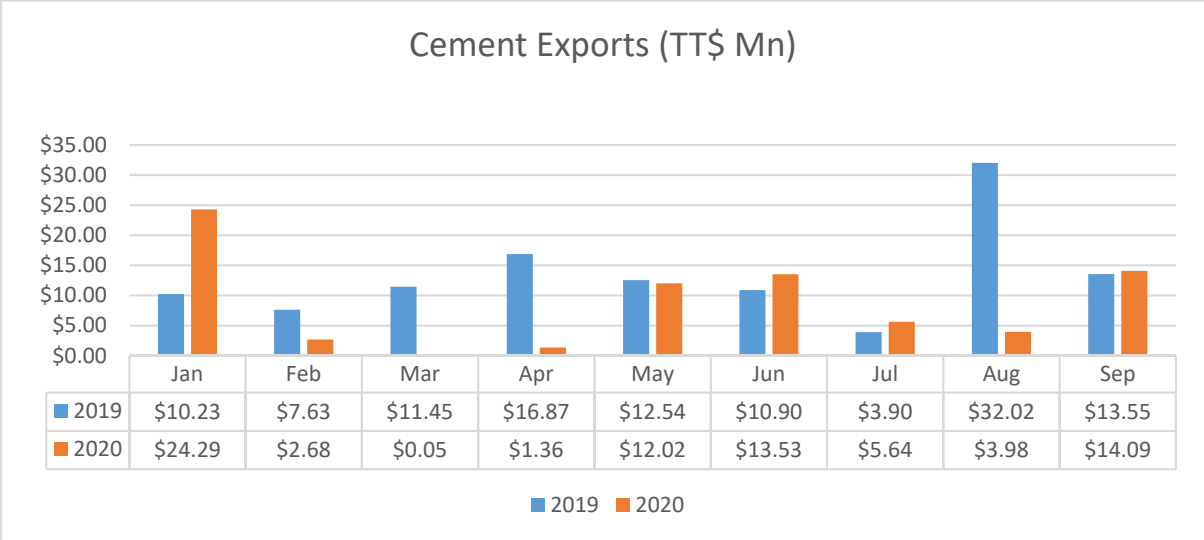
Cigarettes

- Data from the Single Electronic Window indicate that exports of **cement and cigarettes** have made a near full recovery.
- Initially in April 2020, with the necessary restraints placed on non-essential manufacturing, exports of Cigarettes steeply declined to TT\$12.5 Mn, representing 59% decrease when compared to April of 2019 (TT\$30.6 Mn). However, with the lifting of restrictions in June 2020, exports immediately rebounded. Moreover, the value of cigarette exports in August 2020 (TT\$29 Mn) actually surpassed that of August 2019 (which TT\$27 Mn), signalling that the industry is performing stronger than ever.



Cement

- Similarly, for Cement, exports sharply declined with the advent of Covid-19 in Trinidad and Tobago. However, the lifting of restrictions saw the industry quickly recover, with exports in September 2020 (TT\$14.1 Mn) exceeding that of September 2019 (TT\$ 13.6 Mn).



ENHANCED MARKET ACCESS

Non-Energy Export Growth in Bilateral Markets

- Madam Speaker, today, as a result of the connections and relationships forged between businesses and governments from Trade Missions and the assistance provided by the MTI and exporTT in particular, in market intelligence and capacity building, we are seeing the results.
- Looking extra-regionally, manufacturers were able to break further ground in key export markets of interest including Panama, Costa Rica and Cuba.

Panama

- For the period January to September 2020, non-energy exports to Panama was valued at **TT\$132 Million**. This was an increase from 94 million (28%) during that same period in 2019.
- Resulting directly from the trade missions we had manufacturers in the food and beverage and paper sectors (*VEMCO, KC, Associated Brands and Trinidad Tissues*) exporting approximately TT\$10.2 Million to Panama.

Costa Rica

- For the period January to September 2020, non- energy exports to Costa Rica was valued at **TT\$7.5 Million**. This was an increase from 4 million (46%) during that same period in 2019.

- Notably, we had one large Manufacturer in the Furniture Sector (*Advance Foam*) exporting approximately TT\$3.3 Million to Costa Rica.
- Further, that specific Manufacturer has now expanded its exports to 6 retail stores in Costa Rica.

Cuba

- For the period January to September 2020, non - energy exports to Panama was valued at **TT\$20 Million**.
- The exporters to Cuba were manufacturers in the food and beverage, bottles, paper, paints, cosmetics and chemicals sectors. (*Angostura, Carib Brewery, Carib Glass, Trinidad Tissues, Sacha Cosmetics, Caribbean Chemicals*)
- A specific Manufacturer recently expanding its product line (*Carib Malta*) through a major Cuban importer with the potential to be commercialized in 2,500 stores throughout Cuba.
- Another manufacturer in the food and beverage sector (VEMCO) is expected to send their first shipment to Cuba in the coming months.
- The Government will inject more resources into export promotion and continue to conduct virtual trade missions to Latin America, USA and the EU, negotiate the expansion preferential access and build the export capacity of our manufacturers under the existing trade agreements.

CARIFORUM-UK Economic Partnership Agreement (EPA)

- The CARIFORUM-United Kingdom (UK) Economic Partnership Agreement (EPA) was signed in April 2019 and is aimed at preserving and expanding the Region's preferential trading relationship with the UK in the Post- Brexit Climate.

- A Draft Bill will be laid in Parliament with a commitment to its enactment by the end of December 2020.

- For the period January – September 2020, exports to the UK consisted of :
 - Methanol - **TT\$168 Million**
 - LNG - **TT\$169 Million**
 - Aromatic bitters – **TT \$11Million**
 - Rum – TT \$629,405
 - Beer - \$504,560
 - Cereal – TT \$769,666
 - Curry - TT \$577,515

- The passage of this legislation will ensure that these products continue to receive duty free access to that market.

Caribbean Basin Economic Recovery Act (CBERA)

- On 10 October 2020, United States (US) President Donald Trump signed into law, legislation extending preferential duty treatment for certain goods produced in the Caribbean Basin under the Caribbean Basin Economic Recovery Act (CBERA) until 30 September 2030.
- Trinidad and Tobago has been a beneficiary since CBERA's inception on 01 January 1984, which has allowed for duty-free access of selected commodities into the US market.
- Legislation to renew the CBERA was introduced in the United States Congress during the 116th Congress (2019-2020).
- Various CARICOM Missions were led to Washington, including a Trinidad and Tobago Mission led by Prime Minister Dr. the Honourable Keith Rowley who met with various Congressional leaders, where this and other matters of mutual interest and benefit were raised.
- I must commend Trinidad and Tobago's Ambassador Anthony Phillips-Spencer and the CARICOM Ambassadors in Washington D.C. for their persistent engagement to lobby for the extension.
- The work of the lobbying firm, theGroup DC has also been instrumental in providing strategy and support to the Government.
- The legislation was passed in both Houses of the United States Congress in September 2020 with overwhelming bipartisan support.

- Our relationship with the USA is a vital part of the country's overall trade, as the USA is our top export and import partner.
- Over two hundred (200) firms exported duty free to the USA generating foreign exchange earnings and employment. Some key exporting companies include Atlantic LNG Ltd, Methanol Holdings (Trinidad) Ltd., Angostura Limited, Land Ice and Fish Limited, K.C. Confectionery Ltd, Trinidad Cement Limited, Matouk International Ltd., and Electrical Industries Group Ltd.

TT-Chile PSTA

- Madam President, on the issue of new market access, I am pleased to indicate that on April 23, 2020, Cabinet agreed to the signing of the General Framework Agreement for the negotiation of a Partial Scope Trade Agreement (PSTA) between Trinidad and Tobago and Chile. This was the culmination of several virtual meetings between officials of Trinidad and Tobago and Chile and national stakeholder consultations since August 2019.
- The Framework Agreement for negotiations is expected to be signed later this month and negotiations are expected to commence before the end of 2020.

CARIFORUM – EU Economic Partnership Agreement

- Good success was experienced with the implementation of the Fit 4 Europe I Project funded by the EU which focused on *Developing export readiness of Trinidad and Tobago companies to the EU*
- Benefits derived from Fit 4 Europe 1 included:
 - 25 companies from the food and beverage, manufacturing, fashion and animation sectors were able to build their capacity of which,
 - 9 companies were able to gain access to EU markets.
- Based on this favourable outcome we are doing it again and creating the opportunities under Fit 4 Europe II to commence in December 2020.

Other Countries

- In Fiscal 2021, the MTI will continue to negotiate the expansion of preferential access and the removal of non-tariff barriers under existing Trade Agreements with Colombia, Dominican Republic and Panama.

EXPORT PROMOTION

Trinidad and Tobago Trade Policy, 2019-2023

- In Fiscal 2021, the Ministry will continue implementing the Trinidad and Tobago National Trade Policy, which was approved in September 2019. This Policy offers a strategic direction for boosting trade and foreign exchange earnings.

- The implementation of this Policy is being done via a multi-stakeholder approach with the Ministry of Trade and Industry working with other Ministries, Agencies and other relevant institutions to ensure that all the activities contained in the Policy's Action Plan are included in their respective Work Programmes.

Trade Facilitation Offices

- The Government will seek to establish a Trade Facilitation Office (TFO) in the first instance, in Central America, a decision is to be made on its location, either in Costa Rica or Panama.
- The wider Central America presents significant commercial opportunities for Trinidad and Tobago in both trade and investment, with a market size of 51.05 Million persons.
- The TFO will deepen our trade relations in the Central American Region.
- It will further the implementation of our existing trade agreements with Costa Rica and Panama and further extensive discussions with other countries to establish formal trading arrangements.
- Our Trade Facilitation Office in Cuba, established in 2007 by a PNM Government has ensured that Trinidad and Tobago remains Cuba's No. 1 trading partner in the Caribbean surpassing the Dominican Republic and Jamaica which are in closer proximity.

- The Office has managed to function as a conduit between over 60 Trinidad and Tobago manufacturers, and Cuba's state companies which are authorised to import and sell to consumers in Trinidad and Tobago.
- To boost exports, we are also looking to place Trade Attaches at key points of interest.
- We would establish a Trade Attache in Jamaica to capitalise on the Jamaican, Dominican Republic and Haitian markets.
- Should this work well then, we will look thereafter at the establishment of a Trade Facilitation Office in this region.

Transformation and Modernization of exportTT

- In Fiscal 2021, the MTI will also transform and modernize exportTT, the National Export Facilitation Organization of Trinidad and Tobago, into a leading export promotion agency based on international best practices towards increasing Trinidad and Tobago's non-energy exports to targeted export markets.
- This modernisation effort will include increased a restructuring of the organisation and increased training of staff to develop their competencies and skills.

- The International Trade Centre carried out an initial benchmarking assessment on exporTT in September 2013. This assessment was updated in 2019 and showed an overall improvement in ranking.
- Some of the items implemented by exporTT from these recommendations are:
- An Electronic Client Management System to better serve the needs of exporters
- Greater internal communication in the company with the implementation of an intranet, cross departmental teams and regular meetings which enabled a more holistic treatment of needs of exporters.
- Development of KPIs more aligned with the goal of the organisation and are better able to track the organisations progress towards achieving them.

Export Capacity Building Programme

- In order to boost the country's export capacity and competitiveness in foreign markets an Export Capacity Building Programme was continued by exporTT in Fiscal 2020.

- Over the period 2016 - 2020, approximately 2,000 individuals from 886 companies were trained in over 100 export capacity programmes.

In Fiscal 2020, 19 of those export-related training programmes were conducted; of which 346 individuals from 269 companies benefitted from expert training in the following areas:

- Generating Export Leads: Building your Overseas Clientele;
- Identifying & Assessing Export Markets;
- Product & Process Standardization;
- Customer Value Proposition;
- Mastering Customer Service for Exporters;
- E-commerce Programme (Fit 4 Europe);
- Understanding HS Code (Webinar);
- Food Safety Preventive Controls Alliance (FSPCA);
- Generating Online Content – Up Skilling Your Post-COVID19 Marketing;
- Proposal Writing for Grant Funding & RFPs;
- Identifying & Assessing Export Markets;
- Product & Process Standardization; and
- Developing Export Plans

exporTT - Co-Financing Facility

- The Co-Financing Facility seeks to boost the country's exports by providing funding to assist in the promotion of goods and services from Trinidad and Tobago in traditional and non-traditional markets.

- The Facility provides financing for export planning, training, standards implementation, packaging and labeling, market intelligence and other facets of export development.
- Over the period 2016 -2020, over 50 companies benefitted from this Facility with an approved total disbursement of approximately **TT\$5.8 Mn.**
- In Fiscal 2020, 18 of those companies were approved.

SERVICES EXPORTS

- Madame Speaker, in addition to the Government's focus on merchandise trade, **no effort is being spared to increase the country's services exports and foreign exchange earnings.** The Government of Trinidad and Tobago remains committed in its resolve to grow and develop the services economy given its importance to our sustainable growth and drive to economic diversification.
- **Services alone account for more than 60% of the country's GDP and employs 70 per cent of the working population.**
- We as a nation can no longer rely solely on the export of goods and based on our significant capital investment in education, we have a cadre of services professionals in various sectors such as energy services, financial services and ICT to provide services to the entire CARICOM region and beyond.

CARICOM Regional Strategy

- Regionally, Trinidad and Tobago along with Member States of CARICOM are in the process of finalizing a Regional Strategy for Services (2020-2024).
- The Strategy's main objectives include ***increasing the competitiveness of the Regional Services Sector*** and

strengthening the research and data collection infrastructure for services in the Region.

- The Strategy will focus, in the first instance, on a few subsectors prioritized by CARICOM. These include:
 - Professional,
 - Cultural and Entertainment;
 - Information and Communication Technology (ICT),
 - Sporting,
 - Education,
 - Health and Wellness,
 - Tourism and
 - Postal and Courier Services subsectors.

Other sub-sectors such as energy-services will be included.

National Services Exporters Survey and Registry Platform

- Locally, the Ministry of Trade and Industry is working closely with the Trinidad and Tobago Coalition of Services Industries (TTCSI) to overcome the challenge of obtaining reliable and consistent data on trade in services. Madame Speaker, we are pleased to report that we have commenced work on the nation's first National Services Exporters' Registry.
- The first phase of the National Services Exporters' Registry; a report on the collection of data from one hundred and twenty-one (121) service providers in T&T, was virtually launched by the TTCSI on September 30th 2020. The report covered firms operating within

various sub sectors which included business and professional services, creative industries, energy services, education services, ICT and tourism.

- The final phase of the project which will be completed in Fiscal 2021, is the **development of an online platform**. This platform will provide up-to-date disaggregated services data and create an online space to facilitate market intelligence on match-making and business to business opportunities for potential investors globally. The Registry will be widely accessible to all persons via the click of a button and will overcome, once and for all, the challenge of inaccessible data on trade in services in Trinidad and Tobago.
- With respect to building export and institutional capacity of the services industries, the MTI is collaborating with the TTCSI and the Caribbean Export Development Agency (CEDA) on the Services Go Global (SGG) Programme, the administration of the GATEWAY to Trade Programme, as well as two export acceleration programmes for local service providers.
- For the period fiscal 2019 to 2020, 51 persons graduated from the Services Go Global (SGG) Programme with most service providers immediately upon graduation completing their export plans, revamping their online presence and pivoting their business to include an e-commerce component. We are proud to say that we are indeed enabling services to **GO GLOBAL**.

- The GATEWAY to Trade Programme which will commence in fiscal 2021, will focus on building an incubator of one hundred (100) firms in four identified sectors. These sectors include energy services, ICT services, business and professional services and MICE (Meetings, Incentives, Conferences and Exhibitions) tourism. The incubator will focus on building the human resource capacity and competitive advantage of these firms which will in turn increase their export earnings and their competitive advantage.

New Trade Agreements for Services

- Earlier this year, the Ministry of Trade and Industry approached CARICOM to consider the possibility of commencing discussions for ***New Services Agreements*** under our existing trade agreements.
- Trinidad and Tobago's proposal has received support from several Member States. The matter is currently being researched by the CARICOM Secretariat to inform future discussions.
- The Ministry of Trade and Industry will continue to push to advance discussions for this Services trade agreement and explore additional export and development cooperation initiatives for the Services sector.

Establishment of a Trade in Services Unit in the Tobago House of Assembly

- The Ministry of Trade and Industry in partnership with the Tobago House of Assembly (THA), is also currently working to establish a ***Trade in Services Unit in the THA***.
- This unit will work to ***build capacity in Tobago and contribute to the development of trade policy and trade negotiations*** in Tobago.
- Through this new unit the Ministry of Trade and Industry and the THA will collaborate to pursue several initiatives including:
 - the review and introduction of incentives and financing schemes to support investment in the Services sector,
 - the establishment of relevant elements of the national standards architecture to support trade in Services including the professional practice certification system
 - More facilitative mechanisms to allow for the import of inputs into the tourism and other Services sectors will also be established
 - Finally, greater destination marketing to support development of Tobago's Services sector will be pursued.
- The establishment of this Unit is one of the recommendations from the 2019-2023 Trade Policy and represents additional support being provided to Tobago by exporTT who has been supporting Tobago businesses with financing, training and capacity development programmes.

National Services Policy 2021-2025

- A National Services Policy is also being developed to aid development of the sector over the next five years (2021-2025).
- This Policy will outline important policy interventions that will ***improve the overall regulatory, trade, investment and business environment governing trade in Services*** in Trinidad and Tobago.
- The completion of the Services Policy will be a first for Trinidad and Tobago in pursuit of the Government's robust agenda for the export of Services.

Energy Services

- An often overlooked area for diversification is that of Energy Services, which employs approximately 40,000 individuals and 720 firms. This sector will be developed by positioning Trinidad and Tobago as a regional hub for energy services.
- This fits well with the overall CARICOM Agenda of having the Region develop its export services.

Energy Services Export Strategy

- A National Energy Services Export Strategy will be developed in collaboration with the Ministry of Energy and Energy Industries and Energy Chamber to promote and coordinate Trinidad and Tobago's efforts to ***identify and take advantage of export opportunities for local Energy Services providers*** especially in the Region.

Regional SWOT Analysis for the Energy sector

- In addition to the above, a Regional SWOT Analysis for the Energy sector is to be develop as a ***first step towards development of a Development Strategy for the Regional Energy Sector*** by CARICOM.
- This action is being taken in recognition of the burgeoning energy sector in the Region as well as, the need to develop additional opportunities for the local Energy Services industry.
- This work is also being undertaken in close collaboration with the Ministry of Energy and Energy Industries and the local private sector energy sector players. A first draft of the Regional Energy Sector SWOT Analysis is expected within the next 3 months.

E-COMMERCE

- COVID-19 has no doubt shown us the importance of the digital economy, with easy internet access and efficient data sharing ensuring that the domestic economy remained open and kept moving. However, it also highlighted the urgent need to ensure firms, in particular SMEs, have access to these basic services. Over the last three years the Ministry has been training and sensitizing entrepreneurs through exporTT on taking their business online via the roll out of our National E-commerce Strategy. This has helped many SMEs to do business during COVID and get their goods and services out in the global arena.

Launch SheTrades Hub

- In order to develop entrepreneurship among women in Trinidad and Tobago, the Government will launch a National SheTrades Hub on October 28, 2020. This initiative is a collaborative effort with the International Trade Center (ITC), exporTT and the Ministry.
- SheTrades aims to connect 3 million women entrepreneurs to international markets by 2021. Since 2015, it has mobilized over 1,000,000 women, has built the capacity of over 100 institutions and has enabled the generation of US\$84 million in exports. To date, **over 150 local female entrepreneurs have already registered** to join the domestic hub, surpassing the initial target of 100 females in sectors inclusive of health & beauty, food and beverages, retail and arts and professional services.

- The implementation of the local hub will:
 - increase networking opportunities with other women entrepreneurs, buyers and investors across Africa, Asia, the Caribbean and Latin America;
 - provide access to financing opportunities; and
 - expand know-how through improved technical competitiveness to scale up businesses through online B2Bs meetings and trade fairs.

NATIONAL QUALITY POLICY AND AID FOR TRADE

- The Ministry of Trade and Industry will continue to ensure that our exported products meet international standards through the implementation of the National Quality Policy (NQP). This is about Competitiveness!
- In December 2018, Cabinet approved the Establishment of an Independent Accreditation Body called the Trinidad and Tobago Accreditation Service for Conformity Assessment (TTASCA).
- This Accreditation Body will improve and transform the National Quality Infrastructure in this country, by ensuring accurate and reliable results from laboratories, certification and inspection bodies.
- I am pleased to report that in Fiscal 2020, the MTI, under the National Aid for Trade Strategy, secured funding for the Establishment of TTASCA in the amount of USD 250,000 from the Compete Caribbean Partnership Facility which is made up of donors from the IADB, UK Aid, CDB and Canada.
- Further, amidst the COVID-19 Pandemic, we have moved forward,
 - to hire the consultant to develop the Regulatory Impact Assessment and Legislative Briefing Document; and
 - conduct consultations with over 80 stakeholders virtually to complete the Regulatory Impact Assessment.

- The Regulatory Impact Assessment confirmed the **benefits associated with the Establishment of TTASCA** as:
 - Reduction in fees for exporters due to re-testing and re-inspection;
 - Positive impact on MSMEs and SMEs in accessing international markets and participating in supply chains;
 - Improved credibility and trust in businesses leading to competitive advantage; and
 - Encouragement of research and development/innovation
 - Protection of the health and safety of our citizens.

- We remain on target to complete this consultancy in the first quarter of Fiscal 2021 and will work with the Chief Parliamentary Counsel (CPC) to bring this bill for the Establishment of TTASCA to parliament soon thereafter.

DIVERSIFICATION AND TRANSFORMATION OF THE ECONOMY

- Madam Speaker, during the past five years, the Government continued its focus on transforming the economy by growing targeted Non-Energy Sectors namely Manufacturing, Creative Industries and Services as part of an aggressive and robust diversification strategy.
- In Fiscal 2021 the Government will build on the foundation and successes of the last five years to maximize these efforts and transform them into innovative goods and services for consumption and use here and around the world.

MANUFACTURING SECTOR

- The Manufacturing sector is key to diversifying the economy, and creating sustainable jobs and ushering in the growth we need. Enhancing the productivity and profitability of the Manufacturing sector, through the development of new products for new and niche markets, is of paramount importance and will be driven by the private sector and facilitated by the Government. This Government continues to enjoy an excellent working relationship with the Private Sector.
- We fully support the TTMA's goal to double manufacturing exports in certain sectors by 2024. We are also seeking to expand employment and increase the Sector's contribution to GDP to more than **19%**.

- There will be ample opportunities for private sector growth in:
 - other high-value manufacturing such as electronic assembly steelpan
 - textile and garment manufacturing for the domestic fashion industry
 - cosmetic production
 - pharmaceutical and nutraceuticals, including medical marijuana
 - downstream aluminum production
 - scrap iron industry
- In order to achieve these goals, the MTI has commenced several major transformative initiatives which will continue into Fiscal 2021 as follows.

Draft Manufacturing Policy for T&T

- The MTI developed a draft Manufacturing Policy for Trinidad and Tobago, 2020–2025. This draft Policy will be finalised and submitted to Cabinet before the end of 2020.
- We have examined closely the challenges faced by manufacturers and in order to enhance human resource capacity within the Manufacturing sector, the Government will extend support to businesses through the design and implementation of a *National Vocational Training Strategy*, which will create skilled employees with relevant vocational qualification standards, as well as, implement a *National Apprenticeship Programme* which will be modelled along the German

vocational education and training system, providing a combination of theory and training embedded in a real-life work environment.

Financial Support particularly for SMEs

Grant Fund Facility

- Since inception, **17** Small and Medium sized firms have benefited under the GFF with an accumulated disbursement of **TT\$3.2 Mn.**
- In Fiscal 2020, the MTI approved **TT\$2 Mn for 10 companies** under the Facility in the following sub-sectors:
 - *Agriculture* and agro-processing – cocoa processing and chocolate; gluten-free food products; Moruga Hill rice; buttermilk, yogurt and other dairy products; frozen local fruits.
 - *Manufacturing* – printing and publishing and paper converting; packaging materials; sausages and meat products; frozen doughs and pastries; pet food; textile and garments; personal care products; detergents (Tobago); lead acid starter batteries.
 - *ICT* – development of software for research services (also aligns with digitizing).
- Since inception, firms that have received GFF funding have injected further investments amounting to approximately to **TT\$8.5 Mn** and several new jobs.

Research and Development Facility (RDF) through exportTT

- Since September 2017, the revised RDF has assisted a total of **six firms** and disbursed a total of **TT\$1.9 Mn** in funds in the areas of Agro-processing, Manufacturing, ICT, Education and the Creative Sector.
- We expect to spend **TT\$2 Mn** in the upcoming fiscal year to stimulate research, development and innovation among the growing number of SMEs in the non-energy sector.

Steelpan Manufacturing Grant Fund Facility

- The Government launched a 5Mn Steelpan Manufacturing Grant Fund Facility (SMGFF) to provide financial support to Steelpan manufacturers for the acquisition of machinery, equipment, software, tools, raw material and training, as well as tuners.
- Since its launch, the MTI has received seven applications, three of which have been approved:
 - *Codrington Family Institute,*
 - *Panland Trinidad and Tobago Limited*
 - *Harrigin Instruments*

- Both the Codrington Family Institute and Panland Trinidad and Tobago have committed to training students from the MIC Institute of Technology. Harrigin Instruments will establish a training programme to ensure the transfer of pan tuning skills.

Financing for SMEs on Stock Exchange

- One of the major challenges faced by SMEs in Trinidad and Tobago is the access to credit needed to grow and expand.
- Enhanced incentives have been announced for Small and Medium Enterprises (SMEs) that list on the Junior Stock Exchange. The purpose of these incentives is to facilitate greater access to equity funding for such enterprises:
 - full tax holiday for first five years following listing on the Trinidad & Tobago Stock Exchange (TTSE).
 - 50% tax holiday for the second five years following listing on the TTSE.
- These incentives will now be on par with similar incentives in other jurisdictions such as Jamaica which has been extremely successful in attracting SMEs to list on its Stock Exchange.
- To further contribute to the success of this initiative, the TTSE will execute a **Mentorship Program** –hand holding-to assist these growing businesses.

Illicit Trade

- Trade is a critical engine for national development, boosting income generation and standard of living. While levels of legal trade have been expanding over the years, there has been a concurrent increase in illicit trade.
- Illicit trade is any practice or conduct prohibited by law which relates to production, shipment, receipt, possession, distribution, sale, or purchase of products, including any practice intended to facilitate such activity.
- Illicit trade can take many forms, such as:
 - i. Contraband - goods which have been imported or exported illegally;
 - ii. Counterfeiting - fake or unauthorized replicas of a real product;
 - iii. Adulteration of products - mixing of food or drugs with matter of an inferior and sometimes harmful quality;
 - iv. Piracy; and
 - v. Tax evasion.
- This practice undermines legitimate local businesses as they are deprived of sales, results in the loss of significant tax revenue to government when traded through illegal channels and exposes consumers to potential health risks from sub-standard products. **Illicit trade is therefore very damaging!**

- The Global Illicit Trade Environment Index, commissioned by the Transnational Alliance to Combat Illicit Trade (TRACIT) measures the extent to which economies enable (or inhibit) illicit trade through their policies and initiatives to combat illicit trade. In the most recent 2018 Index, Trinidad and Tobago ranked 75th out of 84 economies.
- In recent time, Trinidad and Tobago has seen a rise in the presence of illegally traded commodities such as tobacco, alcohol and cleaning agents. The Government recognizes the importance of this issue and has outlined several actions to combat illicit trade in its national policy as follows:
 - i. Task the respective Ministries and border agencies to take immediate action to increase surveillance of retail operations; to seize illegal products and restrict the importation of illegal commodities.
 - ii. Facilitate consumer education on the responsible consumption of products.
 - iii. Enforce appropriate national standards for affected products.
- The Ministry of Trade and Industry is spearheading Government's efforts to combat illicit trade through the development of a comprehensive action plan to address the issue, in collaboration with key trade-related agencies, and the private sector. Proposed actions will include:
 - i. strengthening the capacity of regulatory and enforcement agencies to detect illicit trade and enforce necessary penalties,

- ii. modernizing legislation, enforcing national standards for affected products and increasing consumer awareness,
 - iii. followed by a targeted approach, prioritizing those products which are most frequently traded by illicit means in Trinidad and Tobago, such as tobacco, alcohol and cleaning agents.
- The Plan is expected to be completed by the second quarter of fiscal 2021 and would be accompanied by a robust consumer education campaign and advocacy for the enforcement of the recommendations by the various border agencies.

Other measures being undertaken include:

- ***The formation of an Illicit Trade Task Force*** by the Trinidad and Tobago Police Service, alongside the Trinidad and Tobago Manufacturers' Association (TTMA), in 2018, aimed at increasing awareness and tackling illicit trade. The Task Force includes representation from the private sector as well as a number of enforcement and regulatory agencies, namely the Trinidad & Tobago Bureau of Standards, Intellectual Property Office, Crime Stoppers Trinidad and Tobago, Customs and Excise Division and the Trinidad and Tobago Police Service. This collaborative public-private partnership will be a vehicle for tackling the issue at both the operational and strategic levels.
- **the introduction of a new Consumer Protection and Empowerment Act** which will *inter alia* treat with the sale of counterfeit

goods and enhance cooperation amongst enforcement agencies to address claims of counterfeit goods brought by consumers.

- **ongoing consumer awareness campaigns** geared towards identification of counterfeit products and their associated risks by the Consumer Affairs Division;
- **continued implementation of the World Trade Organization Agreement on Trade Facilitation (TFA)**, particularly the specific measures to improve border agency cooperation and implementation of risk management systems which will enhance risk profiling of cargo by the Customs and Excise Division.

Certification Programme

- In Fiscal 2021 the Government will implement a **Certification Programme for Food and Beverage Standards and Product Compliance (CPFSPC)** to assist small and medium-sized enterprises (SMEs) and large firms to achieve international certification in a range of applicable food/beverage and other product standards.

- The goals of this Programme will be
 - (i) boost the production of non-energy exports;
 - (ii) assist SMEs to meet the recognized quality and safety standards of international franchises; and
 - (iii) provide for import substitution.

- This Programme will result in more innovative, productive and competitive firms, and can generate additional foreign exchange and reduce the consumption of scarce foreign exchange in Trinidad and Tobago.

CREATIVE INDUSTRIES

- Madam Speaker, according to the Central Statistical Office (CSO), the Arts, Entertainment and Recreation Sector has expanded over the past three years.
- 2019 figures estimate the sector's contribution to be **\$427.6TTD** Million or **0.30% of GDP (Est)**.
- The Government has highlighted the importance of the creative and cultural industries to economic development and we are determined to put measures in place for the sector to continue to grow.

FASHION AND GARMENT INDUSTRY

Strengthening the Garment Manufacturing Industry

- Trinidad and Tobago's Garment Manufacturing Industry has been in existence for more than ninety (90) years. Today it comprises a number of independent designers/dressmakers/tailors and a few large scale garment production facilities such as:
 - Janouras Custom Design Limited has been in existence for over fifty (50) years; **employs 220 persons**; and exports to several Caribbean markets including Belize, Barbados, Guyana and Suriname.

- Cruz Garments Limited, a subsidiary of Screen Stars Limited, mass produces an array of garments such as work wear, uniforms and a collection of other apparel. The company employs **twenty-five (25) persons** and exports to markets such as Barbados, and St. Vincent and the Grenadines. Cruz Garments Limited is a beneficiary under the Grant Fund Facility for the acquisition of new machinery and equipment aimed at increasing its efficiency, expansion and penetration into additional markets.
- S & A Garment Contractors Company Limited, a garment production facility in Couva, has positioned itself as one of Trinidad and Tobago's top non-energy exporters in the sector. The company manufactures uniforms, shirts, pants, caps and offers embroidery & screen printing services.
- Lazuri Apparel Limited began manufacturing in December 2019. The company has been exporting to various CARICOM countries inclusive of Jamaica, Barbados and Grenada.
- Generally there are abundant opportunities for the creation of employment, revenue generation and increased exports for garment manufacturers, designers, dressmakers, and tailors.

Exports from TT Garment Manufacturing Industry for 2016-2019

Year	Export Value (TT\$)
2016	\$12,289,333
2017	\$10,753,330
2018	\$12,542,776
2019	\$13,841,362

Source: SEW

- Building export capacity in this aspect will be integral to successfully positioning garments made in Trinidad and Tobago in international markets, creating sustainable employment and generating increased foreign exchange.

THE WORK OF FASHIONTT

Value Chain Investment Program (FVCIP)

- In Fiscal 2020, **over 200 designers** were engaged in this programme. Participants were assessed by an international panel and categorized into 4 tiers, each benefiting from expert advice in the fashion industry, the business sector and overall entrepreneurship.
- **1st Tier: Global Value Chain (GVC)** - is geared towards building export capacity of our local fashion designers. In Fiscal 2020, 8 export ready designers were identified for participation in this tier namely:
 - Charu Lochan Dass;
 - Ecliffe Elie Ltd.;
 - Meiling;

- Heather Jones International Ltd;
 - The Hideout Clothing;
 - J. Angelique;
 - Claudia Pegus; and
 - The Cloth.
- All were interviewed by an International Expert Panel including Professors from the Fashion Institute of Technology (FIT) of New York.
 - Consultations were held in fiscal 2020 (November 2019) with these designers to discuss the scope of the GVC programme and the most relevant markets to engage in trade missions for the purpose of building customer relationships and export sales.
 - In fiscal 2021, FashionTT will be embarking on these trade missions virtually with these GVC fashion companies with specific focus on New York, Miami and Regionally.
 - **2nd Tier: Non-Global Value Chain (non-GVC)** - is designed to advance the business elements of the value chain such as production and distribution capacity.
 - In Fiscal 2020, **10 designers** were selected to undergo the necessary training to improve their export readiness. The 10 designers are: Individual Aesthetic, Bene Caribe, Cocoa Vintage Jewellery, Genesis Swimwear, Neha Karina, S.M. Warner art with attitude, SewLisa, Loud by Afiya, Qodesh with Style and Shurnel Investments Ltd.

- Of the ten designers, 4 surpassed their 2019 revenues (over the period January to August) in spite of the current downturn in the retail climate with 2 companies in the lead by 46% and 72%
- They also commenced exporting to new markets this year including: St. Lucia, France, Abu Dhabi, Fiji, London
- This is primarily due to the implementation of new strategies such as product diversification (in line with the changes in consumer needs and buying patterns), marketing outreach and moving their businesses swiftly onto e-commerce platforms.
- **3rd Tier: Business Advisory-** is an inter-agency partnership between FashionTT and NEDCO which provided business mentoring and training to designers in gaining a comprehensive understanding of their Fashion value chain.
- In Fiscal 2020, we completed the second cohort with 51 participants from Trinidad and 20 from Tobago.
- We also commenced the third cohort with an enrolment of 66 designers.
- **4th Tier: Entrepreneurship Development Programme-**which provides introductory training in entrepreneurship including: Business Plan Development, Costing and Pricing, Record Keeping and Cash Flow Management, Business Taxation, Marketing Strategy.

- During Fiscal 2020, 52 designers were selected to be part of the Second Cohort of the Entrepreneurship Development Programme, which is also in partnership with NEDCO.
- The outbreak of COVID-19 provided a unique opportunity for this particular tier; sessions were held virtually which allowed more training sessions to be conducted and more designers to have access to such. This year long programme was completed in five (5) months, launched in January 2020 and completed in May 2020, with 65 designers trained.
- An estimated 110 designers in the VCIP are currently selling on e-commerce sites and/or have their own website for transacting business.

One-year Train the Trainers Programme in Ultra Bespoke Tailoring, Pattern Drafting, Cutting and Fitting

- Following from the introduction in Fiscal 2019 of the Certificate Programme in Ultra Bespoke Tailoring, Pattern Drafting, Cutting and Fitting, in Fiscal 2020, 15 persons were enrolled in the Train the Trainers programme in Ultra Bespoke Tailoring, Pattern Drafting, Cutting and Fitting, facilitated by Professor Andrew Ramroop of Savile Row Academy. Participants of the Programme also established the Caribbean Guild of Bespoke Tailors.
- Continuity of the Train the Trainers Programme in Ultra Bespoke Tailoring is therefore important – to increase the number of certified

bespoke tailoring teachers who can empower others to take advantage of various business and export opportunities. **Again enhancing T&T's garment industry.**

- We are encouraged that upon completion of the foundation Ultra Bespoke Tailoring Programme, graduates amassed sales of TT\$773,000 (2018-2019) followed by sales amounting to TT\$850,625 (2019-2020).

Access to External markets via increased Export

- Overall, through the work of FashionTT and ExporTT, the GORTT has assisted Fashion Designers in the last three years to export regionally and internationally including to: Australia, South Korea, Philippines, New Zealand, Japan, Saudi Arabia.

Proposed Projects, Plans and Programmes for Fiscal 2021

In Fiscal 2021, the Government will continue to expand the Fashion Sector to support the cadre of local garment makers, designers and fashion enterprises, through:

- implementing the Fashion Industry Development Programme
- operationalizing a local production facility to support fashion designers and garment makers
- continued implementation of the various components of the Fashion Value Chain Incentive Programme (VCIP) to build capacity, maximize the talents of local designers and help them increase sales

- executing two virtual Trade Missions to New York and Miami with eight designers
- Develop a local Fashion Look Book to showcase and market our indigenous fashion products.
- **At the end of Fiscal 2021, it is envisioned that many local designers would benefit from the Fashion Sector programmes and several employment opportunities created for designers, dressmakers, and tailors.**

2. FILM

Income from International Film Productions

- The Government remains focused on marketing Trinidad and Tobago as a prime destination for film production.
- Among FilmTT's main projects for Fiscal 2021 are:
 - T&T Locations: Unseen, Unexpected
Attract international productions. Workforce capacity development
 - Trinidad and Tobago Film Friendly Network
Turnaround of Rebate applications; Increased private sector understanding of and investment in film
 - Film Festivals
Audience Development; Film Festival Support Strategy

- General Sponsorship
Increase in overall number of film/screen related projects executed; Build Capacity of T&T Independent Content Creators
- During Fiscal 2017-2020, the total foreign exchange generated by the sector was **US\$3,290,184 (TT\$22,275,549)** from 50, largely small productions including documentaries.
- Most recently (2018), Trinidad and Tobago was chosen as one of the filming locations for the *Emmy-Award* Winning Reality television show *Amazing Race*. The premiere for the next season will be on 14 October 2020 in the US Market and will have an expected viewership of 5.8 Mn persons. Its production generated TT\$1.9 Mn in revenue and created 310 employment opportunities locally.

Proposed Projects, Plans and Programmes for Fiscal 2021

In Fiscal 2021, the Government will continue to further develop Trinidad and Tobago's Film Industry. To this end, we will focus, among many measures, on:

- promoting Trinidad and Tobago as a premier filming destination.
- continuing the Production Expenditure Rebate Programme.
- forging strategic partnerships with international film distribution companies to promote the export and showcase of our local content.

- We are having discussions with **two International Film Productions interested in filming in Trinidad and Tobago this Fiscal with an estimated budget of US\$7 Mn.**
- We are also aiming to have three international commercials, 7 Music Videos and 5 Documentaries produced in Trinidad and Tobago.
- **We expect to create approximately 500 employment opportunities in the Film Sector during Fiscal 2021.**

3. MUSIC

- Music is woven into the fibre of our society; however, it is a resource that has not been fully developed and sufficiently monetized. During Fiscal 2020, we continued to implement the Strategic Plan for the Music Industry and its sector specific initiatives.
- On November 18th 2019, Port of Spain was designated a UNESCO Creative City of Music. This achievement highlights our rich heritage of indigenous music, steelpan and the Carnival Arts and support the City's current efforts to revitalize and expand the industry.
- Cities with the designation also commit to fully integrate culture and creativity into sustainable development plans; and develop hubs of creativity and innovation and broaden opportunities for creators and professionals in the cultural sector.

Live Music District (LMD)

- During Fiscal 2020, Phase IV and Phase V of the Live Music District were completed. For Phase IV, a total of 64 artistes had the opportunity to showcase their talent and 134 performances were held across 22 venues throughout Port of Spain.
- Phase V of the LMD introduced two virtual series called the 'Online Quarantine Concert' and "We Inside", which were hosted via Facebook Live.

Online Quarantine Concert

DATE	PLATFORM	VIEWERSHIP	No. of LMD Artistes
March 29th	Facebook	49,300	5
April 12th	Facebook	97,300	5
May 10th	Facebook	53,200	5
TOTAL:		199,800	15

Artiste Portfolio Development Programme (Spotlight)

- As at Fiscal 2020, 26 artistes in three cohorts (2018, 2019, 2020) have successfully completed the Artiste Portfolio Development Programme (APDP) now renamed Spotlight.

- You may recall we reported on two (2) artistes penetrating international markets (one artiste toured Japan, Bali, Singapore, Australia, Canada and Portugal which continued until December 2019);
 - the other was contracted in July 2019 to perform in Disney's *The Lion King* and is still with the company;
 - Another graduate from the Programme won Female Artiste of the Year in January 2020 and has released two singles to date. She has also been selected to be featured in a regional Gospel festival and has been signed to a major international gospel management label.
 - Other artistes from the first two cohorts secured opportunities ranging from performing locally; releasing their own singles; and collaborating with more established persons in the music industry.
- The third cohort of Spotlight aptly named Virtual L.E.D. Spotlight (Limited Edition Digital) commenced on June 18th, 2020 with eight artistes selected to participate - Juss Lizz, DNA 868 Muzik, Monique La Chapelle, Aisha Noel, Alethea, Mahalia Thomas (pianist), Aaron Ifill, Leah Richards.
 - Current cohort is still undergoing training which will be completed in January 2021. However, they have shown much promise with 7 of the 8 releasing re-mixes to nation building songs for the month of September which was aired via TTT on the NOW Morning show. 5 of the 8 persons released new singles between July-Oct 2020.

Music Tech Platform

- The Live Music District (LMD) App and Booking Website or “AMPT” was launched in September 2019. This app gives the user access to background information on the registered artistes and all of the LMD participating venues.
- Since its launch, a total of 295 artistes have registered on the AMPT, 388 users have registered accounts while 120 venues are listed on the AMPT and have garnered 2,063 website views.
- To promote AMPT, MusicTT plans include targeted digital promotion of AMPT through Google ads, facebook ads, instagram ads, and youtube ads
- In Fiscal 2020, a MusicTT Resources Website was launched which includes portals to Apple Music, Spotify and provides Contract templates, Education platforms and links to Music Sector professional services.

Trinidad and Tobago International Standard Recording Code

- International Standard Recording Code (ISRC) enables recordings to be uniquely and permanently identified. It is essentially a fixed point of reference when a recording is used across different services, across borders, or under different licensing deals.
- A TT prefixed ISRC (TTISRC) is a game changer for the local music industry. Previously, new releases were auto assigned ISRCs from aggregators and distribution platforms from foreign territories with codes that were not associated with Trinidad and Tobago. Now, producers and artistes can release music which will all have the TTISRC.
- Some benefits of TTISRC include:

- the local music industry will now be able to measure, track, index and manage sound recordings that originate from TT;
- the industry will receive critical and meaningful data which can be used to make informed legislative decisions and secure funding and investment; and,
- Helps identify sound recordings for royalty payment services globally – ensuring our artistes and production teams get paid.

- The use of the TTISRC designation will build the catalogue of recordings unique to Trinidad and Tobago and create a more prominent and visible presence on streaming platforms such as Spotify and Apple Music.

- **A strong showing will increase MusicTT’s lobbying power to create and define soca music as a recognized genre of music for music charts and award shows such as the Grammys.**

Music Export Academy

- In Fiscal 2019, the Export Academy was launched to provide music business education and capacity building, through workshops, webinars and conferences to foster business development of the local music industry and create and maximize viable international linkages for export. In Fiscal 2020, 19 webinars were conducted on topics relevant to the local Music Business and industry.

- TeaTime was developed by MusicTT in Fiscal 2020 and is delivered via Instagram to discuss music industry trends, current matters, creativity

during COVID-19 and ongoing projects such as Spotlight and LMD. To date, there have been 12 episodes which have averaged approximately 418 views each episode.

Proposed Projects, Plans and Programmes for Fiscal 2021

- The Government will continue to create, maximize and monetize opportunities in the Music Sector by:
 - expanding the Live Music District by hosting three large signature events; six Music Zone Steelpan performances and; 70 live performances employing 280 artistes.
 - further expanding the Music Tech Platform to enable the upload of 4,000 local songs onto YouTube; the development of local music charts; and 1,000 local songs imprinted online with ISRC-TT metadata codes to track songs played.
 - continuing to implement Spotlight: Artiste Portfolio Development Programme with the enrolment of the 4th cohort; and facilitate the creation of six original songs created for distribution (one per artiste/instrumentalist)
 - hosting six TeaTime episodes with MusicTT and strengthen intellectual property protection through Music Export Academy.
 - Facilitating collaboration between ministries in support of the 'Live at Lunch Concerts.
 - seeking to implement some of the objectives of the four-year action plan to continue developing Port of Spain as a Creative City of Music. Some key elements within the plan are music zones, POS walk of fame and a music/carnival museum.

- These initiatives are expected to create over 240 employment opportunities in the Music Sector in Fiscal 2021.

SUMMARY

Madam Speaker, we are pleased with the work done to date, but we are at the point where the question is-- *Where Next* as we seek to accelerate the commercialization of our creatives and take it to the world. The proposed increase to the current tax allowance for corporate sponsorship of nationals in the local fashion industry, audio, visual or video productions and local production companies from TT\$6 million to TT\$12 million effective 1 January 2021 will greatly assist in expanding the sector. We will engage in a Strategic Plan exercise to inform the growth of the sector.

INVESTMENT PROMOTION

- Madam Speaker, according to the United Nations Conference on Trade and Development (UNCTAD) global foreign direct investment (FDI) flows has steadily declined over the past five years.
- The COVID-19 Pandemic has added further strain and the organisation predicts that there would be a **40% drop** in 2020.
- Additionally, FDI flows could remain below pre-crisis levels throughout 2021 if public health measures and economic support policies globally are not effective.
- Developing regions are the worst hit given their heavy reliance on extractive industries and global value chains, which have been impacted by the Pandemic.
- Despite this volatile environment Madam Speaker, the Government was successful in attracting and facilitating foreign and local investment in targeted sectors in Trinidad and Tobago.

Investments Tracked and Facilitated

- The Inter-Ministerial Committee (IMC) for Approval and Facilitation of Investments in the non-energy sector which was appointed by Cabinet, remains an essential mechanism through which Government facilitates investments in an efficient manner.

- Through the IMC, the MTI was able to track investments during Fiscal 2020 worth **approximately TT\$334.8 Mn**, as shown in the Table below.

Non Energy Investments for Fiscal 2020

Sector	Foreign Direct Investment	Local Direct Investment	Employment
Construction	N/A	61,200,000	510
Services	13,667,003	N/A	30
Manufacturing	N/A	259,632,621	60
Agri-Business	N/A	338,277	N/A
TOTAL	13,667,003	321,170,898	600

- By example a major retail outlet opened a strip mall in central Trinidad in November 2019. The **value of the investment** was approximately **TT\$61.2 Mn**.
- The development created employment for approximately 510 persons.
- Additionally, a major manufacturer of snack products constructed a state-of-the-art manufacturing facility in the central region, which became operational in May of this year, with an estimated investment of **TT\$250 Mn**.
- Madam Speaker, on the Foreign Direct Investment non-energy side, InvestTT was able to close two investments; one in software programming

(Virtana) creating employment for six persons and the other in logistics (Grupo TLA Logistics) providing employment for twenty-five persons.

- I am advised that the logistics provider is considering making further investments into Trinidad and Tobago and is already in the process of securing additional land.
- Madam Speaker, despite the challenging effects of the COVID-19 Pandemic, the Government has been steadfast in its resolve to attract FDI that can improve the livelihood of the citizens of Trinidad and Tobago. **Pipeline investment projects, some of which will become operational in 2021 while others will carry through to fiscal 2022 and beyond, are valued in excess of over one billion dollars. We expect that all of the incentives attached to construction will boost local investments.**
- In Fiscal 2021 Madam Speaker, we will see the operationalisation of:
 - 1) A **\$50-Million-dollar investment in a state-of-the-art tissue manufacturing facility at the Diamond Vale Industrial Estate** on approximately four acres of land.
 - This will create **permanent employment** for **an additional 70 persons**.
 - The increase in production will also enable the company to penetrate new export markets;
 - 2) The establishment of a **yogurt manufacturing facility**, with investment valued at **\$2 million**.

- This will be the first commercial yogurt facility in Trinidad and Tobago.
 - The project will assist in reducing imports and creating a viable product that Trinidad and Tobago can export.
- 3) The construction of a **Regional Distribution Centre (RDC)** by the anchor tenant for the Phoenix Park Industrial Estate, valued at **\$58.2 million**.
- This will create permanent employment for at least fifty (50) persons.
- 4) It is anticipated that, the second tenant at the Phoenix Park Industrial Estate will be a **major Chinese pharmaceutical and healthcare group** which will establish a Regional Medical Distribution Centre.
- The proposed investment is estimated at **US\$196,000,000** and is to be implemented in two (2) phases:
 - **Phase I: Construction of the Medical Distribution Centre** and national medical distribution network in Trinidad and Tobago, and supply inactivated COVID-19 vaccines to Trinidad and Tobago for two (2) years. Phase I's total estimated investment is **US\$160,000,000**.
 - **Phase II: Development of the Caribbean Regional Medical Distribution Network** among the eight (8) English-speaking countries, and supply them with the inactivated COVID-19 vaccines. The total estimated investment for Phase II is **US\$36,000,000**.

5) During Fiscal 2021, a major local investor (who is a traditional importer/distributor) will begin the establishment of manufacturing plants and a warehousing and distribution facility at the Factory Road Industrial Park at an investment of **TT\$550 Mn.** This is over a 5 year period and the Lease has already been signed with eTeck.

- **Employment will be created for approximately 650 persons once completed.**

- This investment will include **5 new manufacturing plants** with two new subsidiaries being established.
- The first subsidiary will house plants that manufacture:
 - (i) aerosols (insecticides, household cleaners, bleach, disinfectants);
 - (ii) condiments (tomato ketchup, mustard, mayonnaise, jams and jellies, dressings and sauces);
 - (iii) pastas (dry, ready-to-eat, noodles);
 - (iv) edible oils and fats (soya bean, palm, coconut oils, tables and cooking margarines, shortening and high pressure fats);
 - (v) beverages (juices, milk – UHT, condensed, evaporated); dry mixes (curry and spices, seasonings, baking powder, icing sugar, cake mix, breading mixes); and
 - (vi) pharmaceuticals (analgesics, cough and cold, antihistamines, antibacterial).

- The second subsidiary will be a state-of the-art automated Regional Distribution Centre that will offer bonded storage with dry, temperature-controlled solutions.
- These plants will utilize innovative technologies to produce quality products at economical prices, food formulations with local flavours, and use internationally competitive packaging.

6) Madam Speaker, I also recently spoke to a large manufacturer that will be investing **over \$100 million** in the modernization of its existing plant.

- Currently machinery and equipment are duty free under the Customs Act;
- All manufacturers are also entitled to an initial depreciation allowance of 90% on machinery and equipment in the first year of operation
- In addition to this, the Minister of Finance increased the allowable allowance for annual wear and tear on plant and machinery from 25% to 30% thereafter.
- This is a considerable benefit and a large number of manufacturers that have recently upgraded or are in the process of upgrading its Machinery and Equipment will benefit substantially from this measure.

Creation of New Economic Spaces

- Madam Speaker, the Government also remains determined to create and develop new economic spaces for businesses to help monetize once unproductive assets, and also to provide the basis upon which firms can

grow and develop throughout the country. To this end, progress was made in Fiscal 2020 towards the establishment of new economic spaces.

Mourga Agro-Processing and Light Industrial Park

- The Moruga Agro-Processing and Light Industrial Park was officially opened on July 14, 2020. The Park occupies over 18 acres of State land and houses **five** custom-built factory shells for the manufacture and processing of agriculture products with high export potential. There are an additional six lots of developed land available for leasing.
- The marketing and tenanting of the Park is being led by InvestTT in collaboration with eTeck, the Ministry of Agriculture, Land and Fisheries (MALF) and the National Agricultural Marketing Development Company (NAMDEVCO).
- Support has also been provided by the Inter-American Institute for Cooperation on Agriculture (IICA), Agricultural Development Bank (ADB); and the Caribbean Industrial Research Institute (CARIRI).
- I am pleased to report that in less than three months since its opening, the following tenants have confirmed their investments with signed leases:
 - i. A pepper processing company signed a lease on September 29th, 2020 to occupy Land lot #9 and Factory Shell #2 (6,000 sq. ft.).
 - This project represents an **investment valued** at TTD **\$1.64Mn**

- Permanent employment is projected to be created for 14 persons.
 - The company will hire persons from Moruga and the environs as well as purchase its raw materials from within the community.
 - This investment will serve as a catalyst to process locally grown peppers to pepper mash, pepper flakes and powder for local inputs and export.
- ii. Another company was approved for a Factory Shell of 12,981 ft² for the processing of agricultural produce (such as **Root crops/staples:** cassava, sweet potato and plantains etc; and **Fruits:** pineapples, melons, pommecythere, five fingers, passion fruit etc).
- The **investment** is valued at **TT\$6.6Mn**
 - **Permanent employment** will be created for **316** persons (for mostly women) by end of 2025.
 - Both projects are aimed at reducing the food import bill.
- iii. An offer letter has also been extended to another local firm for a third factory shell of 2,690 ft² for the processing of natural hot sauces, dips and seasonings.
- iv. A factory shell has also been reserved for the processing of the indigenous Moruga Hill Rice. NAMDEVCO will provide assistance for the project.

Phoenix Park Industrial Estate (PPIE)

- The Government has also advanced work on the development of the Phoenix Park Industrial Estate located in Couva. This Park spans approximately 133 acres and will target high value and light manufacturing, warehousing and distribution, and emerging industries such as electronic technology and biotechnology.
- The Park is now expected to be completed in September 2021 and negotiations with its anchor tenant are currently underway and with a second major tenant.
- Once completed and operational, this Facility is expected to create in excess of **4,500 direct jobs**.
- InvesTT in collaboration with the Contractor (BCEG) which has a contractual responsibility to source investments, is currently working with a portfolio of **twelve (12)** Chinese investors.

Other Industrial Parks (Factory Road Industrial Park)

- At the **Factory Road Industrial Park**, eTeck will work with the The National Gas Company (NGC) to install natural gas infrastructure as part of the site's development, to attract and facilitate new investors at a cost of **\$13Mn**.
- In addition, during Fiscal 2021, eTeck will also continue to upgrade and maintain the existing Industrial Parks throughout Trinidad and Tobago.

EASE OF DOING BUSINESS

- During the period 2016-2020, the Government remained resolute in its focus towards the creation of an enabling environment to foster business growth and development. The Government recognizes the importance of ICT in doing business, especially now with the limitations of the Pandemic. To this end, the Government has implemented a myriad of targeted business reforms aimed at significantly reducing the time and cost of doing business in Trinidad and Tobago.

FISCAL 2020 ACHIEVEMENTS:

Single Electronic Window

- The Single Electronic Window – TTBizLink, is critical to creating a digital economy and continues to positively impact all areas of the business environment in Trinidad and Tobago by expediting and simplifying the information flow between Government, the private sector and individuals. **To date, TTBizLink currently connects 24 Government Agencies through 47 e-services available to the public.**

Automatic Online Approvals-*Trade Licensing Unit*

- In December 2019, TTBizLink implemented automated online approvals of import declarations transmitted to the Trade Licence Unit (using advanced business and risk rules. **This meant that, on average, 45% of declarations no longer required scrutiny by an**

agency officer, and instead received instant electronic approval, thereby reducing the time for import documentary compliance.

DevelopTT

- One of the major successes has been the **Automation of the Construction Permit process**, which is branded as **DevelopTT**. In fact, as of September 1, 2020, all applications through the Town and Country Planning Division (TCPD) for the regions of Port of Spain, Diego Martin, San Juan/Laventille, Chaguanas, Couva/ Tabaquite/Talparo and parts of Tunapuna/Piarco have been mandated to be fully automated and paperless.
- During the period 4th March to 2nd October 2020, **280 applications** were received by the TCPD for processing via the online platform. **Several applications were processed with an average processing rate of 35 days down from 60 days for Outline Applications and 47 days down from 90 days for Planning Permission applications which is significantly lower than what previously applied in the manual world.**
- **DevelopTT will be expanded throughout TNT by January 2021.**
- **During Fiscal 2020, the MTI in collaboration with the TCPD have successfully digitised key records at the TCPD which allows for more efficient processing of Construction Permits.**

E-Payments

- The Electronic Funds Transfer Policy (EFT) which was completed on March 22, 2019 guided the development of Ministerial Instructions for online payments to be made to any Government agency. **In this regard, the MTI is working with the Treasury, under the SEW Expansion Project, to define the requirements for the implementation of electronic payment systems on both TTBizLink and DevelopTT.**

TTBS

- **Additionally, in December 2019, the Trinidad and Tobago Bureau of Standards implemented online payments for all of their trade services.** By eliminating the need for the brokerage community to physically visit commercial banks or the TTBS head office to make payments, the time taken to comply with documentary requirements has been significantly reduced.

exporTT

- **Work has already begun on creating an e-Payment system for exporTT and by December 2020, exporters will be able to pay online for all services offered by exporTT.**

Proposed Plans and Initiatives for Fiscal 2021

Business Process Reengineering (BPR)

- During Fiscal 2020, a UK-based consultant (Ecorys) after an extensive review, developed a Business Process Re-engineering Master plan. This included several recommendations on simplifying, modernizing, and harmonizing the major regulatory processes for import, export, transit and business facilitation services in Trinidad and Tobago.

- **This Project which commenced in Fiscal 2020 yielded seven recommendations which were identified as high impact and will be implemented during Fiscal 2021.** These include:
 - 1) **Online payments** by all relevant Ministries and Agencies involved in the border clearance process
 - 2) **Staffing Arrangements** by key border agencies to allow for the processing of e-goods declarations outside of the regular hours of work and on weekends to allow 24/7 customs clearances to take place
 - 3) **Sequence of Data Transmission and Processing** to prevent bottlenecks as it relates to Customs Declarations and the payments of duties and taxes.
 - 4) **End-to-End Electronic Processing of Customs Declarations** which allows for fully electronic processing of declaration data
 - 5) **Increased interoperability** between the Ports and the Customs and Excise Division
 - 6) **Increased interoperability** between the Customs and Excise Division and the Single Electronic Window (SEW)
 - 7) **Streamlining and Expansion of new e-Services under the Single Electronic Window** to Agencies, such as the Fisheries Division of the Ministry of Agriculture, Land and Fisheries.

Port Community System

- In Fiscal 2021, the MTI will also implement the Port Community System in collaboration with the Ministry of Works and Transport and the Customs and Excise Division of the Ministry of Finance.

- The Port Community System (PCS) is an online platform that manages and automates smooth port and logistics processes through a single submission of data, enabling intelligent and secure exchange of information between public and private stakeholders.

- **The MTI is currently finalizing the Request for Proposals for this transformative project which will be issued by the end of October 2020 to secure the services of a consultant to develop the PCS.** The PCS will:
 - i. allow for the development of an integrated port transport solution for freight forwarders, exporters/importers, shipping lines and trucking companies.
 - ii. optimize transport services and make better use of limited space at the port and the local road network thereby improving productivity of these infrastructure assets and reducing congestion.
 - iii. provide better capabilities to lodge information once and easily synchronize, distribute and share this information among all interested parties.

- iv. give greater traceability of goods from entry into Trinidad and Tobago to the place of final delivery.
- Another major project that will commence in the upcoming Fiscal year is the development of a **Trade Information Portal** which will complement the existing International Trade Data Portals such as CSO and TTBizLink in order to improve the accuracy, timeliness of statistical trade data.

Development of a National Maritime Policy

- In Fiscal 2021, the Government will complete a **National Maritime Policy**. This Policy will provide a unifying framework for the development of policies and strategies for regulation in areas such as maritime transport, port operations, marine resource management, trade logistics and supply chain, investment and tourism. It will also facilitate and shape maritime trade and transportation policies to take advantage of the wealth that can be gained from maximizing the use of Trinidad and Tobago's waterways and increasing the country's participation in international commerce. Currently, this consultancy is in the procurement stage.

CONCLUSION

- Madam Speaker, COVID-19 has unexpectedly and adversely altered our lives in many ways. While the eventual impact is still unclear, it is certain that this negative shock has resulted in severe economic contractions across all countries of the world owing to its impact on productivity, competitiveness, movement of people and goods, cost structures and output levels.
- In order to mitigate the impact of these unprecedented circumstances, the Honourable Prime Minister was visionary in establishing a *Roadmap to Recovery Committee* to develop a blueprint for navigating the country to economic recovery.
- A one-size-fits-all approach will not work. Rather we need targeted interventions at all levels in order to minimize costs and unnecessary administrative burdens. We must also embrace technology fully and monetize our assets including our abundant creativity as, together, we revive our economy.
- The Government is up to the challenge and together with the private sector we are confident that we can transform these extraordinary times into unexpected opportunities. There does not have to be a trade-off between economic growth and the health and well-being of the people of

Trinidad and Tobago. They go hand-in-hand, and can be done together. Through a strong economy we can fight this virus, and through a healthy population can we sustain that fight.

- The country has been through challenging times before and weathered those storms.

I thank you.

13 OCTOBER 2020