



Government of the Republic of Trinidad and Tobago

Ministry of Trade and Industry

“Reducing the Food Import Bill”

SOD-TURNING CEREMONY FOR RICE PARBOILING PLANT
SENATOR THE HONOURABLE PAULA GOPEE-SCOON,
MINISTER OF TRADE AND INDUSTRY

APRIL 9TH, 2021

SALUTATIONS

- Senator the Honourable Clarence Rambharat - Minister of Agriculture Lands and Fisheries
- Mr. Rudranath Indarsingh- Member of Parliament for Couva South
- Mr. Liaquat Ali- Chief Executive Officer- Trinidad Parboiled Limited
- Mr. Navin Dookeran- Chief Executive Officer- EXIMBANK Ltd.
- Dr. Mahindra Ramdeen- Chief Executive Officer- Trinidad and Tobago Manufacturers' Association
- Mr. Ashmeer Mohammed- Chairman- exporTT Ltd.
- Specially Invited Guests
- Members of the Media
- Ladies and Gentlemen

Good Afternoon

I am delighted to be here today for the sod-turning of this new rice parboiling facility. I am particularly encouraged by this investment in the Agricultural sector which will aid in building the country's food security, reducing the food import bill and diversifying the economy. I recognize Mr. Ali for undertaking this venture that will contribute to the development of the Rice industry and highlight the agricultural landscape in Trinidad and Tobago.

Today's event represents a small transformation in the way Trinidad and Tobago feeds itself. Food Security has traditionally been a major concern for small developing countries and this situation has been compounded by the COVID-19 Pandemic. In 2020, the World Bank recorded the most severe decline in global food security which has impacted vulnerable households in almost every country. This has forced many countries to be more strategic in the formulation and implementation of policies to achieve food security and reduce their dependence on imported food items.

The Pandemic has magnified the exposure of food importing countries to external shocks such as price increases, disruptions to supply chains, quality considerations, natural disasters and climate change. Fortunately for us, through strategic Government intervention and collaboration with the business community, particularly our manufacturers and food distribution network, there was always food on our shelves. We sustained no major shortages, or major delays and supply disruptions. The Pandemic has certainly reinforced the need for us to mitigate our dependence on imports, reduce our food import bill and increase agriculture production in a meaningful way.

Today's ceremony supports the Government's focus on boosting the Agriculture sector and dovetails with the Agriculture Stimulus Package (ASP) outlined in the Roadmap to Recovery Report.

Initiatives like these are also being discussed regionally. More recently, His Excellency, the Honourable Mohamed Irfaan Ali, President of Guyana presented a paper entitled: "*Advancing the CARICOM Agri-Food Systems Agenda - Prioritising Regional Food and Nutrition Security*" at the Thirty-Second Intersessional Meeting of CARICOM Heads of Government. The Paper was aimed at expanding agriculture in the Caribbean Region, building Regional Food Security and creating domestic and Regional value chains in the Agriculture sector. Trinidad and Tobago endorses these regional initiatives and today's ceremony is a testimony of this country's commitment.

Global Rice Production

Rice is a staple food for more than half the world's population, grown in over one hundred and twenty (120) countries. Global demand for rice and rice varieties continues to increase as consumers seek dietary alternatives.

Rice continues to be a primary staple of the Trinbagonian diet for over a century, to the point where we must import rice to meet local demand. In 2015, rice accounted for 10% of all food imports and by 2019 this increased to 13%.

National Flour Mills' Rice Mill

Imported parboiled rice is the most consumed type of rice in Trinidad and Tobago. It is noted that the National Flour Mills (NFM) Ltd. Rice Mill at Carlsen Field has no facilities to produce this type of rice. Approximately 95% of rice produced at Carlsen Field is used as input into animal feed with the Facility operating only at an estimated 15% capacity. Just about 5% of the Mill's output is sold on the retail market.

We appreciate this private sector intervention. It is expected that this new Rice Parboiling Plant will reverse the declining trend and breathe new life and prosperity into the local Rice industry. It will produce both parboiled and white rice and has a capacity of five (5) metric tonnes per hour. The facility will directly employ approximately seventy-five (75) persons while creating five hundred (500) to eight hundred (800) indirect jobs. The Plant will receive its feed stock from local rice farmers, which will be processed, milled and packaged for sale on the local and export markets. It is projected that within the first three (3) years of its operations, packaged rice from the Facility will reduce rice imports by approximately 30-40%- a significant reduction in foreign exchange requirements.

This is an opportune time as we are seeing greater efforts towards the revitalization of rice cultivation. Recently I joined the Moruga Hill Rice Multi-purpose Cooperative Society for the official launch of its Red Gold Moruga Hill Rice. The Moruga community continues to make strides in the rice industry with the production of its indigenous Hill Rice. I anticipate and encourage more farmers to get engage in rice production.

Measures to Reduce the Food Import Bill

Moruga Agro-processing and Light Industrial Park

The Government is resolute in reducing the country's unsustainable food import bill. We recognize the importance of investing in infrastructure and technology to expand the agricultural sector. In this vein, the **Moruga Agro-processing and Light Industrial Park** was developed. Officially commissioned on July 14, 2020 by the Honourable Prime Minister Dr. Keith Rowley, the Park is the first of its kind in Trinidad and Tobago.

The Park is targeted to expand local agro-processing and light manufacturing; to attract farmers and agro-processors in small and medium enterprises (SMEs) from Moruga and neighbouring communities. It is envisioned as a bustling and economically viable agrarian hub facilitating our food import substitution agenda. At present, three companies from the agriculture and agro-processing sectors have accepted Letters of Offer for three factory shells and land lots. This will redound to the boosting of our food security.

Promotion and Support of Domestic and Regional Supply Chains

Imported inputs into manufacturing are also significant contributing factors to the high food import bill. To address this challenge and curb the leakage of foreign exchange, the Ministry of Trade and Industry is exploring **import substitution** opportunities for the Manufacturing sector. This will involve collaborating

with stakeholders to identify local sources for raw materials and the design of a comprehensive database of the raw material needs of manufacturers.

At its completion, this database shall inform the development of appropriate strategies and policy initiatives to identify and match manufacturers with local and regional suppliers, as well as help manufacturers forge partnerships with other more affordable international raw material suppliers. To support this database, the MTI and Ministry of Agriculture, Land and Fisheries shall collaborate to design a platform for domestic and regional buyers, sellers and investors to conclude business deals in an effort to strengthen production linkages and create new value chains.

The National Export Booster Initiative

The Government is also determined to grow inflows of foreign exchange from the Non-energy sector. In order to become a self-sufficient, food secure nation, our agro-processors, farmers and manufacturing firms must become equipped to not only meet but surpass local demand. To achieve this, the MTI, TTMA and exporTT partnered to develop the Export Booster Initiative (EBI). The EBI aims to expand the manufacturing sector by doubling the export value of manufactured goods from TT\$2.7 billion in 2019 to TT\$5.4 billion by 2024. The Cabinet approved EBI is valued at TT\$50 million and consists of sixteen initiatives under three broad strategic areas namely:

1. Export Promotion (Accelerating Internationalization);
2. Capacity Building; and
3. Institutional Strengthening

Participating non-energy sector SMEs and manufacturing firms shall benefit from these initiatives as we progress towards developing the Manufacturing sector.

Conclusion

To be food secure means to be **empowered**. A food secure nation is not to be held at the mercy of unforeseen events and international disasters, such as last month's Suez Canal shipping mishap. This Government is working with alacrity to address the country's food security. But we cannot do this alone; private sector interventions, such as this, are a must. Today's ceremony is a clear manifestation of this. Greater private sector engagement and investment is needed to build a sustainable, economically sound and viable Agricultural sector that not only feeds us here in Trinidad and Tobago but the Region.

In closing, I congratulate Mr. Ali for undertaking this bold move to revitalize the rice Industry in Trinidad and Tobago through this Facility. This will not only move us closer to greater food security, but would contribute meaningfully to the generation of revenue and foreign exchange, as well lead to job creation.

I thank you.