

achievements

OCTOBER 2004 — SEPTEMBER 2005

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REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF TRADE
AND INDUSTRY

MISSION

To promote the international competitiveness of Trinidad & Tobago through the execution of effective trade, investment and industrial policies and programmes.

VISION

The premier institution positioning Trinidad & Tobago as the major manufacturing, transshipment and commercial platform in the Hemisphere.



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introduction

MTI'S FOCUS

The Ministry of Trade and Industry (MTI) has as its core responsibility, the promotion and development of trade activities, particularly, Manufacturing and Services exports, in addition to the development of Industry in Trinidad & Tobago. Over the past few years, the emphasis has been on the generation of sustainable, export-led growth and development.

At all times, MTI is guided by the policy directive:

To position Trinidad & Tobago as the major Manufacturing, Transshipment and Commercial platform in the region

In so doing, the Ministry is seeking to integrate Trinidad & Tobago into the wider Latin American economy and use that market as a platform to launch a more aggressive thrust into the wider global economy.

Critical to realising this vision is ensuring that local firms are up to the challenges of competing on a global scale. Thus, many of the Ministry's activities have been geared towards creating a facilitatory and supportive environment for business activities, based on trade liberalization, business expansion, industrial restructuring, and an expansion of the export capability of local firms.

As the international trade scenario evolves, this country is playing an increasingly important role in regional trade issues. This has made it imperative that MTI strengthen its operations, given that it is the frontline Ministry designated to lead our international trade negotiations, and implement effective trade and industrial policies. For this reason, the Ministry is currently involved in a major restructuring and institutional strengthening exercise, to enhance its performance in the delivery of services to stakeholders, and the nation at large.

This exercise involves a complete restructuring and rationalisation of the Ministry's divisions and departments, and the creation and implementation of a comprehensive Strategic Plan, which incorporates

elements of the Government's Vision 2020 Programme, and the re-branding of the Ministry's corporate image. It also incorporates a holistic approach to human resource development and training, preparing MTI staff to deal with the increasing demands on them, and encouraging them to improve and increase their skills, knowledge and attitude.

During 2003-2004, the Ministry continued to pursue its broad objectives, as follows:

- To upgrade, transform and diversify the economy with the Manufacturing and Services Sectors as the engines of growth;
- To develop a strong, resilient, outward-looking orientation to global markets;
- To develop new, sustainable and comprehensive links among stakeholders; and
- To become a dynamic and responsive institution supporting economic development.

The Ministry's work, therefore, was based on the achievement of its Mission and realisation of its Vision, and it pursued several strategies and initiatives aimed at achieving these objectives.

This Document is a report on the administration and activities of the Ministry of Trade and Industry (MTI) for the period **Fiscal October 2004 to September 2005**, submitted in accordance with *Section 66D of Act No. 29 of 1999*.

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SECTION ONE

**Transform Manufacturing
and Services**

SECTION TWO

**Outward Orientation to
Global Markets**

SECTION THREE

Stakeholder Links

SECTION FOUR

Institutional Restructuring

SECTION FIVE

Executive Agencies

SECTION ONE: Manufacturing and Services Upgrade, Transformation and Diversification

AIM: To ensure the survival of the competitive segments of the Manufacturing and Services sectors, while re-engineering non-competitive firms and industries, to take advantage of emerging global opportunities.

To achieve this the Ministry pursued the following strategies / initiatives:

- Aggressive promotion of domestic and inward investment;
- Pursuit of a trade assistance programme;
- Provision of adequate safeguards to ensure fair competition;
- Establishment and securing of a macroeconomic framework, which encourages competitiveness, productivity and sustainability;
- Development of Sector Plans for new industries

AGGRESSIVE PROMOTION OF DOMESTIC AND INWARD INVESTMENT

General Promotion of Investment

The Ministry continued to spearhead Trinidad & Tobago's investment promotion effort.

This country hosted the Fourth Annual Euromoney / Latin Finance Caribbean Investment Forum in May 2004, which was held for the first time in Trinidad & Tobago. It will also host the Fifth Annual Euromoney / Latin Finance Caribbean Investment Forum, in April 2005.

Approximately 580 regional and international senior executives attended the 4th Annual Euromoney /

Latin Finance Caribbean Forum, which was co-hosted by TIDCO, and received sponsorship support from a wide range of companies.

The theme of the event was *Investing For a Connected Future*, and topics covered included: Business Opportunities in the Spanish-speaking Caribbean; UK and Commonwealth Relations with the Caribbean; How Trinidad & Tobago Manages its Energy Resources; and Pricing Strategies for Caribbean Securities and Capital Markets.

Review of the Negative List

The Ministry of Trade and Industry concluded its comprehensive review of the Import and Export Negative List, in order to reduce/remove any administrative burden on the business community.

The First Phase of the exercise covered the restructuring of the system of licensing for the import of used motor vehicles (“roll-on roll-off”) and its replacement by a system which promotes the concept of dealerships, and provides a greater level of consumer protection.

The Second Phase sought to address the other items on the Negative List and ensure that mechanisms are implemented, which avoid bureaucratic impediments, while conforming to international and/or domestic regulations.

PURSUIT OF A TRADE ASSISTANCE PROGRAMME

One of the key components of the Trade Sector Reform Programme is the Trade Assistance Programme (TAP), which seeks to address both the weaknesses in the Manufacturing and Services sectors, and ensure competitiveness to exploit new markets in countries such as Cuba, the Dominican Republic and Costa Rica, where bilateral free trade agreements exist.

An Assessment of the Manufacturing Sector was undertaken to identify vulnerable sectors and industries, and to develop a programme of assistance for firms to assist in their resuscitation / reengineering / reinvention, to face the challenges created by globalisation and trade liberalisation.

PROVISION OF ADEQUATE SAFEGUARDS TO ENSURE FAIR COMPETITION

Legislative Reform

Trinidad & Tobago’s legal framework must be amended in order to facilitate the reduction of impediments to trade, and the free movement of goods and services under various trade agreements. During the period under review, the following legislative work was undertaken:

Anti-Dumping, Subsidies and Countervailing Measures

Amendments to Anti-Dumping legislation were prepared by the Chief Parliamentary Counsel, and is to be laid in Parliament.

Competition Policy

The Legislative Review Committee of Cabinet, in its review of the Draft Fair Trading Bill, recommended that it be assessed against the existing legislation governing sectors of the economy that would be affected by Competition Policy. In order to obtain the necessary information, the Fair Trading Unit completed consultations on the Draft Fair Trading Bill with the Regulated Industries Commission, Telecommunications Authority, Central Bank and Security and Exchange Commission, and incorporated their comments and recommendations. The Bill has been placed on the Parliamentary Agenda.

Safeguard Measures

Currently, the Ministry is reviewing Draft Safeguard legislation prepared by the Chief Parliamentary Counsel, which would address injury caused by a severe influx of imports.

Other Legislation

- The Metrology Bill was approved by both Houses of Parliament
- The Venture Capital Amendment Bill has been prepared and is now before the Senate
- The CARICOM / Costa Rica Free Trade Bill was prepared and forwarded to the Legislative Review Committee by the Chief Parliamentary Counsel

- Used-car legislation is in drafting stage

The Fair Trading Unit

With the increasing openness of the domestic economy, there is an urgent need to provide an environment, which facilitates fair competition. This requires both institutional and legislative reform as well as public education on the issues related to Anti Dumping, Safeguards and Competition Policy.

The Fair Trading Unit (FTU) is geared towards implementing trade remedies in order to eliminate incidences of unfair trade practices in Trinidad & Tobago.

During the period under review (October 2003 to September 2004), the Unit, functioning as the Anti-Dumping Authority, undertook and resolved several issues to reduce incidences of unfair trading practices in this country.

The key issues dealt with during the period under review include:

- Lead Acid Batteries originating from Thailand
- Air Condition Equipment originating from the People's Republic of China
- Sweetened and Unsweetened Biscuits from Venezuela; and
- Gliclazide Tablets originating from India.

The Fair Trading Unit made a final determination on December 30, 2003 and published as Legal Notice No. 22 dated February 12, 2004 in respect of lead acid batteries originating in Thailand. A dumping margin of 17% was found. However, based on all the considerations before the Minister, it was decided that it would not be in the public interest to impose an anti-dumping duty.

With respect to the investigation into the alleged dumping of air condition equipment originating in the People's Republic of China, a preliminary determination was made on December 30, 2003 and published as Legal Notice No.23 dated February 12, 2004. In the events that followed the preliminary determination, one importer sought a judicial review of the investigation and was granted in the Civil Court a stay of the imposition of provisional duties, which were in the amount of 41% for window units and 90% for mini split units. The members of the Unit continued to work with the Solicitor General's Department to represent the Authority in court.

The case brought by Bermudez Biscuit Company in 1998 against sweetened and unsweetened biscuits originating in Venezuela from Nabisco Royal Incorporated Venezuela is still pending in court.

In September 2002, Genethics Pharmaceutical Limited brought a complaint against IPCA Laboratories with regard to gliclazide tablets originating in India, which Genethics believed were being dumped on the local market. By March 2003, an investigation into

the matter was well underway, when the local importer filed for judicial review of the investigation. This matter is also still in court.

Attendance at Workshops/Conferences/Training Programmes

Three officers from the Unit attended a WTO workshop on Anti-Dumping and one officer attended UNCTAD XI. Mr. Mahindra Ramdeen, Anti-Dumping Investigator, was granted a partial scholarship by the OAS to complete a Masters Programme in International Trade Policy at the University of the West Indies, Cave Hill.

A SECURE MACROECONOMIC FRAMEWORK

One of the essential pre-requisites in becoming internationally competitive is the enhancement and expansion of the domestic industrial sector. MTI has sought to overhaul the entire framework for attracting investment, which is the lifeblood of industrial activity, and is formulating more appropriate industrial, trade and services policies, as an initial step in upgrading and expanding the non-oil manufacturing sector.

The ability of the industrial sector to maintain sustainable growth of its production capability is crucial to seizing the benefits available under the various trade deals.

The Wallerfield Project

The flagship project by the non-oil sector is the Wallerfield Technology Park, which will attempt to replicate the success of the energy sector, by developing a new range of high-tech products for global markets. This seeks to give Trinidad & Tobago a competitive edge in these markets.

The project encompasses four (4) zones of activity:

- A mixed Business Industrial Zone focussing on Technology and Software Development and Incubation Facilities
- A Manufacturing Zone concentrating on Light Manufacturing and Downstream Manufacturing from the Energy Sector
- A Knowledge-based Zone which will house the University of Trinidad & Tobago (UTT), together with on-line distance learning capabilities. The University of Trinidad & Tobago will provide synergies for industries on the Estate
- A Commercial and Service Zone

The Incubation Facilities will enable small businesses to start operations with minimal capital outlay, and will offer the latest technological advances, including Broadband Internet Access and Real Time Video Conferencing Facilities for the use of the UTT and general industry.

The Park will also house Engineering Technology, including:

- Optical and Microsystems Technology;
- Material Technology and Software Development;
- Light Manufacturing including Plastics, Electronic Devices and Petro-chemical Manufacturing; and
- Services including Industrial Maintenance, Logistics and Distribution, and Training and Human Resource Development.

During Fiscal year 2003/2004, under the management of E-Teck, significant infrastructure and design plans were put in place.

DEVELOPMENT OF SECTOR PLANS FOR NEW INDUSTRIES

The Standing Committee on Business Development, under the chairmanship of the Honourable Prime Minister, initiated sector development in seven (7) targeted sectors, under the coordination of sector development teams:

- Film
- Fish and Fish Processing
- Food and Beverage
- Merchant Marine
- Music and Entertainment
- Printing and Packaging
- Yachting

Developing an Outward- Looking and Resilient Orientation to Global Markets

AIMS

- * To enhance our trade policy objective*
- * To intensify access for goods and services in non-traditional markets*
- * To further exploit current preferential access in North America and Europe*
- * To develop further markets in South America.*

To fulfil this objective, Trinidad & Tobago would need to create “world class” enterprises capable of competing with the best in the world, and at the same time making use of the market access created by the preferential access and the trade agreements already in place or under negotiation. The Ministry identified the following key strategies:

- The re-engineering of domestic enterprises to respond to global challenges;
- The exploitation of market access opportunities;
- The development of new export markets;
- The development of an efficient system of air and sea links; and
- The creation of a bilingual society to foster linkages with Latin America.

RE-ENGINEERING DOMESTIC ENTERPRISES TO RESPOND TO GLOBAL CHALLENGES

The Services Sector

One of the key areas selected for development is the Service Sector. In this regard, the CARICOM Council for Trade and Economic Development (COTED) has prompted the formation of National Coalitions of Services Industries in each Member State, and a Regional Coalition of Service Industries to link these national coalitions together.

MTI commenced work to bring about the setting up of a National Coalition of Services Industries. When established, the National Coalition will be the umbrella body and collective voice of all service providers in matters pertaining to Services Trade and Services Sector development.

In September 2004, the Ministry hosted a consultation with services sector players, with a view to obtaining buy-in and consensus on the establishment of a National Coalition of Services Industries. One of the major recommendations from this consultation was the creation of a Task Force, which is responsible for the establishment of the National Coalition.

Institutional / Legislative Reform / Support Programmes

MTI has devised a network of essential support programmes designed to enhance the development of human resource skills, as well as overhaul the existing institutional and legislative framework to improve the development and competitiveness of local and regional firms, and speed our ability to conduct business / trade deals, and seize market opportunities in new and existing markets.

These include:

- Development of targeted industrial sectors
- CARICOM Trade Support Programme

- Development of Spanish as the First Foreign Language of Trinidad & Tobago
- Air Route Development Programme

These programmes will be supplemented by two main initiatives. Firstly, a comprehensive review of existing export promotion institutions, in conjunction with the formulation of an export strategy for Trinidad & Tobago, are to be undertaken. This is to ensure that this country can boost its export performance with existing markets and fully exploit new markets to which access is being negotiated.

Secondly, it is proposed that this country establish a Trade Facilitation Company in Cuba to promote trade and investment activities between the two countries. Government will have majority ownership, and the Company will be managed by a Board of Directors comprising representatives of the Ministry of Trade and Industry; The Trinidad & Tobago Manufacturer's Association (TTMA); TIDCO; the Export/Import Bank of Trinidad & Tobago (EXIMBANK) and the Trinidad & Tobago Chamber of Industry and Commerce. As part of its facilitation activities, the Company will be authorised to seek licenses to import and export all tradable goods. The Company will be self sustaining, by charging fees for its services.

THE EXPLOITATION OF MARKET ACCESS OPPORTUNITIES

At the heart of the thrust for increased market access and penetration of opportunities is Government's commitment to the principles of trade liberalisation, as well as the long-term goal of establishing a fair, equitable and market oriented trading system. Accordingly, Trinidad & Tobago has been participating actively in multilateral, hemispheric, regional and bilateral negotiations, to maximise the potential benefits of globalisation in the context of special and differential treatment that may be attributed to small developing countries such as ours.

In keeping with these initiatives, the Ministry has been spearheading this country's participation in the following negotiating theatres:

- World Trade Organisation (WTO)
- European Union / African, Caribbean and Pacific States (Cotonou)
- Free Trade Area of the Americas (FTAA)
- Bilateral Trade Agreements
- Association of Caribbean States (ACS)
- CSME

The rationale behind our participation in these negotiations remains that of creating market space for local exporters.

World Trade Organization (WTO)

In January 2004, Trinidad & Tobago assumed responsibility for coordinating the African Caribbean Pacific (ACP) Group. This Group comprises 78 countries, out of a WTO Membership of 146, with overlapping membership in the African Union and the Least Developed Countries (LDCs). Moreover, the Ministry of Trade and Industry played a leading role in this initiative providing invaluable technical assistance and guidance, through the presence of its officer based in Geneva. This allowed Trinidad & Tobago to table negotiating proposals in Geneva on behalf of the ACP Group, within the following areas:

- Special and Differential Treatment and Outstanding Implementation Issues;
- Non-Agricultural Market Access;
- Regional Trading Agreements.

The Ministry of Trade and Industry, and by extension Trinidad & Tobago, also played a leading role in determining the major elements of a negotiating platform for the ACP, African Union and LDCs (the G-90) on the Doha Work Programme of the WTO.

The July Package

One of the outcomes of a joint ACP and G-90 Ministerial Meeting held from 9-13 July 2004 in Mauritius, was the creation of this negotiating platform which largely instructed the approach of the G-90 to

the intensive deliberations, and led to the securing of a Modalities Framework on August 1st 2004 — the *July Package*.

This country (through its Geneva Mission and MTI) has been the major voice of this diverse Group in the Geneva process, enunciating the issues which are central to developing countries; crafting fundamental negotiating positions; as well as assisting in the navigation of the underpinning political dynamics.

MTI continued to advocate that the multilateral trade talks must take into account, fully, the principles of Special and Differential Treatment (S&D) and Less than Full Reciprocity for developing countries and LDCs. In doing so, the Ministry managed to forge numerous strategic alliances, upon which more substantive broad-based relationships would be constructed in the future.

The Ministry also played a significant role in ensuring that the needs and interests of Trinidad & Tobago, CARICOM countries, and the wider ACP were meaningfully addressed. Essential here was the inclusion of measures and provisions that would provide our economies with the adequate policy space, and flexibility in policy intervention, to allow trade to become a key driver of economic growth and sustainable development for regional economies.

Through its role in the Coordination of the Geneva ACP the Ministry articulated the key policy instruments and issues of interest to Trinidad & Tobago, which needed to be, and were eventually, incorpo-

rated into the Framework. When cast against the importance of this country's commitment to rules-based international trade, this represents a significant achievement on the part of the country in general, and the Ministry of Trade and Industry in particular.

Moreover, the *July Package* foreshadows, inter alia, the following:

- Developing countries would have to make lesser cuts in tariffs, and LDCs would be exempted from further tariff reductions.
- Developing countries would be able to safeguard their food security, livelihood security and rural development, through their ability now, to designate some of their agricultural products as Special Products.
- The development of a Special Safeguard Mechanism for use by developing countries in order to protect their sensitive sectors from import surges.
- In the area of Agriculture, State Trading Enterprises which play an important role in maintaining consumer price stability and food security in developing countries such as Trinidad & Tobago, could maintain monopoly status.
- All developing countries would be accorded more lenient treatment in the phasing of their export subsidies. Some could continue to provide product specific support to their farmers, collectively totaling 10% of the value of their basic agricultural production. This would provide the policy room needed not only to restructure and support,

but ensure the competitiveness of the domestic agricultural sector.

- In the area of Market Access for Industrial Products, the following issues are to be further clarified during the current technical phase of the negotiations in Geneva.
 - (i) the formula to be employed in cutting industrial tariffs;
 - (ii) flexibilities to be provided to developing countries;
 - (iii) the elimination of tariff in certain industrial sectors;
 - (iv) preference erosion; and
 - (v) the treatment of unbound tariffs.

This would provide additional comfort to Trinidad and Tobago that any new trade rules in this area would not dampen the domestic industrialisation and upgrading processes, but rather would complement the development path that this government has chosen.

- Non-Tariff Barriers (NTBs), which affect developing countries would be addressed in a systemic manner.
- Services negotiations would seek to provide effective market access, particularly in sectors and modes of supply of export interest to developing countries.
- The explicit consideration of the development, financial and trade needs as well as capacity constraints of developing countries are to be taken on board, during the conduct of negotiations on Trade Facilitation. These negotiations are geared at improving the customs rules and expedite the movement, release and clearance of goods, including goods in transit. This is consistent with

the fundamental facets of our customs reform initiatives.

Generally, the Ministry's intimate involvement in the multilateral trade negotiations during Fiscal 2003/2004 facilitated efforts to reconcile domestic trade policy with existing multilateral commitments as well as possible rules, measures and provisions that may be enshrined in future agreements.

European Union and the African, Caribbean and Pacific EPA Negotiations

In September 2002, the African Caribbean and Pacific (ACP) States formally started negotiations for economic partnership agreements (EPAs) with the European Union (EU).

During the First Phase negotiations focused on defining the elements of the text of the agreements, namely the objectives, principles and cross-cutting issues of common interest, as well as on common mechanisms.

The Second Phase was launched on 16 April 2004 for the Caribbean region. At present, the negotiations are being conducted via regional configurations, namely EU/CARIFORUM, EU/Pacific, etc. Both CARICOM and the EU agreed to the role and functions of a joint Regional Preparatory Task Force (RPTF), to provide the necessary expertise for activating the integration of CARIFORUM States. They also agreed to a future schedule of negotiations encompassing four stages that will guide interchange

between the two sides, from the period April 2004 to December 2007:

STAGE	TIME PERIOD	ACTIVITY
Initial Stage	April 2004 to September 2004	Establishing the priorities of EPA Negotiations
Second Stage	September 2004 to September 2005	Convergence on a strategic approach to CARIFORUM regional integration
Third Stage	September 2005 to December 2006	Structuring and consolidating of EPA negotiations
Final Stage	January 2007 to December 2007	Finalisation

The overarching objective of the CARIFORUM Group is to negotiate an economically viable, socially acceptable and sustainable economic and trade cooperation agreement, within the framework of the Cotonou Agreement (the successor to Lomé IV). Moreover the Caribbean will seek to ensure that the legal obligations and political commitments enshrined in the Articles of the Cotonou Agreement are upheld during the EPA negotiations.

Negotiating Approach

Trinidad & Tobago joined its CARICOM partners in defining a three-tiered approach to the negotiations: namely ministerial, principal negotiator and specific level negotiators. CARIFORUM has appointed Minister Billie Miller of Barbados, as its lead Ministerial spokesperson. A Ministerial Troika comprising rep-

resentatives from the Dominican Republic, St. Lucia and Belize has been designated to assist the Lead Ministerial Spokesperson in the conduct of negotiations. The Director-General of the Regional Negotiating Machinery has been appointed CARICOM Principal Negotiator. At the technical level, negotiations will be conducted by members of the EPA College of Negotiators.

Benefits of the EPA

Among the benefits to be derived from this Agreement would be increased market access, not only to the original 15 Member States of the European Union, but also to the 10 countries which recently joined, and the many others “waiting in the wings” to be part of the European Union.

EPA Capacity Building Support Project

Under the arrangement, Trinidad & Tobago has been the beneficiary of a *Capacity Building Support Project* valued at 150,000 EUROS, which is being funded by the Project Management Unit established by the ACP Secretariat and the European Commission. The expected deliverables from this project include:

- A technical study to assess and analyse the economic, fiscal and social effects of an EPA between the EU and Trinidad & Tobago
- Two workshops aimed at information sharing and creating awareness among stakeholders

A consultant was engaged at the end of *Fiscal Year*

2003/2004, and activities under this project will be undertaken in *Fiscal Year 2004/2005*.

Free Trade Area of the Americas (FTAA)

Trinidad & Tobago's overall aim for participation in the FTAA is to preserve existing preferential benefits enshrined in the one-way duty free agreement currently existing under the CBI and its various enhancements with the United States, and that with Canada under CARIBCAN.

This country is also seeking Special and Differential Treatment, including the placement of a large number of our competitive products for tariff reduction in the basket for reduction for longer than 10 years, as well as a selective list of sensitive products for exemption from tariff reduction. In addition, the belief is that the FTAA can serve as a beacon to increase FDI flows (with their access to capital, technology and know-how) into the local economy.

During their Eighth Meeting in November 2003 in Miami, USA, FTAA Ministers agreed to revisit the scope and structure of the FTAA negotiations. This decision represented the culmination of several months of impasse in the negotiations, which had prompted a technical and political review of the process.

The main outcome of this meeting was the development of an approach that would have the FTAA negotiations proceed along a two-tier track. This would require that all thirty-four (34) FTAA countries

share a common and balanced set of rights and obligations in each of the existing negotiating disciplines (Tier I). It would also provide for countries wishing to accede to a higher level of obligations to proceed along a plurilateral track (Tier II).

The compromise reached in Miami, despite being a pragmatic one, postponed resolution of the fundamental technical problems, which led to negotiations being 'recessed' in February 2004. The end of *Fiscal Year 2003/2004* saw the process still in 'recess'.

Areas under Dispute

Despite extensive discussions since the Miami Ministerial Meeting, no consensus was reached in providing the necessary guidance and instructions, which were called for in the Declaration of the Miami Ministerial. The main area of disagreement continues to be the differing perspectives of delegations on the problematic issues of agricultural export subsidies and domestic support. On the one hand, the MERCOSUR countries (led by Brazil and Argentina) continue to insist that the basic agreement should include disciplines on domestic support and elimination of export subsidies.

On the other hand, the United States, as a member of a coalition of 14 countries (including Canada, Chile, Central America, the Dominican Republic, and Mexico) proposes a more limited approach, which excludes hemispheric disciplines on domestic support.

Areas of Consensus

Notwithstanding the difficulties in other disciplines, there was emerging consensus in the negotiations with respect to the scope of other negotiating areas such as: Investment, Services, Government Procurement and Dispute Settlement.

For example, the Services negotiations agreed to adopt modalities from the General Agreement on Trade in Services (GATS). In Government Procurement, the negotiations would be limited to transparency, although there is disagreement about the scope of procedures related to transparency, and the application of dispute settlement procedures to the agreement. Similarly, under Intellectual Property Rights, there is an emerging consensus to limit the negotiations to implementation of the WTO TRIPs Agreement.

The divergence of views among delegations led to general acceptance that the FTAA deadline of January 2005 would have to be extended by at least one year. However, all FTAA members remain committed at the highest political levels to the negotiation of a hemispheric trade agreement that is mutually beneficial to all countries.

Achievements despite the Impasse

The slowdown in the FTAA negotiations has provided the Ministry of Trade and Industry with an opportunity to focus on building a network of free trade pacts with the Latin American countries, with key achievements in this regard being the conclusion of bilateral trade agreements between CARICOM

and Costa Rica, and the initiation of discussions with Canada, as well as with MERCOSUR.

The Ministry of Trade and Industry also remained active in completing outstanding technical work in anticipation of a resumption of the negotiations. During the period under review, MTI continued to implement its Comprehensive Public Awareness Program on the FTAA, utilising various mechanisms:

- Advertisements in local newspapers;
- Production of collateral publications; and
- Hosting of, and participation in, breakfast meetings and seminars with the media.

CARICOM Bid for Port-of-Spain to be the FTAA Secretariat Headquarters

CARICOM intensified lobbying efforts to have Port-of-Spain, Trinidad & Tobago, selected as the site for the Permanent Secretariat of the FTAA. This country has teamed up with its CARICOM partners to organise lobbying missions in this regard, with the result that it is now in an advantageous position to win the bid.

By the end of Fiscal 2003/2004, fourteen (14) CARICOM countries and three (3) Latin America countries — Costa Rica, Peru and Venezuela — had indicated their formal support for the bid.

Expansion through Bilateral Trade Agreements

The Ministry of Trade and Industry has recognized the urgent need to broaden the market opportunities in Latin America and the wider Caribbean for our manufacturers and service providers. This has been seen as a means of expanding production, achieving economies of scale as well as improving local productivity and efficiency.

In bilateral negotiations, Trinidad & Tobago negotiates as a group with its CARICOM partners, consistent with the provision of the Revised Treaty of Chaguaramas. This country has been designated to lead CARICOM's bilateral negotiations.

After prolonged deliberations, negotiations for the CARICOM / Costa Rica Free Trade Agreement were successfully completed, and the Agreement was signed in March 2004. With efforts driven by the Ministry of Trade and Industry, CARICOM Heads approved the CARICOM / Costa Rica Free Trade Agreement — subject to a few modifications — at the Twenty-Fourth Meeting of the Conference of Heads of Government, in July 2004.

In response to developments in hemispheric trade negotiations during the period under review, Trinidad & Tobago encouraged CARICOM to consider a range of strategic options available to small developing countries.

- Involvement of Central America in a Free Trade Agreement with CARICOM. The expansion of the recently concluded arrangement with Costa

Rica to allow accession by Central American countries is being seen as a likely approach;

- Negotiation of a trade agreement CARICOM/ Canada before the conclusion of the FTAA negotiations and or before the expiry of the CARIB-CAN waiver, whichever comes first;
- Negotiating a CARICOM / MERCOSUR Trade Agreement, beginning with a Ministerial interface between CARICOM and MERCOSUR to clarify issues and concerns relating to CARICOM-MERCOSUR trade, in order to facilitate a definitive position by the region on the approach by MERCOSUR.
- Negotiating a CARICOM/ USA Free Trade Agreement;
- Placing immediate priority on the completion of unfinished business in existing negotiated arrangements.

CSME — CARICOM Single Market and Economy

Trinidad & Tobago can no longer divorce its activities in the single market and economy of CARICOM from the activities it undertakes in external markets. The CSME seeks to provide an environment whereby the regional barriers to trade are removed, and there is the free movement of regional services, goods, capital and human resources.

It is the CARICOM market which has provided many opportunities for local manufacturers and service providers to grow and benefit from economies of scale, to compete effectively in the external markets.

In addition, participation in the CSME provides that important launching pad for breaking into the bigger markets of Central and South America., as well as those of developed countries.

CARICOM Member States, including Trinidad & Tobago, have embarked upon instituting the necessary legislative and administrative reforms for removing barriers to entry of people, goods and services.

This country has met all its obligations with respect to removing those restrictions that hinder the free movement of regional services, goods and capital and human resources.

CARICOM Council of Trade and Economic Development (COTED)

The Sixteenth and Seventeenth Meetings of the Council for Trade and Economic Development were held in Belize City from March 1-5, 2004 and Port of Spain, June 14 – 17, 2004, respectively.

16th Meeting of the COTED

Trade in Goods

Issues of importance to Trinidad & Tobago which were addressed included:

- Omissions from the HS 2002 relating to Paper Cut to Size, and Glass Bottles;
- Suspension of the Common External Tariff (CET) on Pharmaceutical Products;

- Derogation of the CET on Lead Acid Batteries;
- Recommendations from the Customs Committee on the treatment of Smirnoff Ice;
- Amendment to the CARICOM Rules of Origin for Products of Tariff Headings 33.03, 33.07 and 33.08, manufactured using Propellant (Aerosol Products).

CSME

Trinidad & Tobago and seven other Member States — Antigua & Barbuda, Grenada, Guyana, Jamaica, St. Lucia, St. Vincent & the Grenadines, Suriname — have ratified the Revised Treaty. However, only Barbados and Suriname have begun the process of enacting it into domestic legislation.

Free Movement of Peoples

Almost all Member States had met the August 1st, 2003 deadline for achieving free movement of all five categories of persons across the Region, namely university graduates, musicians, artistes, sports persons and media workers.

Government Procurement et al

It was agreed that in the context of the urgency of FTAA negotiations, that the completion of the regional policy and legal framework for Government Procurement, E-Commerce and Free Trade should be accelerated.

Trade in Cement

In response to Member States complaints of a shortage of supply, Trinidad Cement Limited submitted the following assurances:

- No stock outs in 2004 with the implementation of bagging terminals in Suriname and Guyana, and the significant expansion in Jamaica and Trinidad over the next three years to face FTAA competition.
- No abuse of dominant power.
- Prices will stay competitive and expansion plans will bring additional benefits to the Region.

COTED also encouraged Member States and regional suppliers to engage in discussions at the earliest opportunity in order to address the concerns related primarily to marketing and distribution.

Common External Tariff

Trinidad and Tobago and nine Member States — Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Lucia, St. Vincent and the Grenadines, and Suriname — have implemented the final phase of the programme for the phased reduction of the CET. St. Kitts & Nevis indicated that a review was being undertaken of the taxation system, and no date could be given for the implementation of the final phase in that country.

Standards

CROS-Q's regional projects and programmes and its budget for 2004/2005 were approved. COTED also declared the Specification for Carbonated Beverages as a mandatory CARICOM Standard as of April 2004, subject to the consultations of Grenada, St. Vincent & the Grenadines and Trinidad & Tobago.

Sustainable Development

The CARICOM Secretariat was asked to continue efforts to design an arrangement to improve coordination in the Caribbean, of the Barbados Plan of Action (BPOA) and its implementation specifically, and sustainable development planning and management in general. The process and the strategy for preparation for the Mauritius Meeting were also accepted, and Member States were urged to submit their National Assessment Reports as to facilitate the finalisation of the draft Caribbean Regional Position.

WTO Issues

COTED urged maximum participation at the proposed high level meeting of the General Council and a WTO mini-Ministerial carded for May 2004, in Geneva and Paris, respectively. CARICOM countries, as members of the G90, were advised to take the initiative to prepare and present proposals on the Agriculture, Market Access, Special and Differential Treatment and Singapore issues, as part of the G90 platform

FTAA Issues

The CRNM presented the two-tier approach to the FTAA highlighting the general principles of the common tier and the procedures agreed to for the plurilateral tier. COTED endorsed the proposals tabled by CARICOM during the 17th TNC of the FTAA, on the scope of the common tier and the procedures for plurilateral negotiations.

The COTED agreed that strategically, CARICOM should explore involvement in plurilateral negotia-

tions in key areas of interest to the Region, in order to influence the process and ensure that the plurilateral agreements did not undermine concessions gained for smaller economies in the common tier.

17th Meeting of the COTED

General Matters

The meeting focused primarily on issues relating to agriculture, as well as a range of issues pertinent to the growth and development of the region. These included trade in goods, services, standards, establishment of the CARICOM Single Market and Economy (CSME), External Trade Relations, Sustainable development, and Transportation.

Member states were informed that Barbados and Dominica had not completed the ratification process for the Revised Treaty of Chaguaramas. In addition, Barbados and Suriname were yet to complete the process of enactment of the Revised Treaty into domestic law.

South-South Cooperation Programme

The *South-South Cooperation Programme* is managed by a unit of the United Nations Development Programme (UNDP), and focuses technical assistance to developing countries. It generally covers a very wide range of collaboration among developing countries, being generally perceived to have three dimensions: political, economic and technical. Priority areas are: trade and investment, debt, the environment, poverty alleviation, production and em-

ployment, and macroeconomic policy coordination, as well as education, health, the transfer of technology and rural development.

At the 17th COTED, Belize, Guyana and St Vincent & the Grenadines reported their signing of the South-South Cooperation Programme agreement. (Trinidad & Tobago signed onto the Programme by the end of June 2004.) Of key importance to Member States was the issue of the Food Security Project, and the subsequent additional support from the FAO to facilitate the implementation of the Programme.

Brewing Industry

The Caribbean Brewery Association (CBA) reported on its efforts to secure funding for a programme that would, among other things, assess the competitiveness of the CARICOM brewing industry. The CBA's recommendation for a mandatory container deposit refund system was deferred to a future meeting of the COTED.

Common External Tariff (CET)

Of interest to Trinidad & Tobago was the fact that Belize had suspended the CET rate on a range of items including baby disposable diapers. That country was in the process of developing a Plan of Action to reinsert the requisite CET rates on the items identified in the Duty Amendment Act No. 1 of 2004.

In addition, Belize was asked to correct the CET on pampers as a matter of urgency, and to advise the CARICOM Secretariat on the proposed date for effecting the necessary corrections to the CET rates.

In order to ensure that the regime for granting of suspensions to the CET is supportive of regional production, the CARICOM Secretariat was asked to design a mechanism to do such, before commencement of the 2004 cycle of Red Kidney Beans waivers.

Association of Caribbean States (ACS)

The Association of Caribbean States (ACS) was created 10 years ago with the aim of promoting consultation, cooperation and concerted action among all the countries of the Caribbean. Article III of the Convention Establishing the ACS, states that:

“the Association shall promote gradually and progressively among its members, economic integration including the liberalisation of trade, investment, transportation and other related areas.”

In April of 2004, Minister of Trade and Industry of Trinidad & Tobago, the Honourable Kenneth Valley was appointed Chair of the Special Committee on Trade Development and External Economic Relations of the ACS. As Chairman, the Minister worked with all ACS Member States to ensure that its work program remains ambitious, achievable and meaningful. During the period under review, the following were achieved:

- Talks among countries in the ACS commenced with a view to formulating a common definition of rum for its members in the FTAA

- Cuba hosted the ACS' Fourth Business Forum
- Work began on the Inventory and Comparative Matrix of Investment Agreements existing between ACS Member and Associate-Member States
- Officials and personnel from ACS Member States received training in international trade negotiations
- Several studies were undertaken in a bid to aid an understanding of technical issues, and the possibility of establishing an agreement on reciprocal protection for investments in the ACS

Virtual Market Place for the Greater Caribbean Region

During the period under review, work began on setting up a *Virtual Market Place for the Greater Caribbean Region*. This involves creating a website to market the goods and services of companies which belong to the ACS.

The Virtual Market Place can provide significant benefits for businesses in ACS Member States, chief among which is that it will provide a platform for increased trade in the goods and services of the Greater Caribbean.

This web site will function as a forum for conducting business and for seeking new opportunities, particularly for small and medium sized enterprises. It will be a source of employment because of the possibilities it offers for creating business on the Internet. The Virtual Market Place also has the potential to enhance the marketing capacity for small and me-

dium sized business, and instill greater competitiveness with larger businesses. It will also provide unlimited strategic management information to Governments and regional authorities.

DEVELOPMENT OF NEW EXPORT MARKETS

Trade Promotion Missions

It is essential that steps be undertaken to ensure that on one hand, the markets to which this country has access are sustained; and on the other hand, that Trinidad & Tobago makes full use of the new opportunities being negotiated.

In this regard, activities such as market intelligence gathering and trade promotion have been a critical aspect of our market expansion thrust.

In order to follow-up on our market access initiatives, MTI, in conjunction with TIDCO and the TTMA, organised Trade Missions to Costa Rica (in March 2004), Suriname (in June 2004), and St. Lucia (in September 2004).

COSTA RICA

Each participating company had at least ten (10) meetings with business partners. The Seminar *Doing Business in Trinidad & Tobago*, attracted 35 high level business persons. The Costa Rican Mission generated a total of US\$440,000 in initial deals for T&T exporters.

SURINAME

25 local firms participated in the Mission, which resulted in confirmed orders of over US\$420,000. Over 45 meetings were held between T&T manufacturers and Surinamese importers.

SAINT LUCIA

The Chamber of Commerce was commissioned to provide matchmaking services for the Trade and Investment Mission from Trinidad & Tobago. The visit was successful, with several business orders being generated.

DEVELOPMENT OF EFFICIENT AIR AND SEA LINKS

Air Route Development Program

In keeping with the thrust to make Piarco International Airport an international air traffic hub, and to effectively link the flow of goods and services and passengers to our market access initiatives, BWIA commenced flights to Costa Rica, Cuba and the Dominican Republic, under the third leg of Phase-1 of the Air Route Development Programme.

The inaugural flight to the Dominican Republic took place in January 2004. It is now established as part of BWIA's Latin America Package.

Promoting Trinidad & Tobago as a Transshipment Hub

Transforming the Ports of Trinidad (Port of Spain and Point Lisas) into a Transshipment Hub is one key component of Government's thrust to make this country a major business, commercial and transport centre in the Western Hemisphere. This initiative will also facilitate the speedy flow of goods and services to the growing number of third-country markets, with which we have negotiated market access treaties.

As Trinidad & Tobago experiences more of the benefits of trade liberalisation, and its economy diversifies and enjoys more buoyant activity, the increases in trade flows are providing many challenges to existing port infrastructure. Both the Shipping Association of Trinidad and Tobago and the Trinidad and Tobago Manufacturers' Association (TTMA) have identified some of the difficulties they have been experiencing while doing business at the Ports, the most critical being cargo congestion, and delays in obtaining clearance from Customs.

Minister of Trade and Industry, the Honourable Kenneth Valley, met with representatives of the Shipping Association of Trinidad & Tobago in August 2004. Subsequently, a Committee was appointed to ascertain the status of the local shipping / transshipment industry, with the aim of developing a

plan to address short-term challenges, as well as to make recommendations for the development of the industry in the long term.

Over a one-month period, the Ministry's team held a series of discussions with key stakeholders namely, Port Authority of Trinidad & Tobago (PATT), Shipping Association of Trinidad & Tobago, Seamen and Waterfront Workers Trade Union (SWWTU), Customs and Excise Division, Trinidad & Tobago Manufacturers' Association, and Point Lisas Industrial Port Development Company.

The Challenges

The two major findings of the Committee were the problems of deficiencies of equipment at the Port of Port of Spain. Some of the equipment is obsolete and needs immediate replacement. In addition, concerning the issue of port infrastructure, the Committee found that there were severe space constraints in terms of berthing space and storage capacity.

Recommendations of the Committee

The Committee has recommended a series of short-term measures to deal with the existing problem of port congestion while future plans are put in place to enhance the port's capability as a transshipment centre. These will cost an estimated TT\$249.7 million to implement. These include:

- (i) Relocation of Sheds 9 and 10 and Construction of facilities at Invader's Bay
- (ii) The purchase of additional equipment
- (iii) Reclamation of land and deepening of the harbour

(iv) Stakeholder consultations
 (v) Effective and comprehensive maintenance
 The Report of the Committee has been forwarded to the Ministry of Works and Transport.

CREATION OF A BILINGUAL SOCIETY TO FOSTER LINKAGES WITH LATIN AMERICA

Spanish as a First Foreign Language

As part of the thrust to integrate the local economy into the wider Latin American region, Government has embarked on an initiative to introduce Spanish as a First Foreign Language (SAFFL) of Trinidad & Tobago, thereby enhancing our capability to communicate effectively with our trading partners. The reality is that 18 of the 34 countries participating in the FTAA are Spanish-speaking.

The Ministry established its Secretariat for the Implementation of Spanish as the implementation-arm of the Standing Committee for making Spanish the First Foreign Language of Trinidad & Tobago. The Standing Committee comprises representatives from several Government ministries, and the leading educational institutions, such as UWI, COSTATT, and NIHERST.

The SIS is responsible for managing this initiative on behalf of the Standing Committee, and making the following goals a reality:

- To establish Spanish as the First Foreign Language of Trinidad & Tobago.
- To facilitate the development of a new learning environment through which specific sectors of Trinidad & Tobago society can learn and adopt Spanish as the First Foreign Language by the year 2020.
- Ensure that there is a clear understanding and appreciation of the cultures to which our society will be exposed.
- Ensure public support for and participation in the initiative of speaking Spanish as the First Foreign Language.

The aim is to immerse the populace into the Spanish language, starting with the education system. As such, the SIS, in conjunction with various ministries and agencies, will facilitate several initiatives, including the introduction of Spanish at all educational levels; training programmes for the business sector; Spanish / English signage on all public buildings; training of public officers in Spanish Language skills; and Spanish Language programmes for the general public.

In-house Spanish Language Program

Again, as part of the development of a strong, resilient, orientation to global markets, the Ministry initiated its own Spanish Language Initiative with an in-house programme — introducing all levels of staff to Spanish Language Training.

Sustainable Stakeholder Links

AIM : To develop a better coordinated, and stronger working relationship with the private sector, in order to keep up with the rapid changes and secure this country's best interests in international trade negotiations.

The pace of trade negotiation has quickened in recent years. The Ministry recognised that a key element in the trade adjustment exercise is the capacity of our society to comprehend all the implications of the new trading environment.

This requires a greater level of integration between the public and private sectors in policy formulation, implementation, monitoring and review, to ensure that the public sector policies are relevant, appropriate, and flexible, and informed by the needs of the private sector. It also implies a need for increased collaboration and feedback among the various stakeholders to create the appropriate environment for economic growth and development.

In this regard the following strategies were pursued:

- The development of outreach programmes to civil society and the national community; and
- The development and maintenance of a positive corporate image.

To this end, the Ministry of Trade and Industry hosted meetings with the commercial, industrial and other business interests to examine some of these implications. It is the intention, at a later stage, to engage other members of society including trade unions, Non Governmental Organisations and civil society, generally.

OUTREACH PROGRAMMES TO CIVIL SOCIETY AND THE NATIONAL COMMUNITY

Relationships with Stakeholders

To secure this country's best interests in international trade negotiations, the Ministry of Trade and Industry has sought to develop sustainable links with its business stakeholders and civil society.

The Ministry actively solicits feedback and encourages collaboration with stakeholders, to ensure a greater level of integration between the public and private sectors in policy formulation, implementation, monitoring and review. In this way, MTI strives to ensure that policies are relevant, appropriate and flexible, and address the needs of local commercial, industrial and business interests.

MTI, in its role as official Secretariat for the Prime Minister's Standing Committee on Business Development, regularly hosted public consultations with stakeholders, as it seeks to chart comprehensive strategic directions for several targeted industries, identified as the new engines for economic growth and sustainable development for Trinidad & Tobago.

Institutional Strengthening

AIM: To pursue a planned programme of business re-engineering and restructuring, which would enable MTI to deal with the challenges of the changing international business environment, and fulfil its Mission and Vision.

The Ministry of Trade and Industry and its supporting agencies must restructure their organisations, in light of the changing business environment. This is to ensure that these organisations can meet the needs of their clients, especially the future industrial / service clientele, that they are flexible and can respond rapidly to the changing environment, and that they are familiar with the new rules of the international trade and development.

THE TRADE SECTOR SUPPORT PROGRAM (TSSP)

In our quest to become internationally competitive and effectively exploit free trade agreements, the Government of the Republic of Trinidad & Tobago has implemented a Trade Sector Support Programme, which has been jointly funded by a loan of US\$5 million from the IDB, and US\$2.1 million from State funds. MTI is the executive agency for this Programme. During the First Quarter of 2004, a Programme Coordinating Unit (PCU) was set up to oversee implementation of the TSSP.

This loan will support:

- The restructuring of the Ministry of Trade and Industry, which will encompass a Strategic Management Review of the Ministry and the formulation of a Strategic Plan, which should include the restructuring of the Ministry;
- The conduct of several technical studies on issues such as trade impact, and anti-dumping, and the strengthening of information systems;
- Training of staff in the Ministry of Trade and Industry, and other Government departments; and
- Improvement of systems and processes in agencies such as the Central Statistical Office, and the Customs and Excise Department.

The Programme, which will complement the industry development initiatives, consists of five (5) components:

- Institutional reorganisation and strengthening;
- Specialised technical training;
- A program of technical studies;
- Development of an integrated information system and trade database;
- A Trade Assistance Program.

All pre-disbursement conditions of the IDB loan agreement have been satisfied and the loan was declared eligible for draw-down on May 2004. During the year, efforts were made to short-list consultants to undertake work in the various components.

Technical Steering Committees were established with Public Sector and Private Sector participation. The Committees prepared Terms of Reference for consultants to provide the following services:

1. **COMPONENT ONE**
— Institutional Re-strengthening and Re-organisation of the Ministry of Trade and Industry
2. **COMPONENT TWO**
— Training Consultant
3. **COMPONENT THREE**
— Five (5) Studies and one (1) Services Consultant
 - (i) Market Access Opportunities for Trinidad & Tobago in the Latin American Region
 - (ii) Trinidad & Tobago Trade Negotiation Positions in Different Negotiation Fora
 - (iii) Competitiveness of the Services and Non-oil Manufacturing Sectors in Trinidad & Tobago

- (iv) Implications of Trade Liberalisation at the Sectoral and Industry Levels in Trinidad & Tobago
- (v) Development of a Trade Policy Strategy and Trade Policy 2005-2009
- (vi) Services Consultant

4. **COMPONENT FOUR**

- Integrated Information Systems (Phase 1 is included in COMPONENT ONE)

5. **MONITORING AND EVALUATION**

- Evaluation Consultant

One key element of the programme is the critical need to enhance the international competitiveness of local firms. This matter will be addressed by the Trade Assistance Programme (TAP), indicated as component five.

A budget of US\$1.393 million has been allocated for the TAP, which will be used for undertaking an assessment of the manufacturing sector, in order to identify vulnerable sectors and industries, and to develop a programme of assistance for firms to resuscitate / re-engineer / reinvent themselves to face the challenges created by globalisation and trade liberalisation.

CARICOM TRADE SUPPORT PROGRAMME (CTSP)

This programme is geared towards providing tangible support to our CARICOM partners, as they seek to transform their economies to face the realities of globalisation. Its primary aim is to alleviate the adverse impact of the recessionary conditions experienced by CARICOM Member States, as well as the intra-regional trade imbalance between Trinidad & Tobago and those members, by building capacity to improve and expand their production and export capabilities, especially to this country and extra-regionally.

The Programme will assume even greater importance with the impending implementation of the CARICOM Single Market and Economy (CSME).

The CTS Programme incorporates two (2) main components:

- A revolving loan fund provided by the Government of Trinidad & Tobago in the sum of TT\$100 million (US\$16 million) to be disbursed on an interest free basis to firms in CARICOM, except those in Trinidad & Tobago.
- Technical assistance funding for the procurement of the services of regional consultants, to undertake diagnostic appraisal of the operations and business development projects of the applicant companies, and to make appropriate recommendations.

Launched in September 2004, the CTS Programme moved into implementation phase as funding for the Programme was made available in the 2004 Budget.

Based on preliminary requests from the region, and in collaboration with the local private sector, preferred consideration will be given to projects in key sectors and related areas such as: Manufacturing and Consumer Products, Agriculture and Fisheries, Wood Processing, Information Technology, Tourism, Construction, and Other Services (including the Entertainment Industry). In addition, Trinidad & Tobago firms would be encouraged to undertake direct investment in the other Member States through joint-venture arrangements and/or strategic alliances.

Moreover, through the intervention of the local private sector organizations and those in other Member States via the Caribbean Association of Industry & Commerce (CAIC), technical inputs would be provided to applicant firms, including best practices in various aspects of their business operations.

Some of the expected benefits of this Programme will be the improvement of the competitive capabilities of CARICOM Member States, increased employment and social stability.

The CTS Programme will also seek to ensure the mutuality of benefits between the LDCs and this country. For example, it would facilitate collaboration in air transport by granting access to more

Executive Agencies Achievements and Developments

The work programmes of certain of the agencies operating under the purview of the Ministry of Trade and Industry have been designed to further MTI's trade policy objectives. An overview of the achievements of several of these agencies follows.

BWIA West Indies Airways

NEW ROUTES/SERVICES

During the period under review, BWIA introduced several new routes in its bid to establish Trinidad & Tobago as an international Transport Hub.

- Washington to Tobago – 31 October 2002
- Costa Rica to Trinidad – 22 May 2003
- Cuba to Trinidad – 24 June 2003
- Dominican Republic to Trinidad – 20 January 2004
- Miami to Tobago – 10 February 2004
- New York to Tobago – 15 February 2004
- Toronto to Tobago – 16 February 2004

FAA REQUIREMENTS

The company also met the new FAA anti-terrorism requirements listed below:-

- Installation of new and reinforced cockpit doors
- Installation of surveillance equipment
- Acquired IT systems to facilitate compliance with new regulations introduced by the Department of Home land Security

(SCHEDULED) PASSENGER REVENUE

BWIA undertook a restructuring exercise which stabilized the Company in the latter half of 2003, and resulted in an improvement of passenger revenue to \$151.2 million between January and August 2004 (up from the previous period January – August 2003).

REGIONAL (INTRA CARIBBEAN) FREIGHTER SERVICE

BWIA has initiated a much needed cargo service within the Caribbean which will surely enhance trade flows in the region. This programme was launched on 11th July 2004 and serve Trinidad and Tobago, Martinique, Grenada, Barbados, St Lucia and St Vincent once weekly. Plans are afoot to expand the service to Guadeloupe, St Kitts, Dominica, Canouan and Curacao;

EXIMBANK

The key roles of the Export Import Bank of Trinidad & Tobago (EXIMBANK) are to minimise risks of non payment by overseas buyers; to assist in the diversification of the country's exports; and to support small and medium sized exporters.

In December 2003, the company launched some of its new product offerings and its new focus of supplementing and complementing the activities of the commercial banks in the financing arena.

NEW PRODUCTS

Hold Harmless Endorsement

Seeks to mitigate the risk of the lending banks who in turn would pass on the benefits through a reduction in the rate of interest on the advances of the exporter.

Agricultural Policy

Seeks to support the export of locally produced agricultural products (fresh and processed produce). (Coverage is set at 98% of the shipment value)

Services Policy

Seeks to encourage services exporters to promote and grow their businesses abroad. Coverage for architectural contracts, computer and information

technology services, advertising, training, entertainment, art, construction, etc. (Coverage is set at 98% of the contract value)

Small Business Policy

Provides a higher than standard cover (95%) at lower premium rates for covering the default risks of the overseas Buyer for small business owners.

Tourism and Industrial Development Company of Trinidad & Tobago (TIDCO)

TIDCO's achievements with regard to investment generation were the facilitation of 48 projects in the tourism and manufacturing industries with a proposed Capital Investment of TT\$366,254,550.00 and proposed employment of 706 jobs.

TIDCO worked with 528 business persons seeking advice and assistance on conceptualizing, planning and implementation of their projects. Based on these proposals one hundred and four projects were identified as feasible and TIDCO is working to develop these proposals into solid investment projects. TIDCO also conducted several overseas missions which generated potential investment projects worth US\$102 million.

TIDCO Export promotion activities abroad have resulted in confirmed orders valued at approximately US\$900,000.00 while the co-sponsored Trade and Investment Convention (TIC2004) generated some US\$6 million of business.

Sector and Business development work has produced four sector Profiles and three Business Opportunity Seminars for the Tourism and Hotel Development Sector, the Chemical Industry and the Agribusiness Sector. A profile on Tobago has been developed as well. Feasibility Studies for Essential Oils and for

- Initiated compulsory inspection of Tyres on Vehicles;
- Agreements with new car dealers to supply cars with tyre meeting national standards;
- Generated income of \$16.2M;
- Re-establishment of inspection station at Piarco;
- Development of a product certification programme with the central tenders board;

PLIPDECO

During the period under review, PLIPDECO achieved the following:

- Group total assets at TT\$1.2518 billion
- Group turnover of \$149.9 million — 10% increase over 2002 figures
- Group profit after tax of \$57.7 million
- Successful TT\$100 million rights issue
- Stable, consistent stock market price for PLIPDECO stock units — earning price per share was TT\$1.70 — and a consistent dividend policy implementation

PORT POINT LISAS

- Infrastructure upgrade worth approximately US\$4 million, with a port capital investment of over US\$9 million
- Handled 700,000 tonnes of general cargo
- Handled 130,000 TEUS of containerized cargo
- Became ISPS Code compliant at July 1st 2004
- Acquired two new shipping lines: Tropical Shipping (October 2003), the largest container line

operating in the Caribbean, and CP Ships
(August 2004)

POINT LISAS INDUSTRIAL ESTATE

- An additional 29 hectares of land leased at the Point Lisas Industrial Estate

POINT GALEOTA PORT DEVELOPMENT

The technical and economic feasibility study of the project was completed. Work continued on the EIA, which must be approved by the EMA, before the project could receive approval and a certificate of environmental clearance. Applications were submitted for additional land for the project

Caribbean Industrial Research Institute (CARIRI)

CARIRI's operating philosophy is to work with private sector organisations in developing price and quality competitiveness in the face of globalisation of markets. The Institute assists in Government's initiatives in facilitating economic development, and will play a critical role in the realisation of Government's Vision 2020.

In addition to serving as the Regional Secretariat for the Basel Convention and the Regional Focal Point for WAITRO, CARIRI also administers ISO 9002:2000 Accreditation and UKAS Certification.

During the period under review, the Institute's key accomplishments were, as follows:

- **Energy & Energy Based Industries** carried out royalty evaluations for all crude oil, conducted analyses of natural gas, as well as environmental monitoring of industries at PLIPDECO, and also provided laboratory testing services for major oil and gas companies
- **Environmental Management** carried out effluent monitoring at major industries and gas station wash bays, continued its monitoring of recreational water quality, and conducted an ex-

the Commercial Soaps Industry were commissioned and are complete.

With regard to the ICT Industry, Direct One, a local call center operation has been introduced to three foreign call center firms which may be seeking to locate operations in Trinidad. TIDCO has also facilitated a joint venture partnership between Direct One and Accent/Sprint resulting in expanded operations accommodating 500 new jobs.

TIDCO also organised and participated in the following events, to promote and enhance business development and encourage increased trade and investment activity.

Exporter of the Year Awards

Prime Minister's Exporter of the Year Awards on July 12th 2004. Approximately three hundred persons attended, among them were members of the Diplomatic Corp, Parliamentarians and invitees from the exporting/Manufacturing Community. Top exporters were rewarded and encouraged to continue their efforts.

TIC 2004

The Trade and Investment Convention 2004 was held on 17th to 20th May 2004. It brought together global decision makers, manufacturers and exporters, buyers, distributors, suppliers and service providers, investors and financial institutions.

A total of 181, exhibitors participated in TIC 2004 along, with 363 foreign buyers and investors and over US\$6 million in new business was guaranteed.

Euromoney

The Euromoney Conference was held from May 11th to 14th 2004, with approximately 560 senior executives in attendance at the conference, from Europe, the Americas and the Caribbean. The conference raised Trinidad and Tobago's international profile as a business and Investment Centre and resulted in many promising business and investment proposals.

Business Seminars

"The Doing Business in Cuba" seminar was held at the Hilton and meetings were arranged with over 40 companies on behalf of the Cuban delegation.

Trade Missions

TIDCO also participated in Trade Missions to Suriname, St Lucia and Costa Rica with the Ministry of Trade and Industry, and the TTMA.

Trinidad & Tobago Free Zones Company Limited

The Free Zones Company is a private limited liability company, the shares of which are owned by the Corporation Sole and which reports, under the provisions of the Free Zones Act, to the Minister responsible for industry.

The role and function of the Free Zones Company is to attract and facilitate investment in export oriented manufacturing, international trading and services projects in Trinidad & Tobago through the Free Zones Programme with a view to creation of jobs, development of new export markets and demand for goods and services produced in Trinidad & Tobago.

The Free Zones Company is therefore responsible for the approval of Free Zone Enterprises and for the administration and control of Approved Enterprises and Free Zones, and continues to work towards improving the administration of its programmes to facilitate the expansion of Free Zone activity.

Major achievements during the fiscal year under review include:

- Exports of products and services by Free Zone Enterprises from Trinidad & Tobago was valued at US 94.7 million;
- Free Zone enterprises purchased products and services from the customs territory of Trinidad and Tobago valued at US\$17.7 million
- Employment created amounted to 6,042.

Trinidad & Tobago Bureau of Standards (TTBS)

The Trinidad & Tobago Bureau of Standards (TTBS) is the watchdog for local and international quality and standards of production. Within recent times, its focus has been on developing draft standards and expanding its training programmes to make local exporters and industry more internationally competitive. It is also working closely with the Central Tenders Board on developing a product certification programme.

During Fiscal 2003/2004, TTBS' key accomplishments were as follows:

- 13 Standards were issued for public comment;
- 9 compulsory standards were approved by Ministry;
- 22 voluntary standards were declared;
- 55 of the bureau's staff were authorized by Ministry as inspectors;
- New regulations for the Standards Act of 1997 were approved by Cabinet;
- Metrology Bill was approved by Parliament;
- Training program for Regional Standards bodies was conducted in January 2004;

tensive audit of wastewater treatment plants across Trinidad and Tobago

- **Baseline Studies** conducted extensive microbiological assessment of indoor air quality, and evaluated public food outlets
- **Analytical Testing** fulfilled more than 200 contracts to carry out microbiological evaluations of food and water for domestic and export markets
- **Product Development** worked with local food processing companies and the Caribbean Agricultural Research and Development Institute (CARDI) to develop products for the export market
- **Quality Management** provided training for and technical assistance to companies developing quality management systems, including HACCP and ISO 9000.
- **Construction Industry** assisted more than 300 clients with meeting quality requirements for commercial and residential buildings, and also monitored the quality of infrastructural work on many projects
- **Metallurgy** tested welds on the natural gas pipeline project, and conducted failure analysis on commercial passenger airplanes and in the manufacturing industry and energy sector
- **Health and Safety** carried out indoor air quality evaluations, and conducted health and safety audits for several companies across Trinidad and Tobago, to ensure compliance with the 2004 Health and Safety Act
- **Design Capability** designed process and fabricated equipment for various manufacturing and industrial activities

- **Regional and international Consultancies**

performed consultancies and provided technical assistance to CARICOM Member States and other Caribbean countries, as well as other developing countries

Business Development Company (BDC)

The mandate of the BDC is: “to be the implementing agency for Government’s policy for Medium Scale Enterprises, and to assist Small Businesses to become large enterprises”. During Fiscal Year 2003/2004, the Company made a significant impact on the Trinidad & Tobago economy in the following manner:

- 420 individuals and companies were provided with business development services by the Company to facilitate their growth and international competitiveness
- Over TT\$725,000 was generated from the sale of the Company’s services and products, which contributed over 12% to recurrent expenditure
- BDC interventions created 307 permanent jobs, impacting over 1300 persons and made a \$82M contribution to the country's GDP

In fulfillment of its mandate, the Company carried out Consultancy and Project Management Services, and also provided Financial and Trade Development Assistance to various small and medium enterprises.

Consultancy Services

- **BHP Billiton**
Planned, coordinated and implemented a Supply Chain Management workshop for one hundred and eighty seven (187) companies that provide, or are willing to provide, engineering, procurement, logistical, fabrication and other services. The workshop facilitated fifty two (52) companies in pre-qualifying for providing services to the company, with the others targeted by the BDC for interventions to enable them to qualify in the future
- **Haiti**
Completed a Study for the Caribbean Export Development Agency in Haiti, on opportunities for business (trade and investment) expansion between Haiti and the rest of CARICOM
- **Small Communities in T&T**
Through a UNDP grant, provided micro-finance and entrepreneurial skills training to seventy (70) individuals in the Gonzales, La Seiva and Roxborough communities
- **ECCL**
Provided Entrepreneurship and Business Development Training on behalf of the Export Centres Company Limited (ECCL) for seventeen (17) persons involved in handicraft production.
Also delivered ninety (90) contact-hour Integrated Business Skills Programme for the ECCL for two hundred and ten (210) participants in the handicraft sector in twenty one (21) centers throughout Trinidad and Tobago
- **SWMCOL/CEPEP**
Delivered a Business Skills training programme to one hundred and fifteen (115) contractors

- **Republic Bank Limited**
Delivered Business Skills training to thirty five (35) trainees
- **Entrepreneurs**
Provided training in various aspects of business planning to 120 entrepreneurs in several workshops

Project Management Services

- Managed an EU-funded CARIFORUM Agribusiness Research and Training Fund (CARTF), which provided grant funding assistance to promote the use of training and research by thirty (30) agribusinesses to improve their international competitiveness
- Coordinated an OAS-funded ICT project for facilitating the sustainable development of the Toco community

Financial Assistance

- Financial leases to twenty five (25) businesses to the value of TT\$7.6 million, to upgrade and modernize plant and equipment
- Loan guarantees to eighty-two (82) businesses at a value of TT\$3.2 million, supporting loans to a total value of TT\$7.8 million

Trade Development Assistance

- **Tobago**
Implemented a programme of development assistance to eighty (80) companies in Tobago in the agro and food processing, furniture, fishing and

finances : psip

OCTOBER 2004 — SEPTEMBER 2005

The Ministry of Trade and Industry is funded through the system of Parliamentary appropriations, where approved funds — identified under the various sub-heads — are disbursed through the Ministry of Finance. The Ministry of Finance releases funds to MTI from the Consolidated Fund. Cheques can only be issued on the Exchequer Account on receipt of credit authorised by the Comptroller of Accounts, and approved by the Auditor General.

For the *Financial Year October 01, 2003 to September 30, 2004*, this Ministry was allocated TT\$124,246,200. Actual Expenditure was TT\$123,134,029 as shown below.

The following is a breakdown of some activities engaged in — both by the Ministry and its agencies — under MTI's Public Sector Investment Programme (PSIP).

SUB-HEADS		ESTIMATES (TT\$)	ACTUAL EXPENDITURE (TT\$)	VARIANCES (TT\$)
01	Personnel Expenditure	14,485,600	13,145,028	1,340,572
02	Goods and Services	11,711,935	11,650,885	61,050
03	Minor Equipment Purchases	880,000	880,000	0
04	Current Transfers and Subsidies	29,765,265	31,285,265	(1,520,000)
06	Current Transfers to Statutory Boards and Similar Bodies	7,568,400	7,568,400	0
09	Development Programme	59,835,000	58,604,451	1,230,549
TOTALS		124,246,200	123,134,029	1,112,171

Ministry of Trade and Industry (MTI) — In-House Projects

PSIP 003 Upgrading of Information Technology and Systems at the Ministry of Trade and Industry

The Ministry utilized funds for the purchase of desktop computers, laptop computers, line conditioners, and the installation of a VPN system to allow mobile users access to the computer system. Funds have been committed for the purchase of additional software and hardware, including the upgrade of the IS/IT infrastructure, and to ensure greater security of the system.

PSIP 004 Creation of a Bilingual Secretariat

Funds were utilized mainly on salaries for staff. Cabinet's approval for the establishment of the Bilingual Secretariat was needed before proceeding further.

PSIP 009 CARICOM Support Facility Programme

This programme was officially launched in September 2004. Funds allocated were deposited in the

Central Bank Fund for release to CARICOM Member States.

PSIP 001 Trade Sector Support Program

Trinidad & Tobago met all the pre-requirements of the IADB. Funds were utilised to set up the Programme Coordinating Unit, which is now fully staffed. The Unit purchased equipment i.e. Computers, Printer / Multi Media.

Trinidad & Tobago Bureau of Standards (TTBS)

PSIP 209 Upgrade of TTBS Building

The Trinidad & Tobago Bureau of Standards (TTBS) embarked on activities to upgrade the facilities, during the fiscal year under review.

PSIP 210 Procurement of Testing Materials

The TTBS acquired testing materials and equipment for the various laboratories (Metrology Lab, Electrical Lab, Chemical, Fibre Lab, Materials Lab and all laboratories).

PSIP 212 Providing Reliability — Quality Infrastructure

The funds used under this project were to provide TT Dollar counterpart funding under the Inter-American Cooperation Accreditation (IAAC) and the IDB Project. The Project is aimed at strengthening quality infrastructure in the country. It is a joint project between Trinidad & Tobago, Costa Rica, Mexico and Paraguay.

PSIP 214 Central Services — Bureau of Standards

The TTBS is currently developing the Bureau's website. Phase 1 consists of the design and development of the Website, which has started. The work will be undertaken on a phased basis.

Business Development Company (BDC)

PSIP 001 Networking of Business Development Offices

Efforts were made to upgrade information technology at these offices, to bring them in line with the corporate objectives. Awaiting installation of equipment in the Tobago Office. Inter office Connectivity has been completed.

PSIP 300 Capital Projects

The Business Development Company (BDC) undertook four sub-projects as follows:

Trade Assistance

Workshops in business planning were held for 27 handicraft producers.

Training was given to 42 potential entrepreneurs within the Republic Bank Youth Link Programme.

BDC conducted a survey of 342 clients who have taken advantage of the company's Loan Guarantee Programme.

The BDC completed proposals for Training Coordination for COSTATT, YSATT, PSCU and NHA.

Business Development initiatives targeted at Lever Brothers Credit Union, SECU Credit Union and Police Services Credit Union, were extended to take into account the wider Credit Union movement. These initiatives are intended to provide training to the employees of these establishments in specified business areas.

The BDC conducted a general sectoral needs assessment exercise. A Report was completed on the needs assessment of SME's in the Energy Sector.

Market Entry Access

The Company held discussions with the Consultant on advancing the T&T/Orinoco-Apure Basin Development. A response is needed from the Venezuelan authorities before advancing this investment initiative.

An initiative to market handicrafts, food and jewelry in the tourist market in St. Thomas, US Virgin Islands, was pursued with a potential partner in Barbados. Ten (10) companies were identified and selected to participate in this programme. The Consultancy continued on formulating a Business Model and Operational Plan on the exporting of utilities/novelties items to the U.S. Virgin Island. A report on the Business Model and Operational Plan on the exporting of utilities/novelties items to the U.S. Virgin Island was completed.

A Study was completed on the identification of Trade and Investment opportunities between Haiti and Trinidad and Tobago/Barbados. This Study is a sub-

set of a wider initiative of expanding trade and investment between Haiti and the other countries of CARICOM.

Quality Environment Management Project

BDC identified a preferred organization for the provision of Health, Safety & Environment Training and Certification to the MSME Sector.

Best Practices/Benchmarking

The Company continued as national coordinator for CARTF, an EU-funded programme for grant assistance to eligible projects in the Agro-processing sector. Over a 9-month period, 26 companies benefited from funding that was used to facilitate their international competitiveness through the application of the appropriate Research and Training intervention. This project is now completed.

Research is being conducted in other sectors to identify the next sector in which a benchmarking exercise can be conducted.

Evolving Technologies Company (E-Teck)

PSIP 276 Development works on Industrial Estates

Land erosion structures

- Morvant Industrial Estate — 100% completed
- Plaisance Park — 100% completed
- Chase Village Industrial Estate — 25% complete (Engineering design)

Installation of Sewer Treatment Plant

Chase Village Industrial Estate — 1000% completed

Electrification of Estate

O'Meara Industrial Estate — 10% Complete

PSIP 293 Information Technology Industry Development — Wallerfield

Design and Engineering Services

Utilities, telecommunications, electricity, etc. — 100% Completed.

Site Clearing and Preparation

- Site Clearing — Completed
- Squatter Relocation Cost Evaluation — 100% Completed

Flagship Facility Development

- Architect and Engineering Consortia selected
- Design Brief and Concept design Completed

Site Master Plan Revision

Terms of Reference developed.

Business Development and Marketing

Medical Transcription Training Facility — 30% Completed

PSIP 305 Debe Food Park and Light Industrial Estate

This WASA connection to the Debe Food Park was installed. Awaiting the vesting of Caroni land in E-Teck, before proceeding further.

Caribbean Industrial Research Institute (CARIRI)

During the period under review, CARIRI earned more than 50 per cent of its operating costs through the provision of services to both the public and private sectors.

PSIP 001 Improvement to Infrastructure and Purchase of Equipment

CARIRI purchased appropriate equipment to replace obsolete equipment and upgrade equipment required to help the industrial sector meet international standards. Additional equipment was also purchased by the Environmental Unit in order to meet the requirements of Trinidad & Tobago and the Caribbean in measuring, monitoring and controlling environmental conditions. The equipment purchased enabled the industry to more precisely meet the requirements of industry in exporting their products to the non-regional markets.

A further allocation of \$2.735 million was received in August 2004 to purchase more equipment.

Funds were also utilized to undertake five (5) baseline studies relating to the enhancement of local R&D by the private sector, as well as health and

safety in different sub-sectors of the community and country as a whole. These studies are intended to:

- Measure and establish base positions;
- Identify key issues to be addressed in each sector;
- Determine the relevant strategies which can be adopted and implemented.

Tourism and Industrial Development Company (TIDCO)

PSIP 282 Support to Agri-Business Industry

Feasibility Study for Essential Oils

The key achievements are as follows:

- Identification of the most suitable material or combination of materials for production in a processing plant;
- Identification of suitable locations for siting the processing facilities and agricultural resources;
- Determination of the most effective technology and configuration for a viable and progressing enterprise.

TIDCO collaborated with the Ministry of Agriculture and the Agricultural Development Bank to prepare a business plan for the project as well as to allocate suitable lands for execution of the commercial venture.

The potential investment for the project is US \$2 million; while the job creation potential is for 200 persons.

As a result of participation in the Bio Fach America Latina 2004 Conference, TIDCO has acquired knowledge of current and future opportunities for market-

ing organic products in potentially beneficial markets.

PSIP 285 Investment Promotion Initiatives and Development of Investment Promotion Collateral Material

Participation in National Refiners Association

(NPRA) International Petrochemical Conference :

Meetings were held for the Trinidad & Tobago Energy Delegation with 12 International Petrochemical Companies who have expressed interest in establishing operations in Trinidad & Tobago. Two companies have been identified which have a strong interest in the areas of licensing downstream production, and investment in large down stream chemical plant. NGC is to hold discussions with both companies.

The Fourth Annual Euromoney / Latin Finance Caribbean Investment Forum was held in Trinidad & Tobago in April 2004. The Conference fostered regional co-operation between public, private and international sectors. It also raised the profile of Trinidad & Tobago as an investment destination, and attracted new companies here.

The 2004 Trade and Investment Conference (TIC) was held during May 17th to 20th, 2004.

1,650 diskettes of the *Guide to Investing in Trinidad and Tobago* were printed.

Exporters Directory: TIDCO produced copies of an updated directory.

Contract was finalised with Hotel Investor Services Inc., a major US hotel investment consultant.

PSIP 294 Promotion, Product Development and Sector Analysis Studies on Entertainment Industry

TIDCO attended the Cineposium Conference and established connections with a network of (20) international film contacts.

500 copies of Film Location CD created for use at international trade fairs.

10,000 copies of the Trinidad & Tobago Film Brochure were produced.

The Trinidad & Tobago website — www.filmtnt.com — was launched in December 2003.

21 International film crews visited Trinidad and Tobago during the period.

Animation training workshops held in May 2004, with 15 animators receiving training.

PSIP 299 International Market Development — Promotion of Marketing Assistance to Exporters

Trade Missions were finalised and meetings held as follows:

- Costa Rica — March 15-18, 2004.
- Suriname — June 21-25, 2004.
- Saint Lucia — September 20-24, 2004.

PSIP 300 Creation of a Trade Information Network

At the annual *Prime Minister's Exporter of the Year Award*, seven top manufacturers were recognised in select categories. Areas of support for enhancing competitiveness were identified.

Standards and technical regulations for the export community were promoted for specific export markets.

Market Guides for Exporters were prepared for Costa Rica, Suriname and St. Lucia. An Investor Perceptions Survey was conducted. In addition, a survey of exporters participating in the Trade Investment Convention was prepared.



appendix 1

MTI'S ROLE AND SERVICES

THE MINISTRY OF TRADE AND INDUSTRY (MTI) IS LEADING THE DRIVE TO POSITION TRINIDAD & TOBAGO as a manufacturing base, and the commercial, transshipment and financial hub of the Caribbean and the Americas.

Our core responsibility is the promotion and development of trade activities, with an emphasis on generating sustainable export-led growth and development, by securing enhanced access to foreign markets for local companies. As the pivotal agency for trade promotion and development, we manage and coordinate the trade reform process to enhance this country's global competitiveness. In our role as official Secretariat for the Prime Minister's Standing Committee on Business Development, we also spearhead activities surrounding Government's strategic objective of diversifying the Trinidad & Tobago economy.

This is closely tied to another critical mandate — the development of Industry in Trinidad and Tobago. In this regard, MTI is working to formulate more appropriate industrial, trade and services policies, designed to enhance the ability of the local industrial sector, to maximise opportunities under the various trade agreements to which Trinidad & Tobago is signatory.

The Manufacturing and Services sectors have been identified as the new engines of growth, and much of the Ministry's activities are geared towards creating a facilitatory and supportive environment for busi-

ness activities. The mechanisms being used to achieve this include: trade liberalisation, business expansion, industrial restructuring, and an expansion of the export capability of local companies. Throughout this process, the staff of the Ministry works closely with key stakeholders in the business community — both in our own capacity and through our statutory boards and state agencies and enterprises.

The Ministry of Trade and Industry is also responsible for stimulating both domestic and foreign investment, and is working to upgrade the entire framework for attracting investment — the lifeblood of industrial activity.

At MTI, we conduct our affairs and provide required services with the highest regard and esteem for all clients and customers. Our clients and customers are located within Trinidad & Tobago, as well as regionally and internationally, and are drawn from government circles, the private sector, and civil society in general. The Table and Chart on Pages 82 and 83 illustrate MTI's relationship with its various stakeholders.

TABLE: MTI'S STAKEHOLDERS

CATEGORY	STAKEHOLDER
<i>Internal</i>	Minister(s) Permanent Secretary MTI Employees
<i>Executive Agencies (under MTI's purview)</i>	e.g. EXIM Bank, SBDC, TIDCO, TTBS
<i>Regulatory Agencies</i>	Chemistry, Food & Drugs Division (under Ministry of Health) Plant Quarantine (under Ministry of Agriculture, Land and Marine Resources) Trinidad & Tobago Bureau of Standards Board of Inland Revenue Customs and Excise
<i>Government</i>	Cabinet Attorney General
<i>Other Public Sector Agencies</i>	Central Statistical Office Ministry of Finance Ministry of Foreign Affairs Ministry of Planning
<i>Private Sector</i>	Investors Manufacturers Trade Associations e.g. TTMA, Bankers' Association, Chambers of Commerce, etc.
<i>Civil Society</i>	General public Media NGOs Trade Unions University of the West Indies
<i>Regional</i>	CARICOM Secretariat RNM Secretariat ACS Secretariat FTAA Secretariat
<i>International</i>	World Trade Organisation ACP-EU Secretariat Commonwealth Secretariat Other International Agencies Embassies

MTI's Mission, Vision and Core Values

The Ministry of Trade and Industry's Mission and Vision statements, as well as its Core Values, are articulated, as follows:

MISSION

To promote the international competitiveness of Trinidad & Tobago through the execution of effective trade, investment and industrial policies and programmes.

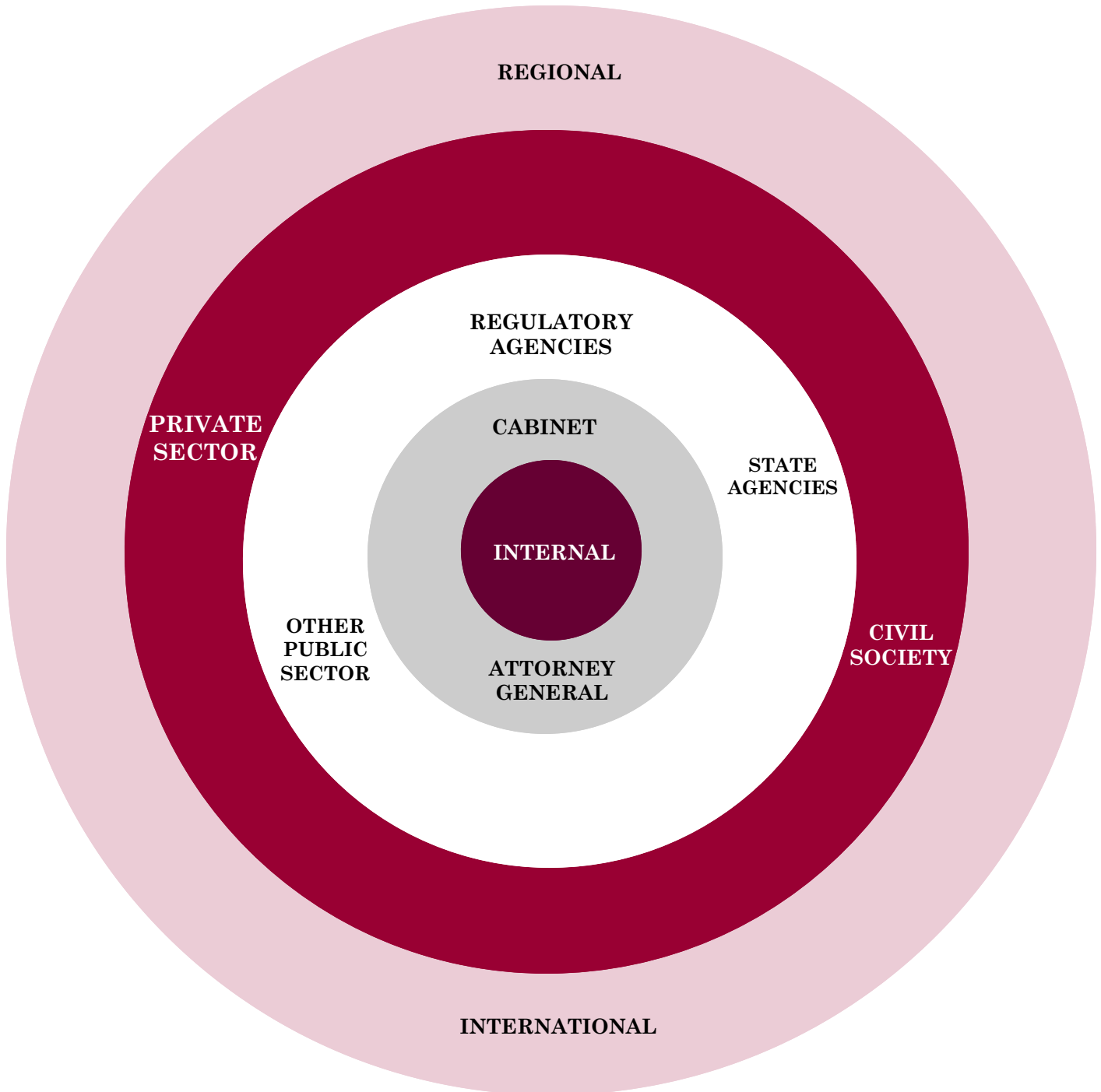
VISION

The premier institution positioning Trinidad & Tobago as the major manufacturing, transshipment and commercial platform in the hemisphere.

CORE VALUES

Trust Confidentiality Professionalism
Team Spirit Results-Oriented
Mutual Respect Accountability
Integrity
Service-Oriented Social Responsibility
Continuous Learning

CHART: MTI'S RELATIONSHIP WITH ITS STAKEHOLDERS



MTI's Organisational Structure

MTI's Operational Departments and Divisions

Following is a list of the internal departments of the Ministry of Trade and Industry, which all work cohesively towards the realisation of the Ministry's aims and objectives. Details of the core responsibilities of each department indicated can be found in APPENDIX 2.

Trade Promotion And Development Division
 Industrial Development And Inward Investment Services Division
 Import and Export Licensing Unit
 Legal Department
 Fair Trading/Anti-Dumping Unit
 Monitoring And Networking Unit
 Accounting Unit
 Corporate Communications
 Corporate Services
 Events Management Centre
 Human Resource Management
 Internal Audit
 Library
 Management Information Systems

The following are the various agencies under MTI's purview:

Statutory Boards and other Bodies

Betting Levy Board
 Trinidad & Tobago Bureau of Standards
 Caribbean Industrial Research Institute — CARIRI
 Trinidad & Tobago Racing Authority

Wholly Owned Enterprises

Business Development Company Limited
 Export-Import Bank of Trinidad & Tobago Limited
 Property and Industrial Development Company of Trinidad & Tobago
 — PIDCOTT (now E-teck)

Tourism & Industrial Development Company — TIDCO
 Trinidad & Tobago Free Zones Company Limited

Majority Owned Enterprises

BWIA West Indies Airways Limited
 Point Lisas Industrial Port Development Corporation Limited — PLIPDECO
 Trinidad & Tobago Export Trading Company Limited

Indirectly Owned Enterprises

National Flour Mills
 PLIPWIJIS Limited

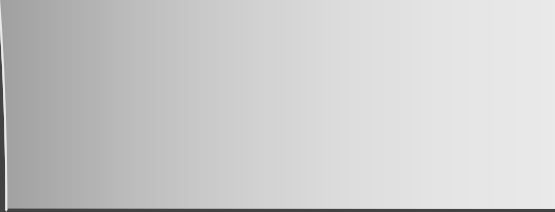
Regulatory Framework Governing MTI's Operations

In the exercise of its functions and delivery of service to its customers, the Ministry of Trade and Industry administers various pieces of legislation. These are, inter alia:

- Anti-Dumping and Countervailing Duties Act 1992
- Arima Race Club Ordinance 1956
- Betting Levy Board Act 1989
- Bureau of Standards Act 1997
- CARICOM/Dominican Republic Free Trade Act 2001
- Customs Act — Chapter 78:01
- Fiscal Incentives Act — Chapter 85:01
- Foreign Investments Act 1990
- Free Zones Act 1988
- Import Export Regulation 1941
- Standards Act 1997
- TIDCO Vesting Act 1995
- Trade Ordinance 1958
- Trade Act 1972
- Trinidad & Tobago Racing Authority Act — Chapter 21:50

appendix 2

MTI'S OPERATIONAL DEPARTMENTS



TRADE PROMOTION AND DEVELOPMENT

The Trade Promotion and Development Division is responsible for co-ordinating this country's negotiating positions at the various trade fora, namely: the World Trade Organisation (WTO); the Cotonou Agreement between the European Union (EU) and African, Caribbean and Pacific (ACP) countries; the Free Trade Area of the Americas (FTAA); the Association of Caribbean States (ACS); and the Caribbean Community (CARICOM).

The Division's main responsibilities include:

- * Formulating and monitoring agreements with countries in the CARICOM economic zone.
- * Formulating policy governing Trinidad & Tobago's economic relations in CARICOM.
- * Implementation of Trinidad & Tobago's obligations to the operation of the CARICOM Single Market and Economy (CSME).
- * Facilitating the participation of the national community in CARICOM trade related issues.
- * Co-ordination of Trinidad & Tobago's role in the ACS.
- * Formulation, implementation and monitoring of Trinidad & Tobago's economic relations in trade areas such as the Andean Group, Caribbean Basin Initiative (CBI), Caribbean Basin Trade Partnership Agreement (CBTPA), and Caribbean Andean Common Market (CACM), and economic relations with non-CARICOM countries in the region.
- * Representing Trinidad & Tobago in multilateral negotiations and monitoring of deliberations pertaining to the development of hemispheric trade rules e.g. in the FTAA, WTO, and the ACP-EU.
- * Liaising with the Caribbean Regional Negotiating Machinery to ensure that Trinidad & Tobago's positions with respect to the hemispheric and international trade negotiations are reflected in the regional strategies and positions.
- * Representing Trinidad & Tobago in the meetings and the decision making process of the African, Caribbean and Pacific States and in deliberation with respect to the ACP-EU Agreements.
- * Participating in and monitoring of the policies and programmes emanating from the United Nations Conference on Trade and Development (UNCTAD) and the International Trade Organization (ITO).
- * Disseminating information from aforementioned organisations and trade agreements to all stakeholders.
- * Participation in bilateral negotiations on economic and technical cooperation agreements.

INDUSTRIAL DEVELOPMENT AND INWARD INVESTMENT SERVICES

The Industrial Development and Inward Investment Services Division focuses its efforts to ensure that local businesses are up to the challenges of the new global trade and economic scenario, and develops the policies and macroeconomic frameworks to make this happen.

Its key responsibilities include:

- * Formulate industrial and investment policies, which will create the framework for the expansion and strengthening of the non-oil manufacturing and service sectors.
- * Coordinate, implement and revise the national macro economic policy framework relating to the promotion and development of enterprises.
- * Administer the Investment Incentive Regime and the Import and Export Negative List.
- * Participate in Trinidad & Tobago's international economic co-operation strategies.
- * Collaborate with stakeholders involved in industrial development and investment promotion.
- * Negotiate investment agreements with other countries to enhance Trinidad & Tobago's attractiveness as an investment location.

IMPORT AND EXPORT LICENSING UNIT

Trinidad & Tobago's proactive approach to market access and investment promotion has led to a steady rise in trade and business activity over the past few years, making the operations of the Ministry's Import and Export Licensing Unit even more critical.

Brisk trade has resulted in the Unit processing an increasing number of applications for import and export licenses, as more businesses and entrepreneurs take advantage of the opportunities inherent in trade liberalization.

The Unit's key functions include:

- * Continuous monitoring of the operations of industry to track the progress of approved investors.
- * Processing of applications for Duty Free, Import and Export Licenses.
- * Advising manufacturers and the public in general on trade matters and in particular, duty Relief facilities including CARICOM suspensions and Safeguard Certificates.
- * Mediating with Manufacturers with respect to supply and quality of intermediate inputs.
- * Advising members of the public on the importation of Negative Listed items and other related trade matters.
- * Advising Minister and the Permanent Secretary on rules, regulations, laws with respect to Import/Export Control Regulations 1941 and Sec-

tion 56 of the Customs Act as it relates to the Third Schedule.

The Licensing Unit of the Ministry of Trade and Industry now operates out of the Ground Floor of the TTMA Building (Trinidad & Tobago Manufacturers' Association), located at Tenth Street in Barataria, opposite the Maritime Plaza.

LEGAL DEPARTMENT

The Legal Department plays an integral role in the implementation of MTI's policies, and in the development of an effective legal framework for both domestic and international trade.

Legal works closely with every unit, department and division in the Ministry of Trade and Industry, carrying out the following functions:

- * Providing legal advice on issues arising from the internal operations of the Ministry of Trade and Industry and its agencies.
- * Assisting in the drafting, preparation and amendment of trade, investment and other legislation relating to the activities of the Ministry including matters such as Competition Policy, Anti-Dumping and Countervailing Remedies and Safeguard Measures.
- * Researching and examining the Laws of Trinidad and Tobago for provisions that would affect the negotiating position of Trinidad and Tobago in the FTAA, WTO, CSME and Bilateral FTA context.

- * Participating as representatives of Trinidad and Tobago and CARICOM in the negotiation of bilateral trade agreements (e.g. CARICOM/Costa Rica, CARICOM/Venezuela), bilateral investment treaties and in the present round of trade negotiations occurring at the international and hemispheric levels (e.g. the WTO and FTAA).
- * Providing advice on the interpretation of bilateral trade agreements.
- * Generally advising on the interpretation of International trade agreements, such as the WTO and the Cotonou Agreements.
- * Instructing advocate attorneys in litigation matters involving the Ministry.
- * Providing legal advice to the Ministry on legislative matters.

FAIR TRADING/ANTI-DUMPING UNIT

With the increasing openness of the Trinidad & Tobago economy, there is an urgent need to provide an environment which facilitates fair competition. At the Fair Trading / Anti-Dumping Unit, the focus is on implementing trade remedies to eliminate incidences of unfair trade practices in Trinidad & Tobago. The Unit's primary responsibilities include:

- * Conducting investigations into allegations of dumping and the subsidisation of imported goods.
- * Imposing and enforcement of anti-dumping or countervailing duties if investigations determine that dumping/subsidising has occurred.

- * Assisting local manufacturers who are accused of similar practices by Third Countries.
- * Participating in Anti-Dumping, Competition Policy and Safeguard negotiations on behalf of the Government of Trinidad & Tobago.

MONITORING AND NETWORKING UNIT

This Unit is designed to ensure cohesion in the development and implementation of trade, investment and economic policies of the various statutory bodies, state enterprises and executive agencies.

The Unit's key responsibilities are:

- * Analyse the strategic and operational plans of the statutory bodies and state enterprises to ensure that each state agency focuses on achieving its developmental goals in an efficient and cost effective manner.
- * Analyse the financial, managerial and budgetary reports and proposals of the state agencies to assess their profitability and make appropriate recommendations, where necessary to achieve desired objectives.
- * Examine and advise on the capital and recurrent budgetary proposals of the state agencies to ensure their compliance with the macro-economic policy directives of the Government, and to advise the Minister accordingly.
- * Develop, monitor and maintain systems for the effective co-ordination and integration of the activities of the Ministry and its agencies/state companies/statutory boards in order to eliminate

duplication, wastage and ambivalence, and at the same time achieve business synergies.

ACCOUNTING UNIT

The Ministry's Accounting Unit is responsible for ensuring adequate funding for the Ministry's activities, and to ensure that its mandate is fulfilled. Our main activities include:

- * Preparation of the Ministry's Annual Estimates of Revenues and Expenditure and engaging in subsequent negotiations with the Budget Division in this regard;
- * Seeking funding from the Budget Division for Recurrent Expenditure;
- * Processing of payroll;
- * Processing of payment of vouchers — overseas travel, goods and services, minor equipment purchases and payments under the Development Programme;
- * Preparation of the Appropriation Account for January 31, following the closing of Accounts on September 30 of each year.

CORPORATE COMMUNICATIONS

The Unit's key communications objective is to present MTI as a dynamic institution — staffed with people who are professional and reliable — working assiduously towards the development of all economic and industrial sectors, with a view to diversifying Trinidad & Tobago's economy, thereby creating sus-

tainable development and wealth for Trinidad & Tobago's citizens.

Initially designated "Communications & PR", the Unit's name has been adjusted to "Corporate Communications", in keeping with MTI's current transformation exercise, to re-shape itself — both in terms of image and operations — into a corporate-type entity, thus becoming the new model of public service institution: a government ministry with a private sector mindset.

The Corporate Communications Unit works alongside the other departments and divisions to achieve MTI's corporate goals, chief among which is to keep its various publics aware of its activities and initiatives to achieve its mandate, which is to advance the overall economic interests of the people of Trinidad & Tobago.

CORPORATE SERVICES

Corporate Services provides the full range of basic administrative and business services to every division, department and unit in the Ministry. Areas of responsibility include:

- * Maximising office accommodation;
- * Provision of office equipment and furnishings;
- * Mail Delivery;
- * Hospitality services;

- * Records management and registry services;
- * General maintenance of floors (occupied by the Ministry);
- * Vehicle and equipment maintenance;
- * Provision of business support services.

EVENTS MANAGEMENT CENTRE

The Events Management Centre works closely with every unit, department and division in the Ministry of Trade and Industry, carrying out the following functions:

- * Ensuring the effective planning, coordination and execution of all events — official receptions, conferences, meetings and seminars, as well as staff related activities such as Appreciation Days, Retirees Banquets, Christmas Luncheons, etc. — hosted by the Ministry of Trade and Industry, including the preparation of budgets;
- * Acting as liaisons and protocol officers for the Minister and Permanent Secretary at Ministry events, when necessary;
- * Securing hotel accommodation, transportation, transportation medical services and security, as well as arranging ancillary programmes for overseas participants at Ministry events, when necessary;
- * Provision of Secretariat support services during conferences, meetings and seminars hosted by the Ministry of Trade and Industry, including the setting up of registration desks and layout of meeting/seminar/conference rooms.

HUMAN RESOURCE MANAGEMENT UNIT

The Human Resource Management Unit takes a holistic approach to meeting the organizational needs of the Ministry, and seeks to ensure that the personal, professional and developmental needs of staff are in cohesion with the operational objectives of the Ministry. The critical functions include:

- * Coordination and development of a Strategic Plan for the Ministry of Trade and Industry;
- * Preparation of staffing needs analysis;
- * Ongoing development and revision of a Human Resource Plan for the Ministry;
- * Policy advice to the Permanent Secretary and Minister re: staffing needs identified in Plan;
- * Organisation, implementation and audit of Employee Assistance Programme for the Ministry;
- * Development of a training policy and procedural guidelines;
- * Training arrangements and evaluations;
- * Administration of the Integrated Human Resource Information system (IhRIS).

INTERNAL AUDIT DEPARTMENT

This Unit ensures that the Ministry of Trade and Industry allocates and utilizes its resources as efficiently and effectively as possible.

In addition, Internal Audit assists Management in the effective discharge of its responsibilities by reviewing and reporting on MTI's financial and operational activities.

LIBRARY

The Library provides a critical support function to all the members of MTI's "Think Tank" — the technical officers who develop policies and strategic plans, to ensure the Ministry fulfills its Mission and Vision.

The Library ensures easy and prompt access to relevant information for both internal and external staff, including access to electronic databases. Another essential function is the conduct of information needs analysis, enhancing the ability to serve clients as efficiently and effectively as possible.

MANAGEMENT INFORMATION SYSTEMS DIVISION

MTI's MIS Team works to ensure that the Ministry operates at optimum efficiency and effectiveness, utilizing the latest technology at its disposal to fulfill its mandate. Key responsibilities include:

- * Purchasing, deployment and maintenance of the Ministry's computer systems;
- * Training of staff of the Ministry in the use of IT resources.
- * Maintenance of Ministry's website and Internet presence;
- * Systems Analysis — to analyse problems of core Departments to model computer systems and/or programs to meet clients' needs;
- * Web enabling Trade Licensing System — allow citizens on-line use of the system;
- * Digitisation of official documents;
- * Maintenance and expansion of the use of firewall and anti-virus protection software / hardware.

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