

Recommendations of the Ninth Report of the Joint Select Committee on Finance and Legal Affairs on an Inquiry into Trinidad and Tobago's performance in negotiating/creating opportunities for trade outside of CARICOM

Responses of the Ministry of Trade and Industry

The following are the responses of the Ministry of Trade and Industry (MTI) to the recommendations of the Joint Select Committee (JSC) outlined on pages forty-six to fifty (46-50), sixty-nine to seventy-two (69-72), seventy-six to seventy-eight (76-78) and eighty-three to eighty-five (83-85) of the *Ninth Report of the Joint Select Committee on Finance and Legal Affairs on an Inquiry into Trinidad and Tobago's performance in negotiating/creating opportunities for trade outside of CARICOM*.

Objective 1: To Examine the Policies and Initiatives of the State (as executed through the Ministry of Trade and Industry) that are aimed at Facilitating and Expanding Extra Regional Trade

Recommendation/Comments of the JSC

The MTI, Central Bank, CSO, Customs and Excise Division and ExportTT collaborate to adopt a single, standardized format for the classification of exports, specifically as it pertains to energy and non-energy exports.

MTI Response

Discussions on the harmonization of methodologies for the classification of energy and non-energy exports have already commenced amongst the relevant stakeholders.

The MTI, in January 2020 engaged the Central Bank of Trinidad and Tobago (CBTT) and subsequently the Central Statistical Office on the matter. A number of issues have been highlighted including the differing methodologies applied, reporting of non-energy and energy exports under both the Harmonized Commodity Description and Coding System (HS) and the Standard of International Trade Classification (SITC), as well as Trinidad and Tobago's commitments to apply international merchandise trade statistics methodologies. Other considerations which arose were the classification for "Trade in Mineral Fuels" and "Trade Excluding Mineral Fuels" utilized by the Ministry of Finance in the annual Review of the Economy publication.

Work on this matter is ongoing and it is envisioned that upon agreement on the way forward, a Note will be presented to Cabinet for consideration.

Recommendation/Comments of the JSC

- A. The Minister of Finance must collaborate with the Customs and Excise Division in order provide the Parliament with a status update on the completion of the Harmonized Commodity and Coding Nomenclature.**

MTI Response

The Customs and Excise Division has advised that it is currently using the Common External Tariff (CET) based on the Harmonized Commodity Description and Coding System 2012 (HS2012).

This Division is working towards implementing the Common External Tariff (CET) based on the HS Nomenclature 2017 Edition (HS2017), with a view to have it come into effect on January 01, 2021.

Recommendation/Comments of the JSC

- B. The MTI is strongly encouraged to prioritize trade agreements which require legislative support and take urgent steps to advance the necessary legislative action. In instances where administrative arrangements can be instituted in lieu of legislative actions, same should be pursued ensuring that such action is not ultra vires.**

MTI Response

The MTI acknowledges that trade agreement requires legislative support. The MTI is taking action to facilitate the preparation of legislation for implementation of trade agreements.

Recommendation/Comments of the JSC

- C. The strategic prioritizing of the completion and implementation of draft policies especially those which would facilitate the expansion and diversification of exports.**

MTI Response

The MTI concurs with the recommendation of the JSC for the development of an export market access strategy. In accordance with Goal 3 - Theme IV: Building Globally Competitive Businesses of the National Development Strategy 2016–2030, the MTI is developing a draft National Export Strategy 2020-2025 to serve as a roadmap to guide the country's efforts at export diversification. The Strategy will seek to *inter alia* grow non-energy export; improve the trade/business environment; and improve business competitiveness. The draft National Export Strategy is currently being updated and revised to take into account the Trinidad and Tobago Trade Policy 2019-2023, as well as,

recent international developments following the Covid-19 pandemic. The revision is being pursued with key national stakeholders including ExpOrTT.

Recommendation/Comments of the JSC

- D. In light of the apparent contraction in markets for certain exports which were initially expected to have high yields e.g. cocoa, it is essential that local stakeholders undertake an assessment to determine what are the local conditions (if any) which may be contributing to the decline in export earnings.**

MTI Response

The MTI in its development of the Trinidad and Tobago Trade Policy 2019-2023 conducted extensive private sector consultations and assessments on the import and export of goods and services. These assessments revealed a number of factors which can explain the decline in exports, such as access to foreign exchange, difficulties with meeting international standards, complex product registration processes and insufficient market intelligence. As such, initiatives are being undertaken under the Policy to address these issues.

The MTI will continue to engage stakeholders to conduct assessments and take action as appropriate to facilitate exports.

Recommendation/Comments of the JSC

- E. The MTI can inform the policy decisions of the Executive on whether this country should prioritize investments in exporting certain raw materials or alternatively create appropriate conditions to encourage FDI which would facilitate local processing/ value adding activities. In this regard, some inter-agency collaboration between ExpOrTT and InvestTT would be useful.**

MTI Response

The MTI recognizes the importance of inter-agency collaboration for attracting and facilitating investments and also to maintain quality FDI streams. In this regard, as the national Investment Promotion Agency, InvestTT continues to collaborate with ExpOrTT when executing its mandate, as well as other Government agencies. These include *inter alia*:

- Evolving Technologies and Enterprise Development Company Limited;
- Trinidad Tourism Company Limited;
- National Energy Corporation; and
- Trinidad and Tobago International Financial Centre.

Efforts are in train for a more structured interface.

Recommendation/Comments of the JSC

- F. The proposed Tobago marina be advertised tangentially to the country's tourism product with a view to capitalizing on the unique selling points of the island in a bid to distinguish this proposed marina and related services from those of its Caribbean competitors.**

MTI Response

The MTI agrees with the recommendation for the advertising of the proposed Tobago marina tangentially to the country's tourism product to distinguish it from those of other Caribbean countries.

This project is currently in the procurement stage. The Request for Proposal for *Consultancy Services for the development of Conceptual Designs for the Tobago Marina* by the National Infrastructure Development Company Limited (NIDCO) in partnership with the Ministry of Works and Transport (MOWT) closed in January 2020. The proposals were reviewed and negotiations are being conducted with the preferred bidder.

Recommendation/Comments of the JSC

- G. The MTI in collaboration with other inter-agency stakeholders should cooperate on the development of an export food control and certification framework which would incorporate the various aspects of the food production chain as needed and address the requirements of the relevant importing countries relating specifically to safety and quality. The countries with high value returns should be prioritized.**

MTI Response

The MTI supports this recommendation, which can be pursued in collaboration with the National Food Safety Committee established by the Ministry of Agriculture, Land and Fisheries, ExporTT and the Ministry of Health.

Recommendation/Comments of the JSC

- H. With a view to engendering the growth of export led industries via access to credit financing ExporTT in collaboration with the MTI and the MoLSED may consider the provision of financial auditing services to nascent businesses at a subsidized cost as part of their capacity and training initiatives and export support network programme.**

MTI Response

exporTT and the National Entrepreneurial Development Company Limited (NEDCO) are working towards the development of a New Exporter Programme aimed assisting local businesses to make them export-ready. NEDCO has established an Accelerator programme to ensure that companies are adequately prepared for exporting. Accounting and financial services will feature in this programme through capacity building and other related training.

The financial auditing services is an area which exporTT can examine since access to a number of services from exporTT and MTI requires the submission of financial statements. Assistance can be offered to those applying for such support as well as for credit financing from commercial banks and other financial institutions. A methodology for this proposal will be developed and funding for the activity included in exporTT's next budget submission.

Recommendation/Comments of the JSC

I. The MTI shall submit a status update within 60 days of the laying of this Report on the following initiatives:

- **The proposed National Exporter's Registry for the services industry;**
- **The Secured Transactions and Collateral Registry System and the Secured Transactions Bill.**

Each status update should include projected timelines for the completion of each initiative.

MTI Response

With respect to the National Exporter's Registry for the services industry

The Project for the development of a National Exporter's Registry for the Services Industry seeks to create a database for storing, processing, and disseminating statistics of trade in services for practitioners operating in both the private and public sector. This Project was funded by the Ministry of Trade and Industry through the Public Sector Investment Programme (PSIP) and implemented by the Trinidad and Tobago Coalition of Services Industries (TTCSI).

Phase I of the project, namely the collection of data in the services sector has been completed. To collect the information, a Services Exporters Survey was undertaken and a Report subsequently submitted to the Ministry of Trade and Industry in July 2020. The report highlights the current state of exporters in the local services sector and the challenges they experience based on the responses from six key services sectors (Business and Professional Services, Creative, Education, Energy, Information Communication and Technology (ICT) services and Tourism Services). Based on the

findings of the survey, several recommendations were made for the development of the local services sector aimed at addressing limitations in the sector while others looked at taking advantage of new export opportunities. In this regard, recommendations were provided in the areas of marketing and promotion, institutional strengthening, capacity training and policies.

Phase II of the Project involves the design and creation of the Exporters' Registry and Virtual Database or Portal. The information collected from the Services Exporters' Survey (from Phase I of the Project) will be included in the Caribbean Export Development Agency (CEDA) Services Registry. This will give service providers and industries a platform to market to regional and international clients.

With respect to the Secured Transactions and Collateral Registry System and the Secured Transactions Bill

The existing framework for secured transactions involves the use of immovable property as collateral while being very complex and fragmented given the existence of a number of security arrangements including 'quasi-securities', as well as multiple registries which are regulated under different pieces of legislation. This reform aims to enhance the ability of businesses to use their moveable property as collateral for loans in order to improve their access to finance.

Further to Cabinet's approval of the Policy to Enhance the Secured Transactions Regime in Trinidad and Tobago in April 2018, the MTI contracted a Consultant to provide *inter alia* advice, training, and drafting of legislation to assist with the establishment of a legal framework for the integrated Secured Transactions Regime.

To date, work has commenced on the all three phases of the contract as outlined below:

Phase 1: Inception report – completed October 2019;

Phase 2: Information Sharing Workshops and Detailed Report – completed November 2019

Phase 3: Legislative Brief and Draft Bill – Ongoing

The revised Draft Secured Transactions Bill was submitted by the Consultant in June 2020. Online Stakeholder sessions were held with members of the Cabinet-appointed Steering Committee in July 2020, to discuss the revised Bill. The final deliverable of the Consultancy will be the submission of a Report on the Online Stakeholder sessions and the Secured Transactions Bill.

The estimated timeframe for completion of the Secured Transactions Bill is September 2020. It is to be noted that the creation of the Secured Transactions and Collateral Registry System is dependent on the completion and passing of the Bill by Parliament.

Objective 2: To Evaluate the Performance of the Ministry of Trade and Industry in Relation to Capitalizing on the Business and Investment Opportunities Associated with Trade Agreements;

Recommendation/Comments of the JSC

A. The Special Economic Zones Policy does not make specific provisions for the Customs Authority to collect separate documentation and perform routine examinations of SEZs. However, best practice for the development of SEZs appears to be:

- **Customs Authorities be empowered to enter and inspect goods in SEZs; and**
- **National government adherence to international conventions, such as the World Customs Organization's Revised Kyoto Convention, be strengthened to ensure that full compliance encompassing specific protections against illegal activity are enforced.**

As such, the MTI shall consult the Ministry of the Attorney General and Legal Affairs and report its position on the recommendation. It was noted that in a Ministerial Response dated August 19th 2019, the MTI made several assurances to the Parliament regarding the implementation of the SEZs inclusive of a commitment to ensure that there is proper oversight of the activities within the SEZs.

MTI Response

The recommendations noted at page 71 of the Report emanate from the Joint Select Committee's review of the SEZ Policy which was approved by Cabinet in 2017. The MTI consulted with the Chief Parliamentary Council of the Ministry of the Attorney General and Legal Affairs on this matter in July 2020. The agreed position follows.

With respect to the Committee's indication that best practice for the development of SEZs includes the empowerment of the Customs Authorities to enter and inspect goods in the SEZs, it should be noted that the MTI is in agreement. While this issue was not dealt with extensively in the 2017 SEZ Policy that was submitted to the Joint Select Committee, in 2019 the Cabinet approved a revised SEZ Policy which formed the basis for the preparation of the SEZ Bill by the Office of the Chief Parliamentary Counsel of the Ministry of the Attorney General and Legal Affairs.

The draft SEZ Bill which is currently at the pre Legislation Review Committee stage, treats with empowering the Comptroller of Customs to collect documentation, perform routine examinations and to adhere to international best practice for the role, powers and function of Customs authorities in an SEZ.

Clause 45 of the draft SEZ Bill treats with the issue of Customs and the powers and access of the Comptroller to SEZs. Please note that Clause 45 (1) of the draft SEZ Bill states that *“the provisions of the Customs Act and the Excise (General Provisions) Act shall apply in any Zone to the extent required for the Comptroller of Customs to carry out his obligations under this Bill”*. Clause 45(2) of the draft Bill states that *“for the efficient operation of the Zones, the Comptroller of Customs shall make arrangements, where applicable for (a) the availability of customs services to meet the needs of Operators, SEZ Enterprises, and Single Zone Enterprises; (b) the facilitation of imports of capital and equipment destined to remain in a Zone; (c) the expedited release of goods bound for a Zone; and (d) efficient procedures and practices to be applied for goods imported from the customs territory into a zone and exported from a Zone into the customs territory”*. Section 45(3) of the draft SEZ Bill states that *“goods entering the customs territory from a Zone shall be deemed to be imported into the customs territory, with the provisions of the Customs Act and the Excise (General Provisions) Act shall be applied accordingly”*.

As such, it is submitted that the provisions of the draft SEZ Bill adequately address the recommendation that Customs Authorities be empowered to enter and inspect goods in SEZs.

With respect to the Committee’s indication that best practice for the development of SEZs entails the strengthening of national government adherence to international conventions such as the World Customs Organization’s Revised Kyoto Convention, *“to ensure that full compliance encompassing specific protections against illegal activity are enforced”* the MTI recognizes the benefits of international standards and best practices and will seek as far as possible, to ensure that the SEZ regime takes into account international best practice. Trinidad and Tobago is not however a party to the Revised Kyoto Convention. As such, neither the SEZ Policy nor the SEZ Bill speaks to this Convention.

Recommendation/Comments of the JSC

- B. To further capitalize on the export gains made in relation to the toilet/ facial tissue market, higher value- added tissue products could be prioritized for export including quality absorbent kitchen towels, serviettes, cosmetic wipes and disinfectant wipes.**

MTI Response

The MTI supports this recommendation, however prioritization of higher-value added tissue products for export is a decision to be taken by private companies and local manufacturers.

The MTI notes that the aim of this recommendation for capitalization and growth in high-value added goods is in alignment with the Goals outlined in the Trinidad and Tobago Trade Policy 2019-2023. As such, the MTI will inform manufacturers of the recommendation and pursue activities to support growth in high-value added under the Policy.

Recommendation/Comments of the JSC

- C. Given the laudable success of Angostura Bitters as an exported commodity, consideration being given to using the brand recognition of this product as a catalyst to attracting exports for other Angostura Products.**

MTI Response

The MTI notes the success of Angostura Bitters as an exported commodity. However, the company is a private entity and thus applies its own marketing strategies.

Recommendation/Comments of the JSC

- D. With respect to the ‘SheTrades’ initiative, consideration should be given to women from disadvantaged backgrounds in an effort to inspire the latent entrepreneurial capabilities in persons who may lack the means to develop their entrepreneurial talent through participation in the initiative and all of the learning, social networking and trade potential that it provides. Additionally, the MTI shall provide an update on the engagement with the consultant and the expected timeline for the implementation of the initiative.**

MTI Response

The MTI is committed to implementing the SheTrades Hub in Trinidad and Tobago. This Hub will serve all local female entrepreneurs, once they are registered on the platform. exporTT is Trinidad and Tobago’s host institution for the Hub.

To ensure that all women, especially women from disadvantaged backgrounds, are informed and have the opportunity to benefit from the initiative, the MTI, exporTT and its agencies will embark on a national awareness drive.

Outlined below are the activities for Year 1 of the creation of a SheTrades Hub in Trinidad and Tobago:

1. Map relevant stakeholders and conduct country matrix for identifying partners;
2. Map women entrepreneurs by sectors, business maturity and conduct needs assessment;
3. Assess institutional capacity of host institution (exporTT); and
4. On-board host institution through skype, e-learning and face-to-face, on:

- ITC introduction & tools
 - SheTrades introduction & tools
 - SheTrades branding & communications
 - Workshop on improving delivery and services
5. SheTrades Chapter Launch Event.

To date, the MTI and exporTT with instructions from the International Trade Centre (ITC) have completed the activities listed at 1 and 2. This was done through research and interviews with public, private, academic and non-governmental institutions that support female entrepreneurship and development. The assessment of Trinidad and Tobago's host institution, exporTT was conducted by the ITC in June 2020.

A follow-up meeting to discuss the results of the host institution's assessment and preparations for the launch of the local chapter was held on July 22, 2020. exporTT scored favourably on the assessment and was deemed capable of hosting the SheTrades Local Chapter. The MTI and exporTT commenced an awareness campaign, which will run for the month of August 2020. This is a very important step, as the ITC will use the information gathered at the registration to design T&T's programme. The ITC suggested that a virtual launch of the Local Chapter be held at the end of September 2020.

Recommendation/Comments of the JSC

E. The MTI shall submit a status update on the testing of the CSO's trial-phase export database. The update should include the following:

- **Issues encountered and the measures taken/will be taken to overcome same; and**
- **Timeline to fully implement the database.**

It is anticipated that this database must coincide with the harmonization of the classification of exports.

MTI Response

The MTI through the Strengthening of the Single Electronic Window for Trade and Business Facilitation IDB loan funded project (Loan #3575/OC-TT) facilitated the enhancement of the Central Statistical Office (CSO) website and the development of the International Trade Data Portal known as the **CSO Eurotrace Database System**. Both projects were completed/implemented as follows:

- The CSO Website – official launch August 2019; and
- The CSO Eurotrace Database System – official launch December 2019

Both the website and database system are available to the public.

However, the CSO has indicated that there have been some issues with the database as outlined below:

- **Inability to run comparative checks on the data from Customs:** The IT unit is in collaboration with the Consultant via remote desktop and is expected to resolve this issue by the end of the month of August 2020.
- **Data not updated on Web Comext Portal:** In 2019, the CSO upgraded to a SQL server (2016) from an old SQL server (2008). This led to some issues with respect to network permissions and updating of the Web Comext Portal (*a dissemination tool for Trade Data*). The issue regarding network permissions has been resolved. The new SQL server (2016) and Web Comext Portal will be updated and the estimated time for completion of this activity is the end of the third quarter of 2020.
- **Access to ASYCUDA portal:** In February 2020, an issue with accessing the ASYCUDA portal arose shortly after an upgrade by the iGovTT network system. iGovTT is currently working alongside the service provider to resolve the matter. This is estimated to be rectified at the end of August 2020.
- **Outstanding issues from the IDB project (Loan #3575/OC-TT):** The focus of this Project is to address the limitations of the current Eurotrace System by improving the processing and dissemination mechanisms and functionalities. Several stages of the project have been completed but the provision of the necessary hardware (computers, backup drives and fire proof storage) is currently being addressed.
- **Collaboration with Agencies of the national statistical system:** Many of the issues affecting the quality of the trade data can be eliminated with the collaboration from Agencies of the national statistical system namely, Customs & Excise Division, Ministry of Finance (MoF) (VAT office), Ministry of Trade and Industry (MTI) and Central Bank of Trinidad and Tobago (CBTT). Some of the issues include correlating classifications/nomenclature, verification of records and query anomalies and monitoring of trade agreements.

Objective 3: To ascertain the Benefits of Existing Trade Agreements between Trinidad and Tobago and Countries External to CARICOM

Recommendation/Comments of the JSC

- A. **To increase this country's potential of harnessing the benefits of the CARIFORUM-EU EPA, the GORTT as a leading economy in the Caribbean region should ensure that local businesses have access to adequate information and guidance to support their efforts to enter the EU market. With a view to achieving same the MTI should:**

- **Conduct periodic sensitisation programmes to inform the local business community about EPA rules and regulations (draft or approved), opportunities and risks associated with the EU markets, among other vital information;**
- **Conduct an assessment on how the terms of the agreement can be exploited to increase exports;**
- **Determine the aspects of the agreement that are in need of revision; and**
- **Establish the links between the ACP/EU post Cotonou regional negotiations.**

MTI Response

The MTI has been conducting sensitization programmes on the CARIFORUM-European Union Economic Partnership Agreement (EPA) since its signature in 2008. The most recent seminar held in 2019 entitled “Nuts and Bolts of the CARIFORUM-European Union EPA)” was aimed at assisting Trinidad and Tobago’s service providers in understanding the provisions of the EPA and how to access the available opportunities.

Further, exporTT successfully executed a Fit4Europe Project over the period October 2015 to March 2017, with a view to improving capacity building and export readiness for the European market. In particular, the Project sought to increase the level of existing and new exports of goods and services from Trinidad and Tobago to the following EU markets: the United Kingdom, The Netherlands and France. Some of the activities under the Project include sensitization sessions on export opportunities and market access requirements, Business-to-Business (B2B) Meetings with companies, and market penetration missions.

The Ministry of Trade and Industry will continue its work with local businesses to ensure access to adequate information and guidance to support their efforts to enter the EU market.

With regard to revision of the Agreement, discussions are being held at the CARIFORUM level on a comprehensive review of the subject-specific provisions of the EPA. The overarching objective of this review is to ensure that the EPA continues to deliver on its objectives and that its provisions remain facilitative of the development priorities of CARIFORUM States. The MTI coordinates Trinidad and Tobago’s participation in these sessions.

The MTI, in collaboration with the Ministry of Foreign and CARICOM Affairs, has established links between the ACP/EU post Cotonou regional negotiations. The MTI

conducts stakeholder consultations with both the public and private sectors to develop and coordinate negotiating positions which reflect national interests. This information is transmitted to the Ambassador of Trinidad and Tobago in Brussels, Belgium, who is Trinidad and Tobago's lead negotiator for the ACP/EU post Cotonou negotiations.

Through these efforts, Trinidad and Tobago has promoted the inclusion of a Manufacturing Chapter in the Draft Agreement to address the developmental and cooperation needs of the local manufacturing sector. Specific objectives of such cooperation include enhancing human resource development, diversifying the manufacturing base through research and development and innovation and expanding trade in manufacturing products.

Recommendation/Comments of the JSC

B. As a major economy in CARICOM, T&T must continue to act as an impetus and unifying voice for the region in relation to:

- i. the implementation of the articles of the EPA;**
- ii. influencing the agenda of the Joint Council and the Trade and Development Committee;**
- iii. undertaking critical assessments of the implementation and impact of the CARIFORUM-EU EPA.**

MTI Response

Trinidad and Tobago has been implementing particular Articles of the CARIFORUM-EU EPA. However, Article 16 of the EPA, which requires phased reductions of customs duties by CARIFORUM States on products originating in the EU over a period of twenty-five (25) years after signature of the EPA, is yet to be implemented. Trinidad and Tobago has undertaken all necessary legal instruments to implement the tariff cuts and the Customs and Excise Division of the Ministry of Finance has been mandated to implement the tariff cuts; however, there has been some delay in implementation due to the need to transpose the Agreement from HS 2002 to HS 2012.

Trinidad and Tobago has actively participated in Meetings of the Joint Council and Trade and Development Committee under the EPA and has ensured that national interests are adequately addressed and that national positions and decisions in respect of all matters covered by the Agreement are taken into consideration. This is done through *inter alia* the proposal of Agenda Items to the CARIFORUM Directorate for consideration and inclusion on the Agenda.

With respect to undertaking critical assessments of the implementation and impact of the EPA, the Parties are currently engaged in preparations for the Second Five Year Review

of the Agreement. This involves *inter alia* critically assessing the progress made by the Parties in implementing the Agreement; and determining the extent to which the Parties have been able to benefit from the Agreement, in the context of what was contemplated.

Furthermore, Trinidad and Tobago is involved in the development of a Monitoring and Evaluation (M&E) Framework for the CARIFORUM-EU EPA. The main objective of monitoring is to measure the impact of the EPA and ensure that the Agreement is properly implemented, based on several indicators, of which Trinidad and Tobago has contributed. The M&E Framework will therefore be utilized in assessing the implementation and impact of the EPA.

Trinidad and Tobago will continue to drive the implementation of the EPA in the Region and actively participate in the meetings of the institutions under the EPA.

Recommendation/Comments of the JSC

- C. That the Government prioritise the full implementation of bilateral agreements specifically with Guatemala which was assessed as having the highest potential for intra-industry trade and El Salvador respectively.**

MTI Response

The MTI notes the recommendation of the Committee and acknowledges the importance of implementing negotiated bilateral trade agreements. The MTI is taking action to facilitate the implementation of the Partial Scope Trade Agreements with Guatemala and El Salvador, including the preparation of Cabinet Notes and communication of information on Trinidad and Tobago's international commitments with the relevant parties at all levels of Government.

Recommendation/Comments of the JSC

- D. That the Response of the MTI to this report include a proposed timetable for the renegotiation of bilateral trade agreements between this country and our non-CARICOM counterparts.**

MTI Response

Apart from CARICOM, Trinidad and Tobago has regional trade agreements with Venezuela, Cuba, Costa Rica, Colombia, the Dominican Republic, the European Union and United Kingdom. Given that these trade agreements were negotiated as part of CARICOM/CARIFORUM, renegotiations will require approval of all Parties involved. As such, the MTI is unable to propose a timetable for renegotiations, as this is dependent on the readiness and agreement by all signatory CARICOM Members States, as well as the respective trading partners.

With regard to the Trinidad and Tobago-Panama Partial Scope Trade Agreement (PSTA), the MTI has convened a Coordination Meeting to discuss preparations for the Convening of the First Meeting of the Joint Administration Commission (JAC) under the Agreement. The Draft Agenda for the Meeting was agreed upon and includes discussion on the expansion of the list of products for preferential access under the Agreement. A date for the First Meeting of the JAC is to be determined as Trinidad and Tobago awaits confirmation of a date from Panama. In light of the recent Covid-19 pandemic, it is likely that this Meeting will be convened via video-conference. The MTI is working to convene the First Meeting of the JAC before the end of 2020.

Objective 4: To determine whether Businesses are experiencing challenges in facilitating Extra-Regional Trade

Recommendation/Comments of the JSC

A. An export market access strategy be developed to identify and systematically target SPS/TBT barriers that are specific to the target market/s with the highest return value. This strategy should encompass the following:

- **A multi-year plan that integrates the key elements of national programmes and initiatives and the links to externally funded projects (through the GEF etc.)**
- **The facilitation of direct links between buyers and exporters with an intermediary liaison; and**
- **Public/private sector collaboration to pool resources and enlist support for export-oriented projects.**

MTI Response

The MTI agrees with the recommendation of the Committee for the development of a strategy to treat with SPS/TBT barriers and other issues. As indicated earlier the Ministry is developing a National Export Strategy (NES) that also includes recommendations to overcome SPS/TBT and other barriers in markets of key export importance to Trinidad and Tobago. The NES will cover a period of five years from 2020 to 2025 and will include recommendations for links with buyers and exporters and public public/private sector collaboration.

Recommendation/Comments of the JSC

B. A pragmatic and collaborative approach should be adopted between the MTI, ExportTT, Eximbank and private sector agencies with a view to identifying

and advocating/lobbying for the removal of non-tariff barriers to trade. These initiatives should include:

- **Solicitation of the views of businesses and their particular concerns with respect to non-tariff barriers to trade;**
- **Cooperation on various avenues to overcome collectively identified hurdles; and**
- **A review of approaches to overcome non-tariff barriers to trade and circulation of these experiences within the relevant networks.**

MTI Response

The MTI supports this recommendation and notes that it is in accordance with the activities to be undertaken under the Trinidad and Tobago Trade Policy 2019-2023, including the establishment of a Committee to address Non-Tariff Barriers (NTB), as well as a NTB Database.

Recommendation/Comments of the JSC

- C. As part of the CARIFORUM-UK trade negotiations, the MTI should lobby for inclusion of non-energy exports that have been gaining market share in the UK that is distinct from the offerings of regional competitors, such as Trinidad and Tobago fine flavoured cocoa. Partnerships with major brand agencies to advertise and distribute products are also encouraged. The Committee acknowledged that some of the key issues relevant to the development of this country's cocoa industry was recently examined by the Public Accounts (Enterprises) Committee.**

MTI Response

The CARIFORUM-UK Economic Partnership Agreement (EPA) is a 'roll-over' Agreement of the CARIFORUM-EU EPA aimed at preserving the Region's preferential trading relationship with the UK once it leaves the European Union (EU). As such, significant technical amendments and negotiation of new preferences were not considered in the final Agreement as the arrangement sought to maintain the status quo.

The CARIFORUM-UK EPA provides duty-free access for Trinidad and Tobago's exports to the UK market, once the rules of origin are met. This includes all products, including non-energy exports such as cocoa, with the only exception being arms and ammunitions.

Recommendation/Comments of the JSC

- D. High value or high potential businesses should be selected for participation in ExportTT's export readiness programme to build capacity in achieving international compliance and certification.**

MTI Response

exporTT is currently implementing a Client Management System which identifies high potential companies for support. This is done through initial screening along the lines of export performance followed by an export audit which covers three (3) areas; strategy; export experience and export capacity.

International compliance and certification is a key support service of exporTT and this is currently being made available to companies through the Client Management System. Once exporters' target markets are confirmed, exporTT reviews entry requirements for the market to identify potential gaps the exporter may need to address. These gaps typically relate to compliance or certification with mandatory standards in the market. This information is included in the exporter's export support plan to enable the taking of necessary action as early as possible, to facilitate market entry.