



# Media Release

## RE-OPENING OF THE RETAIL SECTOR IN TRINIDAD AND TOBAGO ON MONDAY 16 AUGUST 2021

**August 11, 2021:-** The Ministry of Trade and Industry views with disappointment the statement made by the Confederation of Regional Business Chambers in the Guardian Newspaper on Tuesday 11 August 2021 that 6,000 businesses will remain permanently closed, and hence, will not be re-opening on Monday 16 August 2021. While the MTI maintains a cordial working relationship with the Confederation, it is deeply concerned about the reliability and credibility of the figure quoted and wishes to advise that this information cannot be substantiated by either the Ministry of Labour or the Central Statistical Office at this time. In addition, the MTI is yet to be furnished with a copy of the purported survey undertaken by the Confederation.

Notwithstanding the above, the MTI welcomes the re-opening of the Retail sector in Trinidad and Tobago on Monday 16 August 2021 and the expected further revitalization of the Trinidad and Tobago economy.

### Importance of the Retail Sector in T&T

The Retail Sector is a catalyst for economic activity in Trinidad and Tobago. According to the Central Statistical Office (CSO) as at 2019, the Sector comprised approximately 8,656 business establishments, contributing an estimated 13% or approximately TT\$20.3 billion annually to the country's Gross Domestic Product (GDP) and employs in excess of 78,000 persons. ***It is therefore unrealistic that 6,000 business entities in the retail sector will remain closed.***

The MTI recognizes the sacrifice that the private sector has had to make during the pandemic period in supporting the national efforts to combat the spread of Covid-19 thereby ensuring the health and safety of employees and customers and, by extension, citizens of Trinidad and Tobago. Undoubtedly, the business sector including retail, globally, has faced many economic challenges being unable to consistently operate in their normal capacity.

## Government's Approach to Business Sustainability

From the outset of the pandemic, the Government sought to maintain some degree of business operations within the retail sector by allowing discount stores, markets, supermarkets, fruit stalls or shops, vegetable stalls or shops, agricultural shops, bakeries and "parlours", pharmacies and hardwares to be opened. Additionally, energy, manufacturing and other sectors remained substantially opened.

Government also implemented a series of support measures for affected businesses and employees which was made available from April 2020 and which continues to date.

## Major Business Support Measures

- **SME Stimulus Loan Guarantee Programme**-The SME Stimulus Loan is a Government guaranteed loan for a maximum of five (5) years with a two (2) year moratorium on principal payments. The Government guarantees 75% of the loan and no payment is required by the customer for two (2) years. Eligible SMEs would be able to access between TT\$75,000 to TT\$325,000 based on their annual sales revenue to cover salaries, operational expenses and the purchase of raw materials. The loan has 0% interest. The Ministry of Finance is giving attention to terms of these arrangements.
- **The National Entrepreneurship Development Company (NEDCO) Grant Facility**- The GORTT has also introduced a Grant Facility for micro enterprises that generates less than TT \$1 million in **annual revenues**. The Facility is a grant, which allocates a maximum of TT \$20,000 to registered business owners. Repayment is not required.
- **Provision of "Soft" Loans via Credit Unions**
- **Tax Amnesty 2021**- Businesses and individuals can also enjoy the benefit of the Tax Amnesty 2021, which allows businesses and individuals to pay, back taxes without incurring penalties and interest on taxes owed.
- **VAT Refunds** – The Government also accelerated outstanding VAT refunds to businesses to assist their cash flow during the pandemic.
- **Increased Supply of Forex**– In order to address the financing constraints faced by manufacturers and importers in terms of the availability of foreign exchange to finance imports of basic food, essential items and inputs into the production process, the Government allocated approximately US\$400 million via the EXIMBANK Ltd.

## Other Business Support Measures

Other business support measures available to businesses, including the Retail sector by the Government include the following:

### *Ministry of Agriculture, Land and Fisheries*

- Agro-Incentive Grant
- Agricultural Incentive Programme

### *Ministry of Trade and Industry*

- Grant Fund Facility
- The Steelpan Manufacturing Grant Fund Facility

- The Research and Development Facility (RDF)
- Standard Implementations Grant Facility.
- Co-Financing Facility
- Manufacturing and Export Incentives

#### *Ministry of Tourism Culture and the Arts*

- Cultural Relief Grant
- Incentives: Tourism Development Act

It remains the responsibility for all commercial entities to seek to operate within the regulatory requirements for business in order to be able to access the myriad of grants and support measures available.

### **Capacity Building in E-Commerce**

The MTI also collaborated with various Micro, Small and Medium-sized Enterprises (MSMEs) in expanding their business models from traditional brick and mortar establishments to online, contactless operations. To this end, the Ministry hosted a series of webinars promoting the adoption and use of e-commerce by businesses in building a digital society. These webinars focused on a myriad of topical and relevant issues pertinent to businesses including:

- How to establish an online presence;
- How to market goods and services online;
- e-payment options; and
- Digital opportunities for MSMEs.

### **Vaccination Drive**

All economic sectors, including Manufacturing, Construction and Retail also partnered with the Ministry of Health and the Ministry of Trade and Industry to facilitate vaccination of employees. As a result of this collaborative effort, a substantial number of employees from the Retail sector have been vaccinated representing another milestone for the phased re-opening of the economy. In order to fully operationalize all businesses, owners, employees and their families are strongly urged to become vaccinated soonest. The Government has sourced a considerable volume of vaccines which are widely and freely available to the public.

### **The Way Forward**

The Government will continue to implement various measures targeted at the Retail sector as articulated in the Roadmap for Trinidad and Tobago: Transforming to a New Economy and a New Society. The MTI urges the all businesses to continue to follow the Public Health Regulations as they re-open for business and continue to innovate and expand the reach of their product offerings through the digital ecosystem.

The Government remains committed to strengthening existing relationships with all businesses to engender greater confidence as we work together to build a stronger, more resilient and sustainable economy. Together we are stronger.

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