

Vision 2020: Operational Plan 2007-2010

Enabling Competitive Business



Section 3



Our Goals

- **GOAL 1**
Macroeconomic stability will be maintained
- **GOAL 2**
A business climate that attracts investors and encourages competitive businesses to start and grow will be created
- **GOAL 3**
Competitive businesses will transform Trinidad and Tobago into a diversified economy with exciting growth opportunities

Champions

- Ministry of Tourism
- Ministry of Finance
- Ministry of Foreign Affairs
- Ministry of Trade and Industry
- Ministry of Planning and Development
- Ministry of Energy and Energy Industries
- Ministry of Agriculture, Land and Marine Resources
- Ministry of Labour and Small and Micro Enterprise Development
- Tobago House of Assembly

Enabling Competitive Business



INTRODUCTION

Trinidad and Tobago finds itself in a situation of unprecedented opportunity and challenge, for economic prosperity no longer depends only on physical resource endowments or proximity to markets. In today's world, places with skilled workers, learning institutions, and competitive businesses in a knowledge economy lead in economic development. The expectation is that Trinidad and Tobago will be one of those places by 2020.

As we look ahead, we do so from a position of considerable achievement. The performance of the economy has been enviable – after twelve consecutive years of positive growth our economy is poised to register a robust 12 per cent expansion in real output in 2006, our fiscal position remains healthy, our country is close to full employment, and our standard of living has improved.

Table 3.1

Selected Economic Indicators

	2001	2002	2003	2004	Est. 2005	Proj. 2006
Output / Prices	(Annual percentage change, unless otherwise indicated)					
GNP Per Capita (US \$)	6,577	6,633	7,860	9,079	10,664	11,623
Inflation	5.5	4.2	3.8	3.7	6.9	7.7
Unemployment Rate	10.8	10.4	10.3	8.4	8.0	7.0
Real GDP	4.2	7.9	13.9	9.1	7.9	12.0
Fiscal Account						
Central Government Overall Balance	0.6	- 0.2	1.8	1.9	5.6	3.8
Savings and Investment	(In percent of GDP, unless otherwise indicated)					
Gross Domestic Investment	18.1	17.8	15.7	18.3	20.4	22.5
Gross National Saving	22.7	18.6	23.7	31.5	44.9	46.7
External Sector						
Current Account Balance	4.7	0.8	8.0	13.2	24.5	24.2
Gross Official Reserves:						
in US \$ million	1876	1924	2258	2993	4787	7787
in Months of Imports	6.3	6.3	6.9	7.3	10.0	13.1

Source: CSO, Central Bank of Trinidad and Tobago, Ministry of Finance

Our country's natural resource advantage has played a crucial role in building this success. Indeed, the energy sector has continued to register robust growth, buoyed

by high oil prices which have led to substantial increases in government revenue over the last few years. Nonetheless, as important as the energy sector is to this

Section 3: Enabling Competitive Business

country, it will not be possible to achieve developed country status without building new bases of competitive advantage.

As a matter of priority, we need to assess where we are as a country – to identify the

gaps we need to close. Since other countries are also strategizing on becoming more competitive, Vision 2020 is not a static – but a moving target. A comprehensive understanding of our strengths and challenges will help us to advance into the

Table 3.2

Trinidad and Tobago: Competitive Business Indicators

Indicator	Score	2003/04	2004/05	2005/06	Rank in relation to number of countries surveyed		
					2003-2004 (102 countries)	2004-2005 (104 countries)	2005-2006 (117 countries)
Nature of Competitive Advantage	7 – Unique products and processes	2.7	2.9	2.8	78	78	91
Value Chain Presence	7 – Not only produce but also perform other activities in value chain	2.9	3.0	2.9	73	72	88
Capacity for Innovation	7 – Conducting formal research and pioneering new products	2.6	2.8	2.6	82	69	95
Ethical Behaviour of Firms	7 – Best in the world	4.1	4.0	3.9	55	60	71
Production Process Sophistication	7 – World's most efficient process technology	4.1	4.1	3.9	34	39	50
Extent of Marketing	7 – Extensive and employ sophisticated techniques	4.3	4.2	4.3	48	62	62
Degree of Customer Orientation	7 – Highly responsive to customers	4.1	4.0	3.9	75	80	95
Breadth of International Markets	7 – In virtually all international markets	3.2	3.2	3.3	63	67	70
Pay and Productivity	7 – Strongly related to worker productivity	3.5	3.5	3.2	64	69	103

Source: World Economic Forum, *Global Competitiveness Reports* 2003-4, 2004-5, 2005-6

future. Using the Global Competitiveness Report produced by the World Economic Forum we can assess Trinidad and Tobago's competitiveness as compared to other countries across the globe. The rankings for the various indicators that impact competitive business are highlighted in Table 3.2.

Our rankings do present a cause for concern but this should not dampen our enthusiasm to forge ahead. Indeed, the decline in competitiveness is largely as a result of the relentless pressures of globalisation that confront a small open economy like Trinidad and Tobago. As the global economy surges, driven by technology and real time communication, as new industrial powers like China and India emerge – we need to protect our current strengths, reduce weaknesses and grasp opportunities to develop new sources of competitiveness.

It is time for a new strategy - a strategy based on building competitiveness. Indeed, in order to sustain growth, to continue to raise our standard of living, we need to become more competitive. However, we must understand that countries do not compete, firms do. Countries do not create wealth - wealth is actually created at the micro level of the economy, rooted in the capabilities of a nation's firms, small and large, as well as in the quality of the business environment

in which these companies compete. Unless the competitiveness of firms improve, macroeconomic, political, legal and social reform will not bear full fruit. Building competitive firms is therefore the fundamental determinant of the level of prosperity. Government will therefore enable competitive businesses, which can compete successfully in international markets by producing world-class products, brands and services.

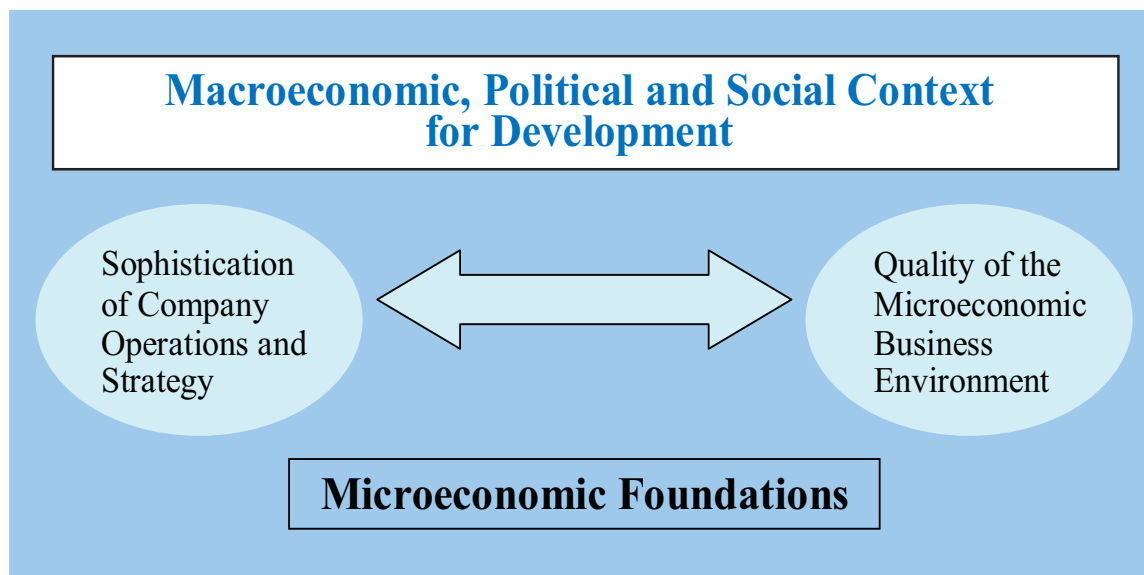
Figure 3.1 illustrates the approach that will be adopted to enable competitive businesses. Government will lead by example in ensuring that the macroeconomic, social and political climate is stable. Every effort will be made to do all that is necessary to create the environment where businesses can become more competitive and flourish. Government will provide an environment with the appropriate structures, institutions and policies. Businesses will have advanced strategic and operations systems, and will be staffed by a capable, knowledge-based workforce with access to high quality resources. Competitive businesses cannot exist without a demanding consumer base. Government will create an environment that allows free competition and drives innovation and entrepreneurship.

Section 3: Enabling Competitive Business

Competitive businesses must exhibit a strong sense of social responsibility by always seeking the best interest of citizens and the country in which they operate. Indeed, it is clear that many of the actions needed to move Trinidad and Tobago to Vision 2020 are outside the direct remit of Government. Significant responsibilities lie with business executives, educators, industry associations, civil society and trade unions. Government will therefore seek to forge strategic partnerships with all stakeholders to take this country to developed country status by 2020.

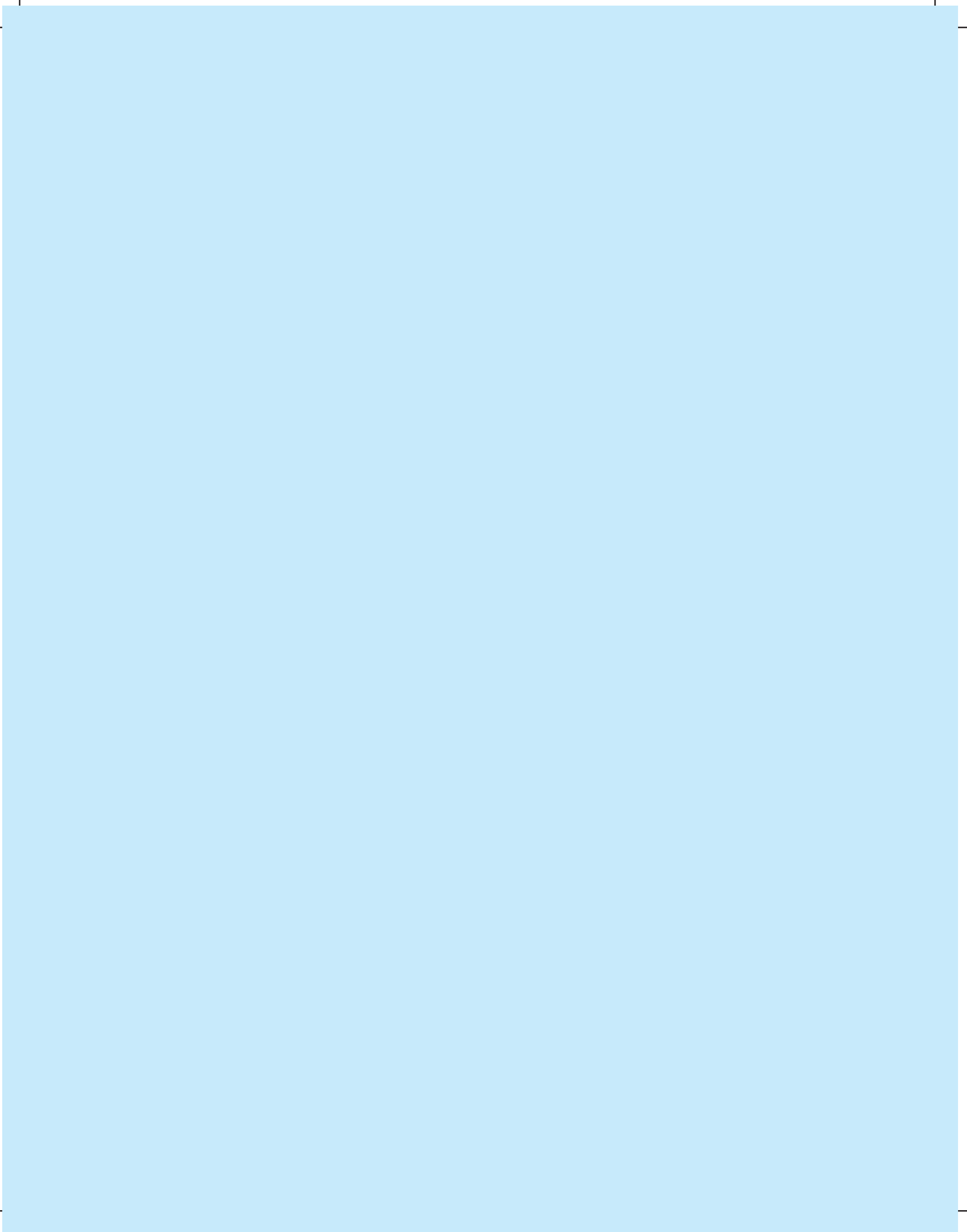
Figure 3.1

Determinants of Competitiveness



Source:

Adapted from Michael Porter, Global Competitiveness Report 2005/2006



Goal 1

MACROECONOMIC STABILITY WILL BE MAINTAINED

Policy Context

When our economy grows, all our people have opportunities to prosper. Our children have opportunities to study, work and live here at home. In addition, Government has the resources it needs to reduce poverty, strengthen health care, invest in education, build infrastructure – goods and services that all citizens of this country need and rightly deserve. To be able to deliver on these goods and services, our economy must continue to grow and to be stable. Indeed, Government’s medium term economic goal is to maintain stability mainly by pursuing sound monetary and fiscal policy, promoting healthy trade and payments balances and taking the steps necessary to contain inflationary pressures. Economic stability allows businesses, individuals and Government to plan ahead, improving the quantity and quality of long-term investment in physical and human capital.

Economic stability is a necessary condition for competitive businesses to thrive. Indeed, a strong, stable and growing economy is both a prerequisite and defining characteristic of a developed nation. The economy is essentially the foundation of development upon which all the pillars are built. Sustained economic growth provides the stability from which competitive firms can be nurtured which in turn contributes to even higher levels of growth.

For Trinidad and Tobago to achieve developed country status, sustained growth in the national economy is required.

Although the Trinidad and Tobago economy has achieved very high growth rates it has never been able to do so over a sustained period. In fact, given that the economy is still dominated by the energy sector, shocks in this sector have a dramatic impact on the entire economy – particularly, exports, government revenue and ultimately growth. The economic strategy must therefore address this fundamental issue: the need for the development of other growth centres, to achieve a broad-based economy where the structure of production is more balanced and where the country is to some extent insulated from economic shocks generally from outside.

While the details of the diversification strategy are the focus of the third goal, the vulnerability of the economy's dependence on the energy sector must be highlighted and strategies to manage the economy during this period of economic expansion must be addressed.

Management of the economy will necessarily involve prudent fiscal and monetary policy co-ordination as well as public and private collaboration. Macroeconomic policy must at the same time be flexible and responsive to shocks – internal or external – that may impact the economy.

We stand in a position of considerable strength. Real GDP growth reached seven per cent in 2005, the twelfth year of continuous expansion. Growth has averaged eight per cent over the past five years and this trend will continue in 2006, mostly due to the coming on stream of new energy facilities, including a new liquefied natural gas train, a new oil field and new petrochemical plants. Due to high growth in the past few years, GDP per capita has increased substantially. Unemployment has fallen to historical lows, despite an increase in the labor participation rate.

Although the energy sector is admittedly the main force behind GDP growth, the non-energy sector has also been growing at a respectable four per cent to five per cent annually over the past few years, led by a

strong performance by the services sector and in particular its construction component.

According to estimates computed by the Central Statistical Office, Gross National Product (GDP plus Net Factor Payments) almost doubled over the last five years with an average growth rate of per capita GNP of 12.5 per cent. In this regard, it has been estimated that, purely from the perspective of income, the attainment of developed country status by 2020, would require an average annual growth rate of some nine per cent in per capita GNP to that year.



Objectives to 2010

1.

Increase GNP per capita by at least 9 per cent per annum

2.

Maintain price stability

3.

Achieve full employment

4.

Maintain balanced budgets or surpluses

5.

Reduce the non energy fiscal deficit

6.

Maintain a healthy current account surplus



Strategies

Ensure Sound, Prudent Management of the Economy

Competitive businesses thrive under good macroeconomic conditions - balanced budgets, low inflation, stable and competitive exchange rate, and healthy current account balances. Macroeconomic stability has come to be accepted as an essential ingredient of sustainable growth. It is a challenging task to identify countries that have grown on a sustained basis without regard to fiscal discipline, understanding budget constraints and ensuring price stability. In the face of high prices on the international markets for its primary exports, Trinidad and Tobago is poised to take advantage of favourable conditions for the second time in its history. However, with increasing aggregate demand, inflationary pressures will mount. In this context, Government will pursue sound and prudent monetary and fiscal policies to achieve its growth target through expansion of the economic base and exports. Government will also generate appropriate surpluses on the fiscal and external accounts, maintain a healthy level of foreign reserves, and increase employment levels all within a framework of price and exchange rate stability.

Contain Inflation

The current energy-driven GDP expansion has created some challenges, most notably,

containing inflation. A combination of high levels of liquidity, an expansionary fiscal policy with supply side rigidities have led to a build up of inflationary pressures in recent years. After averaging around three per cent for a number of years, inflation rose to 5.3 per cent in 2004 and then 7.2 per cent in 2005. The Central Bank will continue to use monetary policy as it has been doing over the last year, mainly through conducting open market operations to absorb the excess liquidity in the system. Government will continue to monitor the rate of inflation and will adjust its policies to ensure that price stability is maintained.

Reduce the Non-Energy Fiscal Deficit

According to the available information the non-energy fiscal deficit rose from 5.6 per cent of GDP in 2002 to 8.4 per cent of GDP in 2004, then to an estimated 10 per cent in 2005. The deficit is projected to rise to 13.3 per cent of GDP in 2006. In this regard, it is instructive that the Government has agreed to manage this deficit in the region of 10 per cent of GDP.

The increase in the fiscal deficit has to a large extent resulted from an increase in Government's investment in social and economic infrastructure and in transfers and subsidies, and a downward revision of the non-energy tax regime. The strategy to reduce the non-energy deficit will involve the following:

- measures to increase non-energy output through increases in productivity, innovation and the infusion of new technologies
- promoting the entry of new businesses into the non-energy sector
- assisting firms operating in the business sector to explore new export markets
- reviewing subsidies and transfers with a view to better targeting and rationalisation

Avert the Effects of the ‘Dutch Disease’

The Dutch Disease refers to the negative effects a booming tradable resource has on other export sectors. While the positive effects of a country’s natural resource endowment receive all the attention, there are downside risks associated with the dominance and success of one resource-based sector. With large inflows of foreign exchange from international sales of commodities, foreign exchange reserves are built up through balance of payments surpluses. When the level of reserves exceeds the demand for foreign currency, there is pressure for the exchange rate to appreciate. Such an appreciation can have an adverse effect on the nation’s competitiveness. In addition, resources are diverted from the non-energy sector to the energy sector.

Government is fully cognizant of the possible effects of the Dutch Disease and will ensure that the competitiveness of the non-energy sector is not eroded, that surplus revenues are

invested in education and training, increasing the skills of the labour force, investing in R&D, and in new growth sectors.

Increase Savings and Investment

An increase in the domestic savings rate coupled with an efficient use of resources for investment will contribute to the creation of a stable macroeconomic environment and acceleration in the rate of economic growth. With respect to savings, the Financial Sector Reform Programme will continue to address issues related to deepening and strengthening of the capital market and undertaking pension reform. Fiscal incentives to boost private savings will also be explored. In terms of investment, Government will continue to invest in the institutional and physical infrastructure needed to sustain economic growth.

To remain or become internationally competitive, firms must invest in new technologies and new processes. The proper targeting of investment is also crucial. While the high-value added industries will naturally attract new investment, there is also a need to invest in areas which have the potential for employment creation.

Many of the underlying factors that are necessary for development are also necessary for investment: skilled human resource, political and economic stability, quality infrastructure, strong institutions and effective governance. Investment and

development are interdependent; one is not possible without the other.

Strategies to improve the quantity and quality of both domestic and foreign investment include building and improving upon the existing investment promotion infrastructure (those institutions that have the mandate of promoting various types of investment); encouraging domestic investors by creating an enabling environment; establishing clear policies on sectoral development strengthening support institutions; reforming the government public procurement regime; protecting intellectual property; formulating a competition policy; providing incentives; and streamlining the regulatory process.

Improve Labour Productivity

Population growth has been estimated at less than one half of a per cent per annum. This low population growth has in part been due to relatively low fertility rates, an increase in lifestyle-related deaths including HIV/AIDS and emigration. Approximately 70,000 persons migrated between 1990 and 2000, most of these being skilled and highly trained individuals, contributing to the phenomenon of the brain drain.

While population growth has been relatively stable, the labour force participation is projected to increase by 2,500 per year. Given that the economy needs to grow robustly over the medium to long term and there are skills deficiencies and rigidities in the labour

market, productivity assumes added importance. High productivity growth will make it possible to achieve full employment without triggering inflationary pressures. The strategies to increase labour productivity include improving the quality of data on productivity, promoting increased productivity through innovative processes, infusing new technologies into production, improving human resource management, changing the work ethic and encouraging innovation.

Increase Trade and Generate Export Led Growth

Trinidad and Tobago is a small open economy with a population of some 1.3 million. Most of our non-energy exports go to CARICOM countries. Given that our exports have dominated CARICOM, our businesses will need to accelerate the search for new markets outside the region. Trade is essential for economic growth. We trade or we perish. With trade barriers falling as a result of the globalisation process and protected markets being eroded, our exports now face increased competition in world markets. To increase its share of global trade, the country will have to be innovative and technologically progressive. It will also have to develop new quality products for niche markets, improve its competitive edge and keep abreast of changing market conditions.

Government will institute measures to increase both the value of our trade and the

Section 3: Enabling Competitive Business

number of companies that engage in trade as well as the new markets we penetrate. The strategies will include enhancing market intelligence to identify new opportunities for trade diversification and opportunities for new markets; expanding the export base of key sectors; working with the business community to prepare more businesses and first-time exporters to successfully engage in international trade; undertaking trade missions and export promotion activities; and the branding of Trinidad and Tobago products. Government will also intensify efforts to make Spanish the first foreign language of Trinidad and Tobago. This will enhance the ability of exporters to exploit opportunities in the Latin American Market.

Major Projects

Heritage and Stabilisation Fund

To strengthen the management of the fiscal surpluses generated by the energy sector, Government will retire the Interim Revenue Stabilization Fund (IRSF) and establish the Heritage and Stabilisation Fund (HSF). The HSF will be based on the Norwegian Model – one of the world’s most successful heritage and stabilization funds. The rationale for setting up the Fund is the fact that oil and gas are wasting resources that will eventually be depleted; the need to stabilize the economy to avoid the bust and boom cycle; and, exercising fiscal prudence in investing some of the excess revenue for future generations. A minimum of 60 per cent of excess oil and gas revenues received in excess of budgeted oil and gas revenues will be allocated to the HSF. With a view to improving the modalities and functioning of the HSF, draft legislation has been prepared and presented in Parliament. The legislation will establish the legal status and the rules and operations of the HSF which will be administered by a five-member board of governors. The Board will appoint an investment manager for the fund.

Financial Sector Reform Initiatives

Financial sector initiatives are aimed at improving the efficiency and stability of the financial system. Among the various initiatives, there will be revisions and updates

to existing legislation such as the Financial Institutions Act (1993), Securities Industries Act (1995), and Insurance Act. The regulatory and supervisory framework will be restructured with the passage of these laws with improved standards for corporate governance. Pension reform is also under way. The components will include the harmonisation of the Old Age Pension and the National Insurance System; the upgrade and modernisation of the National Insurance System and introduction of a funded Public Service Pension Plan.

Capacity Building in the Ministry of Planning and Development

The Ministry of Planning and Development is responsible for leading the country’s development efforts to achieve Vision 2020. Given that we are planning in a highly competitive environment where global changes have instantaneous effects on small open economies and where we must now anticipate trends and futures and strategically re-position ourselves for continued growth – we must re-engineer the processes and enhance capacity and capability within the Ministry of Planning and Development. The objective of this Project is to create a tradition of scientific thought and to focus on informed decision-making. Initiatives include the restructuring of the Central Statistical Office and the establishment of the Vision 2020 Programme Management Office. Dedicated staff will also be recruited to continuously update the macroeconomic

Section 3: Enabling Competitive Business

model developed by the Vision 2020 Macroeconomic and Finance Sub Committee, conduct specialised research and provide economic intelligence to guide the Vision 2020 process.



Targeted Outcomes

- The economy remains stable
- Annual per capita GNP growth of at least 9 per cent is achieved
- Single digit inflation is maintained
- The non-energy fiscal deficit is less than 10 per cent of GDP
- New export markets penetrated
- The Heritage and Stabilisation Fund has at least US\$ 2 billion
- Productivity growth is doubled
- Full employment is achieved

Goal 2

A BUSINESS CLIMATE THAT ATTRACTS INVESTORS AND ENCOURAGES COMPETITIVE BUSINESSES TO START AND GROW WILL BE CREATED

Policy Context

Businesses flourish in an environment that is conducive to their growth and development and enhances their competitive edge. Such a business climate will be attractive to companies and investors, both local and foreign. Government will therefore create the conditions which encourage businesses to operate in Trinidad and Tobago, and allow them to thrive and be internationally competitive.

Stability and predictability are essential elements in a supportive business climate. In this regard, Government has simplified and broadened the tax base, created a stable macroeconomic environment, implemented flexible labour legislation, and developed an investment policy and export strategy.

Given that it is businesses that compete, not countries, Government will create an environment where businesses can flourish. The expectation is that with the right mix of policies in place, exporting sectors and individual businesses will be provided with the support to adapt to a more competitive environment by re-positioning themselves at a higher point in the value chain with the help of new technology and organisational change. Labour and capital resources tied up in declining industries and firms will be allocated to other higher value-added activities.

Economic prosperity for a small open economy like Trinidad and Tobago ultimately depends on our ability to export goods and services and therefore on the productivity of our businesses and economy. Government believes that the crucial challenge is to enhance the business environment that will create the conditions necessary to drive productivity growth in the coming years. Consequently, priority will be placed on creating a culture of innovation by investing in R&D and the use of ICT, upskilling the labour force, strengthening clusters and networks, developing entrepreneurship and providing support services that will make doing business in Trinidad and Tobago simpler, faster and less costly.

The Business Competitive Index produced by the World Economic Forum monitors the business climate of countries across the globe.

Section 3: Enabling Competitive Business

Though our rankings have been in decline as shown in Table 3.3, we have taken some steps to improve.

In addition, the most problematic factors for doing business as illustrated in Figure 3.2 are being addressed.

Table 3.3

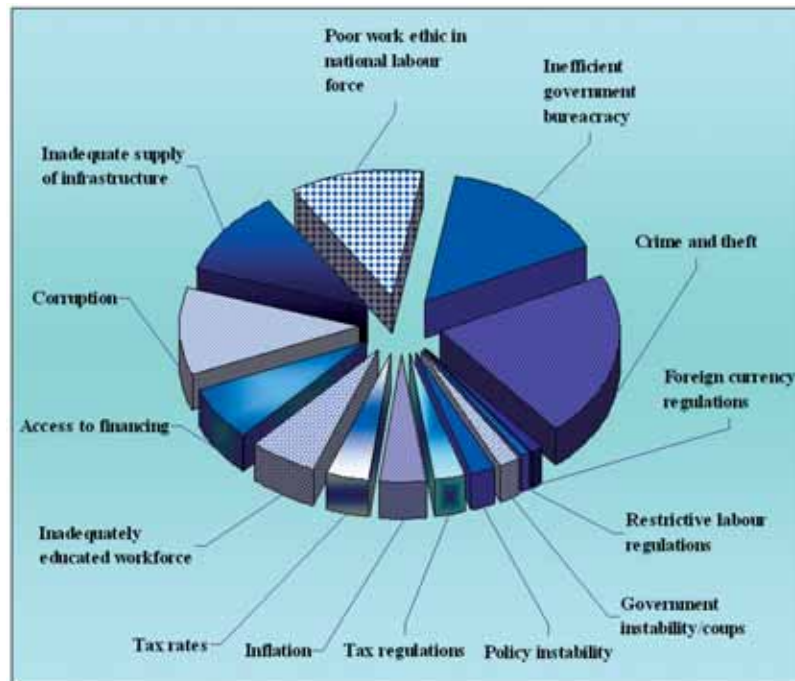
Quality of Trinidad and Tobago's Business Environment

Year	Business Competitiveness Index	Company operations & strategy ranking	Quality of national business environment ranking
2001	31/75	27	38
2002	44/80	44	44
2003	52/102	53	52
2004	59/103	55	62
2005	65/116	62	63

Source: World Economic Forum, *Global Competitiveness Reports* 2003-4, 2004-5, 2005-6

Figure 3.2

The Most Problematic Factors For Doing Business



Source: World Economic Forum, *Global Competitiveness Report* 2005-6

It is conceivable that our phenomenal growth in the energy sector may have masked some of the vulnerabilities of firms operating outside the sector which have not been exposed to fierce global competition. Few healthy clusters have developed outside the energy sector and few local firms are able to provide required support services to foreign energy corporations. Although clusters are beginning to emerge in the manufacturing sector, most of the manufacturing still takes place only at one point in the supply chain. Many of the country's largest and most successful firms involved in food processing,

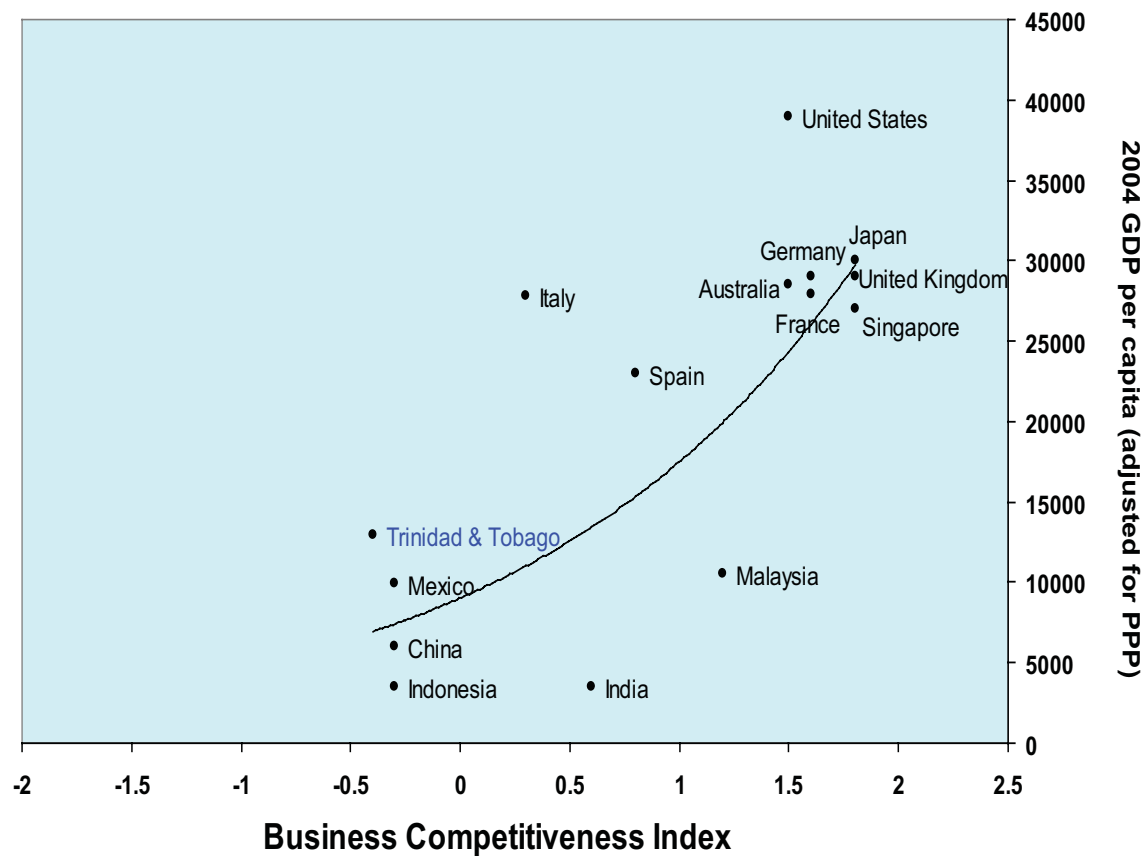
downstream oil industries and intermediate goods, owe their success to cheap energy and protected regional markets.

The challenge is to channel the oil and gas revenues into transforming the economic base by stimulating new growth clusters and re-organising some existing ones to move up the value chain and produce high end or high value added, differentiated products for the global market.

The approach to dealing with the challenge has to be a shared one between Government

Figure 3.3

Growth and Business Climate



Source: World Economic Forum, *Global Competitiveness Report 2005-6*

Section 3: Enabling Competitive Business

and the business sector, with the Government providing the appropriate business environment, and businesses taking the required investment initiatives.

There is a direct link between the quality of the business climate and growth of a country. This is evident from Figure 3.3 which illustrates that countries with a more conducive business climate reflected in a higher score in the Business Competitiveness Index have been able to achieve higher growth rates.



Objectives to 2010

- 1.**
Improve Trinidad and Tobago's Business Competitiveness
 - 2.**
Facilitate Research and Development investment in business enterprises
 - 3.**
Increase the number of new businesses
 - 4.**
Increase productivity per worker
 - 5.**
Increase the number of business clusters
 - 6.**
Streamline the regulatory procedures for establishing businesses
-



Strategies

Create a Culture of Innovation to Drive Productivity

Innovation is the creative process that transforms new and existing knowledge and technology into commercial value. The development and exploitation of novel products, processes, services and systems and their incremental upgrading is the main driver of long run productivity growth for competitive businesses in developed societies. Therefore, in order to become a developed country, Trinidad and Tobago must create a culture of innovation. Indeed, central to our development thrust is developing innovative people.

Government will invest an increasing share of the country's wealth in R&D. This will be achieved through the full establishment of the University of Trinidad and Tobago (UTT), a sophisticated world class research institution which will lead in Science and Technology. Government will also expand the pool of scientists and engineers through continued subsidization of free tertiary education and the UTT will partner with world renowned research institutions in the undertaking of its work.

The production and commercialization of new knowledge is now less associated with individual firms and more with high tech clusters and networks populated by small

innovative entrepreneurial firms linked to multinational corporations, universities and research institutes. In keeping with this development, Government will develop at various strategic locations across the country a number of Science and Technology Parks. The initial thrust is the Tamana InTech Park at Wallerfield.

Government will also expand technological innovation support to businesses to assist them in penetrating export markets through the development of new and improved products and services and by promoting business process innovation. In addition, steps will be taken to strengthen the current system for R&D, review and modernize laws including the fiscal regime for R&D, and establish an Innovation and Incubator Centre to promote greater industry-university co-operation and increase the country's capacity to convert technological breakthroughs into industrial and commercial successes.

Government will also increase public funding for industry-led and in-company research and progressively increase support to firms in their efforts to develop more efficient processes and innovative products to satisfy customer needs. Support will be tailored to the specific needs of firms depending on their absorptive capacity. Accordingly, the capabilities of the Trinidad and Tobago Bureau of Standards will be strengthened, particularly with respect to the accreditation of quality standards within firms.

Promote Business Process Innovation

Productivity growth through innovation is not only derived from advances in science and engineering but by innovation in business processes. Indeed, research has shown business process innovation through ICT to be a strong driver of productivity, particularly in the services sector. Government will support better business performance in business process innovation by promoting effective ICT usage particularly by SME's. Further, Government will invest in an ICT literate country to enable widespread integration of ICT into the entire economy, in particular the business sector.

In Trinidad and Tobago, there is only a very small percentage of the population currently using the Internet. As a result, e-business in Trinidad and Tobago is underdeveloped at this time. The National Information and Communication Technology Plan referred to as *fastforward* will be a major mechanism in the country's drive for a prominent position in the global information society. In addition, the strengthening of the current incentive system for business process innovation will also require improvements in management skills across all areas, particularly within the SME sector. To this end, projects will be undertaken through the Business Development Company (BDC) in adopting and institutionalizing ICT as well as management skills and competencies to make businesses more competitive.

Create a Culture for Entrepreneurship to Flourish

Entrepreneurship is the process of creating and developing enterprises and can have a positive impact on growth in productivity, employment and competitiveness. Entrepreneurs and high growth firms are key to exploiting new ideas and innovations in technology and business processes and will be the main driver of long run productivity growth in Trinidad and Tobago.

However, many of these firms operate with a combination of low levels of efficiency, high wastage, low yields and high production costs. These firms are also characterized by low levels of R&D, limited sales and marketing capabilities, and a strong focus on the domestic market. As a result, too few entrepreneurs have 'scaled up' to the level of global players.

Government will continue to provide the macroeconomic stability for entrepreneurial activity to thrive and prosper and will encourage the development of a value system that supports an entrepreneurial culture. Government will also provide the support regime, including financial assistance and technical support and training, for the development of more businesses and in particular small and medium sized businesses through the National Entrepreneurial Development Company (NEDCO) and the Business Development Company (BDC). At the UTT, special programmes on

entrepreneurship will be implemented to inculcate a culture of enterprise. The thrust is on unlocking entrepreneurial potential and offering citizens new opportunities for the development of businesses. It is the expectation that local firms will seek opportunities in the cluster of technology industries at the Tamana InTech Park and will adopt more outward oriented strategies seeking export opportunities or finding ways to participate in production chains with large producers abroad similar to the outsourcing market that is dominated by Indian firms.

Improve the Environment for Business Start-ups

Government will promote enterprise by helping businesses to start up, develop and grow. Special attention must be given to the regulatory framework that relates to the start-up of businesses. Although there has been progress, the time, effort and costs required for setting up a business must be further reduced. There is scope for improvement regarding multiple procedures; the number of contact and information points; the number of forms, licences and permits needed; and costs. The focus will be on further reducing the time, effort and cost of setting up business and the introduction of a one-stop-shop for business establishment shortly thereafter.

Increase the Availability of Financing for Entrepreneurs

The limited availability of finance continues to impede the establishment and expansion of businesses. Business financing is currently too lending-based rather than risk-capital based. The environment for risk capital investments and the infrastructure to direct more capital to investment opportunities needs to be improved. This makes it especially difficult for SMEs to access sufficient financing, as they are unable to meet the lending criteria of traditional financial institutions. Greater effort needs to be directed to providing these businesses with the financing they require.

A Loan Guarantee Programme and a Venture Capital Incentive Programme (VCIP) are currently in operation. There is also the Business Development Company (BDC) and the National Entrepreneurship Development Company Ltd. The strategy will be to induce financial institutions to offer a wide range of financial instruments to investors, particularly SMEs.

Provide Support for Networks and Clusters

The concentration of enterprises, a skilled labour pool, and suppliers of goods and services in a particular geographical area boosts efficiency, encourages downstream activity and supply opportunities while stimulating innovation and enterprise

formation. Cluster development in Trinidad and Tobago remains limited - the energy cluster being the most developed one. While the location of an enterprise is a strategic decision undertaken by a firm, Government can induce their location in business clusters by providing appropriate incentives. Government will therefore forge strategic partnerships to facilitate the development of business clusters. In this regard, the Tamana InTech Park and UTT will develop clusters and networks. Creative interaction between universities, scientists, and researchers on one hand and industry and commerce on the other which drives technology transfer and innovation is buttressed by the close physical location of the university and companies.

Provide Infrastructural Support for Business Development

Government will facilitate the establishment of greater linkages within industries and between the industrial sector and other sectors. This will be realized through the development of industrial parks. Industrial parks typically consist of a concentration of business activity and provide the infrastructural support for the development of business. These Parks facilitate the improvement of the competitiveness of businesses within industries, as large and small companies in a similar industry benefit from common labour pools and suppliers, faster innovation, market intelligence and smoother production processes. They also enable

productivity growth in firms and new business formation, thus assisting in the diversification of the economy as well as employment generation.

The Tamana InTech Park which is currently being developed is envisioned to be the first Science, Technology and Industrial Park in the region with academic research and development facilities critical for diversifying the non-energy export base and facilitating industrial expansion downstream of the energy sector. The University of Trinidad and Tobago will be located in the Park. Six new industrial parks are being developed, and eight of the existing parks are being upgraded and refurbished. There will be business clusters in the new and upgraded industrial parks in the areas of downstream energy, light manufacturing and information technology (mainly software development focusing on health-care and business processes).

Remove Rigidities in the Labour Market

Government will move the rigidities in the labour market, particularly those arising out of skill deficiencies, through a number of initiatives. These include: the development of a manpower planning framework; realigning of the curricula of education and training institutions with the skills needs of the business sector; and the establishment of effective collaborative linkages between the education system and the business sector. In

in addition a Labour Market Information Unit in the Ministry of Labour and Small and Micro Enterprise Development will be established to analyse trends in the labour supply and demand and build a database on the skills needs for the economy. This will lead to an enhancement in the functioning of the labour market information system.

The location of the University of Trinidad and Tobago (UTT) at the Tamana InTech Pak will provide positive synergies to both the UTT and businesses operating in the Park. The UTT will be a centre of research with practical integration with the industrial sector.

In addition, the National Skills Development Programme (NSDP) will provide training in the area of technology, while the National Energy Skills Centre (NESC) will focus on the labour demands of the energy sector.

Institutionalise Occupational Safety and Health

Industrial expansion brings diverse types of industrial activity from light manufacturing to heavy industry. The absence of an adequate and relevant regulatory framework could impact negatively on the environment and the health and safety of workers, and consequently impede industry from becoming competitive. Government will establish the Occupational Safety and Health Agency which will be an essential component of the regulatory framework necessary for

setting standards and monitoring and evaluating the quality of plants and the work environment.

Enhance Overall Workforce Skills

Technological advancement and globalization have placed a high premium on workforce skills. The economy will need more educated and better-trained workers not only to compete, but also to offset a slowdown in the projected growth of the workforce over the next several decades. The nation has much to do to remain competitive in the multi-skills race. The strategy for enhancing workforce skills will be to increase the number of graduates from the school system with a math and science background and extend training opportunities to every citizen to make each worker a skilled worker, thus increasing his/her chance of finding productive employment. Furthermore, Government has embarked on an ambitious programme to rationalize skills training in Trinidad and Tobago from the craft level to the doctorate level through interventions which specifically target young people and women. In this regard a number of skills technology centres are being established throughout the country.

Address the Brain Drain

The skills deficiency in the labour market has been aggravated by the significant emigration of skilled manpower from the country. In order to address this issue, Government will

Section 3: Enabling Competitive Business

develop new knowledge sectors and high technology areas with a view to retaining skilled labour. Policies will also be introduced to attract migrant workers back to Trinidad and Tobago. The health sector will implement this policy for the staffing of the National Oncology and Cardiac Centres.

Implement Investment Promotion Strategy

During the last decade, Trinidad and Tobago has attracted significant foreign direct investment. To ensure that the country continues to benefit from an adequate inflow of investment capital, particularly given the capital needs for the diversification process within the energy sector as well as for the development of the non-energy sector, Government is formulating for implementation a Country Investment Marketing Plan and developing promotional materials; enacting new foreign investment promotion legislation; and negotiated and ratified bilateral investment treaties with selected countries. Investment promotion will be more focused and targeted at specific companies in the new growth sectors identified.

Major Projects

Establishment of a Research and Development Facility

The project entails the establishment of a Research and Development Fund for the non-energy sector. The aim of the Project is to stimulate and support investment in new and advanced technology and innovation as a competitiveness enhancement tool for business enterprise in the non-energy sector. It is also intended to promote alliances among businesses thereby encouraging the formation of clusters in order to approach the technology and innovation challenges collectively. The project will be executed via the provision of grants up to a maximum of \$100,000 per company annually to assist in meeting research and development proposal cost and in meeting the cost of developing innovative products, services and processes. A cluster will be provided a maximum grant of \$200,000. The areas that will be supported include: improvement of processes; development of new products; adaptation of systems; and industrial engineering.

Business Competitiveness Programme

The objective of this programme is to provide support to the enterprises in the non-energy sector on a cost-sharing basis so as to ensure their overall development, and increased international competitiveness. The four areas

of focus will be: sector development, export competitiveness, standards compliance programmes and benchmarking to international standards. The project will also assist local companies to meet and adhere to international standards by providing training in the following areas: health, safety and environmental management systems, social accountability and information and communication technology. The sectors targeted are: Food and Beverage, Printing and Packaging; Fish and Fish Processing; Leisure Marine; Merchant Marine; and Information and Communication Technology (ICT). It is estimated that a minimum of 830 companies will benefit from the series of programmes over the initial year of 2007.

Investment Promotion Initiatives and Development of Collateral Investment Promotion Material

This project is intended to develop and implement a comprehensive strategy for investment promotion targeting FDI and using internationally benchmarked strategies, implementation methods and tools. The main components of the Project are: public relations campaigns, international marketing missions, investor services, special project/signature events, institutional capacity building/networking, and investment generation/business development.

International Market Development - Country Promotion & Marketing Assistance to Exporters

This Programme is designed to assist businesses in their attempt to deepen and expand exports. Specifically, the project objectives are to proactively promote Trinidad and Tobago's goods and services in the international markets; and increase export sales through market presence and recognition by international buyers, importers and distributors in specific market niches in targeted regions. The Project elements are: conducting trade missions/fairs, and trade investment promotion events; developing promotional material; and trade facilitation including inward trade missions.

Creation of a Trade Information Network

The Trade Information Network will serve as an information hub for firms seeking to penetrate the international market. The Project consists of the development of a trade information website/trade point, development of country market guides, explanatory documents for respective trade agreements, conducting surveys of exporters, the acquisition of trade publications, and establishment of a Trade Information Resource Centre.

Development of the Human Resource Management Information System (HRMIS)

The development of the Human Resource Management Information System (HRMIS) is intended to establish a central data source on the labour market. The Project involves:

- expanding and updating the labour market datasets
- conducting a marketing strategy
- implementing labour market signaling

Establishment of an Occupational Safety and Health Agency

The establishment of an Occupational Safety and Health Agency is intended to create a centralized, coordination institution to manage occupational safety and health matters at the workplace. The Project activities include:

- conducting public awareness programmes
- establishing an Occupational Safety and Health Agency
- developing codes and regulations
- capacity building

Tamana InTech Park

The Park will be the first Science and Industrial Park in the region. The main objective is to establish a platform for a knowledge driven economy through the

creation of viable industries and the generation of job opportunities for highly skilled citizens of Trinidad and Tobago. It will be a Park with academic research and development facilities critical for diversifying the non-energy export base and facilitating industrial expansion downstream of the energy sector. It will also house the main campus of the University of Trinidad and Tobago. In addition, the Park will accommodate national and international organisations and institutions.

Introduction of a Business Incubator Programme

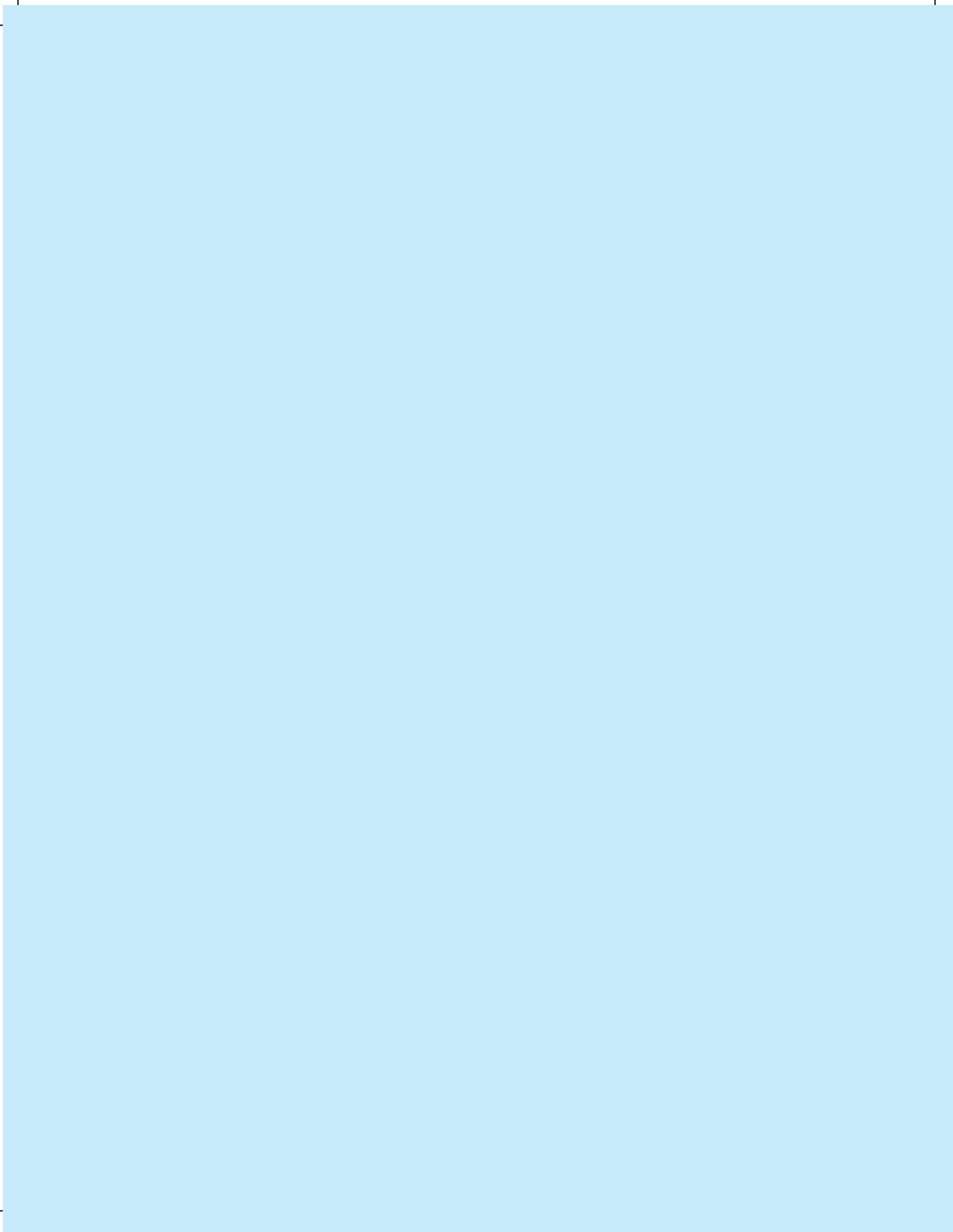
Business incubator programmes have been established in many countries to stimulate the creation of technology-oriented small businesses. Incubators have been shown to reduce the failure rate of small businesses by providing training and guidance to such companies in their initial stages. Small businesses have been responsible for creating wealth and jobs worldwide. Businesses being incubated around the world today (over 1500 incubators exist worldwide) are at the forefront of developing new technologies, and are producing new products and services to promote economic development. More than eighty per cent of the incubators in both industrialized and industrializing nations successfully transition from the incubation programme to profitable companies. Business incubator facilities will be established on several of the new and existing industrial parks located throughout Trinidad and

Tobago. The Programme will commence with the establishment of a park at Wallerfield.



Targeted Outcomes

- 5,000 new businesses formed
- A one-stop shop created to facilitate small business start ups
- 5 new industrial clusters formed
- Business sector investment in R&D doubled
- Productivity per worker increased
- Trinidad and Tobago is a preferred destination to do business



Goal 3

COMPETITIVE BUSINESSES WILL TRANSFORM TRINIDAD AND TOBAGO INTO A DIVERSIFIED ECONOMY WITH EXCITING GROWTH OPPORTUNITIES

Policy Context

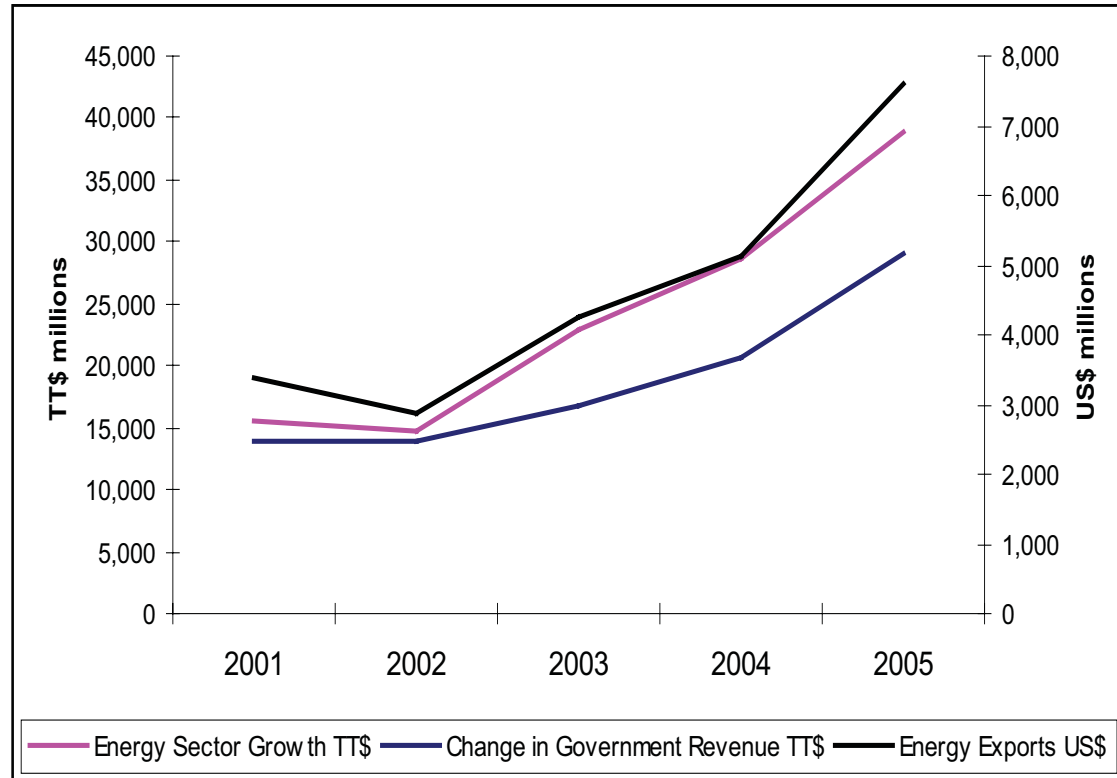
To achieve sustained GNP per capita growth of 9 per cent per annum demands that we build a robust economy – one that is broad-based and one that does not depend solely on a single sector. Government will therefore sustain and expand our foundation industries in the existing sectors -energy, manufacturing, agriculture and services. Additionally, attention will be focused on new opportunities in the digital economy, high value added manufacturing, the downstream and upstream energy sector and the learning industry.

The most significant feature of the economy of Trinidad and Tobago is that it is dominated by the energy sector. Moreover, the existence of abundant and relatively cheap energy has fostered the growth of heavy industry such as production of iron and steel from imported raw material. Our hydrocarbon resources are wasting assets, and, while there has been some indication of increases in ‘proven’ reserves, there are no guarantees that international prices will be maintained at current levels in the future; in fact, historic data would display wide fluctuations and volatility in energy prices. Once energy is removed from the equation, our vulnerability as a country is exposed – a small open economy dependent on a limited range of products and services to earn foreign exchange in fiercely competitive markets.

The energy sector is large relative to the rest of the economy, and therefore determines the overall pace and direction of economic activity. When oil and gas prices are high and production is increasing, the overall economy does well because tax revenues rise, Government expenditure increases, and so do output and incomes in the non-energy economy. Conversely, when oil and gas prices decline and/or production falls, energy-related tax revenues decline, Government expenditure contracts or fails to grow, and the stimulus for growth in the non-energy economy falters. However, the non-energy sector is critically important from the point of view of employment generation, and hence social conditions.

Figure 3.4

Energy Sector Growth, Government Revenue and Exports



Sources: CSO, Ministry of Finance

As depicted in Figure 3.4, changes in the performance of the energy sector are positively correlated with changes in government revenue and exports. In fact, the sector is the main foreign exchange earner as it accounts for 86 per cent of merchandise exports. In fiscal 2005, the sector accounted for 43 per cent of GDP, and contributed 45 per cent to government revenues. However, it employs only three per cent of the labour force as shown in Figure 3.5. This is where a major challenge lies. Given, the capital intensive nature of the sector, its employment impact is limited. Therefore, the imperative is to ensure the growth and expansion of more labour intensive sectors.

Much of the diversification that has taken place within the economy has been in the energy sector. The shift has really been towards the natural gas sub sector and downstream activities. This has been a key policy of the past few years and one that has resulted in the country becoming a leading exporter of liquefied natural gas and petrochemicals. Trinidad and Tobago is the world's largest exporter of ammonia and methanol and supplies the United States of America with over 70 per cent of its liquefied natural gas needs. In addition, diversification into downstream activities has created the possibility for increasing local content in energy sector output. Trinidad and Tobago

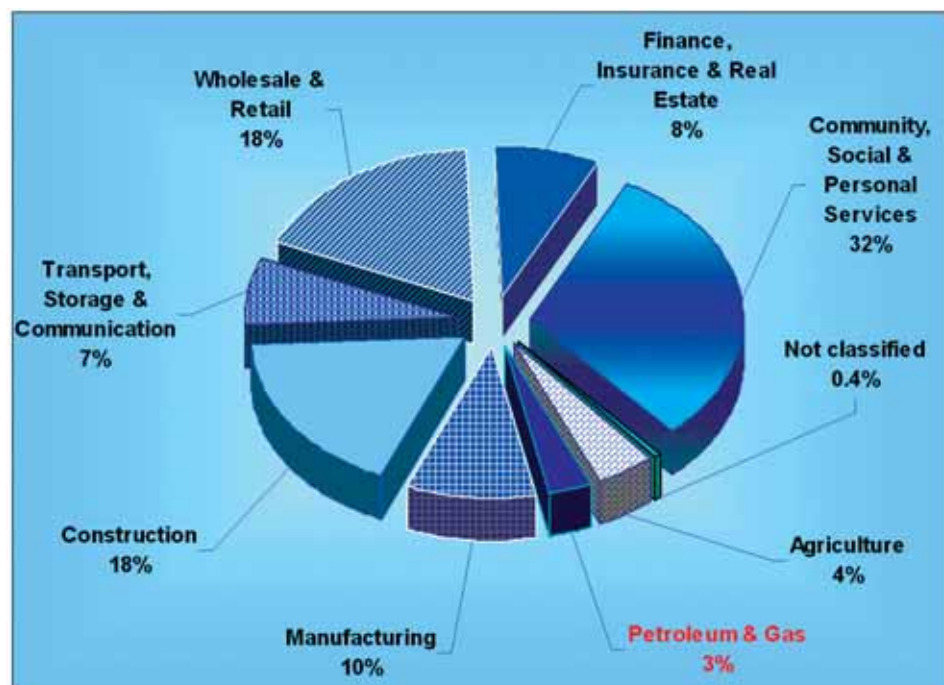
now has ten ammonia complexes, seven methanol plants, a urea plant, an iron and steel facility, four LNG trains and is a leading exporter of ammonia, methanol and LNG.

While these developments have widened the economic base, employment opportunities are still limited in the sector. In addition, the downstream activities are based on a wasting resource thus, we still need to grapple with sustainable growth issues. Strategies will therefore focus on enhancing the competitiveness of existing sectors and identifying new sources of competitiveness. The challenge is to channel the oil and gas revenues into transforming the economic base by stimulating new growth clusters and

re-organising some existing ones to move up the value chain and produce high end or high value added, differentiated products for the global market. In this regard, Government has identified and targeted seven key industries for development. These industries are Yachting, Fish and Fish Processing, Merchant Marine, Music and Entertainment, Film, Food and Beverage and Printing and Packaging.

Figure 3.5

Employment by Sector, 2005



Source: Central Statistical Office of Trinidad and Tobago



Objectives to 2010

1.

Increase the contribution of the non-energy sector to GDP

2.

Reverse the decline in agriculture and ensure sustainability in fisheries

3.

Ensure sustainability of fisheries resources

4.

Develop new business clusters in the non-energy sector

5.

Maximise incomes from the energy sector and sustain its competitiveness

Strategies

Maximise Incomes from the Energy Sector

Increasing local participation is critical for maximizing incomes from the sector. As such, the primary aim of the Local Content and Participation Policy is the participation of locally owned enterprises along the entire energy value chain and local capacity building within the sector. In addition to education and training, the contracting of local companies and the utilisation of local capital will support the type of activities that are envisaged. Emphasis will be placed on maximising the use of local goods and services, manpower, business and financing. In instances where local capacity does not exist, foreign companies will be encouraged to share expertise with smaller private local companies. Areas that have been identified in the policy for immediate focus include fabrication, IT support, operations and maintenance services, maritime services, business support services, financing and trading.

A major outcome of the implementation of the local content policy thus far is the successful completion of fabrication works on three offshore platforms at the La Brea Industrial Development Company (LABIDCO). LABIDCO was established to support diversification in the sector. In addition a Local Content Unit of the Ministry of Energy, which is being established, will:

- monitor the implementation of the policy
- review the regulatory framework with respect to investments in energy projects as this relates to local participation
- develop standards and guidelines to inform participation in the sector
- increase the levels of awareness of opportunities and available information on energy
- encourage linkages between the energy sector and the rest of the economy
- encourage stronger alliances and partnerships among stakeholders
- recommend educational programmes that support energy skills development
- improve access to technology, capital and markets for locals

A Permanent Local Content Committee has been established to provide policy advice and guidance in this area.

In the area of fiscal policy, the taxation regime relating to the sector will be reviewed with a view to ensuring that the country gets its fair share of the incomes derived from activities in the sector.

Diversify into New Energy Products

The objective is to increase national prosperity by widening and deepening activities in the sector. The establishment of the Aluminium Smelter and Downstream Facilities (ALUTRINT) at Union Industrial

Estate will provide a platform for the diversification of the energy sector through the provision of a greater array of energy products. The Gasoline Optimization Programme (GOP) at Petrotrin is the first phase of the refinery upgrade to produce higher quality and quantities of petroleum products. On completion of the Project, Petrotrin will be well placed to be the premier regional supplier of high quality, environmentally friendly gasoline.

Strengthen Upstream Industries in the Energy Cluster

Several opportunities exist in the energy sector to create world-class upstream industries and related services, thus making the sector more competitive. These services include geological modelling, deep-sea drilling, and the construction of drilling platforms. These upstream activities translate into billions of US dollars that can be channelled into the local economy stimulating further growth. The objective will be to increase the production of oil and gas and will involve an expansive exploratory programme, the development of new fields, and the review and enactment of production sharing contracts and legislation. In this regard, a new fiscal framework for deep-water and natural gas operations has been approved. In addition, there are ten onshore licences, six held by Petrotrin and four joint venture licences in the Southern Basin Onshore Project.

Further Develop the Plastics, Packaging and Printing (PPP) Cluster

The Plastics, Packaging and Printing Industry is a good example of a current raw materials exporter with the potential to upgrade. There are 80-85 firms which have been working together to create a world-class packaging cluster. The industry currently benefits from low energy costs, and is co-operating to buy polyethylene terephthalate, (PET) - a type of polyester and a leading recyclable plastic material - resin in bulk from the U.S. The cluster is also considering building a PET plant in Trinidad which will serve as a low cost source throughout the Caribbean. The key will be to move away from cheap food and beverage containers, to sophisticated, higher value products like plastic drug delivery systems for the pharmaceutical industry. There are highly sophisticated downstream opportunities in the petrochemical and high-end plastic melding segments, which will be explored.

The PPP cluster will need to be upgraded to ensure that it retains its local market share of the consumer goods manufacturing sector. Industry experts expressed a need to raise industry standards by increasing R&D expenditures and innovation, especially with respect to production processes. They cite the exploitation of reverse economies of scale, mainly quick and flexible runs, packaging for tropical climates with longer shelf-life and packaging for indigenous goods, as the way forward in this industry.

Support the Development of Global Players in the Food and Beverage Industry

The Food and Beverage Industry in Trinidad and Tobago is comprised of a variety of firms of various sizes. There are large multinationals that have established production facilities here; the large domestic companies some of which have internationally established brands; medium-sized firms that serve mostly the domestic market but also have made inroads in the region; and a host of small enterprises.

The Food and Beverage Industry is important for a number of reasons: it generates export earnings, employs a significant number of people, provides a market for local agriculture and provides some measure of food security. There is need for development of this industry with a view to enhancing its contribution in all of these areas.

Support Development in the Metal Processing Industry

This is an important industry with significant export potential. Started as a State investment in a direct reduced iron plant and integrated steel mill, this downstream industry has made tremendous progress. Many companies have entered the industry: Caribbean Steel Mills and Centrin Trinidad Steel have mills and re-rollers, and some 10 smaller companies produce wire rods for fasteners, wire, bolts and screws. There are metal manufacturers that make tanks, drums, truck bodies and

fittings. Some firms have been engaging in processing of the primary output of the industry to manufacture and assemble air-conditioners, as well as walk-in freezers. In the face of increasing global competition firms in the sector will need to innovate and create new products in order to retain their market share.

Improve the Competitiveness of the Services Sector

The services sector currently accounts for 60 per cent of GDP and 80 per cent of overall employment. In an era of market liberalisation, which has resulted in a significant increase in trade in services, and where such trade has become an area of increasing concern at the international level, the performance of the sector, particularly from the point of view of export potential can be seriously threatened.

Government will make every effort to provide the sector with the business environment it will need to compete successfully at the international level. This will take the form of ensuring that the required infrastructure is in place. Government will also provide appropriate incentives to ensure that the sector is innovative, able to grow, expand and remain internationally competitive.

Develop and Promote a Differentiated High Value Tourism Product

Tourism has a significant potential for employment generation, as well as earning foreign exchange and contributing to gross domestic product. Further as the industry develops it builds linkages with almost every other sector of the economy. Nonetheless, tourism is yet to realize its potential as the industry needs a clear policy to direct its activities. As a consequence, tourism development has not been co-ordinated and focused.

There is a clear need to identify the products in which each of the two islands as distinct destinations has an advantage, and, the tourism strategies to be pursued in each destination. The growth potential in Tobago lies in niche tourism activities, which require economic and institutional support under an explicit and unifying strategic vision for the sector. On the other hand, Trinidad's tourism market, apart from leisure marine activities, is dominated by short-term 'business-vacation' stopovers. In relation to the 'business vacation' segment, Government is investing in a state-of-the-art conference centre and a five star hotel as part of the Port of Spain Waterfront Project. Also promising are new market segments, such as the naturalist market - birding, hiking, turtle watching.

The focus on high value added tourism means that Government will ensure consistently high standards through sustained investment in product, plant, infrastructure, education and training. In particular, high priority will be given to upgrading the facilities at the major beaches on the islands. In addition, improvements must be made to lifeguard operations to enhance the comfort, safety and security of visitors. Further, Trinidad and Tobago will be branded as a preferred sustainable tourism destination through a dynamic marketing plan that ensures recognition in every principal tourism source market for a high quality and best value for money experience; positioning Tobago as an ideal leisure and eco-destination and Trinidad as a business, conference and event destination.

Unleash the Potential of the Leisure Marine Sector

The leisure marine cluster in Trinidad and Tobago has the potential to provide a competitive and differentiated product, especially for pleasure boat building and maintenance operations. There is currently a growing demand in North America for lower-cost pleasure boat building locations and for more sophisticated Caribbean service facilities. Trinidad and Tobago is poised to capture this niche market by becoming a destination for the leisure marine community. Locations such as the Chaguaramas harbour already have a critical mass of skilled craftsmen, specialized businesses and boat building facilities.

This cluster also builds on its comparative advantage of being the only protected port in the Caribbean outside the path of annual hurricanes. The example of this cluster in building a competitive advantage on top of a comparative advantage is a powerful and instructive lesson to other firms.

Government has identified this cluster as one of the new growth areas and will continue to foster its development by assisting in market development, process re-engineering, and facilitating the necessary linkages in the supply chain. Government will target the market for high-end charter brokers given this country's proximity to the Grenadines and other islands in the Southern Caribbean as these islands have become destinations for high-end yachts.

Develop Maritime Services

Trinidad and Tobago is the world's leading exporter of ammonia and methanol, as well as a major exporter of liquefied natural gas and petroleum products. Our manufacturers export their products throughout the Caribbean and Trinidad and Tobago is fast becoming an important transshipment hub, located strategically between North and South America. All of these activities revolve around one essential service: shipping. Accordingly, the maritime industry is one of the industries targeted for development as part of the diversification thrust.

The maritime industry encompasses a host of activities that go beyond merely moving

goods from port to port. Other activities include boat and shipbuilding, maintenance and repair, provisioning of vessels, the port system, salvage, marine research and education.

With trade barriers falling and countries trading with each other at unprecedented levels, the marine industry is not only large but also growing. The strategy for the maritime industry will be the development of a cluster of maritime services, with a focus on high quality service and innovation. The target market will be the Caribbean.

Expand the Financial Services Sector to become a Pan Caribbean Financial Centre

The financial services sector can be described as fairly advanced, with relatively sophisticated institutions and products reflecting Trinidad and Tobago's status as the regional financial centre. Overall, the banking system is very well capitalised with a capital adequacy ratio of over 20 per cent, way above the statutory minimum required of eight per cent. Non-performing loans for the system as a whole average about three per cent which is good by international standards.

The various segments of the capital market have evolved at markedly varied rates over the past two decades. For example, there have been considerable advances in respect of collective investment schemes - the mutual fund industry. In fact, mutual funds have

now become a major savings vehicle in Trinidad and Tobago and over the last few years the growth in mutual funds exceeded that of bank deposits by a wide margin. Important strides have been made with respect to the development of our bond market as evident in the significant expansion experienced for public debt. As a matter of fact, Trinidad and Tobago has been a major source of debt financing for regional governments and corporations through foreign currency bond placements.

Progress has been slower in the equity segment of the market. While market capitalisation has increased substantially, and the market has registered a rate of return exceeding that of mature markets (this has been the case for almost all emerging markets), the institutional characteristics of the market, as well as the trading patterns, have changed little over the last two decades. Several factors have been advanced to explain the continued weaknesses including: the bias in the financial system towards debt as opposed to equity financing; reluctance by private companies to dilute control and to disclose sensitive information to outsiders; an individual investor population that is risk-averse and lacks confidence in the market; and concerns about share price determination.

In the interest of further development of the financial services sector, Government is moving to create the Trinidad and Tobago International Financial Centre (TTIFC). This Centre will provide a wide range of financial

products and services to cater to the needs of the domestic, regional and international businesses, inclusive of public sector entities. This Centre will be supported by a modern information technology architecture which will rapidly deliver a high quality and cost-effective menu of financial services options to its customers. The Centre will come under the supervision of a single regulatory authority – the Central Bank of Trinidad and Tobago.

Government's role in the future development of the financial services sector will be mainly that of a facilitator by ensuring that the appropriate legal, regulatory and institutional frameworks are in place.

Accelerate the Development of the Digital Economy

The fast-growing and important information and communication technology sector is often loosely referred to as the digital economy. It can be defined as consisting of business activities that involve both the creation and adoption of digital technologies. This includes digital technology developers (software developers, new media and hardware manufacturers), professional business services in e-commerce and cross sectoral adoption of digital technologies. It can also include a range of firms engaging in activities such as customer service operations. This sector is vital to competitive businesses as they must operate in a digital economy accessing e-commerce and other tools to compete globally. More importantly, the

creation of digital economy products is a high value, fast growing sector. In Trinidad and Tobago, local firms are increasing their capability to provide a complete suite of ICT services including: web content development, wireless services, end-user equipment, software, professional services, computer systems, and communication equipment.

In Trinidad and Tobago, there is the capability for the provision of ICT products in hard services such as networking, communication equipment, real time operational systems and back office services, and, in other services such as software design and re-engineering, web development and e-commerce.

Government will accelerate the implementation of its National Information and Communication Technology Plan referred to as **fastforward** to facilitate this country's drive to be a part of the global information society; to work with the private sector to extend broadband capability and with small businesses to increase e-commerce techniques; and to move apace with e-Government initiatives.

Develop Creative Industries

Trinidad and Tobago has a diverse mix of art and cultural forms, some of which have expanded in size and structure to become the main elements of a growing creative industry. The entertainment industry is one of the seven priority industries targeted in the diversification thrust and would provide new

opportunities for business development, expansion and job creation. This industry focuses on exporting the talent and culture of our people.

Creative industries foster innovation and creativity within a society. They build upon the cultural attributes and indigenous skills of the people. Moreover, creative industries provide alternative avenues for industrial development, and as such, they can broaden the economic base of the economy. They also have been contributing significantly to economic growth worldwide. Culture has the potential to be one of the fastest-growing sectors generating millions of dollars and creating thousands of jobs. Growth will be fuelled by the building of cultural infrastructure, producing world class entertainers, and arranging and marketing cultural events regionally and internationally. Production in the creative industry spawns a wide variety of products and services from architecture to festivals and software production. Some examples of creative industries are: art; mass media; music; performing arts; print and electronic publishing; advertising; broadcasting; craft; fashion; festivals and cultural events; and film production.

It is in this context that the National Film Agency of Trinidad and Tobago (NFA) and the Trinidad and Tobago Entertainment Company Limited (TTEC) have been established. The NFA will be responsible for the development of the film production

industry and the promotion of Trinidad and Tobago as a premier location for international motion picture productions. The overall objective of TTEC is to facilitate the development of an internationally competitive entertainment industry in Trinidad and Tobago.

Explore Learning Industries

Trinidad and Tobago has a strong tradition of educational development and is investing millions of dollars in deepening and expanding opportunities, particularly at the tertiary level. Currently citizens have access to free tertiary education up to the undergraduate level. The recently established University of Trinidad and Tobago (UTT) which includes a variety of faculties as well as a number of training institutes is an integral part of this expansion process. The UTT will focus mainly on research activities related to the development of local industries. The private sector has also been making a significant contribution in terms of providing training opportunities in areas such as accounting, law, management and computer science.

While the intention is to train nationals and to generally upskill the labour force, Trinidad and Tobago must explore the advantage in this area as an exportable resource by attracting regional and international students and exporting our expertise to other places. Our achievements in education and training can provide the basis for an important exporting industry. Government will

continue to explore linkages with companies, private trainers, universities, colleges and schools to develop Trinidad and Tobago's education and training capabilities as an export industry and to promote the country as a place to obtain a wide range of skills and a quality tertiary education.

Increase Profitability of the Agricultural Sector and Improve Food Security

The primary thrust will be to develop the agricultural sector to satisfy local demand and reduce the food import bill. Key to this is the development of viable farms on a large scale, (in excess of 100 acres). In this regard, Government will partner with the Food and Agriculture Organisation (FAO) to create eight large agricultural estates. In addition, Government will work with the Government of Cuba to operate two additional farms. These farms will be instrumental in increasing food production. Crops that will be produced include: sweet potato, cassava, yam, dasheen, tomato, ochro, cucumber, melongene, pumpkin, eddoes, cabbage, lettuce, green pigeon peas, carrots, and string beans.

Other strategies to improve food security include: the introduction of a system of production contracts for commodities that have shown significant levels of price increases; creation of agricultural reserves to be used in perpetuity exclusively for agriculture; introduction of a venture capital

programme targeted to youth; reducing the incidence of abandoned and under-utilised agricultural land by encouraging the growth of active markets in land renting and leasing; strengthening stakeholder organisations to encourage cooperation in farming and marketing; and increasing the local content in the School Nutrition Programme.

Linkages with the tourism manufacturing and government sectors will be strengthened and new sources of growth in the sector will be explored. Essentially the approach will be to increase domestic production to ensure food security and to strengthen the linkages between the farm sector and the demand centres of agro-processing and tourism, particularly in terms of reliability of supply and quality of output. The sector will produce products based on the market preferences of consumers. As such new production arrangements such as contract production, franchise growers and qualified suppliers will be explored. The ensuring increase in supply of agricultural produce would lead to a strengthening of the export capability of the Food and Beverage and the Fish and Fish Processing Industries.

Government will continue its efforts to revitalize the cocoa sub-sector through the development of commercial varieties and upgrade of the infrastructure base including facilities at the Cocoa Research Unit. In addition, programmes will be implemented to increase self-sufficiency in five (5) strategic

foods by 2010; root crops and tubers; small ruminants; aquaculture and dairy.

Promote Sustainable Management and Optimal Utilization of the Living Marine Resources

Trinidad and Tobago has jurisdiction over 75,000 square kilometers of ocean space or a marine environment 15 times its land area. The marine resources are separated into inshore/coastal resources and offshore resources. Key to the sustainability of the inshore/coastal resources is monitoring, surveillance and enforcement to ensure that resource users are in compliance with fisheries management regimes.

The current over-exploited status of the inshore fisheries resources poses serious challenges in light of the increased demand for fish products to satisfy local demand as well as export market demand. In the context of the inshore resources, efforts will focus on ensuring sustainability while at the same time promoting the use of less preferred/ underutilized species. Development of the inshore sector will require that specific sites for the landing of fish be designated and modern infrastructure provided at the particular sites to meet international health and safety standards in order to increase market acceptability of products and increase competitiveness in the sector.

The potential for further developing the offshore sector will be enhanced with the provision of appropriate modern infrastructure as well as adequate representation at international fora quota allocation.

The strategy for sustainable management of the fisheries resources involves the establishment of an appropriate regulatory framework for compliance with fisheries management plans; the implementation of effective monitoring activities; the promotion of greater public education and awareness; and wider stakeholder participation. In addition, training programmes will be developed to certify fishing vessel personnel to meet the IMO STCW-F Convention and in areas related to fish handling and processing, and quality control. In order to ensure optimal utilization of the fisheries resources, systems to facilitate trade and trade-related activities will be established including the promotion of post-harvest in the fishing industry, in order to satisfy international health and safety standards for the export of fish and access to markets. The promotion of increased utilisation of less preferred species, to which value may be added through processing, would further afford optimal utilisation. Alternative means of fish production such as aquaculture will also be encouraged.

Major Projects

Gasoline Optimization Project

Petrotrin's Gasoline Optimization Programme (GOP) is the first phase of the refinery upgrade to produce higher quality and quantities of petroleum products. The GOP allows the refinery to increase its profitability by adding approximately 23,000 BPD of high octane, high-valued gasoline. Project implementation is scheduled to be completed by the end of 2008. The Programme will involve the following EPC activities: Fluidised Catalytic Cracker Unit (FCCU) upgrade; Isomerisation complex; Continuous Catalytic Reformer Platformer Complex; Alkylation Unit; Acid Plant; and Off sites.

Gas-to-Liquids (GTL) Project

This project will provide opportunities for synergies with Petrotrin in that the diesel produced by the GTL plant will be blended with Petrotrin's diesel to meet the specifications for the cetane number and the sulphur content of diesel sold on the local market. In addition, the plant will produce surplus hydrogen, which will be available for purchase by Petrotrin for its own use. This project comprises a Steam Methane Reformer, a Fischer Tropsch Reactor Section and a Hydro-Cracker. The plant is expected to produce 1850 bpd of high quality diesel.

Construction and Development of Industrial Port Facilities

There is need to establish special ports for some of the new major energy projects given that the existing industrial ports have approached maximum utilisation. New ports are being developed at Galeota, Brighton and Chatham. All of these are currently in the design phase.

Construction of Natural Gas Pipeline to Tobago

This project involves the construction of a pipeline to Tobago to supply natural gas to the light industrial estate at Cove Point and for power generation in the island. The facility will initially supply 10 mmscfd which will eventually increase to 40 mmscfd. The estimated expenditure for 2007 is US\$11.1 million.

Natural Gas Refinery

Government is giving consideration to the construction of a syngas facility (natural gas refinery) to be located at Union Estate, La Brea. The facility will offer significant energy savings in the cost of production of ammonia, urea and methanol. It will also lower the entry cost of new ammonia and methanol producers.

ANSA McCal UAN Complex

ANSA McCal is currently pursuing the establishment of a petrochemical complex to produce 300,000 tonnes per annum of Urea Ammonium Nitrate (UAN) solution. The Complex will be located at Union Estate, La Brea and will comprise five plants: one ammonia, one urea, one nitric acid and two urea ammonium nitrate.

La Brea Nitrogen Limited

The Government has signed a memorandum of understanding (MOU) with La Brea Nitrogen Limited and the National Energy Corporation (NEC) for the Project at Union Estate. La Brea Nitrogen Limited proposes to construct, finance, own and operate the plant that will produce 2,200 short tonnes per day (STPD) of ammonia and 2,800 STPD of Urea Ammonium Nitrate (UAN).

Trinidad Energy Investments Limited (TEIL) Ammonia/ Urea Complex

The Government has signed a memorandum of understanding (MOU) for a new ammonia/urea plant at the new industrial estate at Point Lisas. The plant is expected to produce one million tonnes of ammonia and 1.1 mpta of urea a year. Construction is expected to begin in the second quarter of 2007.

Acetic Acid /Urea Formaldehyde Project

Development work has commenced on the installation of new plants to produce methanol and formaldehyde. The estimated capacity of the Urea Plant is 340,000 tonnes per annum of urea formaldehyde and the Acetic Acid Plant 720,000 tonnes per annum.

Methanol/Propylene/Polypropylene (MTP)

The Project is being undertaken by a joint venture between BASF and Shell. The proposed plant which will have an output of 160,000 tonnes per annum (tpa) will be located at Union Estate, La Brea. Construction of the plant will commence in the first quarter of 2007.

Malaeic Anhydride Processing Facility

The establishment of a Malaeic Anhydride Processing Facility will be undertaken by ISEGEN (PTY) Limited, a wholly owned private company incorporated in South Africa. The Facility will produce chemicals for food additives and will stimulate new businesses in the manufacturing sector. Construction is scheduled to commence in 2008.

Ammonia/Urea/Melamine Project (AUM)

This Project is to be undertaken by Methanol Holdings Limited/CLICO. The National Gas Company of Trinidad and Tobago Limited has already allocated gas volumes and pricing agreements are being finalized. The proposed capacity of the plant is 1.4 million tonnes per annum (tpa) of Urea Ammonium Nitrate (UAN) and 60,000 (tpa) of Melamine. Construction for the plant began in May 2006 at the new industrial estate at Point Lisas. In addition, there is a proposal for the construction of a new pier for exports from the AUM Plant.

Nucor Hot Briquetted Iron (HBI) Plant

Construction has started on a HBI Plant with a capacity of 1.5 million tpa. Land lease agreements have already been signed with the National Gas Company of Trinidad and Tobago Limited, and the National Energy Corporation of Trinidad and Tobago Limited. Construction has started on the plant.

Esaar Steel Iron and Steel Integrated Complex

This Project involves the establishment of an integrated steel complex producing hot briquetted iron (HBI) and hot rolled coils. The plant will be located at the new industrial estate at Point Lisas. Construction is expected to commence in 2007.

Westlake Ethylene Complex

In April 2006, the Government of Trinidad and Tobago and Westlake Chemical Corporation of USA signed a MOU for the construction of an ethylene complex in Point Lisas. Construction of the plant is scheduled to begin in the fourth quarter 2007. It is due to be completed in 2010. The integrated complex will comprise an ethylene cracker complex and a polyethylene plant complex.

ALCOA Smelter Plant

An MOU has been signed between the Government and ALCOA for the establishment of an aluminium smelter at Cap-de-Ville. The initial capacity of the plant was 250,000 metric tons per year but this has since been increased to 341,000 metric tons per year. ALCOA is obligated in accordance with this MOU to consider downstream investment. Alcoa is seeking environmental clearance from the Environmental Management Authority for the implementation of the Project

ALUTRINT Smelter Plant

In April 2005, Government approved the development of a 125,000 mta smelter and integrated aluminium complex. The full realization of this Project is conditional on environmental and economic analysis.

The key rationale for the establishment of the smelter plant at La Brea is its huge downstream potential and possibilities for creat-

ing employment opportunities. An estimated 2000 persons will be employed during construction phase of the plant, while 500 persons will be employed directly during operation of the smelter. In addition, it is anticipated that over 450 persons will be employed in the downstream industries comprising a Rod Mill, a Wire and Cable Plant, a Continuous Bar Plant, and a Billet and Bars Plant. These plants will be located in the Tamana InTech Park in Wallerfield. An Aluminium Technology Development Centre which is currently being established at Wallerfield, will undertake research and development work in relation to the proposed plants.

Upgrade of Service Stations and Retail Marketing Facilities

Government has introduced a programme for the phased rationalisation of the gas station network in which many of the existing sites are to be upgraded. The improvement of the retail-marketing sector is to better serve the population. All upgrades for gas stations will include the replacement of the existing underground storage tanks with double-walled tanks with interstitial monitoring for leaks. The Project will result in better management of the environment at gas stations and a more efficient delivery service through a network fed by pipelines and road tank wagons. The nationwide fuel delivery service will be both timely and economically efficient. The airports at Piarco and at Crown Point, are to be provided with increased storage for all their white oils (avjet / kerosene), and

liquified petroleum gas in the case of Tobago, to ensure longer cycle time before any stock out situations arise.

Trinidad and Tobago Entertainment Company

The entertainment industry is one of the industries targeted in the diversification thrust and would provide new opportunities for business development, and job creation. The establishment of the Trinidad and Tobago Entertainment Company is intended to facilitate the development and internationalization of the Trinidad and Tobago Entertainment Industry. This Company will facilitate international exposure of local entertainers; market and promote national creativity; ensure that Trinidad and Tobago is identified not only as the home of steel pan but also as the home of soca, parang, chutney and calypso; promote a positive perception of Trinidad and Tobago's arts and culture abroad; assist local entertainers and artistes in accessing funding for projects geared towards the export market; and facilitate private sector investment both locally and abroad into the entertainment industry. The major activities of the Company will be: market promotion and public awareness, education and training, archiving, research and development, and development financing.

Trinidad and Tobago Film Company Limited

The establishment of the Trinidad and Tobago Film Company Ltd is intended to develop a vibrant international film production industry. The development of the film industry can generate significant revenues as well as employment. The major activities of the Company include training, providing assistance to film crews, marketing, and making proposals for the grant of fiscal and other incentives to film makers.

Creation of Large Agricultural Estates

As part of the National Agribusiness Development Programme, Government will work with the Food and Agricultural Organisation to create eight large agricultural estates each comprising at least 100 acres. These estates will facilitate mass agricultural production in Trinidad and Tobago and will be either government owned or joint public-private sector ventures. In addition, Government will operate two additional farms in collaboration with the Government of Cuba. These farms will be the catalyst in driving food production and will become the new food baskets of the country. Crops that will be produced include: sweet potato, cassava, yam, dasheen, tomato, ochro, cucumber, melongene, pumpkin, eddoes, cabbage, lettuce, green pigeon peas, carrots and string beans.

Establishment of a Praedial Larceny Police Unit

Praedial larceny has been a perennial problem for farmers all over Trinidad and Tobago. Government in recognition of the disincentive effects of praedial larceny on food production will create a new unit within the Police Service to address this issue. Accordingly, Government has committed funding, manpower, equipment and adequate logistical support to create a Praedial Larceny Policy Unit.

Support to Agribusiness Activities

The main aim of this Project is to improve the regulatory and institutional framework of the agri-business sector with a view to enhancing its competitiveness. Activities under the Project will include the update of relevant legislation, introduction of measures to enhance the effectiveness of institutional support mechanisms and market intelligence.

National Agribusiness Development Programme

The National Agribusiness Development Programme is intended to further develop and enhance the Agribusiness Sector. The benefits of the Programme include: an increase in local food crop and livestock production, an expansion of employment opportunities especially in the rural areas, the generation of higher export earnings and an increase in gross income in the farming community-

based households. The components of the Programme are *inter alia*: identification of commodities that have the potential to develop into major industries; establishment of commodity/industry associations; and preparation and implementation of development plans for commodities/industries.

Agricultural Access Roads

The provision of access roads could significantly improve productivity in the agricultural sector. The Project aims to upgrade and expand the road network to farm lands throughout the country since this is expected to increase food production, farm incomes and facilitate marketing of farm output, all of which can be expected to positively impact on the quality of life of farmers.

Agricultural Land Information System and Inventory of State Lands

This Project will involve the expansion of the State Agricultural Land Information System (SALIS) into a National Land Management Information System (NALMIS), which will provide information relating to agricultural land at the national level. The updated database will include information on 16,500 parcels of tenanted or occupied state agricultural lands, and an inventory of agricultural squatters on state lands in Trinidad as well as the creation of an inventory of

privately owned agricultural lands and other state lands that are used for agriculture.

Development of Fishing Centres and Related Facilities

This project will address the development of infrastructure facilities which are geared specifically to the needs of the fishing industry. In particular, it includes the expansion/upgrade of the fishing facilities at Grand Chemin, Moruga which will provide fishermen in Moruga and surrounding communities with adequate fishing facilities and is the first phase of the development of the fishing industry in Moruga. Another component of the project is a study of the offshore fishing industry in Moruga and environs which will inform the overall development plans for the fishing industry in Moruga. In addition, adequate facilities will also be provided at fish landing sites in accordance with international standards including the construction of a jetty at King's Wharf in San Fernando.

Fisheries Monitoring Surveillance and Enforcement Unit

An offshore fish patrol vessel will be procured for the Fisheries Monitoring, Surveillance and Enforcement Unit, Ministry of Agriculture, Land and Marine Resources to strengthen offshore fisheries surveillance.

This Unit is operational and is mandated to encourage compliance with the laws and

regulations governing the Fisheries Sector to ensure sustainability of the fisheries resources in the waters of Trinidad and Tobago. Compliance is encouraged through inspection and monitoring of fishing activities at landing sites, trans-shipment ports and processing facilities and through at sea, airport and shipping port inspections.

The Government of Trinidad and Tobago is in the process of negotiating a new bilateral fishing agreement with Barbados pursuant to the Judgment relating to the Arbitral Tribunal on Maritime Boundaries between both countries. At sea inspection of these offshore vessels will be required for compliance with the terms and conditions of the agreement.

Establishment of a Fisheries Management Knowledge Centre

This Project will contribute to the creation of an enabling environment for the sustainable use of the fisheries resources of Trinidad and Tobago.

A state-of-the-art multidimensional fisheries biodiversity management centre will be established showcasing the marine biodiversity of Trinidad and Tobago. It will include a comprehensive fisheries management information system, and a stakeholder information response system producing information products for local, regional and international clients. This Project recognizes knowledge to be a dynamic

resource built into the institutional foundation of the Fisheries Division/Ministry of Agriculture Land and Marine Resources that must be harnessed, evaluated, summarized and disseminated to all stakeholders.

Water Management and Flood Control

Notwithstanding past initiatives to improve water management for the sector, flooding has remained a serious challenge to agriculture. It is expected that the investments in water management and flood control will contribute to increased farm output and income through improved water management infrastructure. This Project consists of several components spread across the country including the provision of farm water storage facilities and improved water management infrastructure, particularly with respect to irrigation and flood control.

Youth Apprenticeship Programme in Agriculture (YAPA)

This Project seeks to attract young people into agriculture. The objective is to increase the number of young people between the ages of 18 and 25 years in farming by providing them with the required technical knowledge and skills as well as exposure to farm work with farmers. YAPA is being conducted in the counties of Caroni, St. George East, St. George, West and St. Andrew/St. David. To facilitate the Programme in the County of St. Patrick,

construction has commenced on a Training Centre. Apart from the requisite training, participants in this Programme will be assisted in becoming agricultural entrepreneurs.

Expansion and Strengthening of the Sanitary, Phytosanitary (SPS) and Food Safety Capabilities

The objective of this Project is to implement measures to meet internationally recognised sanitary and phytosanitary standards required for exports to the United States of America and the European Union. Major elements of the Project will be specialized training, pest surveillance, and accreditation of the Plant Pathology Laboratory.

Rehabilitation of the Cocoa Industry

This Project will be implemented in five phases and will involve the development of commercial varieties of cocoa using agronomic pest and disease research, germplasm conservation and improvements in primary processing. As part of the Project, 15 desirable cocoa varieties will be rehabilitated. Outreach programmes including the provision of planting materials and technical information for best practices will be continued.

Implementation of a Comprehensive Crop Biodiversity Conservation Programme

Trinidad and Tobago possesses a rich and varied assortment of flora and fauna. However, several species are being threatened because of over-exploitation, pollution and habitat destruction. The National Biodiversity Strategy Action Plan (NBSAP) presents a strategy for conservation and protection of these species and enhancement of the sustainability of the agriculture sector.

The main objective of the Programme will be to develop the institutional capacity to adopt the recommendations of the NBSAP. Activities under the Programme will include training, design and building of databases and public awareness programmes. Other sustainability issues will be addressed by ongoing work in maximizing germplasm conservation with emphasis on the provision of facilities for these activities.

Business Development

The purpose of this Project is to facilitate the growth of new competitive businesses. The focus will be on the downstream energy, light manufacturing, knowledge-based and information technology areas. The Project will involve sourcing, analysing, developing and establishing new businesses, which will be accommodated in the Tamana InTech Park. The components of the Project will include: sourcing potential business via trade

Section 3: Enabling Competitive Business

missions; conferences; advertising; conducting research to identify business opportunities; establishing legal arrangements such as leasing, alliances, joint ventures and equity stakes; monitoring all business ventures; and creating an investor-friendly environment in Trinidad and Tobago.

Creation of an Entrepreneurial Training Institute Incubation Centre (ETIIC) in Tobago

These Centres provide valuable resources to small business operators providing mentoring and advisory services, information technology support and training in entrepreneurial development and business enterprise. In addition, they facilitate an online marketplace where clients are exposed to buyers from around the world. In fiscal 2007, one such centre will be constructed in Tobago.



Targeted Outcomes

- The non energy sector contributes at least 70 per cent to GDP
- The non-energy sector expands by at least 10 per cent
- The food import bill is reduced by 10 per cent
- New exports of high value added goods and services emerge
- Trinidad and Tobago continues to be a world leader in petrochemicals and LNG