

TRINIDAD and TOBAGO

NEWSDAY

**Steadfast and resolute:
Forging pathways to prosperity**

Presented by

**Finance Minister
Colm Imbert**



Budget Statement 2024-2025



INTRODUCTION

Madam Speaker, Honourable Members, I rise today to deliver the Budget Statement for the 2025 Financial Year. This is my 10th Budget presentation, which comes at a pivotal moment in our Government's steadfast and resolute pursuit of economic prosperity, social equity and sustainable growth. Before getting into the details of this year's Budget, I must express my gratitude to Dr. the Honourable Keith Rowley, our Prime Minister and Leader of this PNM Administration, for his support and astute leadership over the past 9 years. It has been a privilege to serve as Minister of Finance and to steer the fiscal affairs of our nation since the inception of this Administration in September 2015.

Reflecting on the challenging circumstances that characterised our entry into office, it is essential to acknowledge the turbulent economic landscape which confronted us in 2015, with declining commodity prices and production levels, followed by COVID-19, global inflationary trends and shortages, conflicts in the Middle East and the Russia-Ukraine war. We had to manage this hostile economic environment in the face of an overdrawn government bank account and a disconnect between government expenditure and revenue, where expenditure had increased by 40 percent over the period 2010 to 2015 without a corresponding increase in revenue.

In summary:

- From 2016-2019, oil prices remained depressed, while natural gas prices plummeted from over \$6 per MMBtu in 2014 to less than \$2 per MMBtu in 2016, coupled with declining oil production;
- Then, in 2020, the COVID-19 pandemic hit us, an economic catastrophe, which shut down activity in almost every area and closed borders, requiring substantial Government fiscal stimulus and social grants. We have come a long way from the COVID-19 period, when Government revenue dropped by \$13 billion in 1 year, from \$47 billion in 2019 to \$34 billion in 2020, and our economy contracted by 9.8 percent. Many thought we could not survive COVID-19 and that we would never recover. In fact, I dare say a few in the political arena even hoped that we did not recover and overcome that calamity;
- But we did. We not only rebounded, but our economy is stronger and more resilient now than it was before COVID-19. Indeed, by 2023, just 3 years after the arrival of the COVID-19 virus, government revenue had improved by \$19.4 billion, when compared to 2020, an increase of 56 percent. Revenue in 2023 was also \$6 billion more, or 13 percent more than in 2019. Even in 2024, with severely reduced prices for oil and gas and declining production, government revenue is still \$3.6 billion more, or 8 percent more, than it was in 2019;
- We have also been able to increase expenditure from \$50.8 billion in 2019 to \$59.7 billion in 2025, thus putting almost \$9 billion more into the local economy, which is a significant factor contributing to our sustained economic growth; and
- These are remarkable achievements by any yardstick, and it is no wonder that our detractors are working overtime to bury this good news and to distract with false and far-

etched claims about our management of the economy.

No wonder there is a never-ending campaign of misinformation about this Government's achievements. They don't want the public to know these facts.

So how did we do this? In response to the formidable economic challenges that beset us, we implemented a targeted fiscal consolidation strategy and a medium-term economic framework designed to rein in expenditure, revitalize economic activity and restore fiscal stability.

We also made a major adjustment to our petroleum taxation regime, by implementing a 12.5 percent royalty on oil and gas production across the board, which ensured that no matter what the price of oil and gas is, we get significant revenue. This was in stark contrast to the pre-2015 situation, where the petroleum taxation regime was so shortsighted that it allowed a major energy company to tell us, as the incoming Government in 2015, that the country would get no income from them for 9 years, until 2024.

We also negotiated a greater share of energy revenues and we successfully restructured the Atlantic LNG profit-sharing arrangements, giving us significantly greater returns for the benefit of the people of Trinidad and Tobago. All credit for those two achievements must go to the Honourable Prime Minister and the Honourable Minister of Energy and Energy Industries, who worked night and day, here and abroad, to get a much better share of energy revenues for the people of Trinidad and Tobago.

Our decisive and proactive measures in the face of all this adversity saved the country from an economic disaster. We have put the economy back on a sound footing and with the expectation of the arrival of substantial cross-border gas in the next 3 years, our economic future is assured.

Against this backdrop, this Government has been recalibrating our economic framework to satisfy the needs of the national community, especially the poor and vulnerable, while never losing sight of our overarching objective of economic sustainability.

Madam Speaker, it has been no small task to achieve these objectives in the face of diminishing resources, low commodity prices, a global pandemic and heightened global uncertainty and instability over the last 9 years.

Looking ahead, there is no avoiding the fact that the energy sector will be a major contributor to our economic survival for years to come. However, because oil and gas are diminishing resources, and commodity prices are volatile, we must continue to support, build and strengthen the non-energy sector, while simultaneously reinforcing the resilience and sustainability of our energy industries. Because of reduced revenues from the energy sector, the next 2 years of transition will require innovation and creative measures to stimulate revenue from the non-energy sector, as well as one-off initiatives, such as the sale of assets, and a careful approach to public expenditure.

With these objectives in mind, the theme of this year's Budget is: "Steadfast and Resolute: Forging Pathways to Prosperity". This theme underscores our commitment to fostering a diversified and resilient economy that can withstand external shocks and capitalize on emerging opportunities in the global marketplace. Trinidad and Tobago's economic future hinges on our ability to adapt, innovate and stay the course

towards sustainable growth and prosperity in a rapidly changing world.

At this point, I wish to recognize and commend the outstanding efforts of the many hard-working public servants who worked diligently over many long hours to ensure the timely delivery of this year's Budget Speech, Draft Estimates and all other Budget documents including the Review of the Economy 2024 and the Public Sector Investment Programme.

GLOBAL ECONOMY

Madam Speaker, the global economic outlook is uncertain and is affected by geopolitical tensions, supply chain disruptions and an economic slowdown in China. For Trinidad and Tobago, these factors, coupled with the ongoing conflict in Ukraine, pose significant risks to the global energy market and impact the cost of freight and our country's economy.

International Shipping Problems
One of the problems facing the world, which impacts us in Trinidad and Tobago, is shipping constraints which are adversely impacting the cost of sea freight.

In August 2023, the Panama Canal area experienced a severe drought causing low water levels, which led to a backlog of cargo vessels and adversely affected shipping lines calling at Port of Spain and Point Lisas. The situation has since improved but there is still some congestion being experienced in Panama.

Additionally, the Red Sea, another strategic shipping route, suffered numerous attacks on naval and merchant vessels in 2023. This has negatively affected imports to this country originating from Asia and the Middle East.

Madam Speaker, another concern is the elevated level of global inflation, as central bankers and policymakers around the world grapple with the complex task of stabilizing prices without stifling economic growth. Global inflation was 7 percent in 2023 and is expected to decline to 5 percent in 2024. Our domestic inflation rate has dropped below 1 percent in 2024, for yet another time in our term, but global inflation at 5 percent is far too high, as it affects the price of all imported goods.

DOMESTIC ECONOMY

In 2023, our economy grew by 1.3 percent, following growth of 1.5 percent in 2022. In 2024, real GDP growth has increased to 1.9 percent. This is now three consecutive years of real growth, which signifies a renewal of economic activity, a rebound in confidence and a promising trajectory towards a positive economic environment.

In 2023, we grappled with a 5.6 percent contraction in the energy sector. This downturn posed serious concerns and highlighted vulnerabilities in our economic structure. Despite this, the dynamism and adaptability of the industry resulted in a rebound to 2.6 percent growth in 2024, as the energy sector adjusted to changing conditions and seized new opportunities.

Madam Speaker, in contrast, the non-energy sector grew by 2.5 percent in 2023 and 2.2 percent in 2024.

Performance of the Non-oil Sector

Madam Speaker, in 2023, Trinidad and Tobago recorded a noteworthy 2.5 percent upswing in the Non-Energy Sector, which aided in offsetting the adverse effects of a significant 5.6 percent contraction in Energy Sector

activity. This resilient performance highlights the adaptive capacity of our economy amidst fluctuating global energy markets.

The estimated growth in the Non-Energy Sector can be attributed to robust performances across key industries, notably Accommodation and Food Services, Trade and Repairs, and Transport and Storage. The Accommodation and Food Services sector exhibited strong growth, driven by a resurgence in tourism and increased local demand for hospitality services. As travellers returned and residents explored local offerings, this industry not only recovered but thrived, reflecting a broader rebound in consumer confidence.

In addition, the Trade and Repairs sector benefitted from a surge in retail activity, buoyed by a gradual return to pre-pandemic economic levels. Increased consumer spending, coupled with enhanced service offerings, led to a revitalization of this vital component of our economy. The Transport and Storage industry also experienced heightened demand, facilitating the movement of goods and people as economic activities resumed.

Together, these 3 industries accounted for over 28 percent of the nation's overall GDP, underscoring their significance in driving economic growth.

Looking ahead, we estimate an economic growth rate of 1.9 percent for Trinidad and Tobago in 2024. This outlook is predicated on a forecasted 2.4 percent increase in Non-Energy Sector activity, alongside an expansion in Taxes less Subsidies, which serves as a crucial indicator of fiscal health.

Key contributors to this anticipated growth in the Non-Energy Sector include Trade and Repairs, Non-Energy Manufacturing, Financial and Insurance Activities, Construction, Transport and Storage, Electricity and Gas and Accommodation and Food Services. Each of these sectors is poised to play a vital role in our economic resurgence.

Specifically, strong growth is projected in the Food, Beverages and Tobacco Products manufacturing sub-industry: 9.1 percent, driven by increasing local demand and export opportunities. Growth is also expected in other sectors, including Trade and Repairs: 3.0 percent, Construction: 2.3 percent, Transport and Storage: 2.1 percent and Financial and Insurance Activities: 2.1 percent. The Trade and Repairs Industry stands to benefit from expanded trading markets overseas, reflecting our strategic positioning in the global marketplace.

Furthermore, the increase in the Retail Sales Index observed during the first quarter of 2024 signals a trend of rising domestic consumption and spending, suggesting a positive trajectory for the economy that is likely to persist throughout the year.

In tandem with this, the Transport and Storage Industry is expected to experience significant growth, supported by an increase in the movement of individuals as well as a rise in mail and courier activities — factors that are critical in a globally connected economy.

The Construction sector is also showing signs of vitality, buoyed by a year-on-year increase in domestic cement sales recorded between January and June 2024. This growth is further incentivized by favourable policies, including reduced duties and quotas, alongside a streamlined registration system for the importation of extra-regional cement.

Moreover, between fiscal 2020 to fiscal 2023, there continued to be a strong performance of non-energy sectors in Trinidad and Tobago with the Manufacturing sector being the main driver, contributing 96 percent to

total non-energy exports up from 91 percent in 2020. The Manufacturing sector as a percentage of total exports fell from 26 percent in 2020 to 22 percent in fiscal 2023. Several manufacturing subsectors experienced significant gains in export over the fiscal 2020 to 2023 period including Food and Beverages: 40 percent, Paper and Paper related products: 47 percent, Plastic and Rubber products: 66 percent, Basic Chemicals and Fertilizers:

46 percent, Glass and Glass products: 161 percent, Furniture and Light fittings: 34 percent, Clothing, Textiles and Apparels: 63 percent and Wood and Wood related Products: 46 percent.

Madam Speaker, through continued strategic investments and support for our Non-Energy Sector, we can build a more resilient and diversified economy that serves the needs of our citizens.

The June 2024 IMF Article IV Report confirmed that Trinidad and Tobago is undergoing a gradual and sustained economic recovery and that economic growth is broad-based with low inflation.

Further, following the period of high inflation associated with COVID-19, we saw a shift in our economic landscape and by September 2023, our inflation rate had decreased to 3.9 percent, compared to 8.0 percent at the end of December 2022.

By July 2024, our inflation rate further declined to 0.3 percent, possibly the lowest on record. A major reason for this has been a marked slowdown in global food prices. Food inflation came down from 17.3 percent (year-on-year) in December 2022 to 1.4 percent in July 2024.

Global food prices continue to fall and as a consequence, the transmission of higher international food prices to domestic food prices has abated. The prices of locally produced food items, such as vegetables and fruits are also on a downward trajectory.

Fiscal Outturn

With respect to the fiscal outturn, revised data for Fiscal Year 2023 indicates a fiscal deficit of 1.7 percent of GDP, which is projected to increase to 3.5 percent in 2024, because of a shortfall in energy sector revenue caused by low oil and gas prices and declining production. This is still within international norms.

In this regard, it is noteworthy that the only time over the last 16 years, between 2008 and 2023, that we enjoyed a fiscal surplus, was under this Government in 2022. Contrary to rumour, the former administration, despite benefiting from very high prices for oil and gas throughout its 5-year period, posted fiscal deficits every single year.

Notwithstanding these fiscal deficits, our external fiscal buffers remain healthy and strong. As of today, September 30, 2024, our gross official reserves stand at US\$5.5 billion or 7.7 months of import cover and the Heritage and Stabilisation Fund stands at an impressive US\$6.1 billion, despite substantial withdrawals during the COVID-19 period and afterwards, totalling more than US\$1 billion, confirming the prudent management of the Fund.

It is notable that despite all of the economic shocks we endured, the value of the Heritage and Stabilisation Fund (HSF) is higher now than it was when we assumed office in September 2015, and our foreign reserves remain more than adequate. This is despite constant demands for devaluation of the TT dollar and unfounded predictions of economic collapse, which, to the dismay of our detractors, did not, and will not occur, under this Administration.

In 2025, to further bolster our reserves, we plan to introduce legislation to encourage energy sector companies to remit all their taxes to the Government in US Dollars. Currently, only 50 percent of energy sector taxes are paid in US Dollars, although 100 percent of oil, processed gas and petrochemicals are exported.

Madam Speaker, our unemployment rate continues to be at an internationally accepted level. According to the latest available quarterly labour force and employment data from the CSO, the unemployment rate increased to 5.4 percent in the first quarter of 2024 from 4.1 percent in the fourth quarter of 2023. This is a normal pattern for the first quarter of every year, due to the changes in economic activity following heightened activity during the Christmas period.

The IMF

Madam Speaker, over the last 9 years, we have avoided having to go to the IMF for a bailout, and I guarantee that this will not happen under this Government.

However, several of our counterparts in Latin America and the Caribbean have not been that fortunate and have had no choice but to seek financial assistance from the IMF. Countries in IMF programmes in our region include Jamaica, Barbados, Suriname, Grenada and Dominica as well as El Salvador, Honduras, Guatemala, Bolivia, Ecuador, Costa Rica, Argentina and Mexico.

These IMF programs come with a price and lead to retrenchment, severely reduced public expenditure, currency devaluation with associated inflation, lower standards of living, increased costs for basic consumer items, reduction in real wages or wage freezes, lower average incomes, higher personal taxation leading to less disposable income and elimination of subsidies and social grants, among other structural adjustments.

We spared ourselves these adversities by prescribing our own corrective measures, and despite the baseless rhetoric from uninformed commentators, we have been able to maintain public sector jobs, free education and free health care at all levels, subsidised public transport on land, air and sea, highly subsidised water and electricity rates and a wide range of social grants among many other benefits for our population.

By way of example, in Argentina, the unemployment rate peaked at 11 percent, 2 years into an IMF programme. In Honduras, the unemployment rate doubled and peaked at 11 percent, one year after an IMF programme. In the Dominican Republic, the unemployment rate at the start of an IMF programme was 6.5 percent and increased to over 9 percent, 4 years later.

Inflation rates in these countries have also increased by up to 25 percent. Compare that to our inflation rate of less than 1 percent.

In particular, Argentina has experienced a surge in poverty during its IMF Programme, moving from a poverty rate of 27 percent in 2021 to over 52 percent in 2024.

Credit Ratings and International Financing

Madam Speaker, Trinidad and Tobago reinforced its position as an investment-grade country in 2023 and 2024, easily securing financing on international capital markets at very competitive terms.

In September 2023, we successfully raised US\$560 million on very competitive terms, to refinance an existing Eurobond which matured in early 2024.

In July 2024, we issued another 10-year US\$750 million Bond priced at 6.40 percent for budgetary support. Leveraging the country's strong credit profile and solid economic governance reputation, this issuance was met with robust investor demand, outperforming the borrowing costs faced by many of our regional peers. For instance, Colombia, a comparable emerging market economy, has a current borrowing cost of almost 11 percent. Mexico has a similar rate as Colombia for international borrowing, which is almost twice ours.

Madam Speaker, this year, global financial markets have been characterized by heightened volatility, driven by geopolitical tensions, inflationary pressures and shifting monetary policies. Despite these complexities, this country's ability to secure highly attractive rates for international financing is testimony to our sterling reputation in the global financial community, in stark contrast to the perennially pessimistic narrative of our local naysayers who seem to be able to get front-page coverage for their uninformed negativity and baseless sensationalism at the drop of a hat.

Diversification

Madam Speaker, Trinidad and Tobago benefits from a strong economic outlook, supported by significant efforts towards diversification including the Special Economic Zones, initiatives by the Ministry of Trade and Industry to support bilateral trade agreements, the Tourism and Sport sectors, the Renewable Energy sector, the Financial Service sector and the Agriculture sector.

We stand out from our regional and rating peers as having a low level of credit risk according to the Organisation for Economic Cooperation and Development (OECD). The countries having less favourable credit ratings include Jamaica, Barbados, Honduras, Costa Rica, Brazil, Dominican Republic, Paraguay, Argentina, Bolivia and Ecuador.

Despite economic headwinds and turbulence in the energy sector, Standard and Poors, the renowned international credit rating agency, recently affirmed Trinidad and Tobago's credit rating at BBB-, an Investment Grade Rating, with a stable outlook, reflective of the country's credit strength. We consider this to be a significant achievement.

INSTITUTIONAL QUALITY

We are forging ahead to create new resilient institutions and strengthen existing ones.

- Trinidad and Tobago Revenue Authority (TTRA)

Madam Speaker, as you know the Privy Council in September confirmed a few weeks ago that the Trinidad and Tobago Revenue Authority Act did not infringe the constitutional rights of public officers, upholding the ruling of our Court of Appeal. This landmark decision now enables the Government to proceed to move apace to populate and build out the Authority, to optimize and modernise our revenue collection efforts. This is critically needed, to address the tax gap, due to tax evasion, which has been estimated at up to \$10 billion per year. We are now entering a crucial phase of transformation. The consolidation of the Customs and Excise and Inland Revenue Divisions into a unified entity will allow the execution of the Authority's Strategic Plan, which was laid in Parliament 18 months ago. This will involve deploying advanced

technology to refine processes and improve data accuracy while investing in comprehensive staff training. The Revenue Authority represents a significant advancement for our nation, setting the stage for enhanced revenue management, fiscal stability and the removal of an antiquated system, thus greatly improving the ease of doing business.

Case studies have shown clear benefits to having a "Whole of Taxpayer Approach" which can only be enabled by the merger. Instead of managing different taxes such as income tax, VAT and customs duties in silos, this approach looks at the taxpayer's full relationship with the tax system across all tax types. The goal is to provide a more integrated, efficient, and seamless experience for the taxpayer and to improve tax compliance.

Madam Speaker, by modelling excellence after leading private corporations, the Revenue Authority aims to attract the best talent in the country to itself. The Authority aims to deliver an exceptional customer experience, by improving understanding of tax obligations and their effect on the national good, through a clear and engaging public awareness programme and by simplifying the compliance process through online and digital channels. The goal is to make it easy, safe, and convenient for customers to interact with the Revenue Authority. To facilitate this, a wider range of payment options will be made available including online payments which will facilitate user-friendly revenue services.

Madam Speaker, given that a key mandate of the Revenue Authority is to provide guidance and counsel to the Minister as it relates to tax matters, the Revenue Authority will establish a Centre of Excellence. The key functions will be to engage in the necessary research and data analytics to inform policy development and change, as well as drive strategy both locally and internationally. This unit will be pivotal in driving recommendations for a common reporting standards framework that does not currently exist in the Inland Revenue Division or Customs and Excise Division.

Moreover, the Revenue Authority will strengthen border protection to combat illicit activities, safeguard economic interests and facilitate smoother trade practices. It will also support sustainable trade initiatives, ensuring the efficient collection of duties and taxes.

In all this, the Revenue Authority is expected to be fair, equitable and even-handed in its treatment of all taxpayers.

However, at this stage, to counter the false narrative about increased taxes and the fearmongering by the Opposition, the Government wishes to make it clear that we have no intention of going after "little people" like nuts vendors, who make an honest living and avoid getting involved in criminal activities.

We have much bigger fish to fry since it is public knowledge that there are many individuals and companies earning millions of dollars in income per year who are not paying their fair share of taxes. This type of self-serving action hurts the hundreds of thousands of honest taxpayers like public servants and ethically run businesses, who pay their taxes religiously every month.

Further, opposition politicians often spout inflammatory, empty rhetoric about taxes and promote utopian concepts of minimal or no taxation, relying on the belief that no one likes to pay taxes, and therefore their empty promises will take root.

Of course, when they make wild

statements about eliminating or drastically reducing taxes, they conveniently avoid saying where the money will come from to pay public servants, fund the police service, maintain and upgrade infrastructure and public facilities, and provide the myriad of free and subsidised services, such as free education and health care, that cost the country up to \$60 billion a year.

In this context, it would be remiss of me not to remind Members of some of the tax exemption and tax reduction measures we have introduced since September 2015:

- Firstly, consistent with our 2015 Manifesto promise, we immediately reduced Value Added Tax from 15 percent to 12.5 percent;

- Secondly, we embarked on a systematic path to increase the personal tax allowance, thus putting more disposable income in the pockets of over 300,000 wage earners. We first increased the personal allowance from \$60,000 per year, or \$5,000 per month, to \$72,000 per year, or \$6,000 per month, then to \$84,000 per year, or \$7,000 per month, to the current \$90,000 per year or \$7,500 per month. This represents a 50 percent increase in the personal income tax allowance over the last 9 years and has resulted in an extra \$625 per month, or an extra \$7,500 per year, in disposable income for all 550,000 taxpayers in Trinidad and Tobago;

- We also exempted hybrid cars with an engine capacity of 1,500 cc or less from all taxes and all electric cars, no matter the size;

- We exempted computers, computer hardware and software, computer accessories, CCTV cameras and equipment and mobile phones from all taxes;

- We increased the tax deduction for interest paid by first-time homeowners on mortgage loans from \$18,000 to \$30,000;

- We also exempted various inputs into the agriculture sector and agricultural holdings of all sizes from taxes;

- We increased the tax allowance for tertiary education expenses to \$72,000 per year;

- We increased the exemption from stamp duty for residential properties for first-time homeowners from \$850,000 to \$2 million, benefitting thousands of people;

- We removed VAT and customs duties from specified therapy equipment, hearing impaired, visually impaired, physical mobility disabilities, disability safety peripheral and communication devices; and

- With respect to companies, we have introduced numerous tax concessions and incentives, all designed to create jobs, encourage training, and promote growth, ranging from tax credits for approved manufacturing companies, small, listed companies, use of renewable energy, and SMEs, to incentives for small oil producers.

Procurement

Contrary to public discourse, we have always had public procurement legislation in Trinidad and Tobago, that is the Central Tenders Board Act.

This was modernised and replaced after years of enquiry, public consultation and agitation by new procurement legislation.

Like any major change to an existing situation, it is to be noted that there are learning and teething issues, but by and large, the introduction of the revised procurement processes is going well and is expected to do better, observing the law and avoiding pitfalls.

The Public Procurement and Disposal of Public Property Act was

fully proclaimed in

April 2023, ushering in a new and transparent system for public procurement.

Following requests from stakeholders, the Act was amended in the Finance Act, 2023 to make provision for simplified procurement. Following extensive dialogue with the Ministry of Finance and the Office of Procurement Regulator (OPR), the Government approved the Public Procurement and Disposal of Public Property (Simplified Procurement) Regulations, which were published on April 5, 2024, and created a simplified procurement process for goods, works and services under \$1 million.

Further, following the full proclamation of the Act in April 2023, the Government published the Public Procurement and Disposal of Public Property (Review Board) Regulations on June 6, 2024, to ensure that a review of the OPR's decisions, in accordance with the Act, could be initiated. These Regulations form an integral part of the Public Procurement framework and establish the process and procedures for review of decisions taken by the OPR.

The OPR is now fully operational and is responding to challenges to procurement proceedings, and doing its other work, such as providing guidance to public bodies and suppliers of goods and services, as publicly reported in the local media. Further, the first Annual Report of the OPR was recently laid in Parliament.

PROPERTY TAX

Madam Speaker, for over a decade, the Property Tax landscape in our nation has been shaped by outdated policies and practices. In 2010, the Land and Building Tax Regime was suspended; exacerbating the challenges in securing adequate funding for essential services and development projects across Central and Local Government alike. Recognizing the need for reform, our Government embarked on a journey to modernize the tax system, culminating in the introduction of the new Property Tax regime.

In 2024, in the face of continuous misguided political resistance, the Government implemented several key adjustments to effectively roll out the new property tax regime. Firstly, in response to public feedback and our commitment to fairness; this Government reduced the property tax rate from 3 percent to 2 percent in 2024; thereby alleviating the financial burden on property owners and ensuring that the new system is both equitable and manageable.

Cognisant of lingering issues with some valuations, we have also extended the deadline for the Board of Inland Revenue to issue Notices of Assessment for Property Tax to October 31, 2024. This extension will allow the Valuation Division additional time to finalize the assessment of Annual Rental Value and address any adjustments necessary. It also afforded the Board of Inland Revenue Division additional time to issue Notices of Assessment to residential property owners and occupiers.

Further, last week, mindful of the last-minute nature of our society, where things are often left to the last minute possible, we extended the time for property owners to pay their property tax by 2 months, from September 30, 2024, to November 29, 2024.

I also wish to advise that we expect to implement an online payment solution for property tax on or before October 31, 2024, allowing online bank transfers and card payments. This is despite the Leader of the

Opposition's vitriolic public criticism and unnecessary, ill-conceived condemnation of the move towards cashless transactions.

In that context, the rest of the world knows that cashless is the way to go for many reasons, including minimising opportunities for theft and fraud, and providing access for the unbanked.

It is to be noted that we are behind the rest of the world in this area. In India, for example, there are now 3 billion cashless transactions per day, with persons at the lowest end of the income scale, such as farmers, personal service providers, and roadside vendors, using mobile wallets, mobile phones and QR codes to transact business, rather than cash. In Copenhagen, Denmark, some shopkeepers are now unable to make change, because they have little, if any, cash in their cash registers, so rare is it for someone to make a purchase in physical banknotes in that city. I experienced that phenomenon myself recently.

In London, England, the vast majority of check-out kiosks in supermarkets now only work with credit or debit cards, as do ticket machines in railway and bus stations. I also witnessed that myself recently. Additionally, airline counters all over the world are no longer accepting cash.

It was in anticipation of this development that in 2020 the Prime Minister established a Ministry of Digital Transformation to prepare, assist and guide this country forward into this digital era. The resistance to this very progressive development by the Opposition is indeed unfortunately myopic.

Any person who irrationally opposes cashless transactions on the spurious grounds that it will allow the Government to know your personal business when it is common knowledge that all such electronic transactions are encrypted is stuck in the Stone Age.

If 1.4 billion people in India, another 1.4 billion people in China, a further 1.4 billion people in Africa, and 750 million people in Europe, among many others, have embraced cashless transactions, why should we cling to an outdated way of conducting transactions?

Madam Speaker, I would like to take this opportunity to clearly explain, once again, to the public how their property tax is calculated. The Inland Revenue Division calculates property taxes based on annual rental values as assessed by the Valuation Division; applying a 10 percent discount and a 2 percent tax rate on the discounted value.

For example, a property with an annual rental value of \$24,000 or \$2,000 monthly would attract a tax of \$36 per month. This is calculated as follows: \$24,000 minus the

10 percent discount of \$2,400 equals \$21,600 to which 2 percent is applied, resulting in a tax of \$432 annually which translates to \$36 monthly.

Further, based on the information we have gathered, at least 50 percent of residential properties, will attract property taxes ranging from \$432 to \$1,080 annually.

For the record, up to Friday, September 20, 2024, 89,441 residential property owners had paid property taxes totalling \$91 million in revenue.

This sum, along with property taxes collected in fiscal 2025, will be distributed to Local Government bodies in fiscal 2025 for the maintenance of local roads and drains and public facilities, such as recreation grounds, and for their development programmes, as well as for the provision of local services. These funds

will be distributed to each Corporation, in amounts equal to the funds collected in each Municipality.

Additional allocations will be given to the Corporations in the usual manner.

Appropriate amendments will be made to the relevant legislation to ensure that property tax is used for the purpose intended and not diverted for unproductive purposes.

In all this, we remain dedicated to protecting our most vulnerable citizens. Those with minimal income and facing financial hardship, or relying on Social Grants, can apply to the Inland Revenue Division for a deferral of their property tax.

Madam Speaker, I also wish to reiterate that if the Inland Revenue Division is unable to deliver a tax assessment notice to the taxpayer, the taxpayer will not be subject to any penalties or interest. Additionally, if a taxpayer received an assessment notice using the old property tax rate of 3 percent, instead of the reduced rate of 2 percent, that notice will be invalid.

● Trinidad and Tobago International Financial Centre (TTIFC)

Madam Speaker, as we continue to innovate and modernize our financial sector, the Trinidad and Tobago International Financial Centre has been instrumental in advancing the Government's mandate for a cashless society.

We have already made significant strides towards digital transformation which included the introduction of policies as well as regulatory and legislative advances such as the Draft E-Money Policy (2018), FinTech Policy (2019), E-Money Issuer Order (2020) and Simplified Due Diligence Requirements (2021). These initiatives have laid the groundwork for financial innovation and inclusion. In 2020, key financial institutions established a Regulatory Innovation Hub, serving as a central point of contact for FinTechs and facilitating progress in licensing, especially for E-Money Issuers.

Increasing and Improving Financial Inclusion

Madam Speaker, financial services delivered over mobile phones enable anyone to receive, store and transfer funds securely, while also providing access to essential financial services such as savings, credit, e-commerce and insurance. This is crucial for those excluded from the mainstream financial system.

With high wireless coverage and a well-developed telecommunications system, 85 percent of our population now has access to the Internet. This provides the enabling environment to support digital financial services where individuals and businesses can better access online financial services, making transactions more convenient.

National Financial Inclusion Strategy Roadmap

To support these developments, the TTIFC has completed the National Financial Inclusion Survey Report. The survey revealed that 25 percent of the population lacks access to basic financial accounts, significantly impacting their financial resilience. Additionally, 77 percent of Micro, Small and Medium Enterprises lack business bank accounts or accept digital payments, limiting their growth and access to digital markets. Moreover, 56 percent of the population finds mobile banking applications and financial information challenging to understand

and 82 percent use cash for their transactions.

To overcome these challenges, the National Financial Inclusion Strategy Roadmap is being developed in collaboration with the Ministry of Finance. This RoadMap will function as a guide to ensure all individuals, regardless of background or income, have access to financial services like loans, credit unions, banking, and fintech services.

In furtherance of its mandate the TTIFC has developed:

- a new Customer portal for the Environmental Management Authority (EMA) called the Certificate of Environmental Clearance (CEC) Customer portal. The portal allows for digital application and payment of CECs, eliminating the need for paper-based application;

- In April of this year, the Ministry of National Security launched its state-of-the-art e-Portal platform in collaboration with the TTIFC. This advanced platform represents a significant transformation in the procedures for e-Visa and Student Permit applications and payments. Notably, within a mere 2 months from its April inception, the platform achieved the successful processing of transactions amounting to over half a million Trinidad and Tobago dollars by June 2024;

- The TTIFC has partnered with the Licensing Division to create a citizen-focused Kiosk Programme. This innovative approach allows individuals to make payments for provisional permits using the kiosk, providing an alternative to the traditional cashier process;

- The Trinidad and Tobago Bureau of Standards (TTBS) and the Ministry of Agriculture, Land, and Fisheries have engaged TTIFC to develop their payment systems. Both ministries are currently in the pilot stage of development;

- The TTIFC has completed several online payment implementation projects within the public sector. These projects are now accessible to all citizens and businesses, both locally and internationally. They include the Housing Development Corporation's ePay platform, the Judiciary's updated CourtPay System, and the Ministry of Trade and Industry's updated Single Electronic Window and TTBizlink platform for trade-related services across multiple Ministries, Departments, and Agencies; and
- In collaboration with the European Union and the United Nations Capital Development Fund, the TTIFC is launching initiatives to develop digital payment solutions for smallholder farmers and credit unions, addressing major challenges affecting citizens across the region. These initiatives will be rolled out in October 2024.

● Gambling Control

Madam Speaker, the Gambling Control Commission has achieved substantial progress in establishing a robust regulatory framework for the gambling industry. To this end, the Commission embarked on stakeholder consultations on the Gambling (Gaming and Betting) Control Act as well as the draft Regulations. This process ended in August and the Commission is currently refining the feedback received and we expect full proclamation of the Act in January 2025.

Subsequently, the Commission will enter a transitional period in which all persons who own or operate a gaming establishment or gaming machines under the Liquor Licences Act must notify the Commission of their existence. Once this information is collected, the Commission will

advise of the applicable licenses as it relates to their areas of operation. These persons will thereafter pay their relevant licensing fees.

Madam Speaker, the collection of licensing fees is expected to commence at the end of the second quarter of fiscal year 2025.

The Commission has also successfully recruited senior leadership and is currently engaged in building its key HR infrastructure. This strategic human capital development aims to arm the Commission with the technical expertise to audit, manage and provide up-to-date resources necessary for a flexible and dynamic organization.

Additionally, significant investments in infrastructure and technological advancements have been undertaken, including the procurement of essential systems for finance and gaming operations. These technological implementations, coupled with targeted staff training, robust stakeholder engagement and the establishment of internal governance structures, collectively enhance the Commission's capacity for effective oversight and compliance within the gambling sector through an effective licensing regime.

Madam Speaker, the Commission has initiated the procurement of a highly recommended due diligence software through selected international companies, where assistance will be given to demystify complex corporate structures. In this context, it refers to the identification of beneficial ownership which involves clarifying and simplifying the often intricate relationships and hierarchies within corporations to ensure transparency regarding who ultimately controls or benefits from a company, consequently this will inherently impact the recipients of various licences, ensuring that such recipients are not agents of criminal conduct or activities.

Madam Speaker, it is important to note that a 5th Round Mutual Evaluation conducted by the Financial Action Task Force and regional bodies such as the Caribbean Financial Action Task Force (CFATF) to evaluate a country's compliance with international standards on anti-money laundering (AML) and counter-terrorist financing (CFT) is upcoming and is significant to the work of the Gambling Commission. This round of Mutual Evaluations is part of a larger framework to ensure that countries effectively implement measures to combat financial crime. Discussions have been initiated with the Financial Intelligence Unit as it relates to compliance initiatives and this dialogue will continue with other international and regional state agencies and organizations within the months ahead. As a result, the Commission is vigorously working to implement a robust system with approved licensing policies and procedures to ensure a rigorous licensing regime and a highly skilled and qualified execution team.

The Compliance, Regulatory Framework (monitoring and inspection) implemented by the Commission is being designed to safeguard the integrity of the gambling industry and will ensure strict adherence to local legislation. Within this Framework, compliance inspections will serve as a critical tool for ensuring that operators adhere to all regulatory standards and international best practices thus promoting transparency, fairness and accountability.

Key pillars of this Framework include:

- **Rigorous Monitoring and Inspection:** The Commission will establish a dedicated regulatory field team which will conduct regular audits, site inspections, and compliance

assessments to ensure operators maintain high ethical and operational standards. This includes ensuring proper implementation of responsible gambling measures, adherence to regulatory and technical standards for gaming equipment.

● Collaboration with Local & International Stakeholders:

Recognizing the global nature of the gambling industry, the Commission will strengthen partnerships with local agencies and international regulatory bodies to align our local practices with global anti-money laundering (AML) and counter-terrorism financing (CTF) standards. This collaboration will enable Trinidad and Tobago to remain competitive while ensuring robust safeguards against financial crimes.

- **Enhanced Consumer Protection:** Central to our Framework is the protection of consumers. Through the enforcement of responsible gambling measures, the Commission will ensure that vulnerable individuals are protected from gambling-related harms while promoting a safe environment for recreational activities.

- **Governance and Accountability:** The Commission is committed to upholding the highest governance standards, requiring operators to adhere to strict internal controls, financial reporting requirements and risk management protocols. This will deter criminal activity, foster transparency and encourage industry growth.

Madam Speaker, we expect that the taxation and licensing regime put in place by the Commission will yield \$60 million in revenue of which a portion will be dedicated to a Rehabilitation and Development Fund which will support civil society initiatives aimed at mitigating the social impacts of gambling while fostering community development. Revenue projections indicate a potential doubling by 2026, with sustained growth anticipated in subsequent years.

The operationalization of the Commission will lead to a more structured and regulated gambling industry in Trinidad and Tobago. The Act aims to ensure that gambling is conducted in a fair, open and responsible manner, protecting minors and vulnerable persons from harm. It seeks to prevent gambling from being a source of crime or being used to support crime, while also ensuring compliance with anti-money laundering and counter-terrorism financing laws.

The Commission will oversee licensing, enforce compliance and establish policies to protect consumers, thereby creating a more transparent, accountable and regulated gambling ecosystem.

● Trinidad and Tobago Mortgage Bank

Madam Speaker, the 2024 merger of the Trinidad and Tobago Mortgage Finance and the Home Mortgage Bank has created the Trinidad and Tobago Mortgage Bank (TTMB), as a stronger institution, offering a broader range of financial products and services tailored to citizens' needs. This is vital in meeting the housing needs of many, particularly those in low and middle-income brackets who face challenges in homeownership.

The Affordable Housing Financing Programme, a key initiative of the TTMF offers mortgage rates as low as 2 percent and 5 percent and has made homeownership more accessible to a larger segment of the population.

However, it is not well known or publicised, but these heavily subsidised mortgage loans cost the Government a considerable sum. Just over the last 10 years, the TTMF has provided homeowners with almost 8,000

subsidised mortgage loans totalling more than \$4 billion in value. These subsidised loans are not free, because the funding has to be sourced from commercial banks at the much higher market rates, and the TTMF then charges the Government for the extra cost. As such, subsidised mortgage loans come at a significant cost to the Government, at an average of \$200 million per year.

Madam Speaker, TTMB's innovative solutions, such as converting HDC's Rent to Own and License to Occupy arrangements into full mortgages, will continue to significantly improve housing stability in Trinidad and Tobago while providing a clear path to homeownership and financial independence.

The merger has also bolstered TTMB's ability to maintain financial stability while extending credit responsibly. The Bank's low mortgage delinquency ratio of 6.31 percent as of mid-2024 reflects its effective risk management.

TTMB's financial success, following the merger, is evident in its achievements over the period January to August 2024. During this period, the Bank raised \$797 million to meet new loan demands and approved 745 new loans valued at \$403 million, with a significant portion allocated to HDC transactions, demonstrating its role in advancing social equity and driving economic growth.

Madam Speaker, the creation of TTMB marks a significant step forward in promoting social equity and economic inclusivity. By making homeownership more accessible, TTMB is levelling the playing field, allowing more citizens to invest in their futures. The benefits of this merger extend beyond financial gains, enhancing the social and economic well-being of communities across Trinidad and Tobago.

● National Investment Fund (NIF)

Madam Speaker, the creation of the NIF in Trinidad and Tobago using assets recovered from the CLICO bailout is a testament to our creativity and commitment to financial stability and growth, for the benefit of all citizens.

In 2018, when we launched the Series A, B and C Bonds totalling \$4.0 billion the offer was oversubscribed by 85 percent, creating 3,084 new accounts on the local stock exchange, with increased engagement of individuals in our financial system.

The NIF1 Bond offered returns that were 3 times higher than the prevailing deposit rates at commercial banks, delivering exceptional value to investors and a compelling alternative to traditional banking products.

Madam Speaker, the NIF has consistently met ALL OF ITS financial obligations. We have paid all semi-annual interest due on NIF bonds punctually and, importantly, we have honoured our obligation to bondholders by paying in full for the Series A NIF bonds when they matured in August 2023.

In 2023, additional shares in Republic Financial Holdings Limited formed the basis for the \$400 million NIF2 Bond which was launched in January 2024 and again met with unprecedented support as evidenced by an oversubscription of 267 percent.

This response resulted in a further 1,110 new investor accounts, primarily individuals, highlighting the widespread appeal and trust in the NIF.

● Transfer Pricing

Madam Speaker, transfer pricing is highly significant from a tax perspective as it opens the door for multinational corporations to

manipulate prices to reduce their tax burden by shifting profits to low-tax jurisdictions.

Our efforts to establish a comprehensive transfer pricing regime are therefore aimed at enhancing our tax revenue-earning potential and minimizing financial leakages from multinational enterprises operating within our domestic economy. By implementing these measures, we are ensuring that Trinidad and Tobago receives its fair share of tax revenues, thereby promoting fairness and transparency in international taxation.

A cornerstone of transfer pricing is the internationally recognized Arm's Length Principle. This principle dictates that the price set in a transaction between 2 related parties, such as 2 subsidiaries of a multinational enterprise, must be the same as the price that would have been agreed upon for a comparable transaction between one of those subsidiaries and an unrelated party.

Over the past year, we have been diligently working to develop a comprehensive transfer pricing regime. This initiative is vital for safeguarding our tax base, fostering a favourable investment climate and combating illicit financial flows. By ensuring that multinational enterprises engage in fair and transparent transactions, we aim to protect our economy while promoting a more equitable tax environment.

Madam Speaker, as part of this process, we successfully held a stakeholder consultation in July 2024, where representatives from Chambers of Commerce, Industry Associations, accountants, tax practitioners and energy companies were engaged. These discussions will now inform the finalization of the draft transfer pricing legislation, which has been prepared by the Inter-American Centre of Tax Administrations - CIAT, our technical consultants.

The expertise of CIAT has been a significant asset throughout this process given its extensive experience and technical proficiency in tax administration and transfer pricing globally.

Our efforts towards establishing a suitable transfer pricing regime have been supported by the recent passage of the Base Erosion and Profit-Shifting - BEPS Inclusive Framework (Country-by-Country) Reporting Act, 2024. BEPS refers to tax planning strategies used by multinational enterprises to exploit gaps and loopholes in tax rules, allowing them to artificially shift profits to low or no-tax jurisdictions to minimize their tax liabilities.

The BEPS framework mandates that multinational enterprises provide detailed reports on their global activities, including financial statements, key financial indicators and a breakdown of their income, taxes paid and economic activity across different jurisdictions.

Our legislation aligns with BEPS Action 13 and with the draft transfer pricing legislation now finalized, I will be approaching Parliament shortly to initiate a debate on this important legislation, which is designed to ensure that our transfer pricing practices align with global best practices and the BEPS Inclusive Framework.

● International Tax Compliance

Madam Speaker, ensuring compliance with the European Union's criteria for non-cooperative tax jurisdictions is vital for Trinidad and Tobago to uphold its global standing and maintain access to international markets and financial systems. Adhering to these standards helps us avoid sanctions and penalties that

could undermine trade relations, foreign investment and overall economic stability.

Trinidad and Tobago has over time proactively strengthened its tax transparency and regulatory framework, aligning with international best practices. We have improved our tax governance, improved the exchange of information with global tax authorities and addressed harmful tax practices. Our efforts have been guided by the Global Forum and the Organisation for Economic Co-operation and Development - OECD.

Madam Speaker, the European Union relies on evaluations from the Global Forum and the OECD's BEPS Peer Reviews to determine whether a jurisdiction should be removed from its list of non-cooperative tax jurisdictions.

Given the rapidly evolving international tax landscape, substantial changes to institutional, legislative and policy frameworks are required.

The Government has thus developed a strategy to address Trinidad and Tobago's removal from on the EU's list of non-cooperative tax jurisdictions. The Ministry of Finance maintains ongoing dialogue with the Global Forum, OECD and the EU on this matter.

This comprehensive strategy includes:

Second Round Peer Review on the Exchange of Information on Request (EOIR)

The Second Round Peer Review on EOIR was launched in June 2024, with an on-site visit scheduled for October 2024. This review will measure the actual application of exchange of information standards in practice, leading to an overall compliance rating for the jurisdiction.

The Convention on Mutual Administrative Assistance in Tax Matters (MAAC)

Trinidad and Tobago has submitted the confidentiality questionnaire to the MAAC Coordinating Body and successfully completed the second round of follow-up questions. Once there are no further inquiries, the country will progress towards signing and ratifying the Multilateral Convention on Mutual Administrative Assistance in Tax Matters in this year, 2024.

Automatic Exchange of Information - AEOI

Madam Speaker, with respect to the AEOI, Trinidad and Tobago is currently receiving technical assistance from the Global Forum Secretariat with respect to signing on to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information - CRS MCAA. This will facilitate the connection to the Common Transmission System (CTS), which is the Information Technology system in which the exchange with the AEOI partners will take place.

This will also enable Trinidad and Tobago to take the necessary steps to bring into force a Qualified Competent Authority Agreement with jurisdictions of the Inclusive Framework, ensuring that it meets the conditions of confidentiality, consistency and appropriate use. It will also ensure that the Agreement is made with jurisdictions that have an international exchange of information agreement in force with Trinidad and Tobago that allows for the automatic exchange of information framework.

BEPS Action Item 5-Harmful Tax Practices

Madam Speaker, additionally, the

Special Economic Zones Act was fully proclaimed on July 5, 2024, establishing its enforceability across Trinidad and Tobago and repealing the existing Free Zone Regime. I am happy to report that the Forum on Harmful Tax Practices (FHTP) has expressed its satisfaction with the additional input we recently provided on the legal and operational features of Trinidad and Tobago's Special Economic Zone regime. They have reviewed our submission and now have sufficient information to prepare a preliminary assessment for consideration at their next meeting in November 2024.

Anti-Money Laundering and Counter Financing of Terrorism - AML/CFT

Our Anti-Money Laundering and Counter Financing of Terrorism measures are crucial for maintaining financial integrity and avoiding grey-listing or black-listing, which can have severe economic repercussions.

We are confident that our continued efforts will yield positive results in the years ahead, to meet all the criteria outlined by the European Union and foster a fair and transparent tax environment for Trinidad and Tobago.

● Deposit Insurance Coverage

Madam Speaker, following extensive consultations with the Central Bank and key stakeholders in the financial sector, the Government, through the Central Bank (Deposit Insurance) Order 2024, increased the Deposit Insurance Coverage from

\$125,000 to \$200,000 effective October 1, 2024.

This increase is designed to deal with inflation and to offer an additional layer of protection for individuals who deposit their savings into banks, finance houses and trust and merchant banks, strengthen financial security and bolster public confidence in the stability of our financial institutions. There is no cost to the public since it is expected that Financial Institutions will absorb the increased premiums.

INFRASTRUCTURE

● Highways and Drainage

Madam Speaker, our commitment to infrastructure modernization remains unwavering. We are actively engaged in the improvement of our road network, encompassing primary highways, major arteries and strategically selected secondary routes. Concurrently, we are dedicating significant resources to the enhancement of our drainage systems. These efforts, coupled with our ongoing endeavours to fortify our coastal defences, represent a multifaceted approach to mitigating the challenges posed by climate change:

● The Cumuto-Sangre Grande Highway project is nearing completion and will create direct accessibility for previously underserved communities along the route. The anticipated completion of a 1.7 kilometre connector to the Eastern Main Road in Sangre Grande by April 2025 will establish a crucial link between the ongoing Churchill Roosevelt Highway extension and the Sangre Grande area and positively impact the lives of over 100,000 citizens;

● The Sir Solomon Hochoy Highway Extension to Point Fortin which involves the construction of a new first-class highway from La Romain to Point Fortin, including several interchanges, roundabouts and overpasses, is already fully operational, with just a few remaining elements to be completed. It has already reduced the transit time from San Fernando to Point Fortin from 1 ½ hours to 20

minutes. Upon final completion, the highway will significantly enhance connectivity between Point Fortin and other southern towns, stimulating economic growth in the region;

● Following the destructive impact of torrential rains in 2022, the reconstruction of the Manzanilla Mayaro Road is at an advanced state. This road project, which is estimated to cost \$177 million when completed, is a vital link for communities between Sangre Grande and Manzanilla to Ortoire, Mayaro and Guayaguayare. In reconstructing the roadway, we are implementing measures to deter flooding and erosion of the roadway in the future, by balancing the flow of salt and fresh water. Additionally, for the paving works, we are utilizing innovative technology using recycled asphalt to produce a special bitumen-stabilized material. Initial temporary diversion works were completed last year, and the road has been reopened to traffic with a targeted completion date of all phases of the project by the end of January 2025;

● O'Meara Road is the backbone connecting Arima to the Churchill Roosevelt Highway and carries over 30,000 vehicles daily. It is undergoing a major transformation to ease traffic. At a cost of \$57.5 million, this project includes a new roundabout for smoother traffic flow, 2 additional eastbound lanes to handle increased capacity, upgrades to the Churchill Roosevelt Highway for better connection, and improvements to drainage and concrete infrastructure for a longer-lasting road. Completion is expected in December 2024; and

● The Diego Martin Vehicular and Pedestrian Bridge Overpass was opened to traffic in December 2023. At a cost of \$185 million, the completion of this project facilitates significantly improved connectivity for commuters travelling from the Diego Martin valley to the western peninsula.

Secondary Road Rehabilitation

In addition to increasing road capacity via the construction of major highways in an attempt to make all quadrants of the country accessible, the Ministry of Works and Transport has also continued its drive to address the state of deteriorating road infrastructure.

The Ministry has engaged 25 small contractors, to supplement and enhance its in-house patching and road rehabilitation programme in all areas of Trinidad. It is intended in fiscal 2025 to increase this number to 50 contractors to allow for increased coverage around the island.

Further, in 2025, in accordance with the procurement law, the Ministry intends to develop a list of bonded contractors to give it the flexibility to proactively address urgent road rehabilitation projects without the delay caused by traditional procurement.

Under its Programme for Upgrading Road Efficiency - PURE, the Ministry has initiated over 150 road rehabilitation projects at an estimated total cost of \$233 million on secondary roads for fiscal 2023/2024. Of these projects, 85 have been completed, 30 are scheduled to commence in the first quarter of fiscal 2025, and 35 are in the process of being tendered and will be awarded shortly.

In continuing to improve the infrastructure of the country's road network, the Ministry of Works and Transport will initiate in 2025, 100 new road paving projects on local roads at an estimated cost of \$210 million. The projects will be undertaken in all areas of Trinidad.

The Ministry of Works and Transport has also undertaken more than 600 desilting and river-clearing projects nationwide. These initiatives aim to prevent waterway erosion and improve drainage throughout the country. Additionally, the Ministry's Pumps and Gates programme further strengthens its flood mitigation efforts.

Madam Speaker, the Ministry has undertaken an expansive Landslip Repair programme. This programme, alongside bridge construction and refurbishment endeavours, strategic traffic management protocols, road rehabilitation and paving initiatives, and manhole restoration efforts, embodies our commitment to safeguarding and modernizing our nation's critical infrastructure.

In 2025, we plan to decisively pursue this nationwide infrastructural revitalization, prioritizing slope stabilization measures, the mitigation and amelioration of traffic congestion, the reconstruction and repair of bridges, and the strategic upgrading of our coastal infrastructure. Some of the upcoming projects will include:

- The Paria Main Road Coastal Repair Works;
- The Maraval Access Road Upgrade;
- The Construction of the Moruga Highway - Rehabilitation of Moruga Road and Moreau Roads;
- The Barataria Ramp and Underpass Upgrade;
- The Southern Main Road, Curepe Upgrade, from HDC Development to Farm Road; and
- The Tumpuna Road Upgrade, Arima.

• New Tobago Airport Terminal Project

Madam Speaker, this Government continues to invest in the development of the country's airports and aviation industry, which has been identified as a major contributor to the growth in the tourism and commerce sectors and by extension, our economy.

As members will recall, in 2020, the Government announced that the contract for the construction of the new airport terminal and associated works at the ANR Robinson International Airport was awarded to China Railway Construction (Caribbean) Company Limited.

This two-phase project involves:

Firstly, the modernisation and upgrade of the existing terminal building at Crown Point to improve the current service level. This phase consists of an expanded floor space including the Domestic Arrivals Hall with a new baggage carousel, security screening equipment, a VIP lounge, an outdoor canopy, and an upgraded floor space. Other major works include the construction of a taxi shelter and car park west of the terminal.

Madam Speaker, this phase of the project was completed in August 2022 at a cost of \$39 million.

The second phase, Madam Speaker, is a new state-of-the-art terminal building, designed under LEED (Leadership in Energy and Environmental Design) certification, which offers environmental, social and governance benefits that would significantly enhance passengers' experience and operational efficiency. Some of the key features include:

- Accommodation of 3 million passengers per year, that is, 3 times the capacity of the existing airport, fully compliant with the technical requirements of International Civil Aviation Organisation (ICAO) standards and International Air Transport Association (IATA) Optimum Level;
- Increased floor space for

concessions including retail or duty-free and food and beverage;

- Modern cutting-edge technology and security equipment;
- Additional airside infrastructure - ramp, aircraft parking space for up to three A330 jets, two 747 jets and four ATRs, and two new taxiways; and
- Landside infrastructure - Car park and drop off/pick up area.

Madam Speaker, notwithstanding supply chain challenges, approximately 80 per cent of the construction works have already been accomplished and the project is on track for completion in 2025. This project utilizes both local and foreign workers on site.

Madam Speaker, the operationalisation of this most modern state-of-the-art airport terminal in the Region will support tourism and the economic development of Tobago. The cost associated with this terminal building and associated airside and landside infrastructure is US\$130 million (TT\$885 million).

• Urban Redevelopment

Madam Speaker, we are advancing infrastructural works in the cities of Port of Spain and San Fernando.

The San Fernando Waterfront Reclamation Project which commenced in July 2024 is expected to transform the area into a thriving hub for tourism, business, leisure and cultural activities. The project will feature improved transportation facilities, expanded family-oriented spaces and preservation of historical assets through sustainable urban design.

Madam Speaker, in Port of Spain we have commissioned the headquarters of the Ministry of Health and are currently upgrading the Port of Spain Magistrate's Court.

In terms of public buildings, UDECOTT has done tremendous work in just the last 5 years, completing major projects and initiating construction on others such as:

Health Portfolio:

- Arima Hospital
- Point Fortin Hospital
- Diego Martin Health Centre
- Sangre Grande Hospital Campus
- Port of Spain Central Block

National Security Portfolio:

- Penal Fire Station
- Carenage Police Station
- St Clair Police Station
- Point Fortin Fire Station

Industrial Portfolio:

- Moruga Agro Processing and Light Industrial Park

Accommodation Portfolio:

- Customs & Excise San Fernando
- Ministry of Health Headquarters

Historical Restoration Portfolio:

- White Hall
- President's House
- Red House
- Mille Fleurs
- Hayes Court
- Eric Williams Memorial Library

Sports & Recreation Portfolio:

- Diego Martin Sports Complex
- Laventille Community Swimming

Pool

- Moruga Multipurpose Youth and Sport Facility

Pool

- Morvant Community Swimming

Pool

- Maloney Community Swimming

Pool

- Mahaica Sports Complex
- Skinner Park
- Desperadoes Pan Theatre
- D'Abadie/Malabar Community Swimming Pool

Tobago Portfolio:

- Shirvan Road Police Station
- Old Fort Hospital
- Roxborough Administrative Complex
- Roxborough Fire Station
- Dwight Yorke Stadium

Refurbishment

- Moriah Health Centre
- Roxborough Hospital
- Calder Hall Administrative Complex - Expansion

• Policy, Research, Development Institute (PRDI) Building

Community Development Portfolio:

- Chickland Community Centre
- La Pastora-Santa Cruz Community Centre

• San Fernando North Community Centre

- Arima Community Centre
- Bagatelle Community Centre

• Blanchisseuse Community Centre

• Bon Air South Community Centre

• Cantaro Community Centre

• Diego Martin Central Community Centre

• Diego Martin South Community Centre

• Indian Trail Community Centre

• La Lune Community Centre

• Quarry Road, Petit Valley Community

• Santa Flora Community Centre

• Tarodale Community Centre

• Tarouba Community Centre

• Techier Community Centre

• Belmont Community Centre

• Lisas Gardens Community Centre

• Caiman Community Centre

• Maitagal Community Centre

• Tacarigua Community Centre

• Maraval Community Centre

• Belle Vue Community Centre

• Diego Martin North Community Centre

• Cascade Community Centre

• Beausejour Community Centre

UDECOTT has over 100 active projects in various phases of construction or preconstruction planning. Some to note are:

- Ministry of Social Development and Family Services Head Office
- Election and Boundaries Head Office
- National Lotteries Control Board Head Office
- Chaguaramas Youth Development Centre
- La Horquetta Public Library
- Ministry of Social Development Assessment Centre & Temporary Facility for Socially Displaced Persons
- Point Fortin Heritage Administrative Complex
- San Fernando Waterfront Re-development Master Plan
- Restoration of the Sisters of St. Joseph of Cluny's Convent Building, San Fernando
- Diego Martin Sporting Complex Phase 2
- Coronation Park, Point Fortin

Additionally, the construction of a mixed-use commercial and residential 6-storey building with 16 apartments as part of the Piccadilly Street Urban Regeneration Project, is underway, among others.

ENERGY

Madam Speaker, Trinidad and Tobago remains an attractive province for investors due to our stable political, fiscal and policy environment. Over the period 2018-2021, an estimated US\$7.5 billion or TT\$50.4 billion was invested in the country's energy sector. Foreign direct investments in the upstream sector by oil and gas companies was US\$1.4 billion for 2022, US\$1.2 billion for 2023 and estimated to be in the vicinity of US\$2 billion and US\$2.3 billion for 2024 and 2025, respectively.

Madam Speaker, the Government has been in discussions with major upstream producers to accelerate final investment decisions on upstream projects. These include BPTT's Cypré Plan of Development and the Ginger Plan of Development as well as the joint venture with EOG Resources on the Mento field. Other sanctioned gas projects, namely EOG's Osprey East Development Project and Touchstone's Cascadura field, came on stream in 2023. In terms of deep-water projects, Woodside is currently developing its Calypso Project with negotiations of fiscal terms completed.

Other notable efforts include cross-border initiatives with the Government of the Bolivarian Republic of Venezuela, such as the Dragon Gas field, Shell's Manatee Project as part of the cross-border Loran Manatee field and the Cocuina-Manakin cross-border development.

Madam Speaker, through negotiations involving the United States and Venezuela in 2023, an Exploration and Production Licence for the Dragon Gas Field was obtained from the US Treasury Office of Foreign Assets Control - OFAC; which cleared the way for the September 2023 signing of a 30-year agreement with Venezuela to develop the Dragon Gas Field.

In May 2024, Trinidad and Tobago was awarded a second OFAC licence to exploit natural gas in the TT/Venezuela cross-border Cocuina-Manakin gas field which contains at least one trillion cubic feet of proven gas.

The granting of the Cocuina-Manakin licence was a milestone in a difficult world with many energy firms seeking OFAC licences to work in Venezuela but being denied.

The award of this licence to Trinidad and Tobago is a testament to the persistence and commitment of this Administration in actively ensuring the country's energy security.

The Minister of Energy and Energy Industries and Minister in the Office of the Prime Minister under the guidance of the Honourable Prime Minister deserves special commendation for his determination to achieve this breakthrough.

Madam Speaker, this country also shares another cross-border gas field with Venezuela, the Loran-Manatee.

In 2019, at the initiative of this Government, the 2 countries terminated the previous Unitization Agreement which was not producing any results and entered into another Government-to-Government agreement, allowing each country to independently develop its respective share of the Loran-Manatee field.

In July 2024, Shell Trinidad and Tobago Limited announced that it had taken a Final Investment Decision on the Manatee project, allowing Shell to competitively grow its Integrated Gas business. Importantly, the Manatee gas field will provide backfill for the country's Atlantic LNG facility and demonstrates commitment to this country's portfolio of LNG projects that deliver more value with less emissions. The Manatee Project is slated to start production in 2027 and

is expected to reach peak production of approximately 700 mmscf per day, which is approximately 25 percent of current national daily consumption.

Madam Speaker, several projects are anticipated to deliver new gas supplies in fiscal 2025. BPTT's sanctioned Cypré project is slated to commence production in March 2025. The joint venture between EOG and BPTT, targeting the Teak, Samaan and Poui, Mento and Reggae acreages, is projected to deliver its first gas in February 2025. Furthermore, Touchstone Exploration plans to introduce production from 2 new wells in the Cascadura field in August 2025.

To encourage exploration of the country's hydrocarbon resources, the Ministry of Energy and Energy Industries has been actively undertaking a series of Bid Rounds including the 2018/2019 Shallow Water Competitive Bid Round, 2021 Deep Water Competitive Bid Round, 2022 Onshore and Nearshore Competitive Bid Round, and the 2023 Shallow Water Competitive Bidding Round, which have gone well. The Ministry also plans to launch a Deep-Water Competitive Bid Round before the end of 2024 as another opportunity to attract commercial interest from potential investors.

We also actively participated in the Atlantic LNG restructuring negotiations with BPTT, NGC, and Shell which saw all the agreements being finalized in the first quarter of 2024, yielding very positive gains for our country.

• Atlantic LNG Restructuring

Madam Speaker, the Government has successfully negotiated the restructuring of Atlantic LNG, a ground-breaking initiative in the global energy sector.

Despite the challenges posed by a volatile market, we have secured significant investments, facilitated third-party access to our LNG facilities and implemented a pricing strategy that has substantially increased our revenue. These efforts are aimed at maximizing the value of our natural gas resources for the benefit of Trinidad and Tobago.

The Government's major initiative in restructuring the LNG business, Atlantic LNG, facilitated negotiations with BP and Shell.

This major milestone was commemorated last Friday and is scheduled to come into effect on October 1st, 2024, which is tomorrow. Mission accomplished!

Key features of the new structure are the increased shareholding of Government in Atlantic LNG, new market-related pricing arrangements for Atlantic LNG which are significantly superior to pricing obtained under the previous marketing arrangements and third-party access to new LNG entrants.

These Agreements set forth the principles for restructuring Atlantic LNG into a unitized model, which is unprecedented on a global scale, and which can act as a catalyst for increased investment in the domestic upstream sector. Importantly, we have fostered significant upstream investments, averaging US\$1.54 billion per year from 2017 to 2021.

The total investment for BPTT from 2023 to 2025 is projected to be US\$2.24 billion and the total investment for all upstream companies from 2023 to 2025 is projected to be US\$5.54 billion.

In terms of monetizing our gas resources, we have successfully implemented a pricing arrangement that will significantly enhance our revenue. To date, Government has

earned in excess of US\$1.0 billion in revenue that accrued from such pricing arrangements. The new pricing arrangement based on current market information is approximately 3 times the price of Henry Hub which was the main marker price for LNG under previous contractual arrangements. Accordingly, Government stands to achieve a higher return from the exports of LNG. The restructuring also allows the State to take a more active role in marketing LNG, bringing us into alignment with the practices of other gas-exporting countries.

Madam Speaker, over the period October 2023 to May 2024, drilling operations were conducted in the onshore and shallow water areas, whilst work in the deep-water area focused on geological and geophysical updates. 39 development wells were drilled during this 7-month period.

I am happy to report that Heritage Petroleum, was the largest crude producer for the period October 2023 to May 2024, with 34,326 barrels of oil per day or 68 percent of the country's production of crude oil and condensate. Complementing Heritage was production from BPTT, Touchstone Exploration, Woodside Energy, De Novo, EOG, Perenco and Shell.

● Renewable Energy

Madam Speaker, the Government has set a target to achieve by 2030, 30 percent of our energy needs via Renewable Energy power generation.

With Technical Assistance from the Global Climate Change Alliance Plus, a draft Renewable Energy policy and implementation plan was completed by the Ministry of Energy and Energy Industries in January 2024 and is under review. This policy will provide regulatory certainty, attract private investment and guide the systemic transition to a low-carbon economy.

Among the notable Solar Energy Projects are:

- The Brechin Castle Utility-Scale Solar PV Facility: A 92.22 MW solar PV facility being developed by Lightsource Renewable Global Development Limited, Shell Trinidad and Tobago Limited, and BP Alternative Energy Trinidad and Tobago Limited at Brechin Castle, Couva. It is anticipated that this facility will be operational by 2025 supplying clean power to the National Grid.

- The Ministry of Public Utilities has approved Renewable Energy licenses for 12 sites which have been developed as part of the Global Climate Change Alliance Plus initiative. The total combined installation consists of 108 KW of Solar PV Panels. The process for the installation of an additional 30kW of solar at 6 sites has commenced, which is expected to be completed by year end.

- The first ground mounted, commercial scale solar park to be installed in Trinidad and Tobago was launched at Piarco International Airport in July 2024. The solar panels provide an annual generation capacity of 1.44 Megawatt hours and have the potential to avoid emissions of 1000 metric tonnes of carbon dioxide annually.

- The Ministry of Energy and Energy Industries is installing solar photovoltaic systems in 25 schools and community centres designated as emergency shelters. The installations are expected to be completed by December 2024.

Another key renewable initiative being undertaken in fiscal 2024 is the establishment of an inter-agency committee to design, issue and evaluate a Request for Proposal document for Utility Scale Solar Projects on non-utilized state

lands. It is envisioned, that this RFP coupled with future Utility Scale Wind Deployment will meet our 30 percent power generation target from Renewable Sources.

Additionally, in 2025 a renewable energy system will be installed at the Port of Brighton, promoting LABIDCO as a green port and supporting its eco-port certification efforts. The system is expected to provide 36 percent of the Port's conventional load.

ENABLING SECTORS

● Digital Economy

Madam Speaker, we will continue to invest significant resources in digitalization initiatives. Our overall ambition is to assist as many citizens and businesses as possible to become knowledgeable and comfortable with digital technologies and solutions.

One of the key initiatives is the Developers' Hub (D'Hub), which aims to grow the local software sector by providing training, support and opportunities for developers to build apps and solutions for Government service delivery. The D'Hub has already exceeded its first-year target, with over 1,000 developers registered. Phase II of the D'Hub series is due to come on stream in December 2024. 5 mobile applications are currently being developed for Government Divisions through the D'Hub as well as several software solutions.

Madam Speaker, our e-Government initiatives, together with increased online banking and digital communication tools, have streamlined processes, reducing bureaucratic inefficiencies and transaction costs. We recognize however, that the more services that we put online, the more susceptible we become to Cyber-Attacks. The creation of a robust and effective Cybersecurity environment therefore continues to be a top national priority, and we are putting in place effective Cybersecurity measures to ensure the security and integrity of our Data.

We are also advancing digital payments through strategies that focus on recipients of social benefits, the unbanked segment of the population and greater participation by the domestic FinTech sector. The introduction of India's Unified Payment Interface is expected to have a significant impact on our own payment ecosystem, enabling economic activity and seamless online services.

In 2025, over 150 firms will receive support to use digital technology, to improve productivity and more than 500 public service employees will have access to advanced training opportunities in digital service delivery and project management.

Madam Speaker, we will be introducing the Social Benefits Wallet initiative which aims to digitally transform and optimize the current system of distributing benefits provided by all Government Divisions. This mobile application, supported by the National Electronic Identification - National e-ID, will allow beneficiaries to easily apply for and monitor the status of benefits from the comfort of their homes. The National e-ID is a primary enabler of digital access and inclusion.

The Social Benefits Wallet will reduce wastage, fraud and duplication in the allocation of social grants and allow Government Divisions to send social benefits directly to beneficiaries' mobile wallets, once they are approved, thus cutting out red tape.

The Government continues to deliver on its commitment to promote Digital Access and Inclusion through initiatives such as the National Wi-Fi Initiative - TT Wi-Fi, which

provides free Broadband access in public spaces and the ICT Access Centre Programme, which offers digital access, support and training in underserved communities.

Under the Digital Skills Development Programme - WeLearnTT over 4,000 persons, including 139 differently-abled individuals have been trained and a further 10,000 persons are expected to be trained.

● Government Data Centre

Madam Speaker, a key mechanism to support digital transformation is the establishment of a Tier 4 Government Data Centre which is being supported by the Andean Development Bank - CAF. This Tier 4 rated facility is designed to be fault tolerant and provide the highest expected uptime of 99.995 percent and will house existing critical data, software and digital infrastructure, now currently distributed across Ministries, Departments and Agencies. However, other non-critical data will continue to be housed elsewhere in a Hybrid Government Cloud, meaning that the establishment of Government's dedicated Data Centre will complement, and not be at the expense of, other Data Centres already established locally.

● E-commerce Strategy

Madam Speaker, I am pleased to report that we are making significant strides in the development of the National E-Commerce Strategy for 2024-2029, with the support of esteemed international experts. This comprehensive strategy is designed to tackle the existing gaps and harness the opportunities within our e-commerce landscape, setting the stage for a profound digital transformation.

Scheduled for completion in December 2024, this strategy will serve as a pivotal framework to propel our local businesses onto the global stage. By addressing critical areas for improvement and capitalizing on emerging trends, it aims to enhance our ability to access international markets and expand export opportunities, thereby further enhancing our efforts towards diversification and GDP growth.

● Agriculture

Madam Speaker, we continue to focus on our citizens' well-being, sustainable development and economic growth through our agriculture sector. We have set out important policies and programmes alongside this tax-free sector to boost output to address a confluence of factors including the impacts of adverse weather, insufficient investment and farmer participation.

Our Food Import Bill remains high - estimated at \$7.3 billion in 2022 and \$7.2 billion in 2023. The global environment poses risks to our domestic food security, as demonstrated by global supply chain disruptions as well as the increasing threats posed by climate change. Notwithstanding this, our efforts to address food security remain a top priority as demonstrated by our intensifying efforts in this regard.

With these considerations in mind, we have established the Food Security and Food Prices Committee comprised of experts in agriculture, economics, nutrition, trade and consumer advocacy, to address the multifaceted issue of rising food prices and ensure adequate access to affordable and nutritious food for all.

Madam Speaker, through the distribution of land leases, grants and

incentives, upgrading infrastructure, training farmers, championing collaborative partnerships and introducing interventions to combat existing and emerging threats; we are moving closer to realizing our shared vision of a technology and output-driven sector.

Madam Speaker, for 2025 we are focusing on improving infrastructure, including, enhancing road and water management systems and fisheries infrastructure.

We are addressing the challenges of pests and diseases, as well as invasive species through targeted projects and pursuing renewable energy initiatives, including solar-powered systems, to mitigate climate change effects.

Madam Speaker, to contribute to CARICOM's goal to reduce food imports by 25 percent by 2025, we are providing the necessary support to boost production in key subsectors including cocoa, livestock, fisheries, rice, coffee and coconuts. We are addressing challenges such as quality planting material, pest mitigation and inadequate facilities. We are also focusing on forestry development, infrastructure enhancement and agro processing with NAMDEVCO modernizing markets for locally produced fruits and vegetables.

Mitigating the effects of climate change is also a key focus as we continued to pursue renewable energy via the installation of solar-powered systems and the use of renewable energy. This programme began with the installation of solar-powered panels for power generation and plans for a solar-powered drip irrigation system at the Ministry of Agriculture, Land and Fisheries site. This system will deliver precise amounts of water to crops, reducing water wastage and increasing crop yields.

Madam Speaker, in 2025, agricultural investment will be focused on several areas:

1. **Economic Growth Sub-Sectors:** We have prioritized commodities such as cocoa, livestock, fisheries, rice, coffee and coconuts. Several projects will seek to increase production and promote sectorial growth by addressing major challenges faced by farmers, including lack of quality planting material, mitigation of pests and diseases, inadequate fishing facilities, improper drainage and irrigation and lack of knowledge in innovative production strategies.

2. **Climate-Smart and Biodiversity Strategies:** We continue to emphasize preserving ecosystems, conserving biodiversity and protecting natural resources to mitigate the negative effects of climate change. Significant investment is projected towards forest regeneration to reduce greenhouse gas emissions and flooding. The efforts of private sector and civil society have not gone unnoticed with successful initiatives such as the planting of vetiver trees in farming communities affected by flooding and the reforestation initiatives for mangrove and coral around our coastal areas.

3. **Enhancing Infrastructure:** We will continue to prioritize the improvement of infrastructure to enhance rural development and improve farmers' earnings. Major infrastructural activities include the provision of access roads, improved drainage and irrigation in productive food basket areas as well as upgrading of fishing facilities.

4. **Agro-processing:** NAMDEVCO will advance efforts to enhance agro-processing opportunities with the goal of year-round availability of high-quality, safe, locally produced fruits and vegetables with reduced food loss and improved post-harvest handling,

in compliance with recognized food safety standards.

5. **Digital Transformation:** We will continue to support the Agriculture sector utilizing digital transformation to build long-term sustainable capacity and promote data-sharing and knowledge transfer to improve efficiencies in operation and service delivery.

The rehabilitation of the Cocoa Industry is a significant focus for 2025. The Government will organize cocoa farmers, their resources and production base into clusters made up of a lead farm and surrounding satellite farms. These clusters will improve education, training, infrastructure, product quality development and other support services.

The Coconut Rehabilitation and Replanting Programme on the East Coast of Trinidad will develop sustainable coconut-based enterprises with emphasis on tender coconut water production. This project involves the rehabilitation and replanting of 900 acres of land cultivated with coconuts and will emphasize scientific research trials, information dissemination, management of coconut pests and a focus on evaluation and reporting.

The Revitalization and Modernization of the Rice Industry is also a priority of the Government. In 2025, activities to be undertaken under Phase 1 of this project will include, the refurbishment of a rice seed storage facility and rice harvesting equipment, the purchase of high-quality rice seeds from Guyana and 2 rice nursery transplanters as well as commencement of a Capacity Building and Training Programme for Extension Staff of the Ministry Agriculture, Land and Fisheries and Rice farmers.

Madam Speaker, the Smart Agriculture Programmes incorporating Artificial Intelligence will monitor each client and track all farmer registration renewals, crops cultivated, agricultural incentives applied for and paid, as well as all flooding and natural disaster assistance processed.

This system will include modules for Farmer's Registration, Agricultural Incentive Programme, Flood/Natural Disaster Assistance Programme and will link to geographic coordinates, facilitating the display of information by navigating to parcel locations on an electronic map.

The recently held Agri-Expo 2024 "Farm to Table: Revolutionizing the Local Food Supply Chain" was a resounding success with participants from a broad cross-section of Trinidad and Tobago. It brought together for 3 days' regional leaders as well as a wide cross-section of stakeholders that support the agriculture sector. It is anticipated that this forum will continue to provide a focal point for all stakeholders to discuss key themes in the modernization of agriculture including that of food security, pest and disease control as well as regional areas for collaboration.

● Manufacturing

Madam Speaker, the Government is firmly committed to implementing reforms to diversify the domestic economy and boost non-energy sector growth.

Recent estimates indicate that the manufacturing sector contributes approximately 17 percent to the country's GDP, underscoring the sector's pivotal role in generating economic activity, creating jobs and driving overall growth.

● Market Access

Madam Speaker, we remain focused on increasing export market penetration by growing existing market share, exploring new markets and profit opportunities, improving trade diplomacy, deepening regionalism and providing local exporters with preferential access into markets that are significantly larger than the domestic market.

In the past fiscal year, we actively pursued new export opportunities for our local manufacturers through strategic negotiations. Notably, we completed technical negotiations for the Trinidad and Tobago-Chile Partial Scope Trade Agreement in May 2024. This agreement is poised to deliver substantial benefits once finalized and give Trinidad and Tobago exporters preferential access to a market of 19.2 million consumers. Additionally, it will allow our manufacturers to source raw materials at more competitive prices, further strengthening our industrial base.

The agreement will cover approximately 500 products across diverse sectors, including food, beverages, pharmaceuticals, plastics, glass, iron and steel and aluminium, among others and will provide our industries with expanded opportunities and enhanced competitiveness in these markets.

Furthermore, in July of this year, we initiated negotiations for a Partial Scope Trade Agreement with Curacao. Upon completion, this agreement will facilitate market access to 165,000 persons and tap into a tourist market of over 1 million, creating valuable opportunities for our exporters. Additionally, Trinidad and Tobago is in negotiations with Ghana for a Reciprocal Promotion and Protection of Investment Agreement which will provide the necessary framework to support and encourage the promotion of investments between the two countries.

• Investment Promotion and Trade Facilitation

Madam Speaker, our tenure has seen the implementation of a range of initiatives to promote Trinidad and Tobago as an investment destination. Successful promotional tours in China and India have deepened economic ties and explored new opportunities in sectors such as manufacturing, e-commerce and more. We are already witnessing positive outcomes, including agreements to supply local chocolate and speciality rums to distributors in China.

• Special Economic Zones (SEZ)

Madam Speaker, the full proclamation in July 2024 of the Special Economic Zones (SEZ) Act, 2022, marked a significant milestone in our economic development strategy.

The SEZ incentive framework is designed to make Trinidad and Tobago a more attractive business destination. These incentives include:

- A reduced Corporation Tax rate of 15 percent;
- Exemptions and waivers on customs duties, value-added tax and other taxes; and
- Non-fiscal benefits, such as streamlined regulatory approvals, to enhance the ease of doing business.

Madam Speaker, earlier this month Government approved the following sites as Special Economic Zones in accordance with the SEZ Act:

For Industrial Parks:

- Phoenix Park Industrial Estate;
- Dow Village Industrial Estate;
- Factory Road Industrial Park;
- Debe Industrial Park;

- Point Fortin Industrial Park;
- Tobago Cove Eco-Industrial and Business Park; and
- Piarco AeroPark

And for Specialized Zones:

- Moruga Agro-processing and Light Industrial Park; and
- Chaguaramas.

Madam Speaker, we are also mindful of the transition for businesses previously operating under the now repealed Free Zones Act. To facilitate this shift, we have provided a 6-month transition period, allowing these companies to choose whether they will operate as an SEZ Operator, SEZ Enterprise, or Single Zone Enterprise under the new legislation. During this period, it should be noted that these companies continue to be entitled to

employment for an estimated 1,330 persons. Notably, the Park's first international tenant, Summit (TT) Luggage, proudly exported its inaugural shipment of finished products to Canada in December 2023, marking a significant milestone for the Estate.

In addition to Phoenix Park, we are advancing developments at other key industrial parks.

The Factory Road Park, Chaguamas is a significant project spearheaded by the Ministry of Trade and Industry in partnership with Evolving Technologies and Enterprise Development Company Limited (e TeCK), encompasses approximately 67 acres and offers 12 land lots for lease. Each lot is outfitted with top-tier infrastructure and readily accessible utilities.

The Factory Road Park illustrates

regulatory requirements.

To date, TTBizLink has seen a robust engagement, with over 4,800 companies and more than 45,000 individuals regularly utilizing the platform to manage transactions related to licenses, permits, certificates and other essential regulatory approvals.

Madam Speaker, in August 2024, we launched an additional 11 new e-services which joined a suite of over 45 e-services currently available on the platform. These new features will continue to build on TTBizLink's success, further simplifying business operations and fostering a more dynamic and user-friendly regulatory environment.

These include:

- Manufacturer and Product Registration for Exports to Preferential

Promotion Agency – TIPA, through the amalgamation of export and investment promotion services previously managed by InvesTT, Creative and ExporTT. This new, unified agency represents a significant step forward in transforming and enhancing the competitiveness of Trinidad and Tobago's trade and business environment.

By consolidating these functions into a single entity, TIPA aims to achieve global best practices and institutional standards comparable to leading regional and international agencies. This strategic move will streamline and simplify coordination, communication and engagement with international and regional agencies, private sector stakeholders, international trading partners and other public bodies.

Madam Speaker, furthermore, the TIPA will improve the management, monitoring and evaluation of our trade and investment activities by consolidating them under one roof, rather than 3 separate entities. This approach will enable more effective oversight and a more cohesive strategy for driving growth and competitiveness in Trinidad and Tobago's trade and investment sectors.

• EXIMBANK

The Export-Import Bank of Trinidad and Tobago Ltd – EXIMBANK plays a vital role as the country's official Export Credit Agency, driving economic performance and supporting national growth. Through its core Business Solutions and Forex facilities, EXIMBANK has significantly impacted the manufacturing and import and distribution sectors, mitigating global supply chain disruptions and ensuring the availability of essential items. These initiatives continue to enable manufacturers to compete effectively in regional and international markets, improve international creditworthiness, stimulate private sector investment and create employment opportunities.

This policy ensures that only top national lead priorities are facilitated and our scarce foreign reserves are not frittered away for unproductive purposes, but on the contrary, they are utilised in ways that support and sustain national priorities.

Madam Speaker, Government has instituted 2 Forex Windows at the EXIMBANK, one to support export growth in the manufacturing sector and the other to ensure a steady supply of essential items into the country.

Following a detailed reporting and analysis process, Forex Window allocations are subsequently approved on a semi-annual basis. Based on demand assessments provided by the EXIMBANK, the Government subsequently releases US dollars in tranches. The EXIMBANK then reviews and approves the monthly portfolio allocations to ensure strict governance oversight.

Since April 2020, 110 distributors of essential goods such as basic foods and medicines accessed the Essentials Forex Window, which allocated US\$1.18 billion to purchase these key staples. This Facility has mitigated the significant risk of national shortages of basic items and is geared at companies that have an existing or previous history of importing approved essential items.

Madam Speaker, in this process applicants submit their financial statements, as well as Know Your Client – KYC, documentation and projected trade payables to be enrolled.

Once enrolled in the Forex Window Facility, clients submit their trade invoices together with the requisite TT dollars. Subsequently, the EXIMBANK



Chinese Ambassador, Fang Qui, Foreign Affairs Minister Dr Amery Browne, Trade Minister Paula Gopee-Scoon, Prime Minister Rowley, ETEK chairman Imtiaz Ahamad, Housing Minister Camille Robinson Regis and Finance Minister Colm Imbert among other ministers and officials at the ribbon cutting ceremony to open the eTeck Phoenix Park Industrial Estate in January 2024.

PHOTO BY LINCOLN HOLDER'

all benefits under the Free Zones Act.

• Industrial Parks

Madam Speaker, I am pleased to report on the significant progress we are making in developing our industrial infrastructure – a cornerstone of our economic strategy.

In January 2024, we officially opened the Phoenix Park Industrial Estate. This cutting-edge facility, equipped with advanced 5G networking capabilities, sets a new standard for industrial development in our region. Covering 144 acres, the Estate offers competitively priced factory shells and land lots, strategically positioned near an international containerized port and well-connected by global shipping lines. It is designed to support High-Value and Light Manufacturing, as well as Logistics, Distribution and Warehousing.

Madam Speaker, as at September 2024, the Park has 9 Foreign Direct Investments and 16 Local Direct Investments representing a current distribution of 65 percent of the Park. The total investment value of companies at the Park is approximately TT\$642 million.

When fully operational, these companies are expected to generate

Government's commitment to providing suitable facilities for business activities throughout Trinidad and Tobago, in line with the Government's commitment to attracting, facilitating and maintaining new investments and reinvestments in the non-energy sector. This will be opened later in 2024.

The Dow Village Industrial Park, California is being advanced to accommodate the development of 147 acres. The estimated leasable land space will be sub-divided into 180 lots.

The space will be provided for between 10-20 factory shells, with 11 potential tenants in various stages of negotiation, and is projected to generate direct employment opportunities for approximately 2,000 persons. This is scheduled to be opened in 2026.

• Ease of Doing Business

Madam Speaker, TTBizLink has been a transformative force in Trinidad and Tobago's trade and business environment. This innovative platform has significantly streamlined and simplified the process of conducting business, making it easier for companies and individuals to navigate

Markets;

- Manufacturer and Product Registration for Exports to Non-Preferential Markets; and
- Local Free Sale Certificates.

In 2023 Government engaged a global service provider to develop, implement and maintain a Port Community System for Trinidad and Tobago. This system will connect the IT systems used by the various stakeholders involved in the clearance of goods and streamline the import/export procedures and improve communication within Government systems. This Port Community System is expected to go live shortly and be fully operational by September 2025. When fully implemented, the system, will increase transparency and traceability in the clearance, movement and storage of goods across the supply chain, significantly reduce lead times, mitigate bottlenecks and enhance the attractiveness of the Ports of Trinidad and Tobago.

• Trade and Investment Promotion Agency

Madam Speaker, we have recently established the Trade and Investment

wires US dollars directly to the international suppliers for settlement. The local company does not receive US dollars directly.

To ensure equitable distribution of the Forex, several firm-level data inputs, such as projected trade payables, cost of goods sold from the company's income statement and past import history, are utilized to determine reasonable amounts for US dollar allocations. Additionally, the client's past utilization of the Facility, which includes timeliness of TT dollar payments and products purchased, contributes to the final allocation amount.

The EXIMBANK also collaborates with various other stakeholders to prioritize Forex for basic items that have an increased risk of short supply.

Madam Speaker, under the Manufacturing Forex Window, which has been in place since 2018, 183 manufacturers have been allocated US\$983 million. The eligibility criteria for this facility are very simple. You have to be an export manufacturer or clearly demonstrate that you will be exporting. In the latter case, applicants must submit a completed export plan, and they will be able to access US dollars for up to 1 year, at which time it is expected that the company will start exporting.

The allocation methodology utilizes an empirical data analysis framework that incorporates financial statements analysis of participating entities, the percentage of exports relative to total sales, cost of goods sold, historical export and import volumes, immediate payables for raw materials, and or invoices for equipment. Annually, every manufacturer must report their export sales and local US dollar bank statements showing that US dollars are being repatriated to Trinidad and Tobago.

This Manufacturing Forex Window has supported companies that have generated over TT\$8 billion in exports from 2021 to 2023. Furthermore, the programme on its own is a "Net Forex Earner" for the country.

Further, Madam Speaker, and very importantly, the EXIMBANK has confirmed that every year since 2021, the total US dollar deposits into local bank accounts of manufacturers have consistently exceeded the amount of Forex allocated to the sector by at least US\$100 million per year.

Madam Speaker, Trinidad and Tobago's reliance on technical assistance and financing from multilateral agencies is crucial for addressing challenges and promoting sustainable development. In June 2024, a landmark US\$500 million Memorandum of Understanding was formalized between the Export-Import Bank of the United States and Trinidad and Tobago, deepening bilateral relations and enabling access to high-quality US-manufactured goods, including national security equipment and renewable energy systems. This agreement also supports small businesses, contributing to broader economic growth.

Further, in August 2024, a US\$35 million loan agreement was signed with the Development Bank of Latin America - CAF and the Caribbean to establish the Catalytic Fund, a key component of EXIMBANK's 2022-2026 Strategic Plan. This partnership will enable EXIMBANK to expand its activities into new sectors, including creative industries, ICT and energy advisory services, while strengthening its internal processes and credit operations. This Catalytic Fund will also provide low-cost financing to support both SMEs and large enterprises, fostering innovation and growth in non-energy sectors and aligning with the National Trade Policy - NTP.

● Tourism and Cultural Industries

Madam Speaker, our tourism industry remains a golden opportunity for Trinidad and Tobago's economic diversification. From restaurants and transportation to local crafts and agriculture, tourism acts as a powerful connector, ensuring our shared economic prosperity. By embracing sustainable practices and showcasing our unique offerings, we are transforming tourism into a key driver of growth and a cornerstone of a bright and sustainable future.

It is noteworthy that Trinidad and Tobago was successful in hosting in 2023 and 2024 several international and regional sporting competitions which showcased the country's sporting talent and contributed to its global recognition as a sports tourism destination.

Madam Speaker, to truly unlock tourism's potential, we are utilizing a targeted approach. We are refining our product offerings, ensuring a unique and enriching experience. Alongside this, we are employing a strategic marketing campaign to showcase our strengths, creating a brand that resonates with travellers seeking something different.

We are experiencing a tourism resurgence. Air arrivals to Trinidad and Tobago in 2023 have surged by 36 percent year on year driven by an increase in airlift by major airlines and a growing interest from main source markets such as the United States, Canada and the Caribbean. We are expecting end of year visitor arrivals to vastly surpass that of 2023, based on the positive trend for the first 5 months of 2024.

We have been increasing our presence in the International Arena in an effort to enhance airlift into the country. These efforts have materialized in new routes, such as the Caribbean Airlines and Frontier Airlines commencement of direct flights from Puerto Rico to Trinidad and Tobago which both started in July 2024. In August 2024, Caribbean Airlines Limited added a new route to the British Virgin Islands commencing in October 2024 with 4 flights per week. There are also positive signs for Destination Trinidad and Tobago with increasing weekly flights from key carriers such as British Airways and the continuation of the COPA Airlines 14 direct weekly flights from Panama to Port of Spain. Additionally, airline cooperation with KLM saw an increase in the number of visitors flying into Trinidad and Tobago utilizing KLM's Amsterdam's airport hub.

Government has also given Caribbean Airlines Limited the approval to acquire aircraft to expand its routes into North and South America.

Madam Speaker, to capitalize on the well-educated and experienced workforce in the maritime and the aviation sector we will be advancing both industries and we have invested heavily in airport infrastructure. The Piarco International Airport since 2005 has maintained a Category 1 Rating under the Federal Aviation Administration, the highest Airport Standard Ratings and along with the new state of the art terminal in Tobago, our Airports will remain key to our tourism sector.

We are also signing Air Service Agreements with United Arab Emirates, Qatar, Netherlands and we will also be considering Ghana and Nigeria demonstrating our commitment to advancing the aviation industry.

Madam Speaker, cruise tourism is also thriving. The 2023/2024 season saw a significant increase of 91 percent in cruise arrivals compared to the previous season with a total

of 181,701 passengers arriving on the shores of Trinidad and Tobago. The Royal Caribbean - "Jewel of the Seas" made the most cruise visits with 18 calls. This reflects the industry's recovery from the pandemic and growing interest in the destination. To sustain this momentum and further develop the tourism industry, the Tourism Trinidad Limited is focused on increasing visitor arrivals to 500,000 by 2026. This will be achieved through targeted marketing, product development and leveraging the country's tourism assets to increase that sector's contribution to economic diversification.

Furthermore, the full implementation of the embarkation and disembarkation card platform is expected to be completed by the end of December 2024, and this is intended to simplify the traveller entry process and enhance data collection practices in alignment with international best practices, thereby allowing for comparability of data across countries and over time.

Madam Speaker, we are progressing with the modernization of our hotels:

- The Magdalena Grand Beach and Golf Resort is undergoing a \$56.6 million renovation to enhance guest experience, maintain its four-star rating, boost competitiveness, secure Government support and create jobs for citizens of Tobago; and
- The Hilton Trinidad and Conference Centre is in the process of the Implementation of the Property Improvement Plan to upgrade the guestrooms at a cost of \$400 million. The revitalization of this hotel will improve marketability, operation efficiency, increased asset value and will provide employment for the citizens of Trinidad.

Madam Speaker, various fiscal incentives to boost tourism investment have been made available and recent beneficiaries include Prestige Hotels - (Four Points by Sheraton), HADCO's Asa Wright Nature Centre and Mt. Irvine Bay Hotel.

Major projects are also underway such as the Marriott-branded hotel in Tobago, creating an estimated 750 jobs during construction and 220 jobs when opened and the Maracas Bay Hotel redevelopment, creating an estimated 129 jobs during construction and 48 permanent jobs after completion. The Maracas Bay Hotel project is expected to be completed in the 1st quarter of 2026.

In addition, applications for incentives are expected from at least 3 internationally branded hotels in 2025 further stimulating the industry and creating an estimated 400 to 500 permanent jobs.

Madam Speaker, the Tourism Accommodation Upgrade Project (TAUP) has been extended until September 2026 in keeping with the Government's commitment to support the industry. The 2020-2023 TAUP cycle saw the successful upgrade of 12 properties, thereby enhancing the quality of the accommodation offering and overall visitor experience. The programme signed 4 contracts in fiscal year 2023/2024 and aims for an additional 10 in 2025, targeting 2 small accommodation providers in the 1-5 room category and 8 in the 6-150 room category, consistent with the national objective of supporting the SME sector.

In 2024, numerous cultural exchanges were held including participation in international arts festivals and celebration of diplomatic relations with several countries including China and Mexico. These efforts aim to foster mutual understanding, promote national culture and explore opportunities for economic cooperation.

Madam Speaker, regionally, we are preparing for our participation in the upcoming CARIFESTA in Barbados in August 2025. CARIFESTA being the premier arts festival of CARICOM. Additionally, as the first English-speaking Caribbean country to sign on to China's Belt and Road Initiative since 2018, we will be exploring membership in the Network of Silk Road Arts Festivals to foster global cultural collaborations and expand opportunities for local arts and cultural organizations.

Madam Speaker, the United Nations declared August 11 as World Steel Pan Day and in June 2024 the National Musical Instrument Bill was successfully passed in the Parliament designating the steelpan as the national musical instrument of Trinidad and Tobago. The steelpan's versatility and global recognition would ensure that Trinidad and Tobago is positioned to benefit from the competitive advantages to be gained by this declaration.

The Government has also agreed to the construction of a Pan Trinbago's Headquarters at the General Post Office site on Wrightson Road, Port of Spain at an estimated cost of \$120 million.

The proposed Headquarters will be a 6 storey Class-A mixed-use building featuring but not limited to, Office Spaces for Pan Trinbago, the Ministry of Tourism, Culture and the Arts, Tourism Trinidad Limited and the National Carnival Commission; a Theatre/Auditorium with 300 seats for performances and recordings, a Pan Museum & Interpretive Centre, Conference Rooms and Meeting Rooms, Rooftop Entertainment Area, Gift Shop, Cafeteria and Parking Facilities.

Madam Speaker, we had a successful Carnival in 2024. The event attracted a significant increase in both local and international visitors, with over 41,000 visitors contributing to an estimated US \$93 million or TT\$ 632 million in spending. It is estimated that the festival also created over 15,000 jobs, showcasing its potential to stimulate the economy and support the creative industries.

SAFETY AND SECURITY

Madam Speaker, notwithstanding all the good things we have to report and feel good about, it goes without saying that the one area of greatest intransigent difficulty which remains and continues to resist our best efforts, is violent behaviour, crime and criminality, largely highlighted by violent murder involving the use of illegal firearms.

Over the last 10 years, the police have extracted 7,683 illegal guns and 153,510 rounds of illegal ammunition from the criminal element. Notwithstanding this, 3,986 persons have been killed over that same period with the use of firearms.

Further, the Government has financed the Police to the tune of \$26 billion over that same 10-year period and will continue to provide all possible available financial resources to the Police in the fight against crime. These statistics underscore the seriousness of this intractable problem.

The Ministry of National Security thus remains committed to enhancing the country's capacity and capability of treating with crime and criminality in Trinidad and Tobago.

In 2024, initiatives executed under the Ministry of National Security to combat crime and criminality focused on building capacity and strengthening the national security apparatus and institutions. These initiatives included instituting more proactive and effective policing methods, being

committed to a greater sharing of resources, making improvements in technology, advancing equipment procurement and dedication to more focused intelligence driven operations.

A number of steps have been taken to address the crime problem in Trinidad and Tobago, including increasing the number of police officers, strengthening the criminal justice system, deploying more technology and implementing a number of social programs throughout 2024. As the Ministry progresses into the upcoming Fiscal Year

2025, the Ministry will focus on the following areas, inter alia, in its mission to reduce crime and criminality in Trinidad and Tobago:

- Enhanced Border Control and Protection;
- Immigration;
- Social Programmes aimed at reducing criminal gang violence;
- Expansion of Rehabilitation programmes within the Trinidad and Tobago Prison Service aimed at reducing recidivism;
- Enhanced Cyber Security;
- Expansion of the Electronic Monitoring Programme; and
- Establishment of a National Forensic DNA Databank.

The Defence Force

In an ongoing effort to combat the illicit trafficking of guns, drugs, and ammunition into Trinidad and Tobago, the Ministry of National Security continues to implement security measures, committed to combatting transnational crime that exploits maritime routes and illegal ports of entry. This includes addressing the challenges posed by sophisticated networks that traffic illicit goods and individuals across borders. To counter these threats, the Ministry collaborates with regional and international partners, sharing intelligence and resources to disrupt trafficking operations.

There continues to be a need to fortify maritime defences, while also improving land-based security measures. By focusing on both prevention and enforcement, the Ministry aims to create a more secure environment, safeguarding the nation's borders and ensuring the safety of its personnel and citizens.

In this context, in the 2025 to 2027 period, the following is planned for execution:

- Purchase of four Patrol Launches and eight high-speed Interceptors to aid in border security and safety of life at sea;
- Purchase of two search and rescue/surveillance fixed-wing aircraft;
- Purchase of Unmanned Aerial Vehicles (Drones) to assist with surveillance and Search and Rescue; and
- Continued upgrade and maintenance of our Damen and Austal Vessels.

Immigration Division

The Immigration Division of the Ministry of National Security in Trinidad and Tobago is strategically positioned to enhance national security and combat crime through robust immigration management. By effectively processing visa and residency applications, the division ensures that individuals entering the country are thoroughly vetted, minimizing the risk of criminal elements infiltrating society.

Its enforcement of immigration laws and proactive investigations into violations directly contribute to reducing illegal activities, such as human trafficking and drug smuggling, which pose significant threats to public safety. By developing policies

that align with both national interests and international standards, the division addresses the complexities of transnational crime while fostering cooperation with law enforcement and other governmental bodies.

By analyzing immigration trends and associated criminal patterns, the division continuously informs strategic decision-making, ensuring a comprehensive approach to national security that safeguards the well-being of all citizens in Trinidad and Tobago.

In addition to significant upgrades to its buildings and infrastructure, for the period 2025 to 2027, the Trinidad and Tobago Immigration Division has the following plans:

An Automated Fingerprint Identification System (AFIS)

In Fiscal Year 2025, the Immigration Division will commence work on an Automated Fingerprint Identification System (AFIS) to strengthen border management and improve national security.

The upgrade aims to facilitate faster and more accurate fingerprint matching, allowing for real-time monitoring of travellers and enhancing response times to potential threats. A key feature of the upgrade will be the establishment of secure, automated data exchange protocols between the Immigration Division and Law Enforcement Agencies, creating a centralized database accessible to authorized personnel.

This integration will aid in identifying and intercepting potential illegal entrants before they reach the border, as well as generating alerts for law enforcement when suspicious activities are detected.

The upgrade will also focus on providing a user-friendly interface for border control officers, accompanied by training to ensure effective system use. Additionally, the AFIS upgrade complies with all relevant privacy and security regulations, with regular audits to maintain system integrity and protect sensitive data. Overall, the investment in AFIS will bolster the Immigration Division's border management capabilities, enhance collaboration between immigration and law enforcement and contribute to a safer environment for all citizens. To work effectively, this programme will require amendments to legislation with the support of the Opposition.

Implementation of an Online Digital Embarkation/Disembarkation Card

The Government has approved the implementation of a digital embarkation and disembarkation card, which will focus on data capture that aligns with international best practices. In 2025, a legal team will work on facilitating the process by assessing requirements, determining the specifications needed for the online Embarkation/Disembarkation (E/D) Card system, reviewing similar implementations in other countries, identifying the necessary legislative changes and evaluating model legislation and industry standards to guarantee that the online forms meet data protection and privacy requirements;

Migration to ePassports

Cabinet has authorised the Immigration Division to embark on the conversion from machine-readable passports to ePassports. This offers numerous benefits, including enhanced security through embedded electronic chips that store personal information and biometric data, making them difficult to forge. This will keep Trinidad and Tobago in sync with the rest of the world and facilitate faster processing at

airports via automated border control gates, significantly reducing wait times.

ePassports are also recognized globally, which helps ensure smoother travel across borders and are often more durable than traditional passports and can feature updatable security measures. With convenient RFID technology for easier scanning, converting to an ePassport will streamline travel while providing greater peace of mind regarding security.

Forensic Science Centre

The Trinidad and Tobago Forensic Science Centre (TTFSC) plays a critical role in the nation's criminal justice system by providing essential forensic pathology and scientific analysis. By meticulously examining evidence collected from crime scenes, the TTFSC supplies law enforcement and the courts with the vital insights needed to pursue justice effectively.

In 2024, a landmark agreement between the Ministry of National Security of Trinidad and Tobago and the Ministry of Commerce of the People's Republic of China paved the way for the construction of a state-of-the-art Trinidad and Tobago Forensic Science Centre. This facility will elevate the standards of forensic and pathology services in Trinidad and Tobago, ensuring modern storage solutions and amenities that support law enforcement operations.

Looking ahead, the TTFSC aims to significantly bolster its technical capabilities through the acquisition of advanced equipment. This investment will not only increase analytical efficiency, but also reduce backlogs in forensic casework, thereby expediting the delivery of justice.

Social Programmes aimed at reducing Criminal Gang Violence

In 2025, the Ministry will reinforce Project Building Blocks (PBB) in the crime management strategy. PBB follows the Cure Violence (CV) methodology using a public health approach to crime and violence reduction. The approach taken by PBB through the well-established CV methodology seeks to target those at highest risk of being perpetrators of violent crime and interact within the highest risk communities to reduce the membership of gangs and those vulnerable to gang involvement.

Outreach Workers (OW) and Violence interrupters (VI) work with persons in the community to bring about behaviour change of the individuals which is intended to contribute to Norm Change (NC) at the community level. The OWs and the VIs partner with units of the Trinidad and Tobago Police Service (TTPS), NGOs, Ministries and Departments and other stakeholders in the execution of their interventions and engagements.

Cybersecurity

The Cybersecurity Incident Response Team (CSIRT) remains committed to enhancing its Operational Capabilities by upgrading with new tools, supporting collaborative information sharing, and targeted training. The intention is to keep raising the bar for cybersecurity preparedness and robustness, actively protecting our nation and its organizations with advanced defence methods. For the period 2019-2023 there have been thousands of incidents of cybercrime in Trinidad and Tobago.

It is crucial from a national perspective to adopt an all-encompassing, forward-thinking cybersecurity strategy, leveraging teamwork and cutting-edge

technology, thereby strengthening our cyber defences.

The Ministry of National Security, the Ministry of Attorney General and Legal Affairs, Ministry of Digital Transformation and the United States Embassy are currently developing cybercrime and cyber security policy strategy and legislation. Cybercrime legislation will speak to cyber related offences and provide the requisite mechanisms for treating with such whereas the cyber security legislation will speak to the governance structure required from a country perspective and the need for the establishment of a legislative entity (Agency/Company) with the requisite authority to ensure that from a country perspective, critical assets/essential services and critical resources are protected and that the requisite measures are implemented proactively.

Expansion of the Electronic Monitoring Programme

The expansion of the Electronic Monitoring System (EMS) will be geared at facilitating a higher volume of participants, specifically geared towards non-violent offenders.

Using Electronic Monitoring (EM) as an alternative to the remand prison will contribute to the reduction in the use of remand systems and facilities for the housing of persons.

Another benefit of the increased use of EM would be significant cost effectiveness to the State. EM will offer the reduction of Police, Prisons and Judicial activities/resources within the criminal justice system.

Using EM can affect a reduced risk of reoffending through participation in support programs.

In 2025, the Ministry of National Security is seeking to acquire a further 150 one-piece rugged devices with highly cut proof straps.

Policing

Madam Speaker, the Government is acutely aware that crime is a major challenge that affects every single person in our nation. It erodes the sense of security in our homes, our schools and our workplaces. It impedes the growth of our communities and the potential of our young people.

The approach of the Police to reducing crime will be multi-faceted and driven by a commitment to both immediate and long-term solutions. It is a strategy grounded in the understanding that effective crime reduction requires more than just enforcement; it requires the active participation of every segment of society.

First and foremost, The TTPS has affirmed its commitment to improving the capabilities of our law enforcement agencies, by not only increasing resources and manpower but also investing in advanced technology and training. Police officers are on the front lines, and they must be well-equipped and well-prepared to serve and protect our communities.

To this end, the TTPS has advised that it is purchasing body cameras to be worn by police officers in their daily operations. This technology will aim to improve officer safety, increase evidence quality and increase transparency and accountability for both the police service and citizens. The TTPS will also be acquiring additional speed guns as well as technology to support fingerprinting.

The Government will continue to support the capability of the TTPS by providing the wherewithal to procure essential equipment, including service firearms, bulletproof vests and advanced tools for intelligence gathering and investigations.

The focus of the Special Anti-

Crime Operation Unit will be to utilize intelligence to develop and operationalize strategies aimed at extinguishing new and emerging crimes. In keeping with this mandate and the current Violent Crime Reduction Plan, this unit will immediately assume responsibility for the elimination and disruption of home and business place invasions.

To enhance police presence, the TTPS aims to expand its fleet by 2,000 vehicles over the next 3 years, with 500 vehicles expected in the first phase.

Building the capacity of our Police Force is crucial and the TTPS plans to focus on specialized training programs for officers, with ongoing development efforts at the Police Academy. A new Training Facility will be established at Cumuto to support both new recruits and the continuous development of serving officers.

While the road ahead may seem challenging, I wish to emphasize that every effort being made is driven by a deep-seated concern for the well-being of every citizen. We understand that behind every statistic is a person, a family, a community that deserves to feel safe and secure.

SOCIAL SERVICES

Health Care

Madam Speaker, the Government is committed to investing heavily in public healthcare, to ensure that public health services remain accessible and readily available to all citizens.

The strategy focuses on disease prevention, early detection, and effective treatment.

The Ministry of Health is actively enhancing the capacity and efficiency of our healthcare systems, improving the quality and accessibility of both primary and secondary care, and establishing a robust framework for emergency response.

Through a multidisciplinary approach, we are developing sustainable solutions to manage and prevent non-communicable diseases, ensuring that our population can attain optimal physical and mental health, quality of life and productivity at every stage. We remain committed to dismantling barriers to well-being and promoting socioeconomic development across our nation.

Allow me to outline some of our major health sector achievements over the past 4 years.

Under the External Patient Care Programme – an arrangement with private healthcare institutions funded by the Government – over 3,400 beneficiaries received dialysis services at a cost of \$380 million, while over 2,000 beneficiaries received radiation treatment at a cost of \$160 million. In addition, almost 4,000 citizens received cardiac services at a cost of \$50 million and over 3,000 vitreoretinal surgeries were performed.

At our Regional Health Authorities, over 13,000 persons received dialysis, over 7,000 cataract surgeries were performed, and over 135,000 diagnostic eye examinations were conducted for persons with visual impairments.

Additionally, a total of \$721 million was spent on pharmaceuticals and non-pharmaceutical and \$185 million was expended on medical equipment upgrades.

In addition, Madam Speaker, over 265,000 persons benefitted from the CDAP Programme at a cost of \$190 million over the period 2021-2024. Hundreds of millions more were spent on the treatment of diabetes, hypertension and cancer.

We also provided essential emergency ambulance services to over 260,000 patients at a cost of over \$540 million.

Further, to combat the proliferation of cancer in Trinidad and Tobago, we are implementing several programmes to enhance our cancer fighting efforts. We are currently enhancing the lung cancer clinic through the procurement of specialized medical equipment that will be capable of providing advanced diagnostic and treatment services for lung cancer patients. The first 2 phases of this project have already been completed and it is estimated that the entire project will cost \$27 million.

Currently, there are over 10,000 individuals in our nation who are living with various forms of cancer, with prostate cancer being the most common among men, and breast cancer the most prevalent among women.

In response to the growing need for early detection and effective diagnosis, Phoenix Gas Processors Limited made a generous and impactful contribution in 2024, by donating state-of-the-art medical diagnostic equipment valued at US\$10 million to the Ministry of Health.

This significant donation, aimed at strengthening the country's healthcare infrastructure, included 14 pieces of advanced diagnostic technology, which were strategically distributed across hospitals and the Cancer Centre of Trinidad and Tobago. These devices are expected to play a crucial role in improving cancer detection, enabling earlier interventions, and enhancing patient outcomes.

The introduction of this cutting-edge equipment marks a major step forward in the national fight against cancer, aligning with global efforts to improve survival rates and the overall quality of life for cancer patients. Through public-private partnerships like these, the health sector is better equipped to address the increasing cancer burden and ensure timely, accurate diagnoses for citizens in need. These diagnostic instruments will also play a crucial role in cancer detection by incorporating technological innovations such as artificial intelligence (AI), allowing them to identify diseases in their nascent stages. They analyse intricate medical data, including internal imagery and health records, to detect subtle disease markers imperceptible to the human eye.

Madam Speaker, our Health Strategy plan has provided the impetus for the delivery of a national health programme focused on attaining the best overall healthcare for our nation. We have implemented strategic initiatives aimed at re-positioning and reinvigorating key aspects of health care delivery.

Non-communicable Diseases (NCDs), mainly Heart Disease, Diabetes, Cerebrovascular Disease and Cancer, are globally and locally the leading causes of morbidity and mortality. Cardiovascular disease is the leading cause of mortality, accounting for more than 70 percent annually. Our goal is to reduce the burden of preventable mortality, before age 70, due to NCDs by 25 percent by 2025. Our broader response focuses on the provision of targeted programmes and services from birth to elderly status, thereby securing a healthy future for our population. These include Gestational Diabetes Management Programme, the restriction of sugar sweetened beverages in all Government and Government assisted Schools, TT Moves Junior Programme to promote the adoption of healthy lifestyle

habits among children aged 5-17, TT Moves Healthy Lifestyle Campaign for adults, TT Moves Behavioural Change Campaign and the launch of the Hearts Initiative to address the issue of high blood pressure.

We have also established a 24-hour hotline offering medical advice and support for individuals who use home blood pressure or blood glucose monitors and have health-related questions about NCD related issues.

We are also actively addressing mental health through policy changes, public health campaigns and expanded healthcare services. Through a collaboration with the Ministry of Health, UNICEF, the Child Development Centre in Jamaica and the UWI Department of Behavioural Sciences, Chatline – a mental health service designed to address adolescent mental health challenges, is being provided to the UWI student community with plans to expand nationally in the future.

Mindful of the incidences of Dengue Fever, the Ministry of Health began an extensive public awareness campaign supported by the Ministry of Rural Development and Local Government which has implemented an aggressive national campaign to clean up vacant lots across the country. This is a collaborative approach amongst all stakeholders, and we have designated the Couva Medical and Multi-Training Facility as an early-detection centre for dengue.

We will be implementing several digital health initiatives by December 2025 in collaboration with iGovTT and the Ministry of Digital Transformation. This multi-phased approach will ultimately establish a unified electronic health record system, providing a comprehensive view of each patient's medical information.

Digitalization is revolutionizing the healthcare sector by establishing interconnected networks, enhancing flexibility, improving quality and safety, facilitating patient data accessibility, expanding service reach, optimizing supply chain management, increasing transparency and enabling data-driven decision-making. These advancements are crucial for modern healthcare delivery and system improvement.

Madam Speaker, we have also received 8 advanced healthcare robots from the Indian Government at a cost of US\$1 million, as part of our ongoing efforts to digitise the healthcare system. These robots will play a key role in digitizing various aspects of healthcare within pharmacies, laboratories and the Public Administration Corporation system. Our aim is to create a fully paperless healthcare environment to improve efficiency and patient care.

In September, we also received 2 mobile clinics from US Southern Command's Humanitarian Assistance Programme. One is a premium primary care clinic that offers comprehensive outpatient-services, while the other is an emergency / trauma unit which is equipped to handle urgent and life-threatening health cases.

This year, we also received a donation of 5,000 blood pressure monitors from the Chinese Government to be used in the hypertension clinics at the Regional Health Authorities to help people self-manage their conditions so that they can live healthier, longer and more productive lives. The use of these monitors emphasizes the importance of prevention and early intervention in dealing with health issues.

On behalf of the Government, I wish to thank all those who have donated equipment and facilities to the Ministry of Health or assisted in health care delivery in any way.

Health Care Institutions

Madam Speaker, the Government is allocating significant funds for the construction and renovation of hospitals, the purchase of medical equipment and the improvement of healthcare services. These initiatives aim to enhance access to healthcare, improve patient outcomes and address critical health issues.

Over the past 5 years we have invested substantially in the health care infrastructure. We have now completed the 150 – bed Arima Hospital at a cost of \$1.6 billion, the 100-bed Point Fortin Hospital at a cost of \$1.3 billion and the Roxborough Hospital at a cost of \$133 million.

The new \$1.1 billion Sangre Grande Hospital was opened earlier this year and serves over 155,000 persons from neighbouring communities. Eastern Trinidad residents now have access to enhanced healthcare services with a state-of-the-art facility, equipped with 106 beds, an adult emergency department, intensive care unit, imaging department and other essential services, designed to improve healthcare delivery in the region.

The 540 - bed Port of Spain General Hospital Central Block is currently at 60 percent completion. On completion it will allow the growth of other clinical services – surgical, pharmaceutical and laboratory services, diagnostic and treatment as well as the expansion of some existing services such as ophthalmology, ear, nose and throat (ENT) and paediatrics. The project is scheduled for opening in March 2025.

The Health Ministry's Head Office Building was completed in September 2023 and now accommodates the Ministry and its key partners of 16 divisions in a centralized location creating synergies for optimal performance.

Madam Speaker, as I have indicated in previous budget statements, it is not possible for me to speak on every activity, plan or programme of the Government, otherwise I would have to speak for 10 hours.

Apart from being impractical, that would be unkind to the Leader of the Opposition, who has tried, without success, to match my speaking time over the last 9 years.

I will therefore leave it to Ministers such as the Minister of Rural Development and Local Government, the Minister of Social Development and Family Services and the Minister of Housing and Urban Development, among several others, to speak at length on their portfolios.

For those areas that I have touched on or introduced in this Statement, my ministerial colleagues will expand on the brief details that I have referred to with respect to their various individual portfolio responsibilities and deal with operational matters in particular.

However, I think it is necessary to speak briefly about the good work being done by the Land Settlement Agency (LSA).

The LSA plays a pivotal role in implementing housing policies aimed at providing essential support to Trinidad's poorest and most vulnerable families. At the core of the LSA's initiatives is the mission to build resilience within these communities, making them less susceptible to harsh socio-economic and environmental challenges.

Through its Housing and Village Improvement Programme, where needy families are given starter houses free of charge, the LSA has project-managed the complete construction of 210 residential units with 56 units ongoing. Keys were

distributed to

206 families in 2024. To date, the LSA has overseen the construction of over 800 residential structures for low-income families throughout Trinidad who were previously residing in sub-standard housing.

Since its inception in 2017, through the LSA, the Government Aided Self Help Housing Programme has allocated approximately 566 lots to persons, on the following sites:

- Cashew Gardens, Carlsen Field;
- Chin Chin (South), Cunupia;
- Factory Road, Chaguana;
- Orange Field Road, Carapichaima;
- Milton Village, Couva;
- Roopsingh Road, Carapichaima; and
- Waterloo Road, Carapichaima.

Furthermore, the LSA has been overseeing the development of residential lots at the following 3 sites:

- Allamby Street, Tarouba South site;
- Cashew Gardens, Carlsen Field site; and
- Balmain, Couva site.

As at June 30, 2024, the LSA distributed a total of 546 units to qualifying citizens, with ongoing construction expected to yield 668 units shortly. The Agency continues its efforts in tenure regularization, infrastructure development and housing construction, contributing significantly to the national housing agenda.

The LSA has also been tasked with the development of residential lots for former PETROTRIN employees which has multifaceted impacts on both the economy and society at large. The LSA has project managed the development of lots at the following sites:

- Glenroy II, Princes Town;
- Guapo, Point Fortin;
- Ponderosa, Golconda; and
- La Savanna and Nurse Trace, Guayaguayare.

Additionally, the Petit Morne site, which comprises approximately 180 lots, has recently been added to the programme. In fiscal 2025 the LSA will be engaged in further site developments including La Romaine, Gran Couva and Cap de Ville.

Education

Madam Speaker, it is crucial to recognize that the future of our children and of our nation, rests upon a solid foundation - a robust education system. In the past decade, we have not merely discussed enhancements; we have turned words into action. The Government has been actively engaged in various initiatives and projects aimed at ensuring that our education system remains contemporary, pertinent and accessible to all stakeholders.

In the previous year, we embarked on endeavours to establish a digital ecosystem that would revolutionize education delivery within the sector. These efforts will culminate in the introduction of a Numeracy Adaptive Learning Platform by January 2025. This innovative platform will facilitate the creation of diagnostic databases and tailored numeracy experiences to foster numeracy development, remediation and progress monitoring for all students.

We see investment in schools as an essential element of our public sector investment programme and I wish to outline some of the major school expenditures that have been undertaken since 2020:

- St. Augustine Girls' High School - Completion of a cultural centre and science block for classrooms at a cost of \$41.5 million;

- San Juan Boys' & Girls' Government Primary School - Completion of four main blocks to accommodate classrooms, auditorium, cafeteria, administrative offices inclusive of external works at a cost of \$28.8 million;

- Chatham Government Primary School - Completion of a two-storeyed L-shaped school comprising administration and classrooms sections, cafeteria, multipurpose hall and external works at a cost of \$13 million;

- Santa Flora Government Primary School - Completion of the main building including administration, classrooms, computer, art and science rooms at a cost of \$24.6 million;

- Siparia Union Presbyterian Primary School - Completion of the main building including administration, classrooms, computer, art and science rooms and external works at a cost of \$29.7 million;

- Marabella Anglican Primary School - Completion of previously constructed facility comprising two reinforced concrete single-storeyed structures, one three-storeyed and one two-storeyed structure with structural steel frame at a cost of \$24.9 million;

- Holy Cross College - Completion of a classroom block with washrooms, laboratories and other multi-purpose rooms, auditorium and refurbishment of existing school at a cost of \$32.1 million;

- Malabar Government Primary School - Completion of the main building including administration, classrooms, computer, art and science rooms at a cost of \$25.8 million; and

- Construction of the Fanny Village Government Primary School - Completion of construction at a cost of \$37.2 million.

In 2025, construction will continue on several other new schools, with maintenance and repair of existing schools given the highest priority. Specifically, the Ministry of Education's 2025 budgetary allocation will be supplemented with special purpose loan financing, to allow urgently needed school repairs to be executed by a state enterprise in a prompt and timely manner.

Madam Speaker, the integration of an E-Book Platform into our education system will transition teaching and learning from a textbook-dependent and instructor-centered approach to a more interactive and student-centric paradigm. This initiative will offer cost-effective learning resources and promote equitable access to quality educational materials. The implementation of this platform guarantees access to e-textbooks covering all subject areas taught in primary and secondary schools, thereby preparing our students for the digital era. This Platform will be operational by June 2025.

The Government's comprehensive approach to education acknowledges the importance of addressing the health and well-being of all students, encompassing their psychosocial, physical and financial needs to optimize their performance. Our School Nutrition Programme continues to play a pivotal role in ensuring food and nutrition security, with over 14 million breakfast and lunch meals served at more than 800 schools nationwide during the 2023/2024 academic year.

Accessibility to school transportation is essential for ensuring students' continued participation in the education system. Our free school transportation service provides over 6,700 students from 67 primary and 37 secondary schools in rural

communities with equitable access to educational opportunities.

Madam Speaker, in my 2023/2024 Budget Presentation, we introduced a School Supplies and Book Grant of \$1000 to assist economically disadvantaged students at the primary and secondary school levels. Following a thorough means test and an extensive review process, I am pleased to report that 20,000 eligible students were awarded grants, which assisted parents with their back-to-school expenses at a total cost of \$20 million.

Madam Speaker, we view this Grant as an investment in potential and a step towards educational equity, as such I propose that this Grant be continued in the next academic year at an estimated cost of \$20 million.

Madam Speaker, we are consistently managing our students' health and well-being through the Crisis Intervention Programme. Our trained school social workers respond to support students in acute crises, within 24 hours of the incident. This programme aims to reduce the potential for negative outcomes of an individual's emotional, mental, physical and behavioural reactions to the crisis.

The Re-engagement for Success Programme is another strategic intervention which underscores our commitment to supporting students holistically, addressing both academic and behavioural challenges as interconnected elements. This initiative offers a comprehensive support system to help students navigate obstacles and remain engaged in their academic pursuits. The programme involves enhanced academic assistance through the deployment of Learning Support Assistants and increased availability of Guidance Counsellors and Social Workers in schools to address behavioural and social issues.

Recognizing the challenges of underperforming students, we established in 2022 a Vacation Revision Programme which focuses on improving proficiency in Mathematics, English Language Arts and Writing. In July 2024, approximately 5,000 primary and secondary students accessed these classes during the July/August vacation period. The Government will continue with this strategic intervention in the 2025/2026 academic year.

Madam Speaker, the sustainable development of Trinidad and Tobago's tertiary education system demonstrates Government's commitment to the future. We recognize its pivotal role in meeting the evolving needs of our nation. Our dedication to this cause is underscored by our efforts to provide diverse programs and institutions that empower our youth with the essential skills demanded by today's global landscape.

Central to our strategy is the robust support provided through initiatives such as GATE Programme, the Higher Education Loan Programme, the National Scholarship Programme and the National Bursaries Programme. These initiatives are pivotal in ensuring equitable access to higher education and fostering national development priorities.

In 2024, we have witnessed tangible outcomes: 15,714 students have benefited from GATE funding, 525 loans have been disbursed under HELP and 277 National Bursaries have been awarded to deserving students who excelled in their CAPE examinations and are citizens of Trinidad and Tobago.

Madam Speaker, the GATE Programme is expected to undergo several enhancements during the

fourth quarter of 2024. These will include assessing approved students' ability to contribute to tuition costs, streamlining the processing of claims for improved efficiency and supporting the Scholarship Division with means testing for bursary applications, along with verifying programme eligibility for bursary awards.

Madam Speaker, these funding initiatives serve as a beneficial lifeline, ensuring that the most vulnerable groups as well as the most talented students receive the necessary support to thrive. As we continue on this path, we remain steadfast in our commitment to nurturing a dynamic and inclusive educational ecosystem that propels Trinidad and Tobago towards a prosperous future for all.

We recognize that our educators are the bedrock upon which our society's progress rests. Investing in teacher training is not merely a commitment but a strategic imperative. It is through empowered and inspired educators that we cultivate a generation of thinkers, innovators and leaders capable of tackling the challenges of tomorrow. We have embarked on a comprehensive approach to teacher development. Our programs are designed to enhance educational skills, integrate modern teaching methodologies and foster a deep understanding of our diverse student population needs.

Madam Speaker, from professional development workshops to advanced degree programs, we are equipping our teachers with the tools and knowledge necessary to thrive in today's dynamic educational landscape. By investing in their growth, we empower them to nurture the intellectual curiosity and creativity that will drive our nation forward.

With respect to the UWI, the Government is aware of its financial difficulties and plans to settle any mutually agreed outstanding arrears in 2025.

Madam Speaker, to complement our educational initiatives, particularly to the vulnerable we will also be establishing a \$50 million Building Trinidad and Tobago or "BeTnT" initiative. This programme is based on the Community Recovery Committee's recommendation and aims to uplift communities identified as "at-risk" by promoting community pride, social support, economic and human development.

The specific groups being targeted include:

- Persons under the threshold of a full certificate at the CSEC level;
- Unemployed and underemployed persons;
- Ex-convicts;
- Small/micro entrepreneurs; and
- Crime victims.

Apprenticeship Programmes

Madam Speaker, we are committed to building capacity among our workforce through targeted apprenticeship programmes. Our Manufacturing Apprenticeship Programme is already showing significant results. Over 25 firms within the sector are actively participating in the industrial attachment component, providing valuable real-world experience to our trainees. Cohort 1, consisting of 135 apprentices, successfully completed their second year of training in May 2024. Meanwhile, Cohort 2, comprising 100 trainees, finished their first year in the same period and Cohort 3, with another 100 trainees, commenced their training in August 2024.

In August 2022, we also launched

the Apprenticeship Programme for the Wood and Wood Products sector to address the specific skill-needs within this important sub-sector. The first cohort, which began in November 2022 with 50 apprentices, is set to be completed within the 2-year timeframe, equipping participants with essential skills in carpentry, woodworking and joinery technology.

Madam Speaker, additionally, in July 2024, we introduced the Yachting Marine Apprenticeship Programme, designed to meet the growing demand for specialized marine skills. This new 9-month programme, which started with 150 apprentices, covers 10 distinct areas of marine-related skills. Similarly to the other apprenticeship programmes, this features an industrial attachment component, allowing trainees to gain hands-on experience at leading firms within the yachting sector.

Public Utilities

Madam Speaker, we remain committed to delivering high-quality utility services, encompassing electricity, telecommunications, water, wastewater and waste management. We continue to prioritize our most vulnerable communities.

Electrical Power

Madam Speaker, T&TEC continues to be a key contributor to the socio-economic growth and development of Trinidad and Tobago, with significant investments made to strengthen our electricity infrastructure in response to rising demand. Nonetheless, there remains an ongoing need for proactive infrastructure enhancements to address both present and future requirements. We are upgrading aging transmission and distribution systems to ensure the sustained reliability of our electricity supply.

We have successfully completed several key transmission and distribution projects which include the upgrade of the St. Mary's - Galeota 33 kV circuit - Phase III, which is expected to benefit approximately 14,800 customers. On the distribution front, installation and upgrade works at the St. Mary's, Princes Town Substation and the Philippine Substation have collectively enhanced the reliability of supply for 16,000 customers.

Madam Speaker, the shift to LED lighting decreases Natural Gas consumption and offers a cost-effective way to enhance illumination across the Island. To this end, in 2024 we installed 1,079 LED Streetlights across Trinidad benefitting at least 4,316 residents of the country.

Looking ahead, we plan to install approximately 2,500 LED luminaires and upgrade 3,000 streetlights along major highways. Additionally, work will continue on the new Bulk Power initiatives including the Wrightson Road - Westmoorings and Bamboo - Wrightson Road circuits, with a projected expenditure of \$25 million.

Water Resources

Madam Speaker, the Government remains dedicated to enhancing the quality of life for all citizens through strategic investments in utility services and social interventions.

In fiscal 2025, WASA will continue to work on the provision of sustainable water and wastewater services through its Capital Investment Programme guided by the Authority's Strategic Action Plan (SAP) for Water Supply Improvement to the Population. The SAP framework is developed to achieve the following 3 core goals, namely:

1. Establish WASA as a modern water utility that efficiently delivers

water and wastewater services to the population on the basis of a new business model in which Government invests in capital and infrastructure and WASA meets its operational expenditure as the Authority transitions towards self-sufficiency;

2. Improve the reliability and resilience of the water supply network; and

3. Satisfy the needs of residential customers utilizing WASA's water production and distribution capabilities.

Madam Speaker, WASA's Community Water Improvement Programme is crucial for improving water access in unserved and underserved areas. A total of 38 projects were completed under the programme, which provided support to 16,793 residents at a cost of \$47.5 million.

The expansion of the National Rainwater Harvesting Programme will also provide sustainable and cost-effective water solutions, benefiting persons who live outside WASA's distribution grid and those who reside in unserved and underserved communities. We have completed 16 projects in 2024 and provided support to 44 beneficiaries and we remain committed to implementing at least 40 rainwater harvesting systems thereby enhancing water availability in 2025.

Madam Speaker, in Optimising Network Performance and reducing water loss, the Government has invested \$18 million in a state-of-the-art Operational Control Centre for WASA's head office designed to enhance the Authority's ability to monitor and respond to water concerns in real-time. This allows WASA to manage water schedules remotely, oversee wastewater facilities and address disruptions promptly before they escalate. The new system aims to improve service quality by providing real-time alerts for any operational issues or disruptions. Additionally, the Centre will assist in preventing incidents of water theft and corruption, by detecting irregularities earlier.

The National Water Sector Transformation Programme includes significant investments in upgrading and establishing key infrastructure, strengthening the nation's water supply network systems. The sphere of projects undertaken ranges from booster stations; transmission and distribution pipelines; wells and meter installations.

As a result, service reliability has been notably improved nationwide:

- North including Barataria, St Ann's, Morvant, Cascade, East Dry River, Dibe Long Circular, Port of Spain, St James;
- Central & South including Piarco, Endeavour, Jerningham Road, Longdenville, California, Chaguanas and Claxton Bay; and
- South West including Debe, Siparia, Penal and Fyzabad.

Furthermore, the National Water Sector Transformation Programme will include in the new fiscal year significant investments in upgrading and refurbishing key water treatment facilities, totalling \$50.6 million. The programme focuses on optimizing network performance through several major projects including the Timpire Water Treatment Plant which will enhance water supply for about 7,000 residents in Cumana Village, Balandra and Toco, supporting future growth and development.

Over 17,000 residents in the Eastern districts of Tobago are set to benefit from the construction of

the Goldsborough Water Treatment Plant, the island's largest of its kind. This would improve water supply to areas such as Roxborough, Belle Garden, Goodwood, Pembroke and Glamorgan. Construction will commence at the end of September.

The Freeport Water Treatment Plant will be upgraded to ensure a reliable water supply for 21,721 customers in areas such as Preysal, Balmain and Gran Couva. The PETROTRIN Guayaguayare Water Treatment Plant will be upgraded to increase water supply for 2,200 residential consumers and commercial activities in Newlands and Galeota.

Madam Speaker, we have successfully completed the replacement and installation of 7.08 kilometres of pipelines of various sizes across 11 locations benefitting an estimated 20,525 individuals. These improvements are expected to enhance service levels from 1 to 7 days a week and reduce Non-revenue water by 50 percent, thereby increasing the reliability and consistency of the supply.

Additionally, we are progressing with the installation of approximately 2.4 kilometres of pipelines in 2 areas: 2.2 kilometres along Morne Coco Road, Petit Valley, which is

99 percent complete with service connection installations underway and 0.2 kilometres along the steel main at Rose Hill, Maraval, where work is ongoing. Upon completion, these projects will further reduce Non-revenue water and improve the sustainability and reliability of water supply for the respective areas.

In Tobago, the Optimization of Network Performance initiative includes several key water main replacements including areas such as the Dwight Yorke Stadium entrance, Auchenskeoch Road, Mt Grace Junction and Hamilton Siding. In total, 8.61 kilometres of mains are programmed for replacement in 2025.

Madam Speaker, under the North-West Water Sector Improvement Programme, we are continuing work to refurbish and upgrade 22 Booster Stations and construct 2 Booster Stations which will improve water supply for 129,061 beneficiaries, of which 119,590 will be provided with a minimum service of 3 days per week. Mains and pipeline replacement of 11.83 km in 14 projects will improve water supply for 22,313 beneficiaries. The construction of 1 Well and Refurbishment and upgrade of 1 Water Treatment Plant will improve water supply for 10,761 persons. The Refurbishment and upgrade 1 Water Treatment Plant will also benefit 14,500 persons.

The expansion of water supply sources involves the rehabilitation of existing wells to maximize yield and the development of new wells and treatment plants to enhance the supply of water from localized groundwater sources. This initiative includes 11 wells in Arouca, Las Lomas, Freeport, Signal Hill, Mary's Hill, Granville and Mayaro which will add approximately 2 million gallons per day to the water supply, benefiting 28,659 individuals with improved water service, including a minimum of 3 days per week service for 23,153 of these beneficiaries.

Madam Speaker, in fiscal 2025, 8 new wells in Penal, Las Lomas, Chatham, Cap-de-Ville are expected to be drilled and equipped, contributing to approximately 1.56 million gallons per day, enhancing water supply for 13,132 beneficiaries, all of whom will receive a minimum of 3 days per week service.

Through the recently established National Water Stabilization and Improvement Programme, special

emphasis would be placed on bringing relief to some of the nation's most vulnerable citizens including underserved communities those who receive water on a rotational basis of a supply of 1 in every 9 days water supply. This programme will see 13 new wells drilled and equipped, in addition to the construction of 2 new water treatment plants and the refurbishment of 2 existing water treatment plants. The impact of this intervention would see relief to approximately 20,000 residents in Flanagin Town, Brasso, Caparo, Longdenville, Mamoral, Palmiste, Ravine Sable, Todds Road and Todds Station Road.

Madam Speaker, it is important to emphasize that water and electricity prices for consumers in Trinidad and Tobago are heavily subsidized, resulting in substantial costs to taxpayers. However, we are mindful of our responsibility to make utility services available to the poor and vulnerable at affordable rates.

The Regulated Industries Commission (RIC) is mandated to protect consumer interests while at the same time ensuring that the Service Provider has adequate resources to provide the highest quality of service to all customers at efficient cost. To that end, T&TEC and the RIC completed the Price Review by publishing the Final Determination for Electricity Transmission and Distribution Sector of Trinidad and Tobago, 2023-2028, that will ensure fair pricing and improved service quality. This Determination is still being considered by the Government.

The RIC is also reviewing WASA's Business Plan and will conduct a gap analysis to support efficient water pricing and service improvements. Additionally, the RIC will implement Quality of Service Standards for T&TEC and monitor performance to ensure compliance and transparency. These efforts aim to bolster financial viability, service quality and regulatory oversight.

Our Safety Net

Madam Speaker, successive PNM Administrations have remained steadfast in ensuring the continued social and economic integration of Trinidad and Tobago. We have built and sustained a reliable network of essential services that support the well-being of all our citizens. Recognizing the vital importance of maintaining strong connections between our twin islands, particularly through our maritime and utility services, our commitment has never wavered, even during the most challenging times, such as the COVID-19 pandemic.

From January 2020 to June 2024 the Tobago Sea Bridge has completed 8,589 sailings, transporting over 2.9 million passengers and more than 1 million vehicles including vital goods transportation vehicles. The Government's investment of \$1 billion from January 2020 to June 2024 reflects our unwavering commitment to maintaining this essential service, keeping it both operational and affordable for all citizens.

In addition, the Tobago Airbridge Operations continue to play a vital role in maintaining connectivity between Trinidad and Tobago. The Government's subsidization of this service ensures affordability and reliability for all citizens. From January 2020 to July

2024, the service operated a total of 38,087 flights, transporting 2.3 million passengers, with the total cost of the subsidy amounting to US\$36.8 million.

Madam Speaker, over the past 4 and a half years, our Water Taxi operations

have completed 7,055 sailings, successfully transporting 1.3 million passengers between San Fernando and Port of Spain. We have invested \$256 million in subsidies to ensure these services remain accessible and affordable.

In the area of public transport, the Public Transport Service Corporation continues to play its critical role in ensuring mobility of citizens nationwide, particularly those reliant on subsidized and free transportation services. Over the period 2020 to 2024, we have transported 14.9 million citizens and 6.3 million free bus pass holders including senior citizens, public and disability grant recipients and uniformed school children at a cost of \$1.05 billion to the State.

Over the 2020 to 2024 period, we have spent over \$3.2 billion in net subsidy payments for 2.9 billion litres of gasoline fuel, 1.9 billion litres of diesel fuel and 71 million litres of kerosene fuel impacting thousands of licensed gasoline and diesel vehicles which on a daily basis supports the travelling public and all essential goods. In addition, we have subsidized LPG at a cost of \$380 million over the similar comparative period supporting the thousands of vulnerable families who use cooking gas.

Madam Speaker, in response to the economic challenges faced by our most vulnerable citizens, the Government has continually strengthened social relief measures through initiatives such as the 35 Percent Bill Rebate Programme and the Utilities Assistance Programme. Since inception, these programs have provided critical financial relief, easing utility costs for low-income households. The 35 Percent Bill Rebate Programme alone has delivered over \$212 million in aid, ensuring continued access to essential services.

Simultaneously, the Utilities Assistance Programme, under the Ministry of Public Utilities, has offered targeted support to those most in need. Over the same 4-year period, the T&TEC Bill Assistance Program, with a cost of \$5.1 million, has fully covered the electricity bills of 5,317 customers. The WASA Bill Assistance Programme has also allocated \$7.1 million, benefiting 47,839 customers and securing access to clean water for low-income families. Furthermore, the Water Tank Assistance Programme has provided financial assistance to 292 households.

Madam Speaker, the Government has also made significant investments in the agriculture sector, recognizing its vital role in ensuring national food security and economic stability. Between 2020 and June 2024, we allocated over \$101 million to support farmers, fishermen and agricultural workers including:

- The Agricultural Finance Support Programme which benefitted 285 farmers at a cost of \$27 million;
- Incentive Programme provided subsidies to 90 fishermen while the Forestry Incentive Programme provided 43 grants; and
- The Agricultural Incentive Programme provided over \$60 million in subsidies to more than 9,541 farmers, ensuring the continued growth and viability of the agricultural sector.
- The Relief of Flood Damage Programme distributed \$13 million to 900 agricultural producers, helping them rebuild and recover from rainfall events.

Madam Speaker, in the area of healthcare, CDAP has provided life-saving medications to over 100,000 citizens annually and over the past 4 years, CDAP has dispensed more

than 2.8 million prescriptions and 8.7 million line items, at a cost of \$95 million. The Government's commitment to managing chronic diseases such as diabetes, asthma and cardiac conditions has supported the reduction in hospital admissions and improved the health outcomes of our citizens.

Madam Speaker, over the past 4 years, we have provided approximately 23 million breakfasts and 28 million lunches, investing \$598 million to ensure that children have access to nutritious meals that are essential for their learning and development. This programme encompasses pre-primary, primary, special, secondary and technical or vocational schools' students.

Over the past 4 years, the Maxi Taxi Concession has provided free or subsidized transportation to students across Trinidad and Tobago, ensuring regular school attendance, particularly for those from lower-income families. Benefiting 30,134 students across the nation, this service has been delivered at a total cost of \$34 million.

Furthermore, under the Device Provision Programme we have distributed 29,023 devices which have supported students and supporting staff in 559 schools, with a total expenditure of \$69.7 million.

Madam Speaker, we remain committed to preparing our young people for successful careers through access to tertiary education. Over the period FY 2021-2023, we have expended \$1.1 billion in funding for the GATE Programme, benefiting 67,927 students without any repayment obligations.

Madam Speaker, a total of 2,732 households have benefitted from the Home Improvement Grant in the last 4 years at a cost of \$41 million. Moreover, for the same period, 131 Emergency Shelter Relief Fund grants have been disbursed at a cost of \$3 million. Further, through a US\$50 million IDB-funded loan facility aimed at improving habitability for low-income households, 1,571 Home Improvement Subsidies at a cost of \$31 million and 610 Home Construction Subsidies at a cost of \$23 million. The Housing Village Improvement Programme disbursed 496 grants at a cost of \$105 million. These initiatives have been vital in addressing the housing needs of our most vulnerable populations, significantly reducing housing vulnerabilities and preserving the national housing stock.

Madam Speaker, under the guidance of the Ministry of Social Development and Family Services, several programs have been implemented to provide financial and social support to our vulnerable citizens.

Over the period FY 2021-2024:

- The Senior Citizens' Pension has cost \$16.6 billion now impacting 114,047 beneficiaries;
- The Public Assistance Grant has cost \$1.2 billion now impacting 15,605 beneficiaries; and
- The Disability Assistance Grant inclusive of Minors has cost \$2.4 billion now impacting 25,845 beneficiaries.

• Sport and Community Development

Madam Speaker, the Government has continuously promoted participation in sports at all levels and extended strong support for our national athletes and teams. Furthermore, we have made significant investment into the maintenance of our sporting infrastructure and facilities which has aided our efforts in successfully hosting local, regional and international sporting events.

In June 2024, Trinidad and Tobago and the United States successfully jointly hosted the International Cricket

Council (ICC) T20 Cricket World Cup, a prestigious international tournament.

The event showcased the country's cricketing prowess and economic potential, generating significant revenue through tourism and job creation. This was supported by upgrade works to the Brian Lara Cricket Academy and on a continuous basis, the Academy is being maintained and prepared to host international cricket matches with improved facilities for players, media and spectators.

Madam Speaker, the upgrade of the Jean Pierre Complex commenced in September 2024. Works covered under this major overhaul include the refurbishment of all stands, indoor courts, media booths, offices, washrooms and auxiliary buildings. Significant upgrades to mechanical, electrical and plumbing infrastructure will also be undertaken. The estimated time for the completion of the project is 8 months and is budgeted at \$36 million.

Trinidad and Tobago is currently hosting, with 6 other Caribbean nations, the Men's Caribbean Premier League - CPL which commenced in August and concludes in October.

Trinidad and Tobago also hosted the inaugural Women's CPL tournament in August 2024 which showcased the skills of the world's best women cricketers. As the host nation, the country stands to benefit significantly from increased tourism revenue and job creation and enhanced international reputation.

Madam Speaker, this country will host the 2025 CARIFTA Games, an event anticipated to attract 840 athletes and officials, confirming our country's position as a regional sports leader, stimulating tourism and job creation, as well as motivating a new generation of athletes.

To enhance our position as a premier sports-tourism destination we have invested in the modernization of national sporting facilities, including rehabilitation of the main field at the Ato Boldon Stadium, main field and warm up track replacement at the Hasely Crawford Stadium, refurbishment of the Jean Pierre Complex and remedial works to the Dwight Yorke Stadium at a total cost of approximately \$105 million.

Madam Speaker, in the area of Community Development we have implemented Community Short Skills Training Programs which aim to broaden access to vocational education by providing skills training and 6,075 individuals have completed courses in Entrepreneurial Sessions in Customer Service, Digital Marketing, Finance Management and Small Entrepreneurship.

We have successfully established a broad spectrum of programmes with the focus on citizen empowerment including the MPowerTT initiative which was designed to address issues that are important specifically to male development and to foster communal support networks among men. This programme continued in 2024 in Arima, Barataria, Belmont, St. James, Diego Martin Central and Tobago. Additionally, under the Aided Self-Help initiative 500 citizens benefitted from grants under the minor repair and reconstruction and emergency repairs and reconstruction assistance grants.

Madam Speaker, the Community Centre Facilities Programme has seen significant investments in the construction and refurbishment of community centres, establishing essential hubs for social interaction, training and recreation.

Since 2020, 11 new centres have been constructed in Arima, Diego Martin South, Belmont, Lisas Gardens, Caiman, Maitagual, Tacarigua, Maraval,

Belle Vue/Dibe/Dundonald Hill, Diego Martin North and Cascade.

Additionally, refurbishment works in 2024 include the Beausejour, Toco, Carenage, Fyzabad and Barataria Centres and the Laventille Regional Complex. These centres serve as vital infrastructure to foster community engagement and personal growth. We have also completed and opened the D'Abadie-Malabar community swimming pool in December 2023 which includes a competition pool, surrounding deck and an administrative building.

The Elite Athlete Assistance Programme offers financial support to elite athletes and their governing bodies. The programme offers the following benefits:

- Athletes ranked in the World Top 10 positions qualify for the current maximum sum allocation of \$250,000;
- Athletes ranked in the World Top 11-40 positions can receive up to \$187,500; and
- Athletes who medal in specific Games and Championships can receive, on a case-by-case basis, up to \$75,000.

The funding is provided for athletes who undergo a 4-year cycle of preparation and training leading up to an Olympic year.

The National Secondary Schools' Track & Field Championships serves as a platform for identifying and nurturing young athletic talent. This has benefitted 600 student athletes from across the nation.

Under the I Choose Sport Programme we have introduced secondary school students to the world of sports, and we continue to encourage active participation. This programme has successfully engaged approximately 2,000 students across 52 schools to date.

• Youth Development

Madam Speaker, this year we achieved significant milestones in the areas of Youth Empowerment, National Service and Entrepreneurship. Moreover, the Government has expanded and introduced diverse programs designed to equip our youth with essential skills and opportunities for both personal and professional growth.

Among our accomplishments are the new technical vocational skills training programs in areas that have made a substantial impact:

- The HOIST Programme has trained 50 individuals in mobile crane and forklift operations. The Drilling Rig Operations Programme is providing training for 80 skilled oil field operators participants and 100 young people have graduated from these programmes to date;
- The Plumbing Skills Programme will educate 100 participants in onshore pipeline design, fabrication and construction, youths;
- The Introductory Linesman/Line Clearer Training Programme trained 80 participants; and
- The Industrial-Mechanical Apprenticeship Programme trained 50 participants in industrial and mechanical maintenance technology skills.

In the area of Youth Development, among the numerous initiatives, we have supported 2,800 secondary school students through the 40 under 40 Programme - a mentoring programme in personal and professional development; certified 150 youths through the Prior Learning Assessment Recognition programme - an assessment of their knowledge and skills which can be used by educational institutions, workplaces and other entities and provided assistance to 150 young individuals who do not possess

full CSEC certificates and to provide them with an alternative route to achieve their academic goals through the Bridging Success Programme.

Madam Speaker, the Government's Entrepreneurship initiatives includes:

- The Youth Agricultural Homestead Programme- this programme plays a crucial role in our country's efforts to enhance and sustain the agricultural sector while improving access to local produce.
- The lands integral to this programme will undergo improvements such as starter homes, roads, drainage, access infrastructure;
- The Youth Agricultural Shade House Project- aims to equip youths aged 16 to 35 with skills for cultivating high-value, short-term crops and establishing cooperatives to support agricultural production. This full-time, one-year programme is administered jointly by UWI and the Co-operative Republic of Guyana's National Agricultural Research and Extension Institute (NAREI); and
- The Youth Aquaculture Project- will implement a 1-year programme in Tropical Aquaculture Production and Management. This programme will focus on training in aquaculture techniques, specifically tilapia, conch, and brackish- water shrimp farming. In addition, Post-training support will also be provided to help participants establish economic livelihoods in aquaculture.

These projects in addition to NEDCO's Business Acceleration Programme collectively supported 522 participants. Additionally, the Co-operative Development Division provided training and support to 77 individuals in development training covering numerous disciplines. We have also agreed to the establishment of a Community Fresh Vegetable and Produce Shade House Programme as a collaborative effort between the Ministry of Youth Development and National Service and the Ministry of Agriculture, Land and Fisheries to facilitate training in crop propagation and cultural practices, value added agriculture, packaging as well as provide agricultural market intelligence. The Programme will also target a total of 300 CEPEP employees in cohorts of 10 in 30 communities across the country.

We also launched a Social Media Management Training programme for 600 youths, equipping them to effectively market and manage their businesses on social media platforms. In fiscal 2024, another 600 youths received vocational and life skills training in various fields, including make-up artistry, baked culinary arts, barbering, hair braiding and weaving, and nail technology.

To protect vulnerable youth from violence and domestic situations that lead to abuse and infringement of their rights, we are refurbishing and expanding existing residential and non-residential facilities such as Youth Development Centres, formerly known as Youth Training Facilities, Youth Development and Apprenticeship Centres and Transition Homes, as well as constructing new facilities. This year we completed the Laventille, California, St. James and Los Bajos Development Centres, while works to complete the Malick, Palo Seco and Point Fortin Development Centres are advanced.

Additionally, refurbishment works are ongoing at the Chatham, Persto Praesto and El Dorado Apprenticeship Centres and activities related to the construction of new Apprenticeship Centres in Chaguaramas and Wallerfield have commenced.

In the area of National Service, the Civilian Conservation Corps currently

has 900 trainees, the Military-Led Academic Training programme has 200 trainees enrolled and the Military-Led Youth Programme of Apprenticeship and Restoration Training will have an intake of 50 cadets in 2024.

To facilitate the above projects and programmes, the Ministry of Youth Development and National Service has been allocated \$338 million for fiscal 2025, with access to a further \$150 million from the agricultural incentives allocation in the Ministry of Finance for its youth in agriculture programmes.

TOBAGO

Madam Speaker, I now turn to Tobago.

Almost 3 years ago, the people of Tobago elected a new Administration to manage the affairs of the Tobago House of Assembly (THA). Recognizing the various issues affecting Tobago, we held several meetings with the Chief Secretary and his team to establish effective collaborative arrangements aimed at broadening and deepening Tobago's development, to foster mutual understanding of shared goals and objectives.

In this context, Madam Speaker, I have reviewed the Fiscal 2025 Budget Statement presented by the THA in June 2024 and I am advised by the THA that the policies and programmes behind its 2025 Budget Proposals are based on the following:

Business Development, Economic Growth and Diversification – the THA intends to support economic diversification through business financing, SME support, development of its eco-industrial parks and targeted foreign investment attraction;

Strengthening and Reforming Governance Arrangements – The THA is reviewing the constitutional arrangements and setting goals for 2025, including empowering the THA and boosting digitalization and social services;

Public Safety and Citizen Security – The THA intends to make the safety of Tobagonians a top priority of the island Administration. In response to increased gun violence and murders, the THA intends to re-instate the Tobago Community Safety Programme, emphasizing community mobilization and trust-building with law enforcement through unique safety plans;

Tourism – Tobago's tourism and creative industries will get support through infrastructure upgrades, community tourism support, artist development programmes and cultural events;

Agriculture and Agro-Processing Sector – The THA intends to prioritize food security and boost agricultural value with research, technology, processing facilities and market access initiatives;

Education and Human Capital Development – Education in 2025 will focus on cultural identity, learning outcomes, teacher training and infrastructure upgrades;

Health – The THA intends to fully operationalise the Roxborough Hospital, with digitized health services, equipment upgrades and social programme expansions;

Housing – The THA intends to provide affordable housing through infrastructure development and targeted housing programs;

Community Empowerment, Youth Development and Sports – The

THA intends to continue investing in community development, youth programs, sports facilities and a Technical and Vocational Education and Training Academy;

Physical Infrastructure – The THA intends to promote socio-economic development through modern, safe and sustainable infrastructure in Tobago. These initiatives aim to enhance safety, accessibility and economic viability while creating numerous employment opportunities; and

Environment, Climate Change and Energy – The THA intends to advance environmental sustainability through the establishment of an Environmental, Climate Change and Energy Department focusing on resource management and climate adaptation.

Madam Speaker, I anticipate that the strong economic and macroeconomic performance in Trinidad – characterized by sustained GDP growth, high employment levels and stable, low inflation – will contribute to an improved economy in Tobago.

Further, I am advised by the THA that the Tobago economy is recovering from the significant slowdown caused by the COVID-19 pandemic and the tourism industry is experiencing renewed interest from both local and international visitors. Direct international flights to and from Tobago and hotel occupancy rates are on the rise.

I will now outline the allocation for Tobago for the fiscal year 2025. The THA allocation totals \$2.599 billion of which:

- \$2.376 billion is for Recurrent Expenditure;
- \$205 million is for the Development Programme expenditure; and
- \$18 million is for the URP and \$9.2 million for CEPEP.

The total allocation to the THA in 2025 represents an increase of \$22.756 million over the allocation of \$2.576 billion in Fiscal Year 2024 and represents 4.35 percent of the National Budget.

It is noteworthy that contrary to uninformed commentary, this PNM Government has given the present THA Administration some of the highest budgetary allocations ever since the formation of the THA, far more than former administrations.

I am also pleased to report that the THA will receive its full allocation for Fiscal Year 2024.

Madam Speaker, as per usual, beyond the budgetary allocation to the THA, an additional \$678.5 million is allocated to various Ministries and State Agencies to undertake and execute major projects in Tobago in keeping with their responsibility under the Sixth Schedule of the THA Act 40 of 1996.

Some of this expenditure by Central Government in 2025, funded outside of the THA's budgetary allocation, but essential to the development of Tobago, will include expenditure on the:

- Tobago Airport Terminal project at a cost of \$400 million;
- Roxborough Fire Station Headquarters at a cost of \$1.9 million;
- Desilting of the Hillsborough Dam at a cost of \$7.5 million;
- Upgrade of the National Energy Skills Centre in Goldsborough at a cost of \$1 million;
- Tobago Technology Centre at a cost of \$1 million;
- UTT Tobago Campus at a cost of \$600,000;

- Upgrade of Dwight Yorke Stadium at a cost of \$4 million;
- Little Rockley Bay stabilization works for Magdalena Hotel at a cost of \$3 million; and
- Meteorological Services equipment at a cost of \$3 million.

ESTIMATES OF REVENUE AND EXPENDITURE 2024/2025

Madam Speaker, for a long time, we have understood that shifts in global energy markets, along with changes in the balance of oil and gas demand and supply, often present public policy challenges due to revenue volatility. We have been addressing these issues since the early 1970s. Our national economic planning has consistently focused on economic transformation and diversified growth, aiming to expand the non-energy sector.

Madam Speaker, we continuously monitor oil and gas prices in global markets to ensure that, under normal conditions, our energy revenue projections remain reliable. This allows us to allocate capital and expertise toward fostering diversified growth while maintaining the sustainability of our social programs.

Accurate assumptions about oil and gas prices are crucial to our budget planning, and we rely on comprehensive analyses and forecasts from international organizations to inform these estimates:

- With respect to oil, West Texas Intermediate (WTI) and Brent Prices have maintained a volatility since September 2023. In Fiscal 2024 these prices have ranged between US\$91.00 to US\$67.00 for WTI and US\$92.00 and \$71.00 for Brent reflecting market issues as well as continued geopolitical concerns;
- The August 2024 International Energy Agency oil market report reported that Brent Crude futures were trading at around \$80 per barrel; and
- The US Energy Information Administration's (US EIA) current short-term outlook estimates the price of Brent Crude oil in 2025 to be \$84 per barrel.

For that reason, our oil price assumption for 2025 will be US\$77.80 per barrel, compared with US\$85.00 per barrel in 2024; and our natural gas price assumption will be US\$3.59 per MMBtu, compared with US\$5.00 per MMBtu in 2024.

As a result of these assumptions, we expect:

- Total Revenue.....\$ 54.224 billion
- Total Expenditure\$ 59.741 billion
- Fiscal Deficit\$ 5.517 billion

Madam Speaker, the total estimated revenue of \$54.224 billion comprises:

- Oil revenue.....\$ 14.174 billion
- Non-oil revenue.....\$ 35.039 billion
- Capital revenue.....\$ 4.011 billion

Madam Speaker, you should note that the fiscal deficit for 2025, estimated at \$5.517 billion, is 2.91 percent of GDP, again within the international benchmark of 3 percent.

The major Fiscal 2025 allocations will be:

- Education and Training.....\$ 7.512 billion
- Health.....\$ 7.571 billion
- National Security.....\$ 6.113 billion
- Public Utilities.....\$ 3.221 billion
- Infrastructure.....\$ 1.862 billion
- Rural Development and Local Government.....\$ 1.771 billion
- Transport.....\$ 1.410 billion
- Agriculture.....\$ 1.184 billion
- Housing.....\$ 0.750 billion

Special Projects

Madam Speaker, in 2025, we intend to embark upon a number of special

projects.

These projects include projects to generate much-needed revenue and create new jobs, to divest state assets that are better managed by the private sector, to encourage direct foreign investment, and local investment, especially in the tourism sector.

These projects are:

1. Divestment of Magdalena Hotel

The sale or lease of the Magdalena Hotel in Tobago

2. New International Hotel Development

A request for proposals to develop a new 5-star internationally branded resort hotel on the Government-owned Buccoo Estate in Tobago. This project is expected to be on the scale of the previously proposed Sandals Hotel and if successful, will bring tremendous economic benefits to the people of Tobago.

3. Tobago Marina

A request for proposals to develop a yachting marina in Lowlands in Tobago, just southwest of the Petit Trou Lagoon, on lands currently being acquired by the Government from the Plantations Estate. This will be a private-public partnership and will involve the following features:

- Docking facilities for at least 50 pleasure craft, both power and sail, up to 18 metres in length;
- Storage facilities on land for a further 50 pleasure craft;
- Refuelling, washing and repair facilities, marine and boat chandlers, stores and a restaurant;
- A slipway to transfer a trailered boat into the water;
- A travel lift and forklifts for lifting boats out of the water and transporting them to the hard stand; and
- A breakwater and dredged approach channel and basin.

4. Divestment of CLICO

The sale of the Government's 49 percent shareholding in the Colonial Life Insurance Company (CLICO). CLICO is no longer considered to be of strategic importance to the Government and its divestment will earn several billion dollars in revenue for the Government, to see us through the financial difficulties of the next few years. In this regard, I have noted a false narrative circulating that the Government has been repaid all that it is due

CLICO bailout involved not only the insurance company, but it also involved the bailout of CL Financial and its subsidiaries, as well as companies like CLICO Investment Bank, British American Insurance and so on. Far from being fully repaid, the Government is still owed over at least a further \$13 billion in taxpayers' funds injected into CL Financial and the other related companies.

5. Sale or lease of the Point a Pierre Refinery

In 2018, we closed the Point a Pierre Refinery because it was a perennial money loser, losing up to US\$8 on every barrel of oil it processed, with annual losses of \$2 billion. In fact, the accumulated losses of PETROTRIN, when audited, after the closure of the refinery, were in excess of \$15 billion. At the time of closure, the Government was also carrying \$3 billion in guaranteed loans for PETROTRIN, which loan guarantees remain on our books to this day, as contingent liabilities, and are part of the total public debt.

These loans were taken out for operational expense, including the purchase crude oil, since PETROTRIN required the importation of 100,000 barrels of oil per day to operate the refinery, although ironically, precious foreign currency was lost on every imported barrel of oil.

In 2018, PETROTRIN was subjected to detailed scrutiny due to many issues including its high and increasing debt; low productivity levels; escalating manpower costs; and a bullet payment of US\$850 million (TT\$5.7 billion) that was due in 2019, and which it was clear it could not pay. The company's expenditure routinely surpassed its earnings and income and in particular, the refinery was unprofitable because it was severely overstaffed, operating with as much as five times the number of workers it required to be efficient and it would never have been profitable in its previous configuration.

However, the Government believes that if the refinery can be re-opened without any burden on the Treasury, this will provide a number of benefits in terms of employment, increased economic activity, availability of locally produced fuel and reinvigoration of fence line communities.

In that context, since 2018, there have been two attempts to sell or lease the refinery. Both efforts failed because the preferred bidders were unable to show any tangible evidence of their ability to raise the necessary capital to reopen and operate the refinery.

However, in pursuit of the overarching objective to attract private sector investment for the reopening of the refinery, Trinidad Petroleum Company, the holding company that owns the assets that belong to the former PETROTRIN, commenced a third procurement process in February 2024, with the solicitation of expressions of interest from new potential bidders and the parties who participated in the previous two attempts.

Scotia Capital (USA) Inc. (Scotia) was thus engaged to manage the third procurement process, with a broad-based evaluation committee, comprising knowledgeable and experienced persons, selected from both the public and private sector, with the necessary expertise to evaluate a complex transaction of this nature.

All potential investors were asked by Scotia to address a number of items in their Expressions of Interest,

for the 2009/2010 CLICO bailout. This is entirely untrue, since the

including but not limited to:

- Identification of the offeror (acquirer, lessee or joint venture partner);
- Refinery restart and operational plans;
- Transaction structure and key commercial terms;
- Use of logistics assets (Paria);
- Proof of qualification to own/operate the refining assets; and
- A description of their financing plan, including the identity of their potential sources of financing.

10 proposals were received and evaluated using 5 critical criteria, as follows:

- Offeror has a track record of refinery ownership and/or operation;
- Offeror outlined a reasonable restart plan and timeline, including asset integrity assessment, utility requirements (power, natural gas and water) and sources of crude;
- Offeror provided a reasonable and indicative financing plan, inclusive of working capital, and with support by credible financing institution(s) as determined by Scotia;
- Offeror outlined an arrangement with Paria that did not prejudice the national interest of fuel security as well as the handling of Heritage's crude supply; and
- Offeror demonstrated transparency, credibility and openness, including the sharing of information, to facilitate the completion of the process.

Using these criteria, 3 of the proposals were found by Scotia and the Evaluation Committee to be worthy of further consideration, from the following entities:

1. CRO Consortium, a locally based consortium comprising three companies, DR Commodities Limited, Chemie-Tech and Ocala.
2. INCA Energy LLC, a company based in the USA; and
3. Oando PLC, a company based in Nigeria

In this regard, Madam Speaker, I am authorized to report that Cabinet, after due consideration of the findings and recommendations of Scotia and the Evaluation Committee has agreed to the shortlisting of these three companies.

A formal selective Request for Proposals process will now be initiated to determine the winner amongst these 3 companies, with a view to restarting the Refinery, if found feasible. It must be stressed that in this process, the Government has no intention of exposing taxpayers to the recurring billion-dollar losses that occurred previously in the operation of the Refinery, and the success of this venture is predicated on the principle that it be at no cost to the taxpayer.

FISCAL MEASURES

I now turn to the fiscal measures. Madam Speaker, the Fiscal Measures for 2025 are designed to empower every individual in our society, enabling them to thrive and realize their full potential. By prioritizing investments in our people, we are laying the groundwork for a more prosperous and equitable future for Trinidad and Tobago.

1. Online Numeracy Programme for Adults

Madam Speaker, in 2024 the Adult Literacy Tutors Association provided literacy training to both CEPEP and URP employees as well as to individuals from correctional

institutions and in various youth programmes workers to address these gaps. However, there remains a critical need to extend support to numeracy skill acquisition.

Through the Ministry of Education, an Online Numeracy Programme will provide classes via the School Learning Management System to complement their new acquired literacy skills.

For this purpose, I have allotted \$3.2 million for implementation of the Online Numeracy Programme for fiscal year 2025.

2. National Digital Literacy Project

Madam Speaker, in today's rapidly evolving digital landscape, digital literacy has become an essential skill. The Government acknowledges that despite the strides in digital transformation achieved within the country, it still faces disparities in ICT development across various rural and underserved communities.

In seeking to bridge this digital divide, the Government will collaborate with a suitable NGO to provide essential digital skills and knowledge to vulnerable groups under a National Digital Literacy Programme.

Madam Speaker, this programme will foster an environment of inclusivity and empowerment, giving vulnerable groups the opportunity to thrive in a digitally driven world. 18 communities were identified for this targeted intervention, and I have allocated \$5 million for the implementation of the National Digital Literacy Programme.

3. Digital Literacy Certification for Students

Madam Speaker, to complement the Rotaract programme, the Ministry of Education will implement a comprehensive digital literacy certification programme for students at various levels of the education system.

This project will enhance the development of the human capital of the country, foster global competitiveness in emerging digital sectors, and promote equitable digital inclusion across varied socioeconomic strata.

Madam Speaker, Trinidad and Tobago would be better positioned to equip its future generation with the requisite skills for success in an increasingly digital landscape, while concurrently advancing the nation's broader objectives of sustainable development and social cohesion.

For the Digital Literacy Certification Programme, I have provided \$2.9 million for fiscal 2025.

4. Solar Powered Sustainability Project in Secondary Schools

Madam Speaker, the Government recognizes the eminent need for sustainable development practices to address global challenges such as climate change, resource depletion and economic inequality.

Government envisions secondary schools playing a critical role in shaping the future generations' understanding and practices as it relates to technology and environmental stewardship.

Therefore, the Ministry of Education will implement a Solar Powered Sustainability Project in 26 Secondary Schools, in the first instance.

It is expected that students

in the Secondary Schools will utilize technological solutions and environmental sustainability to the benefit to their communities.

For this purpose, I have allocated \$2.6 million for the implementation of the Solar Powered Sustainability Project in Schools for fiscal year 2025.

5. Agriculture Internship Programme

Madam Speaker, the Government will be establishing an Agriculture internship programme which would provide an opportunity for 30 Associate Degree graduates of Eastern Caribbean Institute of Agriculture and Forestry (ECIAF).

This internship programme will be mutually beneficial for the Ministry of Agriculture and the interns, one in which will foster an exchange of new theoretical ideologies and practical real-world agricultural experiences.

It is anticipated that the interns will also enhance their practical skills and soft skills such as communication, teamwork and problem solving, and this will support the preservation of the Agriculture and Forestry Sectors.

For this purpose, I have allocated the sum of \$2.2 million for the Agricultural Internship Programme.

6. CSEC Remedial Mathematics Programme

Madam Speaker, Mathematics is a key skill that supports problem solving and develop analytic and reasoning abilities and is an important component in education. Student performance in CSEC Mathematics has been a growing concern in Trinidad and Tobago. Over the past 5 years there has been a general decrease in the percentage of students passing the subject. Additionally, there has been a general decline in the quality of grades, with fewer students receiving grades I and II in Mathematics over a 5-year period. Correspondingly, there has been a notable rise in the number of students obtaining lower grade categories. In 2024, a significant 5,312 students received Grade IV, while 4,799 students received Grade V.

This programme will be implemented by the Ministry of Education as an After School CSEC Mathematics Tuition Project at 26 Secondary Schools of Focus as a strategic intervention to address the declining pass rates and I have allocated an amount of \$3.5 million.

7. Minimum Wages of Government Workers

Madam Speaker, over the last 9 years, we have systematically increased the national minimum wage in Trinidad and Tobago to its present level of \$20.50 per hour.

However, we recognise that any increase in the national minimum wage has its pros and cons. While it brings comfort and an improved standard of living for those at the bottom of the income scale, an arbitrary increase in the minimum wage can create hardship for small businesses, and for marginal enterprises, it can even lead to retrenchment, closure or reduced working hours, thus cancelling out its benefits.

We have, therefore, decided to not make any further increase in the national minimum wage at this time, especially since the last increase, just last year, was of the order of 17 percent, and SMEs are still grappling with the challenge of managing that increase.

However, the Government, as the largest single employer of people in the country, is acutely aware of the difficulties endured by persons earning the minimum wage. Accordingly, while we do not wish to place additional stress on the small business sector at this time, while continuing to review the national minimum wage for an increase in subsequent years, we will increase the minimum wage earned by public sector employees, from \$20.50 an hour to \$22.50 an hour, an increase of \$2.00 per hour, or 9.8 percent.

This increase will benefit 5,100 workers at MTS, 6,900 workers in CEPEP and 6,200 workers in URP, among other minimum wage workers in the public sector, and particularly for MTS workers, such as security guards, it will put as much as \$500 per month of additional tax-free income into the pockets of this very hard-working group of workers, depending on the hours worked. Similarly, janitorial staff at MTS, who work shorter hours than security guards, will earn an additional \$340 per month. CEPEP and URP workers will also benefit from this increase, in proportion to the hours worked.

This increase is expected to cost the Government \$75 million in fiscal 2025 and will take effect from November 1st, 2024.

8. Public Sector Wage Negotiations

Madam Speaker, in 2023, we made an offer of a 4 percent wage increase to workers in the public service, the teaching service, the police service, the fire service, the prisons service, the defence force, and daily paid workers. This was for the period January 2014 to December 2019.

We recognise that it was not a large increase, especially since it was for a 6-year period, but that was all we could have afforded at that time.

That 4 percent wage increase has cost the Government over \$1 billion in backpay and has increased our recurrent annual expenditure by hundreds of millions of dollars.

Most public sector trade unions accepted the offer, and their members have received their increases and backpay, with the last remaining standouts being the PSA and the NUGFW, both of whom have taken the matter to the Industrial Court as a dispute.

We continue to urge both the PSA and the NUGFW to accept the offer and move on, but that is for them and their membership to decide. We hope that good sense will eventually prevail.

However, as a responsible Government, we cannot allow the refusal of the PSA and the NUGFW to accept our offer of a wage increase for the 2014 to 2019 period, to delay negotiations with the other public sector trade unions, who represent more workers in the public sector, for the next bargaining period.

Accordingly, I have today instructed the Chief Personnel Officer to make the necessary preparations to commence negotiations with those trade unions who accepted the previous 4 percent offer, for the next triennium that is for the period January 2020 to December 2022.

For this next 3-year period, 2020-2022, the Government, even in the face of our challenging financial circumstances, has decided to offer public sector workers an increase of 5 percent.

This increase is estimated to cost the Government an additional \$475 million per year in recurrent expenditure, with backpay up to the

end of 2024 estimated at over \$1 billion. It will be difficult to find the money to make these payments, but we think it is only fair and just.

9. Book Grant

As stated early in my Budget Statement, the \$1,000 book grant given in 2024 assisted 20,000 needy students to defray the cost of schoolbooks, and we shall repeat this \$1,000 book grant in 2025, using the same means test that we applied in 2024, and is estimated to cost the Government \$20 million.

10. Tax and NIS Amnesty

Tax amnesties over the years have proven to a valuable source of additional revenue and have generated billions of dollars in payments.

We do not wish to encourage tax avoidance, but now that the Privy Council has ruled in the Government's favour, with respect to the constitutionality of the Trinidad and Tobago Revenue Authority, which now allows us to move apace to populate and operationalise this new Authority, we will give taxpayers one last opportunity to put their house in order and pay up their outstanding taxes before the TTRA is in full operation, without being subject to penalties and interest.

We also recognise that some businesses are still recovering from the effects of COVID-19, and we shall also give an amnesty for national insurance payments.

Both the tax amnesty and the NIS amnesty will run from October 1st, 2024, to December 31st, 2024.

We do not expect to give any further tax amnesties after the TTRA is fully up and running, as we expect much better compliance from all taxpayers once the new arrangements for tax collection are in place. Taxpayers are therefore urged to take advantage of these amnesties as they may not see them again.

11. Housing and Village Improvement Programme

The Housing and Village Improvement Programme (HVIP) being undertaken by the LSA has proven to be a tremendous success and has assisted persons at the lowest end of the income scale to achieve home ownership. It should be noted that the typical cost to the Government of a HVIP house is just over \$150,000, as compared to a traditional HDC unit, which is costing the Government \$1 million per unit. We have also found that persons at the lower end of the income scale, who are most in need of housing accommodation, struggle to make their monthly payments, whether they be for rental or purchase of HDC units.

The HVIP avoids this problem, since beneficiaries are given a starter house free of charge, and although the HVIP houses are unfinished, in terms of painting and tiling, they are fully functional, and a big advance from the unsatisfactory living conditions that many persons find themselves in. These HVIP houses will also reduce the Government's outlay by over \$800,000 per unit.

However, contractors have complained that at \$150,000, the price paid to them for these starter houses is too low, and unprofitable, and this has had a negative effect on the pace of construction. Accordingly, we will increase the price paid for starter houses in the HVIP to \$200,000 for the basic unit on flat

land, with further adjustments for houses built on difficult terrain.

It is anticipated that in 2025, up to 500 HVIP houses can be built at a cost of \$100 million and the funding for this increased cost will be financed off budget, if necessary

12. Sporting Equipment

Those of us who take part in sporting activities will know how expensive sporting gear can be. Accordingly, in keeping with our policy to encourage healthy lifestyles, we shall in 2025 exempt all sporting equipment from taxes and duty, with the exception of clothing.

This measure will take effect from January 1st, 2025, and is estimated to cost \$20 million.

13. Agriculture

You will be aware, Madam Speaker, that we have as a policy decided to make Agriculture a tax free industry. In this regard, we have made several amendments to our tax laws over the years to achieve this objective. However, there remain ambiguities and nuances in our tax laws, which lead to different interpretations and arguments as to what qualifies as Agricultural goods and equipment and what does not. These arguments can defeat our policy objectives

Accordingly, in consultation with the Minister of Agriculture, Lands and Fisheries, I propose to conduct a comprehensive review all items used in agriculture, so that we can remove any and all ambiguities that remain in our definitions and laws pertaining to tax concessions for Agriculture, to make the industry truly tax free.

We expect to complete this review by December 31st, 2024, and since it will require amendments to a series of laws, this measure will take effect in the first quarter of calendar 2025.

14. Electric Vehicle Charging Equipment

Madam Speaker, we have removed all taxes associated with electric vehicles in order to encourage motorists to go electric, and thus help reduce our carbon footprint and reduce the need for a fuel subsidy.

Those of us who own an electric vehicle will be aware that the cost of operating these vehicles is a fraction of the cost of gas-powered or diesel-powered vehicles. In fact, the cost of electricity to charge an electric vehicle for an equivalent travel distance, can be as little as 20 percent as the cost of fuel for the same distance. Even with an increase in electricity rates, therefore, an electric vehicle can save motorists thousands of dollars per year in fuel costs.

The price of electric vehicles is also coming down rapidly, with countries like China producing very affordable and reliable electric cars for everyday use.

Previously, the use of electric vehicles was constrained by the absence of public charging stations, but as the technology has progressed, efficient home chargers are now readily available at reasonable prices.

Accordingly, in order to further encourage the switch to electric vehicles, to assist with our reduction of carbon emissions and to meet our climate change undertakings, I propose in 2025 to exempt all electric vehicle charging equipment and related accessories from all duties and taxes.

This measure will take effect from January 1st, 2025.

15. VAT Bonds

Madam Speaker, the Government

is aware that there is a significant sum of VAT refunds outstanding, particularly for companies in the energy sector, which are zero rated. In fact, over 80 percent of VAT refunds are normally due to energy sector companies at any given time. On a previous occasion, when a large quantity of VAT bonds was issued, many of these bonds were redeemed almost immediately and used by energy sector companies to pay taxes on income and profits. This had the effect of reducing the availability of foreign exchange in the commercial banking sector, since it is expected that energy sector companies that export all of their production, or sell their production locally in US dollars, such as upstream gas producers, would pay their taxes in US dollars.

In appreciation of the situation, recognizing that companies depend on VAT refunds for cash flow, the Ministry of Finance intends once again to issue interest-bearing VAT bonds in fiscal 2025 in the sum of \$3 billion with a target date for issuance of January 31st, 2025.

However, on this occasion, these bonds will be issued in a manner that does not create difficulties or shortages in the local foreign exchange market.

Small and medium enterprises who are owed refunds will be paid in cash by December 31st, 2024.

CONCLUSION

Madam Speaker, this 2025 Budget stands as a testament to our nation's resilience amid the formidable challenges faced over the past 9 years. We have come a long way since 2015, weathered many shocks, and proven that we are up to the task of governing this country effectively and equitably.

Despite the many trials, the Government remains steadfast in its commitment to maintaining economic sustainability and enhancing the lives and livelihoods of the people of Trinidad and Tobago and we are confident that the work we have done, our fiscal measures, and the incentives we have provided, in both the energy sector and the non-energy sector have laid the foundation for sustainable growth and prosperity in the years to come.

Along the way, many people have made recommendations as to how we should respond to our economic challenges. However, most of these recommendations were superficial and shortsighted, and if implemented, would have resulted in pain and suffering for our population and would have killed any chance we had of economic recovery. One such recommendation which keeps coming back, like a bad penny, is the insistence of certain privileged interest groups that we devalue the dollar. However, if we had accepted that advice, it would have drastically lowered the standard of living of our population, reduced real wages, increased prices astronomically and created industrial strife and serious discontent and resentment among low-wage earners in particular, who make up the bulk of the working class.

Detailed analysis over the last several years by the Central Bank and other experts has shown that a devaluation would only have a marginal effect on our national income, while increasing the cost of foreign debt service, and instigating justified demands for increased wages, thus increasing public expenditure and widening the fiscal deficit. The only people who would have benefited from a devaluation would have been those who are

hoarding their foreign exchange overseas.

Another impractical recommendation that came in the early days of this Administration and which persists is that we should reduce Government expenditure to match revenue and not engage in deficit budgeting. However, if we had done that back in the 2016-2019 era, when they stridently demanded it, and cut \$20 billion out of annual expenditure, the result would have massive retrenchment, spiralling unemployment, reduction of subsidies, withdrawal of social grants and removal of free services like education and health care, rapid deterioration of national infrastructure and permanent stagnation of our economy, with the resulting social chaos. Yet we are told that we must follow these dangerous, poorly thought-out proposals, simply because those who propose them are "well-meaning."

That is not how a country is run. We will not subject our population to self-imposed structural adjustment, based on poorly thought out knee-jerk recommendations from armchair theoreticians, who have never had the responsibility to manage even a parlour in their life, and plunge the majority of the working class into poverty, as is occurring in other countries in the Region. With that impractical recommendation, that we cut annual expenditure by \$20 billion, did they want us to fall into chaos like Argentina, where poverty is now at 52 percent of the population?

Further, given the barrage of misinformation regarding the national accounts, our fiscal outturn and our economic stewardship and strategy over the last 9 years, it is necessary to educate the commentators with respect to the facts.

If one looks at the actual revenue earned over the last 5 years, excluding the 2022 year, as that was indeed an outlier as a result of the Ukraine War, one will see that in 2019, the pre-COVID year, total revenue was \$46.7 billion. When the COVID-19 shock hit us in 2020, revenues dropped drastically to \$34.4 billion. Fast forward to 2023, and total revenue, even with declining prices and declining production, climbed to \$54.7 billion. And in 2024, even in the face of extreme volatility in the global energy industry, continued declines in production, and an extremely low price for natural gas that we have not seen since 2016, our revenue stands at \$50.4 billion and is still higher than it was in 2019.

This turnaround did not happen by chance or by magic.

Our economic success is the result of two factors. Firstly, our fiscal measures and incentives have stimulated the manufacturing and services sectors to the extent that \$35 billion in annual revenue now comes from the non-oil sector, and secondly, the hard work and perseverance of the Prime Minister and the Minister of Energy and Minister in the Office of the Prime Minister has paid off, and even in the face of weak prices and reduced production, their negotiations with the multinational oil, gas, processing and petrochemical companies have yielded billions of dollars in increased revenue on a permanent and sustainable basis, with much more to come from our cross-border projects.

These 2 gentlemen must be given the credit that they deserve. Their work, together with the work of my other colleagues who have responsibility for the other productive sectors that generate

revenue, such as the Minister of Trade and Industry, has saved the day. However, if one listens to the uninformed naysayers, you will have no idea that our economy has grown for 3 consecutive years and our revenue base is now higher than it was 5 years ago.

A further example of our sound financial management is the success story that is Heritage Petroleum. Before the restructuring of PETROTRIN in 2018, our national oil company was losing \$2 billion a year and owed the Government billions of dollars in back taxes, which it simply could not pay.

After the closure of the Refinery and the streamlining of company operations at PETROTRIN, to create several lean and efficient subsidiaries, notably Heritage and Paria, we have found ourselves in a fortunate position where, in addition to servicing its restructured debt without any assistance from the Government, Heritage Petroleum is earning billions of dollars per year in profit. Indeed, for the period 2019 to 2023, Heritage Petroleum has earned \$36.2 billion in revenue, making \$5.7 billion in net profit, and has paid a staggering \$11.8 billion in taxes, on time and without prompting. This trend has continued in 2024, with \$1.6 billion in taxes already paid by Heritage to the Government for the first 9 months of the year. By any yardstick, this is a remarkable transformation of a loss-making making and ineffective state enterprise, which was a perennial drain on the Treasury, into a highly profitable and effective modern company.

Contrary to rumour, therefore, our economic future is assured, and we simply have to navigate a few challenging years before we reap the rewards of the work being done in both the oil and non-oil sectors. Our economy is now growing, and we simply have to be careful and spend money wisely, and live within our means, until 2027 when the cross-border gas is expected to flow. In that context, over the last 9 years, we have demonstrated that we can manage extremely difficult financial situations, and meet all our obligations while providing support to all our citizens, and we will do it again.

And to give comfort to those who may be confused and concerned at the barrage of negativity coming from those who do not wish us or the country well, I can now confirm that from October 1st 2024, the new revenue-sharing arrangements that arise from the restructuring of Atlantic LNG, and the new pricing formula for natural gas, will yield substantially enhanced revenues for Trinidad and Tobago permanently.

In preparing the 2025 Budget, I took note of the many suggestions and demands made by various sectors of the national community with respect to the prioritization of Government expenditure.

I noted that TTUTA had asked that the lion's share of the 2025 Budget be given to Education.

Business owners, on the other hand, have asked that the lion's share of expenditure be given to National Security, while motorists and the general public have asked that the focus be on rehabilitating and upgrading the nation's roads.

Others have asked for a focus on improving our water supply, and the agriculture sector, and on timely payment of outstanding VAT refunds, among many other things.

It should be apparent that these are conflicting demands since we can't apportion the lion's share of the

Budget to so many different sectors, especially with scarce resources. Accordingly, we have allocated substantial resources to each of these sectors, consistent with national priorities.

As we look toward 2025, our focus sharpens on fostering a modernized economy, driving digitization, bolstering the manufacturing sector and empowering the energy sector. Through these strategic efforts, we envision an economy that is not only stabilized but also poised to invest in our youth through robust developmental programs and innovative educational systems.

Our unwavering support for the most vulnerable in our society continues, with targeted grants and programs designed to uplift every citizen across all sectors. We are determined to expand our capacity to serve and to capitalize on the socioeconomic advancements that lie ahead, ensuring that when re-elected, we will carry forward the momentum of progress in Trinidad and Tobago.

On that note, the Government currently spends over \$5 billion on social grants every year and at this time, because of our financial situation, it is not possible to increase any of these grants. However, within a few years, as the cross border gas starts to flow and revenues increase, we will improve the situation for the most vulnerable in our society.

Additionally, oil and gas taxation is a very complex area, and as a Government, we must always seek to balance tax incentives with revenue collection, to ensure that we do not find ourselves in the situation that we met in 2015, when a major oil company told us that because of the petroleum tax structure existing at that time, the country would get no revenue from them for 9 years. Accordingly, together with the Minister of Energy and Energy Industries, I will be meeting with the Energy Chamber within the next 3 months, to discuss what can be done, within reason, to stimulate further exploration and production, so that appropriate adjustments can be made to the oil and gas taxation regime in the first quarter of 2025, through a Finance Bill.

In 2025, the Government also plans to reallocate acreage, where feasible, to allow lease operators to produce oil from inactive fields, which have proven reserves of oil and can be quickly brought into production with a proactive programme of drilling.

Madam Speaker, I extend my deepest gratitude to my colleagues for their immense support and insightful policy recommendations, which have been instrumental in accelerating our nation's socioeconomic development. I also wish to acknowledge the valuable input from our stakeholders in both the public and private sectors, whose perspectives have enriched our policy choices and strengthened our resolve. Special thanks go to the dedicated public service officers at the Ministry of Finance, who have gone above and beyond to ensure that this Budget and its associated documents were meticulously prepared, reviewed and delivered to this Parliament on time. The contributions of public officials across various Ministries and Agencies deserve equal recognition and congratulations.

Madam Speaker, I have no doubt that this collective effort will pave the way for a bright and prosperous future for all our citizens.

Madam Speaker, I beg to move.