



# TRINIDAD AND TOBAGO MANUFACTURERS' ASSOCIATION

## MEDIA RELEASE

12<sup>th</sup> August, 2019

### Safeguard the Manufacturing Environment

The TTMA is committed to the development of T&T's industry by recognizing that investment in the local manufacturers is integral to stabilizing the economy.

The CARICOM Single Market and Economy (CSME) is intended to foster and develop regional industries. In the context of the globalized environment, all of the manufacturers within Trinidad and Tobago are minor when compared to international markets. Thus the purpose of Tariff's on imported goods, and the allowance of Minister's Licenses for products that are not locally manufactured, are to create a balance of economies of scale.

The CCJ ruling to uphold COTED's decision that imported cement can be classified as "Other Hydraulic Cement" and not "Building Cement Grey" has jeopardized the local cement manufacturers' competitiveness in the CARICOM region. This ruling, has essentially allowed a more advantageous classification for imported cement, with a tariff of 0-5% applied to "Hydraulic Cement". As opposed to the 15% tariff applied to the "Building Cement Grey" classification, which the imported cement meets the specifications of.

While the choice of classification as "Other Hydraulic Cement" was challenged based on the specification of the imported product, it is important to recognize that both "Building Cement Grey" and "Hydraulic Cement" are locally manufactured. Therefore both classifications should attract the same protective Tariffs.

Trinidad and Tobago's maximum tariff on the classification, "Other Hydraulic Cement" of 0-5% is grossly low in comparison to other regional countries whose bound (maximum) rates are much higher, for example Jamaica (50%) and Barbados (70%). A Tariff of 0-5% does not fulfil the obligation of the CSME to foster local industry as defined through the revised Treaty of Chaguaramas, which states it is obligated to:

- Full employment of labour and other factors of production
- Accelerated, co-ordinated and sustained economic development
- Organisation for increased production and productivity

As Trinidad and Tobago nears its Independence Day celebrations, TTMA is reminded of the positive strides from the local industries. Irrespective of decisions taken, TTMA reminds all to be #ProudlyTT.

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