



TTMA: SOLID BUDGET IMPLEMENTATION IS KEY

Port of Spain, Monday, September 30th, 2024 - The Trinidad and Tobago Manufacturers' Association (TTMA) is pleased with the comprehensive review of the economy and the fiscal measures presented by the Minister of Finance, Colm Imbert in his reading of the National Budget 2024/2025 entitled, "Steadfast and Resolute: Forging Pathways to Prosperity" today in Parliament.

The TTMA notes the statistics presented by the Minister which provides evidence of progress in the diversification of the economy. We are encouraged by the fact that non-energy manufacturing contributed 96% to total non-energy exports- up from 91% in 2020.

Several manufacturing subsectors experienced significant gains in export over the fiscal 2020 to 2023 period including Food and Beverages 40 %, Paper and Paper related products 47 %, Plastic and Rubber products 66 %, Basic Chemicals and Fertilizers 46 %, Glass and Glass products 161 %, Furniture and Light fittings 34 %, Clothing, Textiles and Apparels: 63 % and Wood and Wood related products: 46%.

Citing the Minister's announcement on improving the ease of doing business via furthering the Government's digitisation agenda Mr. Roach stated, "This is welcomed news by the Minister of Finance as there is a direct link between the efficiency of the essential services offered by ministries and state agencies; and the ease of doing business. The systematic reduction in transaction time taken to complete basic services will impact positively and improve the business environment.

The Minister's announcement of government's intention to move to online payments for citizens including but not limited to, the TTRA and property tax (on or before 31st October) - in addition to, the recently announced increased in online services offered by TTBizLink - is a progressive step in the right direction. Until the public sector is fully digitised we will continue to have challenges with regard to the ease of doing business.

The introduction of e-passports and digital departure and arrival cards will greatly improve efficiency at our airports and bring us in-line with already established international best practices.

The Association welcomes Minister's reporting that to date, 183 local manufacturers have accessed 983 million, generating 8 billion dollars in forex revenue for Trinidad and Tobago, growing by 100 USD per year since introduced. This facility continues to be essential in supporting manufacturers to buy essential raw materials, converting them and earning much needed foreign exchange for Trinidad and Tobago.

Mr. Roach stated, "The TTMA is heartened by the Minister of Finance's announcement of the issuance of VAT bonds in the amount of 3 billion by January 31, 2025 as well as the payment of cash refunds to small and medium sized businesses by December 31, 2024. This VAT payment will assist our members, especially the SME sector, with their cashflow challenges, allowing them to allocate much needed working capital back into their businesses."

Mr. Roach continued, "TTMA also looks forward to a long-term solution to this perennial problem and stands ready to engage in meaningful discussions with the government on the issue."

On the announcement of seven Special Economic Zones (SEZ) and two Specialised Zones, Mr. Roach stated, "This announcement can improve and reinforce Trinidad and Tobago's position as the manufacturing hub of

the region and will be a catalyst for increased foreign direct investment and improved foreign exchange earnings for the country. Properly managed, it will also boost exports, promote economic diversification, generate new employment opportunities, and encourage greater private sector involvement in the economy.” The Association notes that the Board of Directors and CEO to the company have been appointed and we look forward the actioning of the policy framework in order to bring tangible results to participating businesses, the economy and the people of Trinidad and Tobago. We also support the building and expansion of modern fit-for-purpose industrial parks.

Commenting on the tools being implemented by government to bolster the manufacturing sector’s contribution to the foreign exchange earnings of the country, Mr. Roach commented, “TTMA notes the increase market access into international markets and welcomes the completion of the technical negotiations with Chile. We are excited by the commencement of negotiations with Curacao in July 2024 and by the signing of the Agreement for the Reciprocal Promotion and Protection of Investments (ARPPi) with Ghana. The TTMA organised a trade mission to Ghana in March this year and this agreement will assist with positive conclusion to some of the private sector commercial negotiations currently on the way.”

He continued, “We encourage our members and the private sector to leverage these agreements to penetrate these markets and source inputs from these countries.”

TTMA applauds the establishment of the T&T Trade and Investment Promotion Agency Ltd as it brings together key institutions under one umbrella agency which assists in facilitating an enabling environment for business.

Mr. Roach also expressed his support for the incentives offered for education within the manufacturing sector as this will drive the diversification. Mr. Roach stated, “TTMA is pleased with the success of the Manufacturing Apprenticeship Programme and Woodworking Apprenticeship Programme as highlighted by the Minister, these programmes will provide industry-ready graduates with the necessary skills for immediate employment in key growth sub-sectors.”

The Association notes the continued investment in crime fighting measures by the government and we hope the policies and programmes implemented will bring much needed relief to both the business community and private citizens.

Minister Imbert is scheduled to participate in a post-budget event with TTMA membership and key stakeholders on Tuesday 1st October at the Hyatt Regency at 1:30pm to discuss the details of the budget. The Association looks forward to a healthy and robust discussion.

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