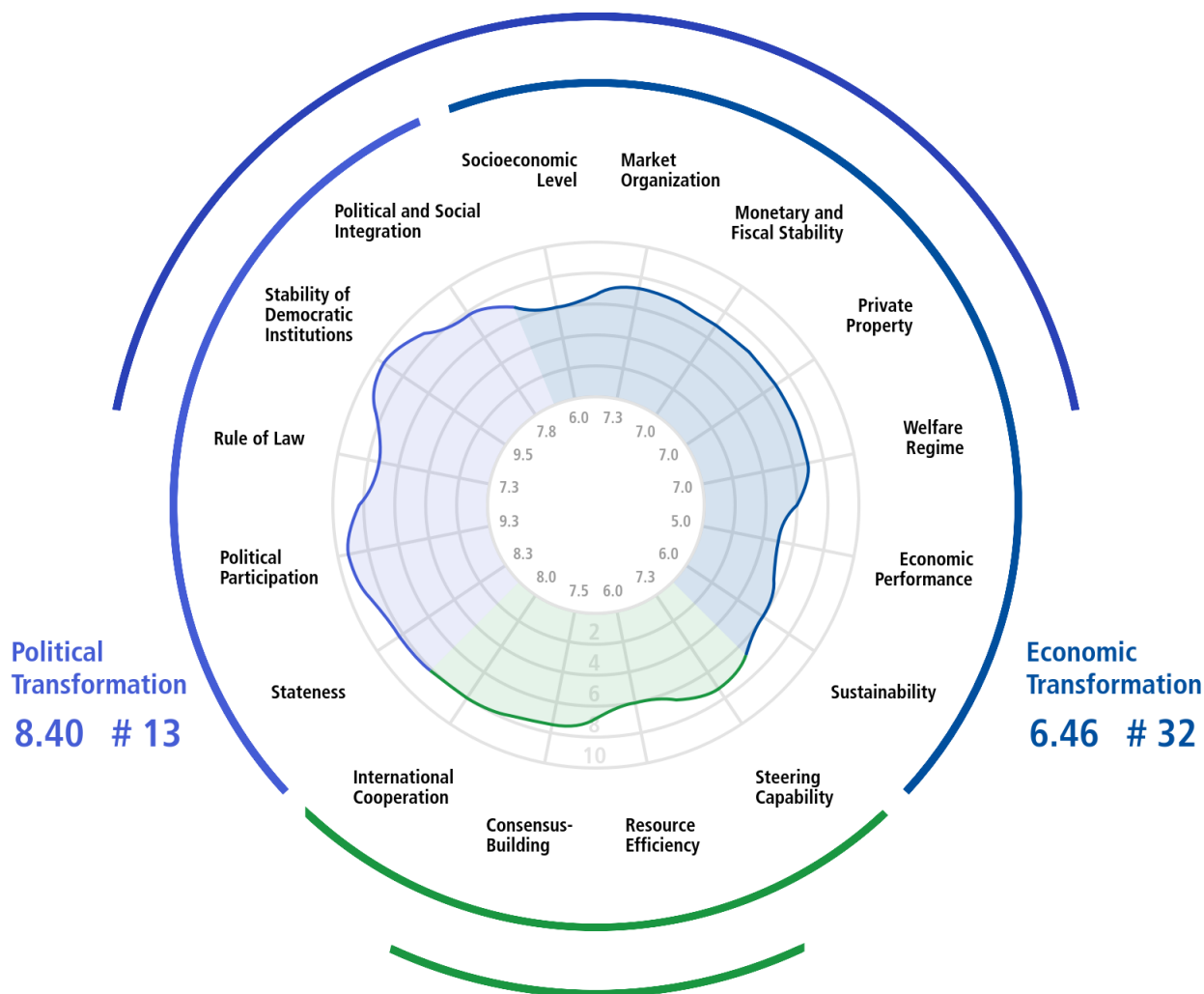


Trinidad and Tobago

Status Index

7.43 # 18

on 1-10 scale out of 137



Political Transformation
8.40 # 13

Economic Transformation
6.46 # 32

Governance Index

6.09 # 24

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2022**. It covers the period from February 1, 2019 to January 31, 2021. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	1.4	HDI	0.796	GDP p.c., PPP \$	25031
Pop. growth ¹	% p.a.	0.3	HDI rank of 189	67	Gini Index	-
Life expectancy	years	73.5	UN Education Index	0.728	Poverty ³	% -
Urban population	%	53.2	Gender inequality ²	0.323	Aid per capita	\$ -

Sources (as of December 2021): The World Bank, World Development Indicators 2021 | UNDP, Human Development Report 2020. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

Trinidad and Tobago continues to operate as a functioning democracy. In the past three years, three elections have been held: the December 2019 local government elections in Trinidad, the national general elections in August 2020, and the Tobago House of Assembly elections in January 2021. The August general election confirmed the majority of the ruling People's National Movement (PNM) against the opposition United National Congress (UNC) and allowed incumbent Prime Minister Keith Rowley to serve another term. The elections were conducted using COVID-19 guidelines, including maintenance of social distancing and the observance of anti-congregation requirements. Nevertheless, there was a spike in infections after the general election which caused the re-introduction of further lockdown measures in August and September 2020.

Economically, the major developments in the review period revolve around the sluggish recovery from the 2015 economic crisis. Until the pandemic began, Trinidad and Tobago was slowly recovering from a deep recession that began in 2015, albeit at a slow pace due to depressed energy export prices that persisted between 2015 and 2020. At \$27,261, GDP per capita (PPP) is now the second highest in the region behind Panama but has fallen from about \$30,000 since 2013. COVID-19 exacerbated weak economic performance and has led to a major contraction of the economy (-7.8%), while the fiscal deficit has ballooned to 11.8% of GDP.

Internationally, Trinidad and Tobago decided to continue recognizing Nicholas Maduro as the president of the Bolivarian Republic of Venezuela and the official representative of Venezuela at the OAS, not Juan Guaidó. As a close neighbor of Venezuela, there are major ongoing energy negotiations between both countries. The twin island state is also struggling to effectively manage the influx of migrants attempting to escape the political and economic crisis in Venezuela. To date, the government of Trinidad and Tobago has registered approximately 16,000 migrants from Venezuela, initially allowing them to stay and work for twelve months, though this was extended by an additional six months. The island nation's recognition of Maduro also contributed to strained relations between Trinidad and Tobago and the USA.

Due to strict and early pandemic measures, such as the border closure on March 23, 2020, a first wave of infections did not begin until August 2020. After peaking in September, it subsided by the end of the year. Despite the impact of the lockdown on economic performance and the national budget, the shock caused by the pandemic was relatively small, including comparatively low infection and mortality rates through January 2021. The government did not declare a state of emergency, but instead used existing provisions to implement pandemic measures. The deficit created by spending on measures against COVID-19 and the drop in production was partially offset by withdrawals from the Heritage and Stabilization Fund, which helped to act swiftly and help counteract the impact.

History and Characteristics of Transformation

Trinidad and Tobago has been a stable democracy since independence, albeit with some political turbulence in the almost six decades since 1962. Trinidad and Tobago were initially Spanish colonies, and then separate British colonies from the beginning of the 19th century until unification in 1899. One legacy of colonialism is the unique structure of the population: while the indigenous population was almost wiped out, the era of slavery brought an enormous influx of black Africans. After the abolition of slavery in 1833, the British hired workers from their “East Asian” (South Asian) colonies, mainly from India. Today, about 38% of Trinidadians and Tobagonians identify themselves as having Indian descent, about 36% as having African descent and the remaining about 24% as having “mixed” ethnic heritage (a small minority of citizens are Indian, European, Chinese and Arab). Trinidad and Tobago declared its independence as a sovereign nation in 1962. Queen Elizabeth II remained head of state until 1976, when the country became a republic, but maintained the Judicial Committee of the Privy Council as its final appellate court.

The People’s National Movement (PNM) dominated the political scene until 1986, when the victory of the National Alliance for Reconstruction (NAR) – an alliance composed of PNM dissidents and other opposition parties – brought the first change of government. Since then, there have been five changes of government with peaceful transfers of power after general elections: in 1991 (back to the PNM), 1995 (to the United National Congress, the UNC, allied with the NAR), 2001 (back to PNM), 2010 (to the People’s Partnership government, an alliance led by the UNC) and 2015 (back to the PNM again). A major incident was the coup attempt by an extremist black Muslim group, Jamaat al Muslimeen, which seized the parliament and the national television broadcasting service in 1990 for six days in an effort to overthrow the NAR government. While the attack ultimately failed, the group ended up receiving an amnesty that was negotiated during the crisis. The 2000s then saw further democratic stabilization, though several problems (e.g., corruption and crime) have persisted.

For a long time, the dominant economic philosophy was one of state control, which emerged in the early 1970s under the PNM. In its Chaguaramas Declaration of 1970, the PNM rejected both liberal capitalism and communist organization of the economy and the society and proposed a third way – popular at that time in many developing countries – with strong state participation in

the economy and a focus on national sovereignty. The first steps to implement this model were the creation of the National Petroleum Marketing Corporation (NP) in 1972 and the nationalization of the Shell Oil refinery in Point Fortin on Independence Day in 1974. This policy was deepened during the oil boom of the 1970s with the creation of the National Gas Company (NGC) in 1975 and continued during the downturn in the 1980s when the Texaco refinery was nationalized in 1985.

Trinidad and Tobago developed an undiversified economy without economies of scale, while overdependence on oil and gas further impeded private sector development. Neoliberal market restructuring began in the 1980s, when the country was forced to accept neoliberal policies embedded in structural adjustment loans from the IMF in the wake of declining oil prices and the adverse effects this had on the economy. While high oil prices in the 1970s induced considerable state-financed development, their decline in the 1980s shook the economy – and the economic model – fundamentally. In the 2000s, the country benefited from another oil boom, which confirmed the petroleum industry as the most important sector of the economy (about 40 % of GDP) and contributed to the establishment of the Heritage & Stabilization Fund in 2007; more recently, liquefied natural gas production took the lead. Efforts to diversify the economy have been placed on the government's agenda, as have occasional privatizations and IPOs of various state-owned enterprises. The government's decision to close the state oil company, PETROTRIN, in 2018 and its uncertain decision-making on selling the refinery to a company owned by the union that represented PETROTRIN's former employees is indicative of a botched privatization.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

There is no severe competition with the state's monopoly on the use of force throughout the entire country. Politically speaking, Trinidad and Tobago is a twin island archipelagic state. There are no private militias or guerrillas who challenge the state's authority. The most common challenge to the state's monopoly on the use of force is from institutions representing organized crime, primarily criminal gangs. According to Insight Crime, there is still a high level of homicides, partly related to drug-trafficking and other activities related to organized crime. For 2020, Insight Crime reports a homicide rate of 28.2 per 100,000, which represents a significant decrease compared to 2019, one of the deadliest years in the country's history. Nevertheless, it is still the fourth-highest level in the region, only surpassed by Jamaica, Venezuela and Honduras. There are only a few countries in the world which exceed such a rate, indicating that the state might have at least one problem here.

The population accepts the nation-state as legitimate. All individuals and groups enjoy the right to acquire citizenship without discrimination. There are no hindrances for anyone born in Trinidad and Tobago to acquire citizenship either by birth or descent or through marriage or extended residency.

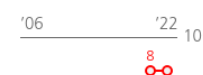
Notwithstanding, due to its British colonial history with first African slaves and then Indian contract workers brought to the islands, Trinidad and Tobago is divided along ethnic and racial lines that impact views of the state. Political parties, and by extension governments, are seen to (crudely) represent racial groups. The UNC is seen as the Indian party and thereby became the Indian government when they came to power. The PNM (even with some East Indian members in parliament) is seen to represent the interests of Afro-Trinidadians.

In a nutshell, although citizens mix otherwise, sharp divisions along ethno-political lines remain. This is compounded by that fact the economic sector is largely dominated not by Afro-Trinidadians, but instead by Syrians, whites and people with

Question
Score

Monopoly on the
use of force

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State identity

9



East Indian heritage. There are reports of favors and preference given to a particular race when “their” government is in power. In addition, some people identify with their place of ancestry or origin. Some Indo-Trinidadians identify with India as much as they do Trinidad, and some Afro-Trinidadians identify with Africa and aspire to return to Africa.

Relative to the population, Trinidad and Tobago has the highest percentage of ISIS fighters in the world; though few in absolute terms (estimated between 130 and 240 persons), this phenomenon casts some doubt on the integration capacity of the nation-state. Threats will arise whether the state puts returning ISIS terrorists on trial or simply permits them to blend back into society.

The state is secular. Religious dogmas have no noteworthy influence on legal order or political institutions. There are no religious conflicts between the diverse religious groups (Christian, Hindu and Muslim) that comprise the population of Trinidad and Tobago. Additionally, there is an Inter-Religious Organization (IRO) that was formed in 1973 whereby all the leaders of the groups sit together to discuss ecclesiastical affairs and the chairmanship rotates among them annually.

Nevertheless, religious groups, including Christian churches, wield considerable influence in society. They also act as interest groups, in particular with regard to issues such as abortion and homosexuality, a phenomenon widely observed in the socially rather conservative Caribbean and other LAC nations. However, in 2018, a high court judge ruled in favor of overturning sodomy laws that had been in place since colonial rule of the twin island state. The ruling, which is likely to be appealed at the Privy Council, underscores the rule of law and the independence of the judiciary in Trinidad and Tobago, but also the difficulties faced by a secular jurisdiction with religiously fed and deeply rooted social norms.

The flight of a proportionally very high number local Muslims overseas to join ISIS (see “state identity”) has also served to shape the local policy landscape in a variety of ways. It has certainly drawn attention to the responsiveness of local political parties to the social concerns of local Muslim populations.

The administrative structures of the state provide most basic public services throughout the country, but their operation is somewhat deficient. The state administration is established in the British colonial tradition of a career civil service that is appointed, promoted, transferred and disciplined by an independent Public Service Commission. However, these structures do not always function as they need to, and access to services is not always equitable to the poor and vulnerable because of nepotism, favoritism and corruption, including bribery. In 2015, 95% of the population had access to an improved water source, and 92% had access to improved sanitation facilities, (i.e., both on a similar level to Cuba), though more than half of the population uses water from their own storage tanks. Though there are parts of the country where there is no electricity supply, 90% of the population has access to electricity.

No interference of religious dogmas

9

'06 _____ '22 10
9

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Basic administration

7

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It should be noted that the provision of government services (with the exception of waste collection, but not disposal and treatment) are very centralized. The central government therefore exercises direct control of the provision of utility services to the population. Attempts to improve service delivery are therefore heavily influenced by political considerations, usually to the detriment of service quality.

Services in basic infrastructure have not been limited or disrupted due to COVID-19, at least not for longer or enduring periods of time. There was a lockdown period for all educational institutions that started from March 14, 2020 and then a more general lockdown, starting with the closure of the borders from March 23, 2020, and followed by a general lockdown from March 30, 2020. This period of lockdown lasted until the end of phase 5 of the reopening schedule which saw the return of the public service to work from June 22, 2020 and a general relaxation of the COVID-19 restrictions.

2 | Political Participation

Elections held regularly since independence in 1962 have mostly been both free and fair, including universal suffrage and secret ballots. There have been six changes of government since then with peaceful transfers of power after general elections in 1986, 1991, 1995, 2001, 2010 and 2015. The Elections and Boundaries Commission (EBC), which is tasked with organizing elections, acts impartially and effectively, and is generally trusted by the public to fulfill its mandate.

A general election was held on August 10, 2020, notwithstanding the COVID-19 pandemic. All protocols were observed for conducting the election and for the swearing in of ministers afterwards as well as for the convening of the national parliament. The conduct of the general election was free and fair, including equal media access. There were recounts requested by the UNC, which was the opposing party to the governing PNM. After those recounts, the official results were tabulated and a swearing-in ceremony was held at the President's House on August 19, 2020, for Prime Minister Dr. Keith Rowley, who was re-appointed, and for the members of his Cabinet.

Democratically elected political representatives have the effective power to govern. No individual or group holds de facto veto power. There are no known cases of an economic, military or political actor or group exercising veto power over political democratic procedures. Trinidad and Tobago and the rest of the Anglophone Caribbean generally have a legacy of stable democracies with functioning and vibrant opposition parties that act as guardians of democracy and democratic procedures. This includes monitoring elections and nominations of top officials. However, economic interests exercise influence by granting favors to the political elite, who can in turn receive privileges that alter the state's agenda. A case in point was when Jack Warner accused Kamala Persad-Bissessar of accepting favors from him during the 2010 election campaign.

Free and fair elections

10



Effective power to govern

9



Freedom of association and assembly are not challenged in Trinidad and Tobago. They are guaranteed in Section 4 of the constitution, and Section 14 of the constitution specifies the provisions for enforcing these freedoms. Groups are able to operate free from unwarranted state intrusion or interference in their affairs. Holding public meetings requires permission from the commissioner of police, but these are usually granted.

No government has used intimidation, harassment or threats of retaliation to prevent citizens from exercising their constitutional rights to association and assembly. The commissioner of police uses transparent and non-discriminatory criteria to evaluate requests for permits to associate and/or assemble. The commissioner of police may refuse permission if, in his opinion, the event poses a threat to national security.

In handling the COVID-19 pandemic from a legal perspective, Trinidad and Tobago did not invoke a state of emergency, but rather used its Bill of Rights, which has built-in features that allow human rights provisions to be sidestepped. Mass protests and the right of assembly have not been restricted. However, the authorities have tried to enforce public health regulations related to social distancing at such events, with mixed success.

Protests related to the Black Lives Matter movement resulted in clashes with the police. There were reports of the disproportionate use of force at these public demonstrations. One such clash in a low-income community resulted in the death of an unarmed pregnant woman of color, allegedly at the hands of a police officer.

There are no tangible or legal restrictions on the freedom of speech. Freedom of expression is guaranteed against interference or government restrictions. Individuals, groups and the press can fully exercise these rights. These guarantees are specifically listed in Section 4 of the constitution, including a specific reference to freedom of the press in Section 4(k). The existence of the right to challenge the state on the grounds of infringement on human rights contained in Section 4 and 5 of the constitution, by way of an originating motion before the courts as provided in Section 14 of the constitution, has been used from time to time to secure those rights. Colonial-era laws on sedition still exist, but the offence of criminal libel was removed in 2014.

Freedom of Information (FOI) provisions have produced mixed results - based on different interpretations of what constitutes public vs private information. FOI applicants are received and processed, but there have been reports of long delays, and of applicants needing to appeal to the courts to receive the requested information.

There is a combination of state- and privately-owned media outlets, which for the most part allow for plurality of perspectives. In fact, according to the BBC, the privately owned TV 6 dominates media ratings. However, it has been reported that media houses perceived to be pro-government receive a larger share of state advertising. Trinidad and Tobago ranks high in freedom of press indices, such as Reporters Without Borders' 2020 World Press Freedom Index (36 out of 180 countries, fourth in the region), at a similar level to the UK.

Association /
assembly rights

9



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Freedom of
expression

9



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3 | Rule of Law

The separation of powers is in place and functioning. Checks and balances are occasionally subject to interference, but a restoration of balance is sought. As a Westminster-Whitehall democracy, Trinidad and Tobago has a separation of powers that only has one overlap, which is between the legislature and the executive. The prime minister is chosen from among elected members of parliament in the House of Representatives. Other ministers are chosen from among either elected members of parliament or the nominated senators. In theory and in practice, courts have served as a useful check and balance on the power of the state, especially in light of COVID-19, where persons sought to challenge the actions of the state.

In fact, there is relative dominance of the executive over parliament. This is due, on the one hand, to the fact that a large number of members of parliament from the ruling party also hold government functions, and, on the other hand, to the organizational discrepancy between the two powers and the resulting de facto weakness of parliament's oversight function vis-à-vis the government. Despite improvements in recent years, the effectiveness of oversight, though constitutionally guaranteed and de facto operating, is considered moderate. Supervision is perceived as insufficiently independent, also due to relatively high party discipline.

During the COVID-19 pandemic, no state of emergency was declared. However, the Public Health Ordinance 1915 as amended was used as an existing law (a law in force at the commencement of the republican constitution in 1976) to have the minister of health make public health regulations that were updated from time to time as required. These regulations were not reviewable by parliament, although a judge did comment that it would have been helpful if the regulations could have had the benefit of parliamentary scrutiny. Parliamentary functions were switched to reflect COVID-19 protocols, with all sittings of both houses of parliament being conducted with social distancing protocols and the use of plexiglass enclosures on either side of the house (government and opposition) to permit speaking and advocacy. Voice votes continued to be taken in person, especially when divisions were required to be recorded. The judiciary shifted its operations to virtual proceedings.

The judiciary is largely independent, but at times subject to political pressure and corruption. The justice system is sufficiently differentiated, composed of higher and subordinate courts (Courts of Summary Criminal Jurisdiction, Petty Civil Courts, Family Court). The Supreme Court of Judicature consists of the High Court and the Court of Appeal, both headed by the chief justice. The mechanisms for judicial review of legislative and executive acts are strengthened by the fact that the Judicial Committee of the Privy Council in the United Kingdom is the final court of appeal. The Supreme Court's chief justice is appointed by the president after consultation with the prime minister and the parliamentary opposition leader. The remaining

Separation of powers

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Independent judiciary

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judges are appointed by the Judicial and Legal Services Commission (JLSC), headed by the chief justice and five members with judicial experience; all judges serve for life with mandatory retirement at age 65.

Though there were controversies that affected the Chief Justice, the Prime Minister declined to recommend his suspension and investigation by a tribunal. This was controversial, but the power of suspension of the Chief Justice lies with the Prime Minister. There is a concern that the Chief Justice may become beholden to the Prime Minister by virtue of his decision not to proceed against the Chief Justice.

There was a major discrepancy in the composition of the JLSC that was identified in the case of *Attorney General of Trinidad and Tobago v. Maharaj* (2019) UKPC 6. That judgment was delivered in February 2019 and pertained to a matter that commenced in June 2017, in which the proposed appointments of two new judges by the president on the advice of the JLSC was challenged on the grounds that the JLSC was improperly constituted. The Privy Council overturned the decision of the Court of Appeal of Trinidad and Tobago and declared that the JLSC had been improperly constituted for almost a decade. The decision did not address the question of judges who were sworn into office after the Court of Appeal's decision in June 2017.

As for the functioning of the judiciary, the judicial system is often perceived as corrupt and suffering from judicial inefficiencies. It also has a huge backlog of pending cases. In addition, a 2018 study by the Judicial Education Institute on procedural fairness in the judiciary concluded that the four main categories investigated – voice, neutrality, respectful treatment, and trustworthy authorities – do exist to some degree in the court systems of the judiciary, but that the procedural fairness of these four elements is “alarmingly low.”

Despite frequent reports of corruption, officeholders who break the law and engage in corruption are not adequately prosecuted but do occasionally attract adverse publicity. Former officials from the government that held office from 2010 to 2015 and a former minister from the succeeding government (2015 – 2020) were charged with offences of corruption in public office. Neither of these cases has commenced in earnest. Given the public interest in these matters, this is an indictment on the judicial system.

The law prescribes criminal sanctions for acts of corruption by civil servants, but the government has not effectively implemented the law. Reports of government corruption have repeatedly surfaced, such as ministers using their office for personal gain; the 2017 to 2018 Global Competitiveness Report ranked corruption as the third-greatest impediment to doing business in the country.

Overall, prosecution for corruption is rare. Even when persons have been suspected of, or even charged with corrupt or illegal acts, long, circuitous proceedings preclude any meaningful action. As an example, two businessmen were charged by the U.S.

Prosecution of
office abuse

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Department of Justice for corrupt activities related to a government project focused on the construction of an airport. The two businessmen have succeeded in stalling local charges and legal proceedings as well as their extradition to the U.S. through a long, circuitous legal process.

Civil rights are codified by law and respected by all state institutions, which actively prevent discrimination. Residents are effectively protected by mechanisms and institutions established to prosecute, punish and redress violations of their rights.

The protection of fundamental rights and freedoms are guaranteed by Chapter One of the Constitution. Trinidad and Tobago has modeled its Bill of Rights after the Canadian Bill of Rights of 1960 whereby the rights and freedoms are initially guaranteed in absolute terms (Sections 4 and 5 of the constitution), with exceptions to these rights and freedoms granted through (i) existing laws (s. 6), (ii) states of emergency (ss. 7-12) and (iii) exceptions for certain legislation (s. 13). Trinidad and Tobago still retains the death penalty, though it has not been applied since 1999. There are, however, calls for enforcement of the death penalty due to increased murder rates in recent years.

The enforcement of protective provisions is guaranteed by Section 14 of the Constitution. Residents are generally protected by mechanisms established to prosecute, punish and redress violations of their rights. The establishment of an Equal Opportunity Commission in 2008 raised the profile of anti-discrimination activity on the part of the state. However, racial disparities persist. Discrimination and violence against the LGBTQ+ community are not addressed adequately. The High Court of Justice in Trinidad and Tobago ruled on April 12, 2018 that the country's laws criminalizing same-sex intimacy between consenting adults were unconstitutional. Rape and sexual harassment of women are still major problems.

There have been reports in the press of police abuse and excessive use of force, but steps are taken to investigate and sanction those responsible. Conditions in prisons are for the most part inadequate, due to overcrowding and poor sanitation. Part of the problem stems from deficiencies in the judicial system, leading to a significant backlog for trials and lengthy pretrial detentions. In early February 2021, HRW sharply criticized the Rowley government for its treatment of Venezuelan migrants and refugees and its deportations of Venezuelans, including children and asylum seekers, adding that these "are not only egregious rights violations but also a sad reminder of its unswerving allegiance to the Nicolás Maduro government." The country's elevated homicide rate remains unresolved. Though decreasing in 2020 to a rate of 28.2 per 100,000, this is still the fourth-highest level in the region.

The government has used Section 6 in relation to existing laws to enforce COVID-19 restrictions through the use of the 1915 Public Health Ordinance, which is a law in force at the commencement of the Republican Constitution on August 1, 1976. The method used was to have the minister of health make public health regulations under

Civil rights

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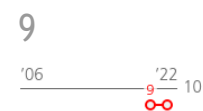
the authority of the 1915 Public Health Ordinance, which were varied from time to time during the period of the pandemic and up to the time of writing. These regulations, by virtue of being made under the authority of legislation that was considered an exception to the human rights provisions, allowed enforceability without legal challenge using the ground of constitutional violation.

4 | Stability of Democratic Institutions

Democratic institutions exist, perform their functions effectively and are free from extensive, counterproductive friction. The democratic institutions in Trinidad and Tobago include national ones such as the Cabinet, the regional corporations in Trinidad, and the Tobago House of Assembly, the national parliament, the judiciary and the public administration. As a rule, political decisions are prepared, made, implemented and reviewed in legitimate procedures by the appropriate authorities. The executive, the legislature and the judiciary all function in a manner that permits the daily discharge of the duties that they are expected to perform, despite corruption and a certain weakness of parliamentary oversight of the executive.

All democratic institutions are accepted as legitimate by all relevant actors. There was no state of emergency declared by the government to handle the COVID-19 pandemic.

Performance of democratic institutions



Commitment to democratic institutions



5 | Political and Social Integration

The party system is fairly stable and socially rooted, with low fragmentation, moderate voter volatility and moderate polarization. There is de facto a two-party system with two dominant political parties, consisting of the incumbent People's National Movement (PNM) and the United National Congress (UNC), which in the past formed an electoral coalition (People's Partnership) with Congress of the People (COP), National Joint Action Committee (NJAC) and Tobago Organization of the People (TOP). However, that partnership has now expired. There is a large bulk of smaller parties which realistically have no chance to win representation in parliament, given the majority/winner-takes all electoral system (first-past-the-post voting in single-member constituencies). Local elections are an exception.

In the 2015 elections, PNM returned to power after being defeated in 2010, with 23 of 41 seats. People's Partnership lost elections with the remaining 18 (UNC: 17 seats;

Party system



COP: 1). In the 2020 elections, the incumbent PNM won 22 seats, while UNC won 19. Accordingly, the effective number of parties in parliament is a mere 2.05, indicating rather low fragmentation. However, the overall voter turnout in 2020 was 58.04%, which could be symptomatic of wider voter disaffection.

The political agendas of the two major parties, the UNC and the PNM, can hardly be distinguished; both can be classified roughly as center-left. While the UNC traditionally tends to be classified as an Indo-Trinidadian party, Afro-Trinidadians and Tobagonians are largely considered the base of the PNM. However, racial differences do not play a dominant role, even though this is occasionally brought up, especially in election campaigns. The issues of economics and security are more decisive. Though voting behavior has demonstrated some racial preferences, there are swing voters in marginal constituencies who can make the difference from election to election.

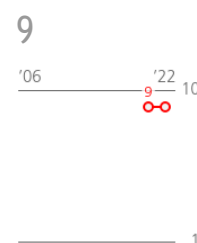
Political parties have not been explicitly based on religion in the contemporary era and none has sought to especially advance the concerns of particular religious groups. At the same time, parties are indirectly divided along religious lines by virtue of the fact that ethnic groups dominate particular religious groups (e.g., Indo-Trinidadians (Muslim, Hindu, Presbyterian) and Afro-Trinidadians (Protestant)). There are no reports on clientelism.

The campaign finance mechanisms are relatively unregulated. The government brought to parliament legislation that was designed to regulate campaign financing. The bill was brought before the parliament just before it was dissolved in July 2020, and the bill lapsed. Upon the reopening of the new parliament in August 2020, the exact same bill was brought back to parliament and has been sent to a joint select committee.

There is a broad range of interest groups that reflect competing social interests, tend to balance one another and are often cooperative. These interest groups include trade unions, social movements, community organizations, and single interest groups. These groups permit a high level of collaboration across interests and wide expression of views. Trinidad and Tobago has a very high degree of interest group participation. These groups range from long-standing ones like the Trinidad and Tobago Chamber of Industry and Commerce to the Trinidad and Tobago Field Naturalists Club to special or single-issue groups that arise from time to time, depending upon current issues. A variety of groups that are political in nature (such as human rights advocacy groups) also exist and freely engage in debate.

Large business associations, like the Trinidad and Tobago Chamber of Industry and Commerce, as well as large trade unions, can at times dominate the policy landscape and public discourse. The ability of powerful trade unions to disrupt business operations and bring many activities to a standstill by withholding labor is also a significant consideration. These overall moderate levels of friction between

Interest groups



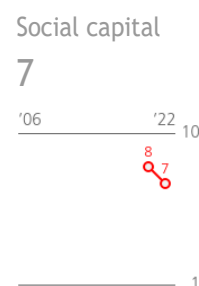
employers/the private sector and trade unions led the government to establish a National Tripartite Advisory Council that contains representatives of government, the private sector and the labor movement.

In this regard, it should be noted that there are long-standing trade unions such as the Oilfields Workers’ Trade Union (OWTU) that formed in 1937 and the All-Trinidad Sugar and General Workers’ Trade Union (ATSGWTU) that formed the same year - prior to the nation’s independence from Great Britain in 1962. Today, the OWTU is the dominant partner in the Joint Trade Union Movement (JTUM), while the ATSGWTU belongs to a different umbrella group called the National Trade Union Center (NATUC).

Approval of democratic norms and procedures is high. There is a reasonably high degree of participation in civil society activities which reflects trust in the system of interest articulation. There are no recent comparable data on support for democracy. The most recent Latin American Public Opinion Project (LAPOP) report on the country dates from 2010. It concludes that democracy was considered the only legitimate form of government for Trinidad and Tobago and that the existing constitutional mechanisms and procedures were unconditionally accepted by the citizenry. There are no hints that approval of democratic norms and procedures has changed since. This may also be confirmed by the fact that there have been subsequent elections and six changes of government in Trinidad and Tobago since independence in 1962.

The World Value Survey (wave six: 2010–2014) demonstrates that trust in democratic institutions was moderate at about 30%, with the exception of political parties: government 34.9%, parliament 25.9%, courts 31.2%, civil service 31.9%, political parties 21.8% and police 28.0%. The armed forces were trusted slightly above average (40.0%), while 29.4% of respondents trusted the press. However, the 2020 Legatum Prosperity Index ranks the country rather low at 161 out of 167 concerning “institutional trust,” which captures the degree to which individuals trust their institutions.

There is a fairly high level of trust among the population and a substantial number of autonomous, self-organized groups, associations and organizations. This has come about largely because the society is pluralistic and the diversity of groups is reflective of that. There are several types of voluntary and autonomous organizations of cultural, environmental or social associations that co-exist peacefully. They hold divergent perspectives on issues, but this does not result in conflict or violence. A variety of civic groups work in alleviating poverty, providing support to sickly and impoverished children, aiding women’s empowerment, and promoting gender equality and justice. In the 2020 Legatum Prosperity Index, the country remains near the median with a rank of 86 out of 167 countries for social capital, which measures the strength of personal and family relationships, social networks, interpersonal trust, institutional trust, and civic and social participation. While interpersonal trust is



rather low (a rank of 129), personal and family relationships (a rank of 51) and above all participation (a rank of 38) are rather high.

The lack of interpersonal trust cannot be understated. It undermines cooperation between self-organized groups and associations. While there are a growing number of civil society groups seeking to mutually support various causes, a lack of trust contributes to fragmentation and at times weakens attempts to cooperate and enter into partnerships.

The COVID-19 pandemic restrictions have largely been accepted by the population. There have been instances of private parties, illegal selling of alcohol, excessive congregation in some business places, etc. However, these have all been addressed by law enforcement. A major controversy has revolved around the extent to which law enforcement authorities can enter private property to curtail congregational activities.

II. Economic Transformation

6 | Level of Socioeconomic Development

Poverty and inequality are moderate and slightly structurally ingrained. Trinidad and Tobago's Human Development Index value has been almost stagnant since 2010, but still represents the sixth-highest in the region at 0.796 in 2019. This puts the country in the high human development category at an unchanged rank 67 worldwide, just below the "very high human development" threshold.

The GDP per capita of \$27,334 (PPP; 2019), though slightly shrinking since 2011, is still the second-highest in Latin America and the Caribbean behind Panama, due to gas revenues. Life expectancy at birth and expected years of schooling remained stable over the period at approximately 71 and 13 years, respectively. There is still a sizable population living in poverty, about 20% according to the most recent official estimates (2014). According to the 2020 Human Development Report for Trinidad and Tobago, the most recent data on multidimensional poverty date from 2011, indicating that then 0.6% of the population (9,000 people) were multidimensionally poor, while an additional 3.7% were classified as vulnerable to multidimensional poverty (51,000). According to the Borgen Project, the number of vulnerable individuals and the percentage of people living in homelessness increased due to the economic effects of the pandemic; many people lost their jobs and fell below the minimum wage threshold.

Trinidad and Tobago's GII value was 0.323, comparable to those of Mexico and Argentina, ranking it 73 out of 162 countries in the 2019 index and indicating medium gender inequality; there has been a slight improvement throughout the previous

Question
Score

Socioeconomic
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decade. However, the HDI value for women was 0.796 in contrast with 0.793 for men, resulting in a GDI value of 1.003 and placing it into Group 1, that is among the countries with high equality in HDI achievements between women and men. The overall loss in HDI due to inequality (IHDI) was not calculated recently, but was about 15% throughout the decade until 2015, then placing it between Argentina (about 14%) and Chile (about 16%).

Economic indicators		2017	2018	2019	2020
GDP	\$ M	22385.4	23679.9	23208.3	21529.8
GDP growth	%	-3.0	0.1	-1.2	-7.8
Inflation (CPI)	%	1.9	1.0	1.0	0.6
Unemployment	%	3.3	3.4	3.5	6.7
Foreign direct investment	% of GDP	-2.1	-3.0	0.8	-
Export growth	%	-	-	-	-
Import growth	%	-	-	-	-
Current account balance	\$ M	1409.1	1612.6	1056.0	-
Public debt	% of GDP	42.6	42.4	46.5	59.3
External debt	\$ M	-	-	-	-
Total debt service	\$ M	-	-	-	-
Net lending/borrowing	% of GDP	-6.8	-3.4	-	-
Tax revenue	% of GDP	19.6	20.0	-	-
Government consumption	% of GDP	-	-	-	-
Public education spending	% of GDP	3.6	3.3	3.6	-
Public health spending	% of GDP	3.7	3.4	-	-
R&D expenditure	% of GDP	0.1	0.1	-	-
Military expenditure	% of GDP	0.9	0.7	0.7	0.7

Sources (as of December 2021): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Trinidad and Tobago's economy lacks diversification and economies of scale, while overdependence on oil and gas continues to hamper private sector development. Market competition has a sound institutional framework, but the rules are not consistent or always uniform for all market participants. The institutional framework for market competition is the Trinidad and Tobago Fair Trade Act of 2006, which provides for the establishment of a Fair Trading Commission to promote and maintain fair competition in business and related matters. Part II of the Act provides for the establishment, powers and functions of the Fair Trading Commission and Part III deals with mergers, anti-competitive agreements or practices and monopolies.

However, the regulatory system partly lacks transparency and clarity, as well as consistent enforcement. According to Doing Business 2020, Trinidad and Tobago ranks 105 out of 190 economies on the ease of doing business, a deterioration from 96 in 2017. The current rank is significantly worse than its 2012 rank of 68 (out of 187), mainly because other countries have more rapidly progressed and surpassed Trinidad and Tobago. Starting a business takes 10.5 days and seven procedures with a cost of 0.7% of GNI per capita. Though considerably improving since 2012 (9 days/43 procedures/cost of 0.9%) its rank worsened slightly from 74/187 to 79/190. In many sectors, prices are determined by market forces. However, there are a number of cases where prices – especially for factors of production – are distorted by subsidies. In this regard, at present, applicable charges for water, electricity and waste collection, disposal and treatment are all subsidized.

According to the U.S. 2020 Investment Climate Statements, the investment climate in Trinidad and Tobago is generally open with no foreign ownership limits. Foreign investors may own the total share capital of a private company, but a license is required to own more than 30% of a public enterprise. Major issues affecting companies – besides corruption and crime – include an ongoing foreign exchange shortage, inefficient and complicated government bureaucracy, a lack of transparency in public procurement, and time-consuming resolution of legal conflicts, such as the enforcement of contracts. Some government services have been digitized, but progress is slow.

Moreover, some foreign investors have reported problems competing with state-owned enterprises or locally-based companies with political influence. Doing Business 2020 ranks Trinidad and Tobago at 174 out of 190 countries for enforcing contracts, largely because of the long duration of proceedings (1,340 days). According to an IDB study in 2017, the informal sector amounts to about 30% of GDP.

Market
organization

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Competition laws to prevent monopolistic structures and conduct exist but are enforced inconsistently. A Fair Trading Act was enacted in 2006 and a Fair Trading Commission was appointed in 2014. The Fair Trading Act created an institutional framework for the enforcement of competition policy addressing: (i) the abuse of monopoly power whereby a dominant position means control of more than 40% of market share; (ii) anti-competitive mergers; and (iii) anti-competitive agreements. The act explicitly prohibits resale price maintenance, price-fixing, collusion, cartels and bid rigging. It does not apply to certain sectors such as securities, telecommunications and banking, as these are regulated by other agencies.

However, between 2014 and 2020, only those parts of the act addressing the establishment, powers and functions of the Fair Trading Commission (FTC) had been implemented, which includes the appointment of commissioners and other key staff. It was not until February 2020 that the FTC was given its full complement of legal powers when the Free Trading Bill of 2006 was fully proclaimed on February 10, 2020. Given this state of affairs, no cases have been reported by the FTC at the time of this writing (January 2021).

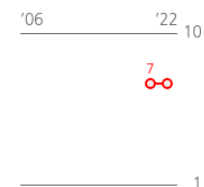
If at full function, the Fair Trading Commission will have authority to: (i) promote and maintain effective competition; (ii) ensure that all legitimate business enterprises have an equal opportunity to participate in the economy; (iii) prevent anti-competitive conduct; (iv) take action against anti-competitive practices. The powers of the commission include the power (i) to carry out investigations, (ii) to summon and examine witnesses, (iii) to call for and require the production of and examination of documents and (iv) to direct any business to take certain measures steps to rectify certain situations. The commission also has powers to take any business or individual to court for anti-competitive practices. However, the Commission has noted publicly that it views its role not merely as being an enforcer of the law, but also as that of an educator and advocate.

According to the Global Competitiveness Report 2019, Trinidad and Tobago ranked 112 out of 141 countries in domestic competition, 123 in the extent of market dominance and 97 concerning the distortive effect of taxes and subsidies on competition.

Foreign trade is widely liberalized, with uniform, low tariffs and some non-tariff barriers. Most trade barriers have been eliminated, with only a small number of products requiring import licenses or being subject to import surcharges; a VAT of 12.5% is imposed on dutiable goods. Apart from basing its relative wealth on energy exports – which make up about 40% of GDP – Trinidad and Tobago is among the world's largest exporters of ammonia, methanol and liquefied natural gas. Trinidad and Tobago is a member of the Caribbean Community (CARICOM) and applies the CARICOM Common External Tariff (CET), with certain exceptions. The simple

Competition policy

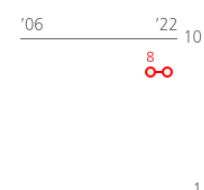
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Liberalization of foreign trade

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average MFN applied tariff has been 8.1% in 2018, with 18.1% for agricultural and 6.5% for non-agricultural products.

Trinidad and Tobago has signed several free trade agreements that have facilitated increasing liberalization of the economy, including the CARIFORUM – EU Economic Partnership Agreement in 2008. Trinidad and Tobago is a member of CARIFORUM. Trinidad and Tobago has also signed free trade agreements with Cuba, Dominican Republic, Venezuela, Panama, Colombia, Guatemala, El Salvador and Costa Rica.

The removal of non-tariff barriers (technical barriers to trade) has been ongoing in the CARICOM to meet the requirements of the Agreement on Technical Barriers to Trade and fulfill WTO commitments. Liberalization of the economy is further facilitated via the CARICOM Single Market and Economy (CSME). The CSME seeks to implement free movement of goods, people, services and capital within CARICOM, though this effort has stagnated for years.

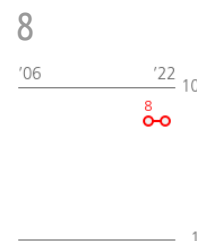
On March 23, 2020, Trinidad and Tobago's borders were closed because of COVID-19. At the time of writing, they have not yet been reopened. The impact of this on foreign trade has not been assessed as yet.

At least until the pandemic began, the banking system has been solid, considered well-capitalized and profitable, and oriented toward international standards with functional banking supervision and minimum capital equity requirements. Capital markets are open to domestic and foreign capital with sufficient resilience to cope with sudden stops and capital flow reversals. According to the IMF (October 2020, but referring to the pre-COVID-19 period), non-performing loans-to-gross loans decreased from 5.3% in 2012 to about 4% in 2014 and about 3% in 2019. The regulatory capital to risk-weighted assets remained at a level of roughly 21%-22% since 2014, reaching 21.4% in 2019 (second quarter). WDI indicate a bank capital to assets ratio of 13.2% in 2017 and 12.1% in 2018.

According to the 2020 IMF report, the banking system was well capitalized and liquid but exposed to sovereign risk and potential liquidity risks stemming from non-bank financial entities. Stress would suggest that under further strong deterioration of macrofinancial conditions, some banks could breach their minimum capital requirements or face liquidity pressures in the event of a run on investment funds. Financial vulnerabilities include rising household debt, sovereign exposures, potential spillovers from natural disasters or sovereign shocks in the region. The IMF also remarks that regulatory and resolution frameworks would not represent best practice, exposing the authorities to a continuing risk of bailouts.

In 2018, an insurance bill was enacted that aimed to equip the central bank with powers required to more effectively supervise and regulate the sector, and protect the interests of policyholders. Moreover, the implementation of Basel II/III continues to

Banking system



be a key strategic priority for the central bank to enhance the robustness of the capital framework for licensees and financial holding companies. A further weakness is the country's anti-money-laundering deficiencies, which keep it on the Financial Action Task Force (FATF) list of jurisdictions with strategic deficiencies, also implying potential fallout for financial institutions.

8 | Monetary and fiscal stability

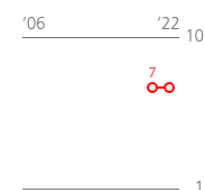
Monetary stability is a recognized objective of economic policy but has not been consistently pursued over time. The central bank (CBTT) is largely independent, but at times compromised due to political influence. Its mandate is “the promotion of such monetary, credit and exchange policies as would foster monetary and financial stability and public confidence and be favorable to the economy of Trinidad and Tobago.” In late 2020, the term of office of the Governor of the Central Bank was amended from a fixed five-year term to a flexible period of three to five years to be determined by the government. A cause for concern is the alignment of governors (past and present) with specific political parties in terms of monetary policy, though the connection between the executive and the Governor of the Central Bank does allow for coherence and harmonization.

In the course of economic deceleration and weak aggregate demand since 2015, inflation could be reduced from 8.5% to a historic low of 0.4% in 2019; ECLAC reports 0.5% for 2020 (until March 12). The CBTT does not explicitly target inflation and has not historically set its policy rates in response to inflation. The bank has a mandate to “maintain, influence and regulate the volume and conditions of the supply of credit and currency” and to “maintain monetary stability, control and protect the external value of the monetary unit.”

The Trinidadian dollar has not further depreciated over the past several years. After slightly depreciating in the years leading up to 2014 to 117.5 (base 2010), the real effective exchange rate rose abruptly to 132.4 in 2015, a level it has kept until 2019 (128.8). According to its homepage, the CBTT labels its foreign exchange system as a managed float and intervenes in the foreign exchange market to contain undue volatility in the exchange rate, assessing a number of variables including current economic conditions, competitiveness of the exchange rate, short-term imbalances and the level of international reserves. In its Annual Report on Exchange Arrangements and Exchange Restrictions 2019, the IMF classifies the exchange rate as a stabilized arrangement, as the CBTT applies restrictions to the exchange rate by restricting the maximum market buy and sell rates and prohibiting foreign exchange transactions above the maximum rates. While the IMF suggests the introduction of stronger market elements, the CBTT is cautious about the possible effects on inflation.

Monetary stability

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In recent years, the bank has devalued the TTD only slightly, despite the substantial decline in energy prices, which significantly reduced the inflow of hard currency. Although this has helped to keep inflation moderate, it is likely to have had a significant negative impact on economic activity. There has not been any devaluation of the currency during the period of the COVID-19 pandemic.

The government's budgetary policies generally promote fiscal stability but are prone to ad hoc permissive policy changes. The government's announced fiscal policies in the annual national budget are subject to variation halfway through the year when the minister of finance conducts his mid-year review. This can lead to the announcement of new fiscal policy measures and a variation of appropriation or a supplementary appropriation being approved by parliament.

Trinidad and Tobago is dependent on its energy export sector and thus on international gas and oil prices. To buffer possible oscillations, the country instituted the Heritage and Stabilization Fund (HSF, replacing the former the Revenue Stabilization Fund in 2007), a resource-revenue fund to mitigate the impact of revenue losses due to falls in the prices of oil or natural gas and to help maintain expenditures during these periods. According to the IMF, the HSF has well-defined objectives, a sound governance structure and a relatively conservative investment portfolio.

Confronted with shrinking revenues during the review period, the government continued its fiscal consolidation efforts through spending cuts. However, public gross debt rose continuously from about 25% in the early 2010s to more than 40% of GDP in recent years, reaching 42.2% in 2018 and 45.1% in 2019; the IMF projects a further rise to 57.5% in 2020. As a further illustration, the twin island republic's net public sector debt increased from 24% of GDP in 2008 to approximately 77.6% of GDP in 2020. Though the government has succeeded in reducing expenditures through spending cuts in the years since 2016, lower revenues due to the economic slowdown in the non-energy sector and increased interest payments had a negative impact. The central government's overall balance remained strongly negative at -11.0% in 2016 and -8.9% in 2017, but then improved to -3.6% in 2018 and -2.5% in 2019. In 2020, the government expects the deficit to increase to \$16.8 billion (11% of GDP) due to the sharp decline in oil and gas prices on the world market and additional spending related to measures taken against COVID-19. A drop in production also added to revenue loss.

Fiscal stability

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9 | Private Property

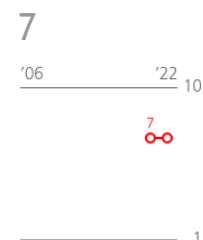
Property rights and regulations on acquisition, benefits, use and sale are well-defined, but there are occasionally problems with implementation and enforcement. The judicial system is largely independent, seen as competent and generally fair. However, there are huge backlogs and a low level of court specialization, making the resolution of legal claims time-consuming. The 2020 Doing Business Report ranks Trinidad and Tobago 174 out of 190 countries for enforcing contracts due to the length of time required to resolve a dispute (1,340 days) and 158 concerning registering property. According to the U.S. 2020 Investment Climate Statements, there is no court or division that deals exclusively with commercial cases; the Industrial Court deals exclusively with cases relating to labor practices. The legal framework for protecting intellectual property rights is considered strong, but suffers from weak enforcement, due to, among other problems, a lack of judicial specialization and capacity in this field, and the police's dominant focus on drugs and gangs.

All land and building transactions now require an independent valuation to be paid for by the persons involved in transacting the sale of property as opposed to the government using its own valuation division to conduct such transactions. The government has indicated in the 2020/2021 national budget that it will try one more time to implement the property tax that it failed to implement during its 2015 to 2020 term in office.

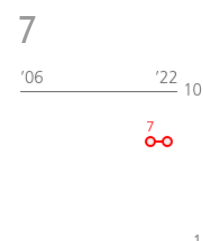
Private companies are viewed institutionally as important engines for economic production but are sometimes insufficiently protected by existing legal safeguards. Overall, it has become more difficult to do business in Trinidad and Tobago. According to the 2019 Doing Business scores, the country ranked at 105 out of 190 economies. Trinidad and Tobago's rank declined from 63 in 2012 and 102 in 2017.

According to the IMF, public bodies – comprised of about 110 state-owned enterprises (SOEs) and statutory bodies (SBs) – play a significant role in the economy and operate in the gas and oil industry, infrastructure development, banking and financial services, manufacturing, transport and communication, training, tourism, agriculture, information technology, and the provision of social services. According to the U.S. 2020 ICS information, private enterprises have the same access to financing as SOEs; both are subject to the same tax burden and tax rebate policies, as well as to hard budget constraints. In addition, public-private partnerships (PPP) are increasingly encouraged to involve private, especially foreign investment in state enterprises with the explicit aim of further reducing capital expenditures, improving infrastructure services and expanding the resources and professional expertise used to develop and implement national development projects.

Property rights



Private enterprise



The Industrial Court's tendency to favor the trade unions against private companies in their labor disputes has also negatively affected private companies. This has begun to show some balance in more recent times after a public stand was taken against the bias of the Industrial Court by a former president of the Trinidad and Tobago Chamber of Industry and Commerce at a Chamber of Commerce event to discuss the role of the Industrial Court. There was initially an attempt to hold this former Chamber President in contempt, but this was resisted. The matter has since been dropped, and the court is now far more balanced than it was before.

There are not many instances or examples of privatizations to draw from in the recent past. The privatization of the port of Port of Spain is currently in its embryonic stages. The privatization of a state-owned oil refinery called PETROTRIN is on-going. That process has been done in accordance with market principles, though it has also been highly politicized.

The private sector has been adversely affected by the COVID-19 pandemic, as many businesses were required to close their operations for April, May and June 2020. Effects continued to be felt as a limited re-opening in July 2020 was met with another lockdown in August, September and October 2020. The entertainment and hospitality industry was severely affected and it is not yet possible to measure the actual impact on this sector. The labor market has been diversified to include Venezuelan migrants who were offered official state registration for twelve months in May 2019, and this was further extended for another twelve months to June 3, 2021. This policy has changed the landscape of the labor market as many businesses now have a new labor force from which they can hire.

10 | Welfare Regime

Social safety nets are well developed, but do not cover all risks for all strata of the population. A significant part of the population is still at risk of poverty. In principle, the system is rather comprehensive and combines social insurance and mandatory occupational and social assistance systems for pensions and health. The Pensions Act of 1934 (last amended in 2015) regulates pensions, gratuities and other allowances to be granted to public service officers in Trinidad and Tobago. Health care is provided free of charge to everyone, including non-nationals. Health centers, district health facilities and hospitals provide different services and levels of care. However, there are widespread complaints that treatment at public health institutions is slow and the institutions are poor and overburdened. Many people therefore opt for private health care.

Legislation affecting the working population includes the Minimum Wage Act, the Occupational Health and Safety Act, the Workmen's Compensation Act and the Maternity Protection Act. There is no unemployment insurance, but job-seekers receive assistance in finding a new job. The health and safety regulations controlled by the Occupational Safety and Health Agency (OSHA) apply to all workers, regardless of nationality.

Social safety nets

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However, about 20% of the population lives in poverty. The government recognized the need for a social mitigation plan to address the negative social impacts of the economic downturn that began in 2015, particularly because of the large role the energy sector plays in the country's ability to provide welfare. The National Social Mitigation Plan 2017 to 2022 focuses on seven main welfare issues (including unemployment/basic needs, health, education and poverty prevention).

During the COVID-19 pandemic, the government instituted a salary relief grant that was intended to bring comfort to the under-privileged in the society. The program did not operate as smoothly as either the government or the population would have liked owing either to attempts by some unscrupulous persons to scam the system or the application of excessive bureaucratic demands to prevent such scams. According to the Ministry, as of September 2020, the government's income deficit reached 13%, which will put pressure on the social safety net of salary relief grants to support persons suffering from the adverse effects of COVID-19 on the employment sector.

Healthcare is also available to migrants. Education and official social protection programs are primarily geared toward citizens and residents. Specialized UN agencies and civil society bodies tend to support migrant populations (including refugees).

Equal opportunity is largely achieved. Women and members of ethnic, religious and other groups have near-equal access to education, public office and employment. There are a number of legal provisions against discrimination, although their implementation is at times insufficient. There is an Equal Opportunity Commission which has an Equal Opportunity Tribunal attached to it. All matters are considered by the Commission and then can be referred to the Tribunal for adjudication. This was introduced by the Equal Opportunity Act in 2001, though it was not until a judgment by the Judicial Committee of the Privy Council in 2007 that the government was directed to formally establish it. It has grown in strength and relevance since that time. It aims at eliminating discrimination, promoting equality of opportunity and good relations between persons from different ethnic and religious backgrounds. However, this legislation has not resulted in shifts toward a more equitable access among ethnic groups to the economic resources of the country such as ownership of land and business.

32% of parliamentary seats are held by women. The literacy rate is almost on par (males 99.4, females 98.4), while enrollment rates tend to be in favor of women (1.0, 1.1 and 1.2 in primary, secondary and tertiary education, respectively). The female labor force as a percentage of the total was 42.7% in 2020. The WDI 2020 report gross enrollment rates of 106.2% in primary, 85.5% in secondary and 12.0% in tertiary education.

Many incidents of discrimination are anecdotal and case law, particularly as it relates to equality of opportunity it is quite limited, though perception is quite different. In the 2017 National Survey on Public Perception of Equality and Discrimination in

Equal opportunity

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Trinidad and Tobago, conducted by the Equal Opportunity Commission, the core finding was that “of those surveyed, 92% of respondents believed discrimination is a problem in Trinidad and Tobago with 57% defining it as a “very big problem” and 35% defining it as “somewhat a problem.” Of the 14 types of discrimination listed in the survey questionnaire, discrimination based on ethnicity/race was perceived to be the most prevalent form of discrimination. This was followed by discrimination based on political views or class status.

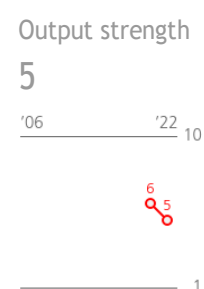
The primary exception in relation to the equality of opportunity relates to the migrant population in Trinidad & Tobago. Venezuelans that are registered with the State were only given permission to remain in the country for 12 months. This period was later extended by another six months. These limited time frames make it particularly difficult for such persons to seek stable or long-term employment or accommodation/housing. Even when such persons are permitted to stay in the country, they are not allowed to apply for a work permit for themselves – a company must apply for one on their behalf – and the process is known to be arduous.

11 | Economic Performance

Until the pandemic began, Trinidad and Tobago was slowly recovering from a deep recession that began in 2015. At \$27,261, GDP per capita (PPP) is now the second-highest in the region behind Panama but has fallen from about \$30,000 since 2013. GDP per capita growth, which broke down to -6.8% in 2015, has been less pronounced in the following years, reaching -0.7% in 2018 and -0.4% in 2019. Gross public debt rose to 42.2% in 2018 and 45.1% in 2019; the IMF projects a further rise to 57.5% in 2020. The central government’s fiscal deficit diminished from 11.0% in 2016 to -3.6% in 2018 and -2.5% in 2019. Conditions in the labor market worsened slightly in 2019 and 2020, with an unemployment rate of 2.9% and 3.5% (September), respectively. Inflation could be reduced to a historic low of 0.4% in 2019; ECLAC reports 0.5% for 2020 (until March 12). While the country’s external position remains weak, international reserves and the Heritage and Stabilization Fund continue to provide financial buffers. Gross official reserves amounted to about \$7.93 billion in 2019. With the exception of 2016, a year of crisis, the current account balance has been positive throughout the decade, though shrinking from about \$4.7 billion in 2011 to about \$1 billion in 2019.

In 2020, the government expects its deficit to increase due to the sharp decline in oil and gas prices on the world market and additional spending related to measures taken against COVID-19. Additionally, there was a drop in production which also added to revenue loss. The 2020/2021 national budget was delivered in October 2020 and indicates the effects of the combined crises:

- a real GDP contraction of 6.8% (estimated) in 2020



- a fiscal deficit of TTD 16.7 billion (11% of GDP) estimated for 2020
- a debt-to-GDP ratio for 2020 of 80.7%.

Total revenue for the fiscal year 2021 is expected to be \$41.4 billion, while expenditure to measure \$49.6 billion, resulting in a projected fiscal deficit of \$8.2 billion (5.6% of GDP) for 2021.

12 | Sustainability

Environmental concerns have been taken into account through the National Environment Policy (NEP), but are occasionally subordinated to growth efforts. Regulations are partly in place, but adherence to them is determined by growth efforts and enforcement is spotty. However, the government is aware of the environmental situation and challenges and what measures to take. The environment in Trinidad and Tobago is progressively deteriorating as a result of human development patterns, while counteractive measures are not keeping pace with the rate of expansion and development.

The first NEP of 1998 has been revised over the years to keep up with ongoing developments. The current version is from 2018. Additionally, there are several related policies in place: the Draft National Wildlife Policy, the National Tourism Policy, the National Climate Change Policy, the National Protected Areas Policy, the National Forest Policy, the National Biodiversity Strategy & Action Plan and the National Policy and Programs on Wetland Conservation for T&T 2002. In September 2020, the director of Environmental Management Authority (EMA) announced the establishment of the National Council for Sustainable Development (NCSD), aiming at developing and reviewing the 2018 NEP action plan. The formation of the NCSD is an encouraging step forward, however, it has yet to feature as a driver of policy in Trinidad & Tobago.

Although the government seeks to enforce some laws, such as those directed towards protecting wildlife, building codes are not well enforced. The country faced severe flooding toward the end of last year that stemmed from poor garbage disposal, indiscriminate littering and dumping of garbage (including large appliances) in rivers and a general lack of concern for the environment. The other contributor to the massive flooding was indiscriminate construction in flood-prone areas (including near rivers) and hillsides, making the areas more vulnerable to flooding and landslides.

Economic and political factors often undermine environmental considerations. A prime example of this relates to the on-going subsidization of the price of water, electricity and waste collection and treatment. These subsidies are an active disincentive to resource conservation, but their removal is a politically sensitive issue.

Environmental
policy

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Recently, reports have been made by wildlife conservationists of an increase in poaching during the coronavirus lockdown, including reports of turtles and endangered animals such as ocelots being killed. At present, environmental concerns are not a common part of public dialogue and consciousness.

The country's education policy ensures a nationwide system of sound education and training, though the research and technology sector is not advanced. In the UN Education Index for 2019, Trinidad and Tobago ranks 38 (out of 133 BTI countries considered) and sixth in the region, ahead of Costa Rica, with a score of 0.728 (stagnating over the past years). No recent official data on the literacy rate for Trinidad and Tobago is available; it is estimated at 99%.

Public expenditure on education – as a share of total government expenditures – increased throughout the decade to about 10% annually in 2018 to 2020. Though there are no current official data as to percentage of GDP, it is estimated at 3%. Education is financed by the state and available to all citizens from early childhood (from 2 and a half years old) to the secondary level. Tertiary level education is financed by government funding – though the level of funding is subject to a needs-based test. There are problems with the quality of education. Besides gender disparities in the education system (with female enrollment and educational attainment exceeding that of males), there is a persistent brain drain despite improvements in the provision of tertiary education. According to the government's evaluation of the 2000-2015 period, presented in its Vision 2030 development plan, enrollment in tertiary education improved from 15% in 2004 to 60% in 2015.

There are insufficient research centers and systems in place for graduates with science and technology skills to continue working in the sector and to keep pace with advances in technology. Trinidad and Tobago continuously plays catch-up with regard to new, changing technologies that increasingly drive international trade and development, ultimately making it more difficult to be globally competitive. The most recent data available (2017) show that expenditure in R&D is negligible at 0.1% of GDP. Current research funding is limited and is insufficiently connected to activities in the private sector.

Education policy /
R&D

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Governance

I. Level of Difficulty

The structural constraints on governance are fairly high. These include its geographic location close to Venezuela and between cocaine-producing South America and consumers in North America and Europe, leading to its susceptibility to serve as a corridor for the gun and drug trades. Tremendous resources are needed to protect its coastline borders. The country consists of two islands, which also poses challenges to the government in managing climate risks. Historically, Trinidad and Tobago has not been in the primary path taken by most hurricane systems as they journey across the Caribbean region - though this is likely to change. Notwithstanding this, heavy rains and flooding has increasingly resulted in displacement and disruption in recent years.

Trinidad and Tobago is dependent on oil and gas exports, and thus exposed to price volatilities on world energy markets. The economy is poorly diversified, and there is a shortage of unskilled labor for jobs with poor working conditions and limited opportunities for upward mobility - though many of these jobs have now been taken up by members of the (largely Venezuelan) migrant population.

A further key consideration is not only the poverty rates that affect Trinidad and Tobago but the effect of such rates on income inequality. For context, according to the last publicly available Survey of Living Conditions published in 2016, 1 in 5 households was considered poor. Between 2005 and 2014, the percentage population of the poor increased from 16.7% to 24.5%. Increasing poverty rates have contributed to worsening income inequality which in turn has resulted in social friction and tension. There is an estimated HIV/AIDS rate of 1.2% among adults (2016).

Due to strict and early pandemic measures, a first wave of infections started only in August 2020; after a peak in September, it ebbed down again until the end of the year. Despite the effects of lockdowns on economic performance and the state's budget, the shock caused by the pandemic was relatively small, including comparably low infection and excess death rates (about 7,500 and 134, respectively, by January 31).

Structural
constraints

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Civil society movements in Trinidad and Tobago have a long history of public dialogue, demonstrations and protests, largely surrounding social issues. These organizations primarily find their roots in the labor movements that occurred in 1930s in Trinidad due to the mistreatment of workers on sugar plantations and oilfields by colonial authorities and employers. The common complaints at that time surrounded racism, economic depression and abuse.

Today, Trinidad is home to a vibrant trade union movement and a diverse and large number of civil society organizations that focus on a multitude of issues. The presence of a wide range of civil society groups provides an effective backdrop for public debate. Civil society organizations are entrenched in Trinidad and Tobago's society. There are a variety of civic groups created to meet specific needs at the community and national levels. They also serve as liaisons between the public and private sectors, individuals and communities. They work in alleviating poverty, providing support to sickly and impoverished children, aiding women's empowerment, and promoting gender equality and justice.

The COVID-19 pandemic has seen widespread civil society advocacy that have ranged from the mushrooming of various interest groups to advocate for their causes to reopen businesses (e.g., the Bar Owners Association) to spontaneous reactions to gender-based violence that have had widespread support in vigils, marches, candle light processions, etc. after a gruesome kidnap and murder of a 23-year-old woman in January 2021. The latter was formed notwithstanding the limitations on social gatherings during the COVID-19 public health regulations that were in existence at the time.

Though perennially hard to measure (see also "social capital"), one significant constraint to governance relates to low levels of trust, which is pervasive. Due in part to historical corruption and ethnic competition, low levels of trust between the citizenry and the state undermines policy formulation and implementation efforts.

There are no violent incidents based on social, ethnic or religious differences, despite the fact that Trinidad and Tobago is a very diverse social, ethnic and religious society. The political environment is very confrontational, driven by political divisions that have an overlapping ethnic correlation that is non-violent, but very caustic. The political parties are able to mobilize large crowds for events at short notice, but there is never any political violence. The COVID-19 pandemic restrictions have not stopped the mobilization as political parties have gone virtual in their outreach and are able to reach larger audiences than they would have reached by having an on-site meeting in a single community for local attendance through the use of paid political advertising on television.

Civil society traditions

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Conflict intensity

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II. Governance Performance

14 | Steering Capability

The government sets strategic priorities, but sometimes postpones them in favor of short-term political benefits. It shows deficits in prioritizing and organizing its policy measures accordingly. It is very difficult for political administrations to maintain long term and strategic priorities beyond five-year election cycles. Under different leadership, the political party that is currently in power had published a strategic policy document entitled “Vision 2020” after extensive consultations with a diverse group of stakeholders, including the opposition party. The document contained long term development plans for Trinidad and Tobago. However, when the party lost the election to the opposition party in 2010, Vision 2020 was discarded and replaced with a new Medium-Term Policy Framework (MTPF). When the opposition party lost the election in 2015, the newly elected government discarded the MTPF and published a new “Vision 2030” document as a strategic plan for 2016 to 2030. (This also includes an evaluation of the 2020 Plan and concludes that by 2010, only about 18% of the development objectives had been achieved.)

Vision 2030 builds on the previous Vision 2020 and aims at providing an orderly long-term development process, inclusive of the SDGs, whose progress is regularly reported to the UN via VNRs. The major (and more general) five goals are “human capital” (including education and health etc.), improving productivity (infrastructure, transportation), building globally competitive businesses (which is ambitious in a country living mainly from petroleum revenues), environmental reforms (renewable energies and measures to reduce the ecological footprint), and last but not least enhancing governance (service excellence, evidence-based policy making). The plan also details more specific goals for the 2016-2020 period, but there has been no evaluation until now. The government certainly has the financial capacity and human capital to “prioritize and organize its policy measures.” At the same time, there is a culture and tradition of inefficiency in government institutions. Changes can take place, but it takes a very long time.

An example of short-term benefits was apparent during the COVID-19 lockdown when all construction sites in the country were ordered to be closed. The only exceptions were to three significant government projects, namely (i) the new Arima hospital, (ii) the new Point Fortin hospital, and (iii) the Curepe Interchange/Overpass on the Churchill-Roosevelt Highway. These three projects were essential deliverables for the government in relation to the general election that was to be held on August 10, 2020. The government said that they were following the science in ordering the

Question
Score

Prioritization

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lockdown in March, but these construction sites were kept open for political reasons rather than scientific ones.

The impact of COVID-19 has affected the government's long-term plans insofar as it had to pause its goal of fiscal consolidation due to the sharp decline in oil and gas prices on the world market and additional spending related to measures taken against COVID-19. Additionally, there was a drop in production which also added to revenue loss. This was partly compensated by withdrawing \$900 million from the Heritage and Stabilization Fund, a measure which is not in line with the government's goals but helped to act swiftly in confronting the impact.

The government fails to implement some of its policies. Policy and project implementation in general, on the part of the government, is at times problematic in Trinidad and Tobago. This is due to the absence of political consensus or trade union resistance because of disagreement over a policy's approach or because of failed negotiations with other entities. In addition, there is a lack of administrative capacity, from oversight, accountability and the autonomy of the independent institutions to public sector performance management, capacity-building and devolution of certain powers of the central government. In principle, the Ministry of Planning and Development is responsible for monitoring the implementation of Vision 2030, but it has not published any reports on its work to date.

Even apart from COVID-19, major government policy measures have not been implemented in spite of government announcements to the contrary. Two examples of this can be found concerning environmental issues in the Beverage Container Bill and the government's announced ban on expanded polystyrene (EPS) (commonly known as Styrofoam) containers. The government's inability to implement the property tax or to establish a revenue authority to replace existing institutions are other examples.

The critical implementation deficit has occurred in part because parliamentary competition is severely acrimonious and any measure that requires legislation needing anything more than a simple majority is unlikely to receive support in parliament. Added to this, if vested interests are opposed to the measure, it will be even harder to gather public or parliamentary support. The aforementioned factors make policy implementation difficult for the political administration and members of the executive.

From March 2020, there has been a major disruption in delivery of policies that were specified in the 2019/2020 national budget.

Implementation

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The government demonstrates a general ability of policy learning, but its flexibility is occasionally limited. Learning processes inconsistently affect the routines and the knowledge foundation on which policies are based. Operating as a Westminster system, government changes may lead to significant policy changes, such as the strategic plans mentioned in 14.1.

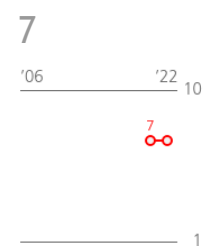
Nevertheless, after returning to power in 2015, the PNM undertook a thorough evaluation of its previous strategic plan, “Vision 2020,” then elaborated after extensive consultations with a diverse group of stakeholders, concluding that when it had to leave office in 2010, only about 18% of the development objectives had been achieved. With the new Vision 2030 strategy, the government is in the process of improving its monitoring and evaluation mechanisms throughout its policy life cycles, though a lack of data collection surrounding key targets and indicators constitutes a major obstacle to policy and innovation. In 2018, the government presented the revised National Environmental Policy (NEP) which was based on the evaluation of the earlier 1998 and 2006 versions, focusing on aligning the current environmental context with global environmental issues. In 2020, the government established the National Council for Sustainable Development (NCSD) aiming at the development and timely reviews of an NEP action plan; the council also includes members from the Manufacturers’ Association, the Energy Chamber and the University of Trinidad and Tobago.

There has been a low level of investment by successive governments in R&D (in 2017, it was measured at 0.1% of budgetary allocations). This reduces the opportunities for academic experts to participate in direct influence in policy formation. However, during the COVID-19 pandemic, there has been a great reliance upon the University of the West Indies Faculty of Medical Sciences for technical advice and support to a degree higher than had previously been the case.

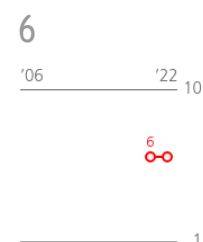
15 | Resource Efficiency

The government makes efficient use of most available human, financial and organizational resources. The issue of efficient use of government resources usually has a marker in annual reports from the auditor-general and the ombudsman. In terms of strict accounting, most public money is usually used in a proper manner. However, there are always debates about value for money. This can be seen in parliament’s Public Accounts Committee reports. Since 2014, annual estimates are subject to public review in the House of Representatives with the government answering questions from the opposition about heads of expenditure. The ombudsman’s reports reveal the extent to which the state is guilty of misadministration in relation. It is obvious that there are challenges associated with “efficient use” of resources, especially in the public health sector.

Policy learning



Efficient use of assets

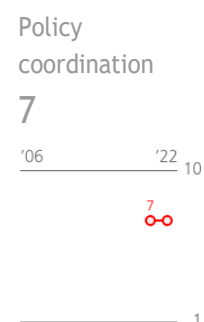


Concerning the use of budget resources, the picture is rather mixed. Since the 2015 crisis, there has been an ongoing large fiscal deficit and public debt has grown tremendously (though it is still manageable). The state’s fiscal situation is buffered by the Heritage and Stabilization Fund (HSF, replacing the Revenue Stabilization Fund in 2007). The HSF has well-defined objectives, a sound governance structure and a relatively conservative investment portfolio (see also “fiscal stability”).

The bureaucracy is established along the lines of the British colonial tradition, a career civil service that is appointed, promoted, transferred and disciplined by an independent public service commission. However, the length of time needed to take action and the availability of funding to fill positions, when coupled with protracted wage negotiations, have tended to compromise efficiency. According to an Inter-American Development Bank 2018 study on state capacity in Trinidad and Tobago, the country received 42 points out of 100 in civil service development, scoring especially low in structural consistency and functional capacity, but extraordinarily high in merit (80 points).

Prior to the declaration of a pandemic in March 2020, the government had reassigned a hospital that had been built during the term of office of their predecessor (the People’s Partnership Government 2010-2015) to The University of the West Indies as part of its debt settlement with the university. That hospital became the main venue for the Ministry of Health to house COVID-19 patients who needed hospital care. The COVID-19 pandemic has forced the government to reallocate some resources into a salary relief grant program in order to cushion the effect of job losses from the lockdown policy and the closure of businesses. In 2020, the budget deficit reached its highest level ever at TTD15.5 billion.

The government tries to coordinate conflicting objectives, but friction, redundancies and gaps in task assignment are significant. For example, with respect to the state’s coordination of energy and environment imperatives, the state has been trying to increase government revenue from the sector while trying to reduce the carbon intensity of its economy. To date, the government is still willing to issue new licenses for oil and gas exploration, however, they have also commissioned grid-tied PV systems to meet their target of 10% of electricity from RE by 2021. They have also committed to reducing emissions in industry, transport and power generation by 15% by 2030. However, overall resource conservation efforts are severely undermined by the considerable subsidy that currently applies to electricity and water. Ratepayers, therefore, have little to no incentive to conserve these resources.



The government is only partly willing and able to contain corruption, while the integrity mechanisms implemented are mostly ineffective. However, a slight improvement in this field was achieved with the enactment of the Civil Asset Recovery and Management and Unexplained Wealth Act 2019 (No. 8 of 2019). The state is now able to take action against persons who have unexplained wealth and can recover such wealth if it is determined to have been acquired by nefarious means.

There is a campaign finance bill before the parliament of Trinidad and Tobago, however, it is doubtful whether this bill will progress to such an extent that it will become law. Instead of bringing a bill that is newly crafted, the government is attempting to amend the 1967 Representation of the People Act because it is an existing law, which means that no special majority will be required in order for it to be enacted. However, the sections being amended and the marginal notes in the original Act do not align with the proposed amendments that are designed to introduce campaign finance reform when matched against the sections of the 1967 Act that are being amended. An “Integrity in Public Life Act” has been in place since 2020 and is enforced by a local Integrity Commission. Through this instrument, public officials will be required to declare all of their assets and the commission will publish the names of those that fail to comply. While the Integrity Commission, which is entrusted with the monitoring and transparency of the disclosures, engaged in a number of investigations, it rarely referred cases to law enforcement agencies.

Freedom of Information (FOI) provisions have produced mixed results based on different interpretations of what constitutes public vs private information. FOI applicants are received and processed, but there have been reports of long delays, and applicants needing to appeal to the courts to receive the requested information. According to the U.S. State Department, U.S. firms have identified corruption as an obstacle to foreign direct investment, specifically in government procurement where processes are not perceived as fully transparent. There are clear disclosure rules for public officials, but compliance is rare.

16 | Consensus-Building

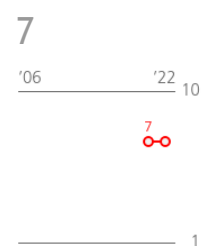
There is a general consensus on both goals, which is weakened by significant controversy over strategic priorities. Notwithstanding this, the system of government was intended to be divisive and is founded on the need for divisiveness. Power is rotated and never shared. The political culture is a reflection of that outlook. There is no discernible policy difference between the two major parties in Trinidad and Tobago, which makes their lack of consensus while in office a subject of the hegemonic application of power.

There is occasional consensus between the government and the opposition in the parliament. This only happens whenever there is a bill that requires a three-fifths majority to enact legislation that may infringe fundamental human rights and

Anti-corruption policy



Consensus on goals



freedoms for which a division of the houses of parliament is called by the clerks in order to record the votes of MPs, as a voice vote would be inadequate for accurate counting of the special majorities. The record has been a mixed one on this score, with unanimity usually (not always) coming after the appointment of a joint select committee of both houses of parliament to consider such legislation. It has not always worked out, but it is the predominant way to achieve consensus between the parties.

There is a general consensus on the use of the market economy as an objective of development. The general approach to economic development, therefore, surrounds a philosophical belief and commitment to free-market principles. The greatest challenge to the acceptance of the market economy as a goal of development comes from the trade union movement and segments of the regional academic community. The objections to market economy-based development raised by trade unions are more popular amongst the general population and concern growing income inequality, poverty and the sale of state assets, particularly to foreign entities or large conglomerates.

A recent example occurred in 2018, when the government decided to close the state-owned “Petrotrin” Oil refinery and open three subsidiary companies to perform the commercial tasks that Petrotrin used to perform. In 2019, it decided to sell the refinery to a company owned by the major trade union for the oil workers (the OWTU) as a means of keeping the asset in local hands. In 2020, after the general election, the government decided to withdraw the offer and then, under pressure, announced it would reconsider the offer, which it rejected again.

The main opposition party was opposed to closing the refinery and said that it would reopen it if it were to recapture power. It lost the 2020 general election, but part of the opposition’s tactic here was to tap into local concerns about the sale of state assets.

Similar concerns are now being raised as the present government aims to sell its stake in petrol stations and in the port of Port of Spain. These developments may contribute to growing skepticism as it relates to the market economy.

Reformers cannot completely control all powerful anti-democratic actors but can limit their influence significantly. The civil society actors (interest groups, the media, political parties, etc.) do not advocate anti-democratic approaches to government. The society is hard wired to promote democratic means of debate, discussion and dissent, but never anti-democratic techniques.

Currently, one exception to this is the role of money and money-laundering. There have been many calls for campaign finance reform in order to limit the influence of money on politicians and policy outcomes. If this is not done speedily and effectively, there is the threat of money from criminal activities funding elections by virtue of the high level of criminal activities and corruption in the country.

Anti-democratic
actors

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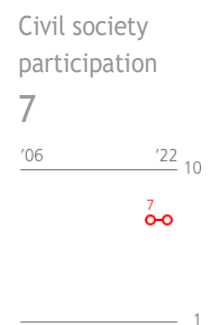
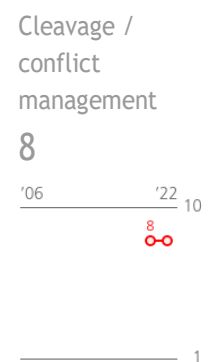
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Another potentially powerful “anti-democratic actor” that still resides in Trinidad and Tobago is presented by the remnant factions of radical Islamic groups in the country. The primary reason that they constitute a threat that cannot be ignored lies in the fact that the “Jamaat al Muslimeem” forcibly took control of the government for 6 days in 1990. The possibility of another threat to democratic rule is rather minor but not absent. It remains an open question whether the state will put returning ISIS terrorists (see “state identity”) on trial or simply permit them to blend back into society.

The political leadership depolarizes cleavage-based conflict and expands consensus across the dividing lines. Both major parties promote inclusiveness in their messaging and their campaigning. This is a political tool for reaching across the aisles to broaden support, rather than promoting division and disunity. It manifests itself in policy statements, although some messaging may be accusatory of the other side based on a nuanced interpretation of the other side’s message in such a way as to suggest that divisiveness is being advanced. However, accusatory messaging is very different to promotional messaging, which is never divisive.

Political leadership permits civil society participation. It takes into account and accommodates the interests of most civil society actors. There is usually a role for civil society actors in policy matters. However, decision making in Trinidad & Tobago is highly centralized. As a result, civil society participation often occurs around highly centralized processes. Government ministers frequently receive delegations from civil society groups to engage in discussions about policy matters. This is an approach used by governments on both sides of the political divide and is entrenched in the political culture. Additionally, since 2014, when the standing orders of parliament were changed, there have been enhanced opportunities for parliamentary committees to hear from civil society groups about different aspects of national life. Between 2010 and 2015, the government at the time sought to establish a civil society board, but this eventually came to nothing, particularly due to ideological concerns related to the government’s role in establishing a civil society board.

During the COVID-19 pandemic, a Roadmap Committee was created to advise the government on the way out of the economic lockdown and the public health challenges posed by the virus. A civil society representative was a part of this committee.



There is a CARICOM Reparations Commission that is advancing the cause of reparations from European countries for African slavery in the West Indies. This is not a national imperative, but a regional one that remains ongoing at the time of writing. It should be noted, however, that there is a national arm of this regional movement based in Trinidad and Tobago.

There has also been a movement for the removal of all statues and memories of Christopher Columbus that grew in prominence in 2020. To date, the government of Trinidad and Tobago has taken no policy action on the removal of the Columbus statues. Some are concerned that the national Coat of Arms bears images of Columbus' ships and the 'cancel controversy' would involve the cancellation of the very national Coat of Arms itself. A petition has been lodged with the national parliament by a group of concerned citizens and no action has been taken to date.

17 | International Cooperation

The government has committed to a Vision 2030 development plan, inclusive of SDGs and oriented to inclusive sustainable growth. The central ministry with responsibility for implementing this plan is also the national focal point for the European Development Fund and the Inter-American Development Bank (IDB), and it also houses the Technical Cooperation Unit (TCU) which coordinates activities with other multilateral agencies. The government has a long history of cooperation with UN agencies, foreign governments and multilateral agencies, not only for financial support but to benefit from international know-how.

This cooperation includes partnering with the government of China and Chinese firms to implement infrastructural projects (including several prominent highway interchanges and performance spaces) as well as partnering with the EU on several environmental initiatives. Cooperation with the USA is usually facilitated through the Organization of American States (OAS).

However, the government has consistently avoided going to the IMF to address its economic difficulties and has chosen to try to address the problems for itself by implementing quasi-IMF policies as a means of trying to dodge the conditionalities. It has resorted to international borrowing as well as drawdowns from the Heritage and Stabilization Fund (HSF) as a means of survival.

Reconciliation

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Effective use of support

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For the most part, the government acts as a credible and reliable partner. It shows notable engagement in international cooperation efforts. It has made a number of commitments across a vast number of multilateral environmental agreements. For the most part, the state has managed to honor its commitments under these agreements. Overall, it has a good reputation of compliance with its obligations under international law, including but not limited to ILO core labor standards, human rights conventions, trade and debt agreements and development agreements, and the United Nations Framework Convention on Climate Change. The government ratified the Paris Climate Accord in February 2018. The government has also been able to retain a reasonably high level of confidence both as a country and as a member of the Caribbean Community (CARICOM).

The government uses its reputation in these areas to expand its international footprint and to attract foreign direct investment. In this regard, the most significant and largest international trade agreement in which it participated in the recent past was the Economic Partnership Agreement between the Caribbean Forum of ACP states (CARIFORUM) and the EU, signed in 2008. The government is also party to the WTO, ICSID and the ICC. With respect to these agreements, the government is known as a respectable and credible partner.

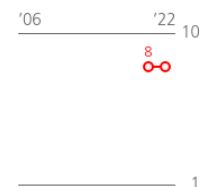
The political leadership cooperates with many neighboring states and complies with the rules set by regional and international organizations. Trinidad and Tobago is a well-respected member of CARICOM. At the time of writing, the Prime Minister of Trinidad and Tobago was serving as the chair of the regional grouping. Trinidad and Tobago has been a party to the gradual implementation of the CARICOM Single Market and Economy (CSME) and currently recognizes the free movement of specific classes of workers within the grouping. This is a key component of regional integration within CARICOM. Though talks on this front have slowed significantly, interest in maintaining good relations and preserving the integration movement remains.

Trinidad and Tobago has also offered assistance to its regional neighbors in times of crisis. For example, when Dominica was devastated by Hurricane Maria, the government participated in the regional response and even offered to house Dominicans temporarily in Trinidad and Tobago. This unfortunately was overshadowed by Trinidad and Tobago's vote at the OAS against a fee waiver requested by Dominica in light of the damages caused by the hurricane. The Prime Minister of Trinidad and Tobago later noted that the vote did not reflect the position of his government and intimated that the vote was due to an internal breakdown in communication.

Concerning neighborly relations beyond CARICOM, it should be noted that Trinidad and Tobago has signed trade agreements with Cuba, Dominican Republic, Venezuela, Panama, Colombia, Guatemala, El Salvador and Costa Rica.

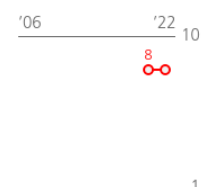
Credibility

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Regional cooperation

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In 2020, the government objected to actions taken within the OAS and by its Secretary-General, Luis Almagro, in particular, over a report that it contested in relation to the deaths of some Venezuelan refugees at sea between Venezuela and Trinidad and Tobago as well as the recognition by the OAS of Juan Guaidó as the official representative of Venezuela at the OAS. There has been considerable deterioration of the relationship between Trinidad and Tobago and the Secretary General of the OAS, which has soured the relationship with the OAS.

Strategic Outlook

The main task the government must face is how to restart the economy safely after the disorientation of the COVID-19 pandemic. This will require an integrated strategy of opening the borders, successfully coordinating the vaccination program and resuming business in a new reality of online engagement and continued restrictions for masks and social distancing. At the beginning of 2021, the government was preparing to receive vaccines that were expected in March 2021. Since the latter part of 2020, the minister of health outlined the institution's intention to construct refrigeration warehouses for the storage of the vaccines when they arrive. What is of concern is that a recent University of the West Indies survey has shown that 62.3% of the population is saying that they will not take the vaccine when it arrives. This will have severe implications for herd immunity if this level of distrust is maintained. By mid-July 2021, only 10% of the population had been fully vaccinated.

Current government economic policies and developments in the economy are consistent with the trends of economic globalization and the gradual embrace of a market-based economy. They reflect a continuing trend away from the previous state-centric and protectionist models for managing the economy. One of the government's main tasks is to cushion the impact of economic restructuring and protect people's livelihoods. In other words, the government must find innovative ways to ensure that the market-based approach is modified to incorporate the principles of justice, equity and fairness.

Another challenge the government continues to face in this period is the continuing high incidence of crime and corruption, affecting both democratic and economic processes. The decision to privatize NP, which follows the decision to privatize PETROTRIN, is a good strategic move and another step in the right direction. However, the government must do more to address corruption and white-collar crime in general than it does at present. The extent to which the government is able to enforce the civil asset recovery and management and unexplained wealth legislation would be significant in this regard. That remains an under-implemented anti-corruption strategy.

Trinidad and Tobago continues to face a large influx of migrants from Venezuela. A formal registration scheme was introduced in May 2019 and if managed properly, this will positively affect the economy and governance by diversifying the labor force. Poor management, however, could mean an extra burden on the country's economic resources and additional criminal elements. The government should look beyond merely providing for the migrants to using their talents and skills for the further transformation of the country in the long term.

The presence of religious radical elements is a development the government needs to monitor and address. Like corruption and crime, this could adversely affect investments coming or remaining in the country. It also poses the threat that IS recruits could radicalize others or initiate new radical projects at the national or regional level upon their return. This too could lead to subversion of the state and democratic processes. Programs for prevention, rehabilitation and reintegration are essential at this juncture. The issue of the repatriation of IS recruits back to Trinidad and Tobago from Syria is a highly sensitive issue that will require efficient handling, as the number of IS recruits in Syria from Trinidad and Tobago is the highest in the Western hemisphere.