INQUIRY INTO THE ADMINISTRATION AND OPERATIONS OF THE PORT AUTHORITY OF TRINIDAD AND TOBAGO (PATT)

PARLIAMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

Fifth Session (2014/2015)
TENTH PARLIAMENT

Nineteenth Report
of the
Joint Select Committee
appointed to inquire into and report on Government Ministries, Statutory Authorities and State Enterprises (Group 2)

INQUIRY INTO THE ADMINISTRATION AND OPERATIONS OF THE PORT AUTHORITY OF TRINIDAD AND TOBAGO (PATT)

PARL NO. 14/6/13

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The Joint Select Committee appointed to inquire into and report to Parliament on Ministries (Group 2), and on the Statutory Authorities and State Enterprises falling under their purview

Contact the Committee's Secretariat

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Email: jscgroup2@ttparliament.org
Nineteenth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 2)

Nineteenth Report

Of the

Joint Select Committee Appointed To Inquire Into And Report On Government Ministries, Statutory Authorities And State Enterprises (Group 2)

On the

The Administration and Operations of the Port Authority of Trinidad and Tobago

Date Laid: HoR: _____________________ Senate: ___________________
Committee Mandate and Establishment

1.1. Section 66 of the Constitution of Trinidad and Tobago declares, that not later than three months after the first meeting of the House of Representatives, the Parliament shall appoint Joint Select Committees to inquire into and report to both Houses in respect of Government Ministries, Municipal Corporations, Statutory Authorities, State Enterprises and Service Commissions, in relation to their administration, the manner of exercise of their powers, their methods of functioning and any criteria adopted by them in the exercise of their powers and functions.

1.2. Motions related to this purpose were passed in the House of Representatives and Senate on September 17, 2010 and October 12, 2010, respectively, and thereby established, inter alia, the Joint Select Committee to inquire into and report to Parliament on Ministries with responsibility for the business set out in the Schedule as Group 2, and on the Statutory Authorities and State Enterprises falling under their purview with regard to their administration, the manner of exercise of their powers, their methods of functioning and any criteria adopted by them in the exercise of their powers and functions.

1.3. The entities which fall under the purview of the Committee is attached as Appendix I.

Powers of the Joint Select Committee

1.4. Standing Orders 71B of the Senate and 101 of the House of Representatives delineate the core powers of the Committee which include inter alia:

- to review and report on all matters relating to:
  - the statute law relating to the Ministry/body assigned to it;
  - the program and policy objectives of the Ministry/Body and its effectiveness in the implementation of same;
  - other matters relating to the management, organization of the ministry or body, as the Committee deems it fit;
- to send for persons, papers and records;
- to adjourn from place to place;
• to appoint specialist advisers either to supply information which is not otherwise readily available or to elucidate matters of complexity within the Committee’s order of reference; and
• to communicate with any other Committee of Parliament on matters of common interest.

Membership
1.5 The Committee comprises the following members:

1. Dr. Victor Wheeler* - Chairman
2. Mr. David Small* - Vice-Chairman
3. Dr. Tim Gopeesingh, MP - Member
4. Mr. Clifton De Coteau, MP - Member
5. Dr. Lincoln Douglas, MP - Member
6. Mr. Collin Partap, MP - Member
7. Ms. Alicia Hospedales, MP - Member
8. Mr. Fitzgerald Jeffrey, MP - Member
9. Dr. Bhoendradatt Tewarie - Member
10. Mr. Kevin Ramnarine - Member
11. Ms. Raziah Ahmed* - Member
12. Dr. Lester Henry - Member

Secretariat Support
1.6 The following officers were assigned to assist the Committee:

- Mr. Julien Ogilvie - Secretary
- Ms. Candice Skerrette - Assistant Secretary
- Ms. Katharina Gokool - Graduate Research Assistant
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<tr>
<td>ASYCUDA</td>
<td>AUTOMATED SYSTEM FOR CUSTOMS DATA</td>
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<td>CARIBBEAN COMMUNITY AND COMMON MARKET</td>
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<td>DESTINATION TRINIDAD AND TOBAGO</td>
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<td>PATT</td>
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<td>PORT OF SPAIN INFRASTRUCTURE COMPANY LIMITED</td>
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<td>PSIP</td>
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<td>RFP</td>
<td>REQUEST FOR PROPOSAL</td>
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<td>SAR</td>
<td>SEARCH AND RESCUE</td>
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<td>TRINIDAD CEMENT LIMITED</td>
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<td>TEU</td>
<td>TWENTY-FOOT EQUIVALENT UNIT</td>
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<td>THA</td>
<td>TOBAGO HOUSE OF ASSEMBLY</td>
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<td>VHF</td>
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<td>VTMS</td>
<td>VESSEL TRAFFIC MANAGEMENT SYSTEM</td>
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EXECUTIVE SUMMARY

At its twenty-fifth meeting held on Friday October 4, 2013, the Committee resolved to pursue an inquiry into the Port Authority of Trinidad and Tobago. The Committee determined that an inquiry into the Authority was required since it was cognisant that the efficiency or lack thereof of a country’s ports may have a significant impact on the trade in commodities and by extension the country’s economy. As such, the committee assessed the operations of the PATT based on the following inquiry objectives:

I. To examine the management structure in place at the Authority and to assess how effective these structures are vis-à-vis the operations of Ports in Trinidad and Tobago.

II. To examine the systems for managing vessel/ship traffic on the waterways as it pertains to both domestic and international maritime rules.

III. To inquire into the performance of all Ports, particularly the Port of Port of Spain for the past ten (10) years with regard to:
   - no. of port users;
   - quantum of exports and imports;
   - profits and losses of the Authority;
   - the performance measurement tools utilized by the Authority;
   - the performance of the Port of Port of Spain in comparison to other regional ports and or other local ports; and
   - A review of the metrics system applied by the PATT.

IV. To determine the effectiveness of the security arrangements at the ports.

V. To gain insight into the operations of the ‘one stop’ barrel shop.
The Committee obtained both oral and written evidence based on the objectives listed above. The Committee also made a request for additional information subsequent to the public hearing held with officials of the authority on February 19, 2014. Further to the evidence received, the Committee took particular note of the issues and developments concerning the operations of the authority and the Port of Port of Spain and Scarborough. These are as follows:

i. the Authority had sub-divided its operations into various business units, perhaps to allow for greater specialisation and potentially to realise a greater level of efficiency in its operations. At the time of the inquiry, the Board of Directors for these various business units were not appointed;

ii. the authority was suffering from a lack of funds to finance its plans for the expansion of the Port of Port of Spain and other related facilities;

iii. the existence of various challenges regarding vessel and cargo traffic management. In particular, PATT identified shortcomings such as poor infrastructure to store cargo, excess dwelling time for cargo and unproductive work practices.

iv. the authority needs to boost its capacity to monitor and remove abandoned or derelict vessels;

v. there was an increase in the quantity of cargo processed at the PPOS from 200,000 TEUs in 2009 to 383,000 TEUs in 2013;

vi. there was a significant disparity between the amount of revenue earned by the Inter-island ferry service and the amount expended on providing the service. It appeared that the main option for increasing the service’s income was to increase fees/fares;

vii. the poor leveraging of the value of the properties owned by the Authority through POSINCO may have resulted in the loss of a significant amount of revenue;

viii. there were obvious shortcomings in the area of Health and Safety practices at the PPOS and this was also influenced by the prevailing work culture. We found it regrettable that the
Authority appeared to apply a more strident approach to ensuring adherence to health and safety practices only after the untimely death of Mr. Roland Roberts;

ix. On paper, the security arrangements at the Ports under the purview of PATT appeared to be robust, however evidence of several security breaches suggests otherwise. The Committee was also mindful of public perception concerning the propensity for certain officials associated with port operations to participate in unethical and or corrupt activities;

x. the fact that only 20% of the containers that pass through the port are checked was noted with concern;

xi. there have been improvements in the operations of the ‘one-stop-barrel-shop’ over the past five (5) years and there is a proposal to create a port-to-door service to eliminate the need for client to have to visit the port of “clear a barrel”.

As a consequence, we formulated appropriate recommendations to address these issues. Section 4 comprises the findings and recommendations of the Committee.

We anticipate that the Parliament, PATT, the Ministry of Transport and other stakeholders would give due consideration to the findings and recommendations contained in this Report with a view to enhancing the operations of the Authority and its various business units. The Committee looks forward to reviewing the Minister’s response to this Report, which becomes due, 60 days after it is presented to the Houses of Parliament.
2. INTRODUCTION

Background

2.1. The Port Authority of Trinidad and Tobago (PATT) is a statutory body falling under the purview of the Ministry of Transport (MoT) and was established by the Port Authority Act, Chapter 51:011 (Act 39 of 1961).

2.2. According to Section 8 of the Act, the functions of the Authority include:

“to develop the harbours of Trinidad and Tobago described in the First and Second Schedules and such other harbours as may from time to time be vested in the Authority under Section 57”.

2.3. Further, Section 57 of the Act provides that:

“The President may from time to time by Order Vest in the Authority any port and harbour in Trinidad and Tobago.”

2.4. However, although, it was anticipated that in accordance with the Act, all ports would operate under the management of the PATT, as it stands, only two (2) ports fall under the ambit of the PATT, namely, the Port of Port of Spain (PPOS) and the Port of Scarborough, Tobago. As well, recently, the Tobago House of Assembly (THA) delegated some of the activities of the port in Charlotteville, Tobago to the Authority.

2.5. Further, in 2006 the PATT was reorganized and subdivided into various business units to improve its efficiency.

2.6. The Committee also took note of the following issues relative to the PATT:

- the need to update existing legislation;
- the need to improve efficiency at the Ports as it pertains to time taken to clear containers;
- the introduction of new technology to assist in processing documents to reduce processing cost and time;
- ensuring security at the ports;
- the requirements to fulfil the goal of promoting Trinidad and Tobago as a Cruise Ship destination in the Southern Caribbean.

2.7. Given the foregoing, and understanding the significant impact the operations of a country's ports have on the trade in commodities and by extension the economy, the Committee determined that an examination of the administration and operations of the PATT was necessary.

**Objectives of the Inquiry**

2.8. At a meeting held on December 13, 2013, the Committee agreed that the following will comprise the objectives of the inquiry:

I. To examine the management structure in place at the Authority and to assess how effective these structures are vis-à-vis the operations of Ports in Trinidad and Tobago.

II. To examine the systems for managing vessel/ship traffic on the waterways as it pertains to both domestic and international maritime rules.

III. To inquire into the performance of all Ports, particularly the Port of Port of Spain for the past ten (10) years with regard to:
   - no. of port users;
   - quantum of exports and imports;
   - profits and losses of the Authority;
   - the performance measurement tools utilized by the Authority;
   - the performance of the Port of Port of Spain in comparison to other regional ports and or other local ports; and
   - A review of the metrics system applied by the PATT.
IV. To determine the effectiveness of the security arrangements at the ports.

V. To gain insight into the operations of the ‘one stop’ barrel shop.

Execution of the Inquiry

2.9. On February 19, 2014 a public hearing was held with representatives of the Ministry of Transport (MoT) and the Port Authority of Trinidad and Tobago (PATT) at which time the Committee questioned the officials on the various matters outlined in the Inquiry Objectives. Prior to the public hearing, notice was given as to the general objectives of the inquiry and in response, written submissions were received from the PATT. These responses provided a frame of reference for the supplementary questions pursued at the hearing.

2.10. The MoT and the PATT were represented at the hearing by:

Representatives of the Ministry of Transport:
Ms. Beverly Phillip Director, Maritime Services Division
Mr. Gobin Harypersad Attorney-at-law

Representatives of the Port Authority of Trinidad and Tobago:
Suresh Gangapersad Deputy Chairman
Sharon Mark General Manager/ CEO
Leon Grant CEO, TTIT (Ag)
Kathleen Maxwell CEO, (POSINCO) (Ag)
Trudy Gill-Conlon CEO, Port, Port of Spain
Pamela Ford Port Secretary (Ag)
Kirin Dass Chief Internal Auditor
Vernessia Moise Executive Mgr. HR (Ag)
Charmaine Lewis Executive Mgr. Finance and Administration
Kelvin Birch Estate Security Superintendent (Ag)
Balkaran Maharaj Manager, Cruise Shipping
2.11. Subsequent to the public hearing of February 19, 2014, additional information was requested from the PATT. The requested information was submitted under letter dated March 20, 2014.

2.12. The draft of this Report was considered and approved with amendments at the meeting of the Committee held on January 16, 2015.

2.13. The Minutes of the Meeting during which the public hearing was held are attached as Appendix II and the Verbatim Notes as Appendix III.
3. THE EVIDENCE

RESTRUCTURING OF THE PATT

3.1.1 Cabinet Minute No. 270 (2nd Session) of December 5, 2002 provided for the restructuring of the PATT by establishing the Port of Spain Infrastructure Company Limited (POSINCO), an infrastructure and holding Company wholly owned by the Government. The POSINCO was established to be the landowner and lease operator, deriving revenue from property rental and value added services.

3.1.2 Further, Legal Notice No. 68 of 2006 required that all assets and liabilities of the restructured PATT be vested by order in the company and provided for the establishment of the following three (3) business units to be wholly-owned subsidiaries of POSINCO:

   a. Port of Port of Spain Limited (PPOS) - to handle all trans-shipment and cargo handling operations at the PPOS;
   b. Destination Trinidad and Tobago Limited (DTT) - to promote Trinidad and Tobago as a Cruise Ship destination. Noteworthy is that it was expected that the DTT would be operated under a Management Contract and the operator sourced by the POSINCO through a competitive bidding process. However, although the Company was incorporated it has not been functioning since the date of its establishment.; and
   c. Trinidad and Tobago Inter Island Company Limited (TTIT) - to manage the inter-island ferry service. As well, it was anticipated that this Company will operate under a management contract, and its operator sourced by the POSINCO through a competitive bidding process.

3.1.3 Therefore, three (3) out of the four (4) business units are presently partially operational.

Initiating Destination Trinidad and Tobago Limited (DTT)

3.1.4 With regards to the DTT, it was indicated that port operations consisting of cargo, ferry service and international cruise shipping services in both Trinidad and Tobago are likely to be affected by competition for berthing space; increased vessel traffic in the harbours; and increased vehicular traffic on the shore side. As a result, it is expected that there would be additional demand
for upgraded infrastructure or for a new port development, and additional immigration customs and port security services.

3.1.5 Also, while plans for Tobago are within the domain of the THA, the short-term proposals for Port of Spain, Trinidad included to:

- renovate the entire Shed #3 to facilitate additional passengers, Immigration and Customs processing and Duty Free shopping;
- establish a dedicated luggage area with security scanners, for both inbound and outbound operations;
- use part of the Transport Garage parking area for the processing of luggage and passenger drop-off;
- construct a food court with local cuisine and additional bathroom facilities;
- use the area between Shed #3 and #4 for provisioning of vessels; and
- provide bunkering services.

3.1.6 However, to implement these proposals, in the long term, a complete redesign of the Cruise Shipping Terminal area required, so that it is separated from the cargo handling entity and would be a more attractive and accommodating environment for cruise passengers.

3.1.7 Therefore, it was outlined that the following must be attained in order for this venture to be successful:

- $35Mn in government funding;
- marketing support for cruise passenger arrivals;
- provisioning of goods and services consistent with the availability of each island;
- fuel bunkering services in Trinidad and Tobago;
- one head tax for the five island itinerary;
- immigration processing only at the home port;
- various tour packages highlighting the unique attractions of each destination to influence high demand by the cruise passengers;
- attractions upgraded and packaged to an international certification standard;
welcome programmes at each port;
immigration processing through visas waivers and manifest distribution streamlined so that it becomes an incentive to the cruise lines;
duty free shopping facilities;
training programmes for all cruise industry personnel;
harbour upgrades;
co-operative marketing campaigns to increase demand for the Southern Caribbean Cruise Initiative;
preferential port changes; and
support of the Ministry of Tourism in continuing to be the lead player in collaboration with PATT.

Management of the Business Units

3.1.8 Noteworthy, is that the business units operate as separate entities in terms of their management capacity, capability, and reporting mechanisms. The Board of the PATT agreed to the separation despite the non-implementation of two (2) Cabinet recommendations in 2002 and 2009 respectively for the capital restructuring of the balance sheet and the implementation of VSEP packages (port human resource rationalization).

3.1.9 Furthermore, since the introduction of the units in 2006, the members of the Boards for the units have not been identified nevertheless, their respective Chief Executive Officers (CEOs) have been reporting at the PATT’s Board Meetings and administratively to the General Manager (GM)/ CEO, PATT to ensure the unit’s management focus is parallel to that of the Authority.

PATT Government Unit (PATT-GU)

3.1.10 PATT Governing Unit (PATT-GU) is responsible for the administration of several shared services for example, Human Resources (HR), Information Technology (IT), Public Relations (PR) and Port Security. Therefore, the business units utilize the services offered by the PATT-GU inclusive of the Port Audit and Port Secretariat.
MANAGEMENT OF THE PORTS

Procedure for treating with New Ports

3.1.11 The Customs and Excise Division (C&ED), Ministry of Finance and the Economy (MoFE) assumes responsibility for overseeing the establishment of new ports. In so doing, the Comptroller of Customs enquires from the GM/CEO of PATT about any objections to the establishment of the port. Once incoming or outgoing cargo from the country has no effect on the PPOS, approval is given by the PATT.

Amending Existing Legislation

3.1.12 It has been recognised by Authority that Ports are increasing in numbers and are easily penetrable. Therefore, it was recommended that a National Ports Council (NPC) be instituted. However, despite the involvement of approximately eight (8) lawyers representing various stakeholders, in drafting legislation pertinent to the establishment of the Council which was also intended to repeal the Port Authority Act Chapter 51:01 ("the Act"), the draft remains at the Law Revision Commission (LRC) and no information regarding the same has been received.

3.1.13 In the interim, the PATT suggested amendments to the Shipping Act Chap 50:10 to the Maritime Services Division of the MoT, the division responsible for administering regulatory framework, regarding some concerns about the Ports of Port of Spain and Scarborough and pertaining to changing harbours into ports.

3.1.14 It was indicated that the Shipping (Amendment) Bill was drafted and is approximately ninety-five percent complete. Further, the Bill is currently being reviewed by the Chief Parliamentary Counsel (CPC). As well, the various ports are being reviewed to ascertain how they can be improved and thirty (30) ports were identified to be incorporated into the amended Shipping Act. Correspondingly, the Harbours Act Chap. 50:06 is also under review by the Maritime Services Division and thus far, the decision was made to remove some of the provisions found in the Act, to incorporate them under the Shipping Act Chap 50:10.

1 http://rgd.legalaffairs.gov.tt/laws2/alphabetical_list/lawspdfs/51.01.pdf
3 http://rgd.legalaffairs.gov.tt/laws2/alphabetical_list/lawspdfs/50.06.pdf
MANAGEMENT STRUCTURE OF THE PATT

3.1.15 It was noted by the Committee that the current CEO/GM of the Authority was appointed to the position eleven (11) months prior to the hearing. Notwithstanding, CEO has experience working alongside former PATT CEOs/GMs for over ten (10) years in the restructuring and transformation of the Port. Additionally, the other members of the executive management team have also been functioning in their respective capacities for approximately ten (10) years.

Organisational Structures

3.1.16 The Organisational Charts of the Authority are at Appendix IV and illustrate the interim structure of the following Units:

- PATT Governing Unit;
- POSINCO;
- PPOS; and
- TTIT.

Staff Composition

3.1.17 The PATT operates with an aggregate of one thousand five hundred and eighty-six (1,586) staff members consisting of Monthly Paid and Daily Paid employees which stood at seven hundred and seventy (770) and eight hundred and sixteen (816) employees respectively as at December 31, 2013. Further details of the staff establishment are illustrated at Appendix V.

Existing Vacancies

3.1.18 Noteworthy is that all officials of the PATT in senior management positions are on acting appointments. These vacancies arose as a result of the expiration of contracts at the executive level.

3.1.19 Accordingly, the Board has taken the decision to advertise for positions beginning with the CEO position at the Authority and once this position is filled the Board will collaborate with the selected CEO to determine the way forward for the CEO positions for the Strategic Business Units (SBUs).
3.1.20 The aggregate number of vacancies and positions by companies inclusive of both permanent and temporary staff as well as Stevedores stood at one hundred and twenty-one (121) as at December 30th, 2013. See Appendix VI.

**Loans to Employees**

3.1.21 Under the SWWTU (Seamen and Waterfront Workers Trade Union) agreement, staff is entitled to a vacation leave loan. As well, senior managers are entitled to several categories of loans such as motor vehicle loans (as guided by the Chief Personnel Officer CPO), insurance for motor vehicle loans, vacation leave loans. These loans are recovered via salary deductions and the terms and conditions are established as per agreement. As a consequence, the receivable figure for staff Loans and advances increase annually with the increase in new loans taken by staff.

**Major Refurbishments and Maintenance Activities**

3.1.22 A total of $106,868,026.75 vat included was spent on major refurbishments and maintenance for the period 2009-2013.

**Submission of Administrative Reports**

3.1.23 The issue regarding the non-submission of administrative reports was raised at the public hearing given that the PATT’s last administrative report submitted to the Parliament was for the year 2007-2008. A status report on the Authority’s Administrative Reports for the fiscal years 2008-2013 is at Appendix VII.

**The Role of the MoT in assisting the PATT**

3.1.24 The Committee was assured that the MoT has been continuously supporting the PATT and that meetings with officials of the Authority are held regularly to arrive at various agreements.
TRAFFIC MANAGEMENT ON THE WATERWAYS

Vessel Traffic System

3.2.1 The Committee was informed that Cabinet approval was granted for the establishment of a Vessel Traffic Management System to be implemented in five (5) phases. Accordingly, a contract was awarded to an English Based Company in 2009 to accomplish this task.

3.2.2 The vessel traffic system is currently in its third phase, a process which involves a study and the identification of a location for a vessel traffic centre which took approximately a year and a half to discover and was ultimately found in November, 2013.

3.2.3 The Maritime Services Division, MoT remains in communication with the consultant to complete the remaining two (2) phases which entails to train operators and to identify equipment such as a radar to manage the traffic. The final phases are expected to be completed by February/March 2015.

3.2.4 Therefore, currently there is no established vessel management system. Nevertheless, the Maritime Services Division is the primary agency responsible for vessel traffic management of the waterways. A number of other agencies are also involved in the management of vessel traffic such as the PATT, the Pilots Association, and Customs Division. Further, Sections 10-12 of the Harbours Act, Chap 50:06 also outlines the responsibilities of the Harbour Master in relation to anchorage. For instance, the Harbour Master can direct a vessel to anchor, visit a vessel, and collect information regarding the vessel’s arrival, stay and departure.

3.2.5 In addition, each port is required to have its own system of vessel traffic management or berthing section. For instance, at the Port of Spain harbour, the Berthing Department is responsible for vessel traffic management. A manual system exists whereby information from the Agent of the vessel must be submitted to the Port’s Vessel Planning Department prior to the vessel’s arrival. As well, communication to the Berthing Department via very high frequency (VHF) Radio of the vessel’s arrival when in range and during the final manoeuvre to the berth is required, which must include the use of Pilots.
3.2.6 The Berthing Department and the Port’s Vessel Planning Department also track vessels within the vicinity of the harbour through access to sites established by shipping lines and many other readily available vessel tracking sites on the internet, such as Vessel Tracker ⁴ and Lloyds⁵.

Managing the Movement of Vessels

3.2.7 The system used to manage the movement of vessels entails a pre-arrival berth allocation system for vessels conducting business at the Port; and a radio call-in system for CARICOM vessels, ferry service vessels and National Infrastructure Development Company Limited’s (NIDCO) water taxis.

Legislation governing the movement of vessels

3.2.8 A combination of guidelines and legislation serve as the administrative tools employed to manage the movement of vessels in the waterways as follows:

- Shipping Act, Chap 50:10⁶
- Harbours Act, Chap 50:06⁷; and
- Port Authority Act, 51:01⁸.

Vessel and Cargo Management Challenges

3.2.9 The following are the challenges in relation to vessel and cargo management at the ports falling under the purview of the PATT:

- channel restrictions – size limitations of cruise and cargo vessels that can be accommodated at the PPOS;
- lack of funds for upgrade/replacement of poor/deteriorating infrastructure – for instance the terminal storage facilities for full and empty containers and ferry service jetties;

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⁵ http://www.lloydslistintelligence.com/llint/index.htm;jsessionid=9696217A01D9F095805B6FCC5035CC9D
⁷ http://rgd.legalaffairs.gov.tt/laws2/alphabetical_list/lawspdfs/50.06.pdf
lack of funding for the acquisition of additional navigational aids for the Port of Scarborough;

- delays in approval for capital development projects, premised to some extent by the proposed Port Relocation;

- berthing conflicts in terms of delayed arrivals of vessels pose a challenge, accordingly operational plans were adjusted. As well disruption to other schedules are caused by large vessels which require berthing according to tide levels;

- cargo management—mainly administrative challenges generated by stakeholders and customers resulting in congestion due to excessive dwell time of cargo. As well, the lack of appropriate equipment to treat with certain types of cargo results in loss of business and deteriorating equipment continues to impede efficient operations as there is unsuitable surface conditions in most areas of the terminal which are not conducive to heavy equipment; and

- unproductive working practices built into industrial agreements.

Requirements for Expanding PATT’s Capacity to Berth Larger Vessels as provided for in its Strategic Plan

3.2.10 A strategic plan was developed in 2012 wherein a comprehensive analysis of the requisite infrastructure and equipment of the PATT is outlined. However, the Authority disclosed that it cannot solely fund the necessary infrastructural and equipment requirements and as such has made representations to the MoT. Notwithstanding, additional funding have not yet been approved. Therefore, the PATT is exploring the possibility of foreign investment by forming strategic alliances. However, approval is necessary from the MoFE in order to proceed with and arrange for the foreign investment. As a consequence, the PATT continues to operate given its limited draft and crane capabilities and as a result does not anticipate any immediate plans to deepen the harbour or to significantly increase the carnage capability within the ensuing three (3) years unless finance is provided.
Management of Derelict or Seized Vessels on the Waterways

3.2.11 The Maritime Services Division, was commissioned to treat with the issue of derelict or seized vessel on the waterways. As a result, Sea Neptune Marine Services Limited was contracted by the Ministry of Works and Transport (MoWT) in August, 2009 to provide marine wreck removal and disposal services of thirty (30) items on the coastal waters from the Port of Spain Harbour to Chagaramas Bay at no cost to the government. The contract was further extended in March 2012 and approximately eleven (11) more items are scheduled to be removed by February 2015.

3.2.12 However, some vessels are not covered under the contract such as those located in the Claxton Bay, San Fernando and Cedros areas. Therefore, these vessels are dealt with by the Principal Receiver of Wreck to be destroyed, sold or disposed of.

Legislation governing wrecks

The following legislations provide for treating with issue of wrecks:

- Harbours Act
- Port Authority Act
- Shipping Act and
- Customs Act.

3.2.13 For example, seized vessels are described as those that have been seized in accordance with Section 81 of the Customs Act, Chapter 78:01. As well, according to Section 334 of the Shipping Act, Chapter 50:10, the Principal Receiver of Wreck can possess abandoned vessels and dispose of them either by sale or disposal.

Status of wrecked vessels

3.2.14 There are approximately one hundred (100) vessels stalled in the Gulf of Paria and in Tobago. This figure is inclusive of wrecked vessels but excludes pirogues, launches, and sailing vessels. Fifty percent of the vessels have legitimate owners while the other fifty includes seven (7) in Chaguaramas, and in PPOS and Sea Lots approximately twelve (12) wrecked and twenty (20) abandoned fishing vessels. Noteworthy, is that these abandoned fishing vessels appeared in 2012 and has cost the State. The vessels were being occupied by approximately one hundred and twenty
(120) seamen who have since been repatriated. There are also approximately seven (7) vessels in San Fernando, three (3) beach vessels in Cedros and one (1) in Tobago. However, there are no known persons residing in derelict, seized or abandoned vessels.

**Procedure for treating with wrecks**

3.2.15 It was indicated that the system of treating with wrecks is tedious and may take two to six months to conclude whether to sell, remove or dispose of the vessel. The process includes identifying the flag to determine the country where the wrecked vessel is registered. However, wrecked vessels requiring immediate attention may be waived from the process and may be removed, marked, lighted or charted and mariners are informed of the safety concerns in relation to the wrecks.

**Risk Assessment**

3.2.16 A risk assessment was executed in December 2013, by the Environmental Management Agency (EMA) in collaboration with the Maritime Services Division upon instruction by the MoT and the Ministry of the Environment and Water Resources (MoEWR). The purpose of the risk assessment was to develop a plan to rid the Gulf of Paria and the waters of unwanted derelict vessels in the shortest possible time and to establish rules regarding dumping of derelict vessels. Given the findings of the assessment, it was anticipated that the Shipping Act will be amended by June, 2014 which will replace the outdated Harbours Act and other legislation which also treat with the issue of wrecks.

3.2.17 As well, the Maritime Services Division will be transformed into a Maritime Authority equipped to handle policing and increase enforcement to ensure that vessels are not dumped. Harbour Masters will also be appointed to oversee the local areas to discourage the abandonment of vessels and new vessels for patrol will be employed.
PERFORMANCES OF PORTS

NO. OF PORT USERS

Trinidad and Tobago Inter-Island Ferry Service

3.3.1 Table 1 below illustrates the steadiness in terms of Passenger and Vehicular capacity on the inter-island ferry service, given the introduction of the T&T Express and T&T Spirit Passenger in 2006 and 2007 respectively:

**TABLE 1**

Passenger and vehicle capacity during the period 2005-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Vessel</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Passenger</td>
</tr>
<tr>
<td>2005-2007 April 04</td>
<td>The CAT</td>
<td>840</td>
</tr>
<tr>
<td>2006 December</td>
<td>T&amp;T Express (formerly Lynx)</td>
<td>840</td>
</tr>
<tr>
<td>2007 July 20</td>
<td>T&amp;T Spirit</td>
<td>840</td>
</tr>
</tbody>
</table>

3.3.2 Likewise, hereunder in Tables 2 and 3 are information on the Passenger and Vehicular Usage during the period 2005-2013 and revenues received over the years 2005-2013 respectively:

**TABLE 2**

Passenger and vehicular usage 2005-2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Trips</th>
<th>% Variance</th>
<th>Passenger</th>
<th>% Variance</th>
<th>Vehicles</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1193</td>
<td>-</td>
<td>522,243</td>
<td>-</td>
<td>69,346</td>
<td>-</td>
</tr>
<tr>
<td>2006</td>
<td>1368</td>
<td>14.6</td>
<td>673,335</td>
<td>28.9</td>
<td>124,948</td>
<td>80</td>
</tr>
<tr>
<td>2007</td>
<td>2197</td>
<td>61</td>
<td>875,764</td>
<td>30.6</td>
<td>174,146</td>
<td>39</td>
</tr>
<tr>
<td>2008</td>
<td>2275</td>
<td>3.5</td>
<td>965,910</td>
<td>10.2</td>
<td>222,182</td>
<td>27.5</td>
</tr>
<tr>
<td>2009</td>
<td>2,114</td>
<td>(7.07)</td>
<td>906,437</td>
<td>(6.2)</td>
<td>204,426</td>
<td>(8.0)</td>
</tr>
<tr>
<td>2010</td>
<td>2179</td>
<td>3</td>
<td>979,143</td>
<td>8</td>
<td>220,187</td>
<td>8</td>
</tr>
<tr>
<td>2011</td>
<td>2192</td>
<td>3</td>
<td>995,777</td>
<td>1.6</td>
<td>230,446</td>
<td>4.6</td>
</tr>
<tr>
<td>2012</td>
<td>2184</td>
<td>(.4)</td>
<td>1,023,961</td>
<td>2.8</td>
<td>241,356</td>
<td>4.7</td>
</tr>
<tr>
<td>2013</td>
<td>2231</td>
<td>2.2</td>
<td>1,030,119</td>
<td>.6</td>
<td>254,313</td>
<td>5.4</td>
</tr>
</tbody>
</table>
TABLE 3

Revenues received over the years 2005-2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$39.2 M</td>
<td>$158.8 M</td>
</tr>
<tr>
<td>2006</td>
<td>$59.6 M</td>
<td>$234.7 M</td>
</tr>
<tr>
<td>2007</td>
<td>$67.7 M</td>
<td>$180.6 M</td>
</tr>
<tr>
<td>2008</td>
<td>$70.7 M</td>
<td>$283.5 M</td>
</tr>
<tr>
<td>2009</td>
<td>$68.1 M</td>
<td>$208.3 M</td>
</tr>
<tr>
<td>2010</td>
<td>$75.5 M</td>
<td>$256.4 M</td>
</tr>
<tr>
<td>2011</td>
<td>$89.8 M</td>
<td>$240.8 M</td>
</tr>
<tr>
<td>2012</td>
<td>$86.4 M</td>
<td>$185.6 M</td>
</tr>
<tr>
<td>2013</td>
<td>$82.5 M</td>
<td>$249.1 M</td>
</tr>
</tbody>
</table>

3.3.3 It was indicated that the T&T Express and the T&T Spirit have been in compliance with its statutory dry-docking programmes over the years.

Status of the Inter-Island Ferry Service

3.3.4 On December 8th, 2013, engine problems were detected on one of the two cargo ferries, namely the Warrior Spirit. As a consequence, the vessel continued operation using one engine which facilitated three to four sailings per week. However, it was possible to increase the number of sailings to six (6) per week by February 2nd, 2014. As well, in order to compensate for the backlog of cargo caused by the fewer sailings, the PATT allowed trucks weighing three to five tonnes to travel on board the fast ferry from Port of Spain. Other works undertaken on the vessels are outlined in Table 4 below.
### TABLE 4

<table>
<thead>
<tr>
<th>Period</th>
<th>T&amp;T Express: Works</th>
<th>T&amp;T Spirit: Works</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 March 21 – April 19</td>
<td>Repair Services to the Main Engines and Crank case replacement</td>
<td></td>
</tr>
<tr>
<td>2012 May 17 – June 22</td>
<td>Turbo Charger overhauls, 10,000 hr main engine overhauls, repairs to the funnel structures, servicing of the water jets and servicing of the AC ducting in the aft cabin</td>
<td></td>
</tr>
<tr>
<td>2012 October 8 – November 30</td>
<td>Maintenance of the water jets and repair to the jet impellar cavitation, 2500 hr main engine overhaul, repairs to the generator mufflers, fuel pumps POME and SOME, main engine ISIS wiring harness and pyro rail replacement. Following its dry docking in 2012, the T&amp;T Express was completely refitted with new carpet and seats.</td>
<td></td>
</tr>
<tr>
<td>2013 May 01</td>
<td>Pressuring of the underside of the vessel and measurement of the valve clearances of the four water jets.</td>
<td></td>
</tr>
<tr>
<td>2013 October 17 – November 08</td>
<td>T-Foil checks, repair to trim tabs, servicing of water jets (alongside dock, POS) Main engine repairs, structural fire repairs, turbo charger overhaul, 1250 main engine service, PIME &amp; SIME fuel pump fits</td>
<td></td>
</tr>
</tbody>
</table>

**Enhancing the Operations of the Inter-Island Ferry Service**

3.3.5 The current initiatives as it pertains to the enhancement of the operations of the Inter-Island Ferry Service are appended at Appendix VIII.

3.3.6 The PATT is also currently focusing on creating the framework for the transfer of technology and skills from the Ship’s Managers (Bay Ferries Management Limited) with the purpose of ensuring that the local crew is fully trained to successfully assume complete management and operation of the vessels. Accordingly, the following three (3) critical positions to the transfer have been established and the latter two (2) have already been filled:
i. Procurement Specialist,
ii. Marine Consultant; and
iii. Financial Analyst.

3.3.7 Additionally, managers are expected to be made fully conversant with the procurement, maintenance and ship financial management protocols. Further, as it pertains to the ship side, local officers have been preparing to assume the duties of their foreign counterparts. A local captain has also been operating one of the fast ferries since January 2013 and there is also a local Chief Engineer. Generally, the transition process is in progress and is expected to be completed in 2015.

Customer Services

3.3.8 The PATT’s on-going customer services is being enhanced by:

- continuing to offer Customers Services Training for TTIT employees, in 2014;
- holding on-going discussions with the THA, Tobago Chamber of Commerce, Tobago Hotelier Association and other stakeholders on measures to improve the quality of service to all persons that use the service;
- encouraging Primary and Secondary Schools to utilise the ferries for one day field trips during non-peak periods at concessionary prices; and
- communicating with passengers and stakeholders on matters related to the ferry operations including the use of electronic boards.

Pricing of Inter-Island Ferry Service

3.3.9 The inter-island ferry service continues to be heavily subsidised, parallel to this, the cost of providing the service continues to exceed revenues. Consequently, the PATT has implemented the following strategies to improve the financial condition and performance of the ferry service:

- the transition of PATT from Ship Managers (BFML) to generate a cost saving of US$200K or TT$1.3Mn;
- the implementation of cost saving strategies to reduce procurement expenditure on the vessels by approximately $6.9Mn; and
an increase in Freight Rates with the expectation of realising an increase in revenue of 20% on freight charges or approximately TT$8Mn (awaiting approval)

3.3.10 Nevertheless, it was indicated that TT$30Mn, US$200Mn (TT$1.3B) and TT$36.3Mn would be required during the period 2013-2014 and 2014-2015 for equipment acquisition, fleet renewal and terminal upgrades respectively.

**Funding of the Tobago Ferry Service**

3.3.11 It was noted that although there was a budget of $266.3million for financial years 2013/2014 and 2014/2015 for the Ferry Service at Tobago, only $4.95million was received for infrastructural works and this was spent on upgrading the Tobago Terminal. However, there are also some outstanding projects for example, the PATT is about to commence work on the jetty for the conventional ferry, as well, there are plans to upgrade the Ferry Terminal at Port of Spain and there are some other pending infrastructure works such as, yard paving. The authority has been assured by the MoT that funding will be made available for these projects. Noteworthy, is that annually, the Ferry Service Tobago receives a subsidy in the sum of $130 million for operations and any excess required is supplemented from revenue received from ticket sales and other forms of income. The subsidy received is insufficient to cover the cost of upgrading equipment. Thus, equipment has not been purchased in years. However, from time to time, equipment such as forklifts and big lifts are purchased.

**Ferry Tickets**

3.3.12 The Committee was informed that all the technical work to implement a new improved ticketing system has been completed, however, signatories are required from the Board responsible for the TTIT to process the necessary documentation with the bank. Although the Board members of the TTIT have not been appointed, they will soon be so that the new ticketing system can be implemented.

**Challenges with the Inter –Island Ferry Services**

3.3.13 The following are the challenges relative to the Inter –Island Ferry Services:
➤ **Limited cargo operating space in Port of Spain:**

- the operation is challenged by space constraints to pre-park vehicles for smooth boarding;
- delay is incurred as vehicles leaving the port attempt to enter the formal traffic lanes;
- limited turn around space for the high speed ferries;
- the same area is used for loading conventional ferry with bigger trucks and heavier loads; and
- a master plan developed in 2007/2008 to treat with these issues has not been implemented.

➤ **Simultaneous Cargo operations at Scarborough:**

- the layout of the ferry terminal does not safely facilitate simultaneous discharges from cargo vessels and cargo operations of the inter-island ferries;
- the high speed craft landing is further east of the general cargo berth while the terminal is located on the western side of the port;
- dusty cargoes cannot be discharged while passengers disembark or embark from the Terminal building; and
- a master plan to address the additional requirements was prepared but not finalised as a result of harbour constraints pertaining to the approach and the need for a breakwater facility and for more land space for parking.

➤ **Infrastructure Maintenance**

- the landing for the conventional cargo ferry and the finger pier alongside which the cargo ferry is secured are both due for maintenance;
- the size of the conventional ferries has consistently been increasing in draft; and
- capital dredging is necessary to allow conventional ferries to manoeuvre properly especially when berthing.
Vessel Market

- PATT requires excess tonnage capability in the fleet and has been increasing the tonnage capacity of the vessel with each formal vessel replacement which is a costly solution;
- there are challenges to obtaining short-term vessel replacements during periods of planned and emergency maintenance of the existing fleet; and
- management has been trying to schedule maintenance during off-peak periods although there is in reality no off-peak season in Tobago.

Possible consecutive capital investments restricting developments

- the current fleet of vessels includes an old vessel due to be replaced within the ensuing three years;
- one of the two catamarans may become due for replacement in the next five years therefore, given the upcoming replacements capital investment for vessel replacement may not be spaced to allow for sufficient financial recovery between investments therefore stifling other developmental investments for improved customer service.

Competent Senior Seafarers

- Compensation packages are not attractive enough to local senior officers; however, junior officers of lower rank are now available in Trinidad since the UTT has engaged in training for deck and engine room officers.

Operationalization of Strategic Business Units

- Government Shipping Service falls under the purview of the TTIT.
- The Shipping Service is in the process of transitioning into a less bureaucratic organisation to allow for more efficient management of the inter-island ferries.
- The management change has its challenges but it is progressing.
QUANTUM OF EXPORTS AND IMPORTS

3.3.14 According to the International Ship and Port Facility Security (ISPS) Regulations thirty-one (31) port facilities engage in international trade. The PPOS, Point Lisas Industrial Port Development Corporation (PLIPDECO) and the Port at Galeota are the larger ports. The PPOS treats with import and exports in relation to containerized and non-containerized cargo. The volume of imports and exports for the years 2004 to 2013 and details of imported break bulk cargo for the years 2009-2013 are at Appendix IX.

3.3.15 Given the volume of cargo managed by the PPOS, approximately fifty-one (51) percent consist of trans-shipment cargo (cargo that is lodged in the port and then reverted to a vessel elsewhere in the region) while the remainder comprises domestic cargo consisting of a mixture of domestic imports and exports.

PROFITS AND LOSSES OF THE AUTHORITY

3.3.16 It was indicated that in keeping with the Port Authority Act Chapter 51:01, the accounts of the PATT are kept separately from that of the Government Shipping Service (Inter island Ferry Service). Table 5 below illustrates the Subventions and Subsidies received by the PATT for the years 2004-2013.

Table 5
Port operations and inter-island ferry subventions and subsidies 2004-2013

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TTIT [$]</th>
<th>PATT [$]</th>
<th>TOTAL [$]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>61,350,000</td>
<td>57,771,357</td>
<td>119,121,357</td>
</tr>
<tr>
<td>2005</td>
<td>54,670,100</td>
<td>47,918,900</td>
<td>102,589,000</td>
</tr>
<tr>
<td>2006</td>
<td>56,954,700</td>
<td>60,895,539</td>
<td>117,850,239</td>
</tr>
<tr>
<td>2007</td>
<td>105,074,349</td>
<td>123,947,983</td>
<td>229,022,332</td>
</tr>
<tr>
<td>2008</td>
<td>114,843,858</td>
<td>144,260,904</td>
<td>259,104,762</td>
</tr>
<tr>
<td>2009</td>
<td>161,081,036</td>
<td>112,370,000</td>
<td>273,451,036</td>
</tr>
<tr>
<td>2010</td>
<td>80,428,935</td>
<td>195,499,318</td>
<td>275,928,253</td>
</tr>
<tr>
<td>2011</td>
<td>61,337,564</td>
<td>192,585,982</td>
<td>253,923,545</td>
</tr>
<tr>
<td>2012</td>
<td>99,400,000</td>
<td>202,909,141</td>
<td>302,309,141</td>
</tr>
<tr>
<td>2013</td>
<td>152,048,602</td>
<td>150,089,432</td>
<td>302,138,034</td>
</tr>
</tbody>
</table>
3.3.17 Noteworthy is that in addition to receiving government subsidies for the Inter-Island Ferry Service, the PATT also receives funding from the Public Sector Investment Programme (PSIP). Notwithstanding, it was noted that the PATT suffers an annual loss of approximately over two hundred million dollars ($200Mn). Officials explained that the loss is incurred as a result of issues such as low revenue earnings from POSINCO’s properties which amount to fourteen million dollars annually, compared to earnings emanating from properties in Point Lisas. As a consequence, the PATT engaged in arbitration agreements which were settled in several instances for example, with regards to lands on which Bhagwansigh and Movie Towne are situated.

3.3.18 Further, for the years 2010-2013, Revenue from Real Estate (Lands) stood at $11.2million. It was contended that Revenue from Real Estate (Lands) can be increased by $16.3 million if market values are realised.

**Writing-off Aged Loans**

3.3.19 In 2002, a Cabinet note was prepared by the PATT and forwarded to the Cabinet regarding assistance in writing-off some of the Authority’s very aged loans. The Cabinet approved a debt to equity swap to be administered by the MoFE, Investments Division. However, the swap has not yet taken place despite a meeting in 2012, with officials of the Investments Division and the PATT where it was determined that the debt-to-equity swap was on the agenda for action and although thereafter, correspondence was forwarded to the division, no response was received.

**Overtime Cost**

3.3.20 The Committee was informed that the most revenue is generated from the cargo handling area or “wharves” which operates within a three-shift system. However, high absenteeism has been recorded in the last or third or ‘C’ shift which has resulted in a high number of overtime hours. Specifically, twenty per cent (20%) of overtime is incurred as a result of absenteeism on Mondays through Fridays while approximately eighty per cent of total overtime occurs on Saturdays and Sundays.
3.3.21 Therefore, in an effort to reduce the incidents of incurring overtime cost, the PATT has tabled a proposal seeking the implementation of “five-in-seven” which involves an employee working five out of seven days. However, the proposal must first be negotiated with the union.

Initiatives to Reduce Dependence on Government Subventions

3.3.22 The following are the initiatives of the units of PATT to reduce dependence on Government Subventions:

**PATT Governing Unit**

- It was noted that approximately 65% of the $158 million government grant received is spent on debt servicing of loans which are guaranteed by the Government. Furthermore, government subventions are used to pay for the Container Examination Station (CES) which is an obligation undertaken by the Government and not a liability of the PATT. There are currently four (4) loans existing which are expected to be settled during the years 2017 and 2019. The following Table illustrates the PATT’s loans:

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Currency</th>
<th>Year of Loan expiration</th>
</tr>
</thead>
<tbody>
<tr>
<td>340.04 million</td>
<td>TTD</td>
<td>2018</td>
</tr>
<tr>
<td>66.5 million</td>
<td>USD</td>
<td>2017</td>
</tr>
<tr>
<td>134 million</td>
<td>USD</td>
<td>2018</td>
</tr>
<tr>
<td>15 million</td>
<td>TTD</td>
<td>2019</td>
</tr>
</tbody>
</table>

As a result, it is anticipated that subsequent to the year 2019 the PATT financial position will be improved. As well, the management of the PATT has implemented increased tariffs, cost reduction and overtime cuts to reduce cost and increase revenue.
Port Of Port Of Spain- Cargo Business Handling Unit

- Implement new working practices— to be negotiated in the Collective Agreement with the S&WWTU which will treat with the following issues:
  - non-shifting of gangs on weekends since additional expenditure could be avoided by maximising the human resources;
  - berthing on vessel arrival rather than at the start of a new shift;
  - automatic overtime on weekends which accounts for 18% of PPOS expenditure and 87% of total overtime;
  - the lack of multi-skilled labour and an integrated labour system which has resulted in a large labour work team rather than a few skilled persons;
  - lack of updated policies for example regarding, substance abuse and disciplinary matters; and
  - promotions which are based on seniority rather than on meritocracy and competency.

It is anticipated that once these matters are addressed, savings of approximately TT$28.4Mn in Year 1, TT$29.4Mn in year 2 and TT$26.2Mn in year 3 will be realized.

- Improve Productivity— to be achieved through training, the acquisition of back-up equipment and a new ship–to-shore (STS) Crane so that man hours and expenditure will be reduced.

- Increase PPOS’ Tariff Rates— new rates have been effected as at March 15th, 2014 which are expected to produce approximately TT$10Mn in additional revenue in 2014.

- Improve Safety and Quality Management Systems in 2014/2015— the introduction of quality management systems with ISO 9000 and OSHAS 18001 Certifications will improve productivity and loss of man hours due to injury.

Port Of Spain Infrastructure Company Limited (POSINCO)

- Reduce Towage Expenditure— an evaluation in 2011 revealed that the option to acquire two tugs will cost $13,073,126.00 (undiscounted) in comparison to renting the tugs at a net cash
outflow of $31,669,049.00. Therefore, saving approximately $14,000,000 annually and improving the reliability of the service. Also, the acquisition of a dredger is expected to be beneficial in maintaining the port’s harbour and can also be marketed for maintenance jobs at other ports in Trinidad and Tobago as well as neighbouring countries. Nevertheless, a feasibility study will be required.

- **Increase in POSICNCO’s Tariffs**— the following tariffs were increased as at January, 2014: Port Due, Towage, Berth Occupancy and Wharf Dues at international and regional wharves (CARICOM). These are expected to increase POSINCO’s revenue by approximately 30%.

**Trinidad And Tobago Inter-Island Transport Company Limited (TTIT)**

- **Transition from Ship Management by Bay Ferries Management Limited to Local Management**— this is expected to effect a cost saving of US$1.9M per annum. Table 7 below provides a breakdown of the immediate savings from the transition.

<table>
<thead>
<tr>
<th>Expense</th>
<th>Monthly 2vessels USD</th>
<th>Annual Savings USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Fee</td>
<td>$81,034.00</td>
<td>$972,408.00</td>
</tr>
<tr>
<td>Travel and Living</td>
<td>$26,600.00</td>
<td>$53,200.00</td>
</tr>
<tr>
<td>Staff Reimbursement and Contingency</td>
<td>$12,520.00</td>
<td>$25,040.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,050,648.00</strong></td>
</tr>
</tbody>
</table>

3.3.23 Additionally, the implementation of procurement by locals is expected to:

- reduce procurement expenditure on the vessels by approximately TT$1Mn, and
- increase in Freight Rates to produce an increase of 20% on freight charges or approximately TT$8Mn.

3.3.24 Also, a review of operational procedures and implementation of the five (5) in seven (7) work arrangement will reduce the overall overtime costs incurred by TTIT by approximately 30%.
PERFORMANCE MEASUREMENT TOOLS

3.3.25 The PPOS utilises the following Key Performance Indicators (KPI) to measure performance:
   a) Operations - Moves per Crane Hour, Moves per Berth Hour and Truck Turn Around Time;
   b) HSE - Loss Time and Accident rates; and
   c) Equipment – Equipment availability.

3.3.26 As well, Trinidad and Tobago’s two main commercial Ports are subjected to international review. The Authority also submits information to the Caribbean Shipping Association (CSA) to be compared with its member Ports for the Port of the Year Award.

3.3.27 Recently, information was submitted to institutions such as the Arthur Lok Jack Graduate School of Business to determine the Authority’s competitiveness in terms of indices, given that the Authority’s performance is measured using throughput, which is not an accurate indicator of the Ports performance. Further, it was recognised that other input factors to determine a Port’s output levels such as port size, resources, technology and equipment are not taken into consideration in the established evaluation. As a consequence, based on this review system, the country’s Ports are not reflected in the top regional /international rankings.

Health and Safety

3.3.28 Officials acknowledged that a fatal accident involving an employee of the PATT occurred on the morning of February 15, 2014. The Committee was advised the Authority PATT was conducting a full investigation to determine the cause of the accident and the results would be presented to Minister of Transport.

3.3.29 The Committee was informed that following the accident, the Chief Inspector (OSH) was immediately informed and visited the site of the accident along with other inspectors who were consulted on the feasibility of resuming operations. PATT was also working with its Safety Officer to avoid a recurrence of such accidents.
3.3.30 In the Authority’s report on the *Investigation into the circumstances which led to the fatal accident involving Mr. Roland Roberts* it was reported that the main causes of this accident were *inter alia*:

a. a lack of safety awareness by all workers;
b. an inappropriate selection process for determining workers assigned to operations in general;
c. the absence of contemporaneous training of workers in safe work practices observed when undertaking high risk operations;
d. inadequate documentation of safe work practices;
e. the absence of an effective safety and Health Management System and safety culture at the PATT.

3.3.31 The Committee that investigated the accident recommended the following remedial actions:

i. immediate updating of the Job Hazard Analysis (JHA) and Safe Working Procedures (SWPs) for this operation;
ii. effective training or retraining of all personnel in the JHAs and SWPs;
iii. review and upgrading of the process of selection and deployment of workers assigned to all cargo operations;
iv. the introduction of the OSHAS 18001 Safety Management System.

**THE PERFORMANCE OF THE PORT OF PORT OF SPAIN IN COMPARISON TO OTHER REGIONAL PORTS AND OR OTHER LOCAL PORTS**

3.3.32 There are two (2) major shipping lines in Trinidad and Tobago, CMA CGM Group⁹ and Mediterranean Shipping Company (MSC)¹⁰ which account for approximately eighty percent (80%) of cargo handled by the PPOS.

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3.3.33 Over the past ten years one or two lines have moved to PLIPDECO which has grown from 80,000 TEUs (Twenty-Foot Equivalent Units) to approximately 165,000/175,000 TEUs in 2013, while the PPOS has doubled its TEUs from 200,000 in 2009 to 383,000 TEUs in 2013 which is approximately 350,000 containers. Therefore, the PPOS handles twice the amount of cargo than PLIPDECO and has approximately fourteen (14) crane moves per hour and twenty-five (25) berth moves per hour, as recorded in 2013. Cargo in Tobago is very limited and averages less than one thousand TEUs annually.

3.3.34 Further, a twenty-six percent (26%) improvement in productivity was recorded in the year 2012, for the PPOS. Further, the processing time for a truck to collect and drop off a container was reduced from one and a half hours in 2012 to fifty-eight (58) minutes in 2013. Nonetheless, officials of the PATT lamented that the customs processing time at the PPOS takes approximately three to four days compared to one to two days at the Port at Point Lisas, an issue which needs to be resolved.

Improving Efficiency in Service

3.3.35 Information received suggested that PATT has improved in terms of its turnaround times in the past two years and is also seeking to procure a new ship-to-shore crane and more trailer trucks to increase productivity of the port. The Port has been experiencing efficiency in its services as a result of the implementation of the NAVIS System, a terminal operating management system which assists in the reduction of inefficient movements of forklifts and provides advanced information on the appropriate time to move containers.

3.3.36 Therefore, together with the use of the Automated System for Customs Data (ASYCUDA)\textsuperscript{11,12}, the operations at the port has been improved in relation to the reduction of turnaround time for receiving import containers from eleven (11) days to approximately eight to nine (8-9) days. However, some consignees may opt to leave their container until the rent-free period consisting of seven (7) days expires. Furthermore, the authority advised that it had plans to meet with the new Comptroller of Customs in an effort to further debottleneck and improve the productivity process at the PPOS.

\textsuperscript{11} http://www.asycuda.org/
\textsuperscript{12} http://carib.customs.gov.tt:8080/asycuda/
Preparing for transhipment business

3.3.37 PATT officials indicated that it would be a good strategy to establish a new port whether in La Brea or at any other location within the ensuing five (5) years in preparation for the transhipment business. Officials indicated that in providing a point of location for transhipment cargo and access to other resources such as fuel, water and supplies for vessels should also be provided for example, resources and infrastructure with regards to natural gas pipe lines to provide fuel already exists at La Brea and can be easily accessed from the closely positioned Atlantic LNG Company. Furthermore, PATT officials elaborated that the country should maximise on its location to facilitate a spin-off industry such as establishing dry docking facilities to provide craft, trade and employment.

Prospects for the expansion of the capacity of Ports

- the PPOS is currently unable to facilitate post Panama vessels;
- the development plans suggested by PLIPDECO concerns their berths only, however there are other berths that are being considered;
- private enterprises will face vessels demanding higher freight rates as a result of their inability to ‘go at the draft’ which is a maximum of twelve (12) metres;
- the cost required to invest at the PPOS outweighs the cost of development at the La Brea port which is an effort of National Energies Corporation;
- there is not enough space to renovate at the PPOS and therefore, a new port in La Brea is the most suitable option;
- the proximity for shipping lines will be along the African coastline and South American coastline. The majority of cargo is expected to emanate from the Brazilian and West African markets consisting of mainly bulk cargo. As a result, transhipment is not anticipated unless Brazil decides to have a full export oriented or manufactured goods so that they can export a large amount;
- most exports will be arriving from China;
- both Brazilian and African laws stipulate heavy taxation on their imports; and
- although the PATT participated in the rationalization study into the development of the La Brea port as prepared by the Ministry of Planning and Sustainable Development (MoPSD) it has not formally contributed to feedback regarding the development of the La Brea Port.
SECURITY OF PORTS

3.4.1. The PATT retains a proprietary police force lead by a Security Superintendent who is responsible for security management at the PPOS and Scarborough. The security arrangements at the PATT, provide the Authority with a range of preventative strategies that are intended to reduce anticipated vulnerabilities to an acceptable level.

Stakeholder Security Support

3.4.2. The Port Police receives guard, mobile and marine patrol, K9 unit, bomb technician and CSI support from the Customs Preventative Department of the C&ED to assist in decreasing the movement of contraband through the port by providing intelligence, inspection and screening of cargo, investigation and prosecution of offenders.

3.4.3. The Port also receives assistance from the Ministry of National Security (MoNS), Trinidad and Tobago Police Service (TTPS) in the areas of K9 service, illegal drug interdiction, bomb and firearms detection, emergency armed response, investigation, prosecution of offenders, intelligence and traffic control. As well, Immigration Officers, treat with issues related to ship crew, stowaways and illegal immigrants.

3.4.4. Additionally, the Trinidad and Tobago Coast Guard (TTCG) in its Designated Authority capacity is responsible for monitoring the ports activities in accordance with the ISPS Code and to assist with routine sea-side marine patrol, search and rescue, under-water inspection of the quay wall and vessel's hull as well as intelligence gathering. Port Health Officers ensure that crew members and passengers do not pose a health risk to themselves or the population. Shipping Agents assist with providing the relevant shipping documents to facilitate the timely movement of cargo and crew while Ship Chandlers provide prior notification to the Port Police Department, of ship stores and ship spares to vessels which are docked in port at anchorage.

Security Arrangements

3.4.5. The security arrangement at the PATT entails:

- Access control to PATT’s facilities and vessels berthed at its ports;
- Lighting;
- Fences;
- Employees and visitors identification cards;
- CCTV surveillance;
- Passengers and vehicles security screening at the Ferry Terminals;
- Background checks on port users and employees;
- Intelligence gathering with collaboration with local and foreign law enforcement agencies;
- Port ship interface;
- Security screening of international cruise ship passengers;
- Mobile and foot security patrols;
- Verification of all cargo deliveries;
- Employees and port users security screening when entering and leaving the port facilities;
- Signage; and
- Restricted areas.

Security Strategy

3.4.6. The Security Strategy involves:

- a vulnerability analysis which identifies the security risks affecting the port - this is performed every five (5) years in accordance with the ISPS Code which is forwarded to the Designated Authority, (the TTCG) for its approval or if necessary, to improve the security plan. Vulnerability assessments are currently ongoing given that the cycle for review ends on June 30\textsuperscript{th}, 2014. As well, assessments are continuous, based on any new information, threat analysis, situation/ security incident that may occur and was not addressed in the previous assessment. Correspondingly, once mitigating strategies are developed, these are included in the plan.

- selection and installation of counter measures; and

- a continuous audit of the security operating programme.
3.4.7. In addition, the PATT produced a Port Facility Security Plan to guide the Port’s Police in achieving its strategic goal of protecting its assets and ensuring the safety of its employees, information and customers.

Procedure for Treating with Security Breaches

3.4.8. As it pertains to the transhipment of contraband, once uncovered on the ports or vessels at berth, the items are secured and the Customs Department and TTPS are notified. Where illegal aliens are discovered on the ports, they are detained and handed over to the Immigrations Department for repatriation.

Scrutiny and Surveillance of Vessels, Cargo and Personnel

3.4.9. In accordance with ISPS Code and Port Facility Security Plan, the Authority has fulfilled its role in ensuring proper security and surveillance of vessels, cargo and personnel by:

- Ensuring that security information is received and exchanged with shipping lines and Embassies or Consulates pre-arrival.
- Providing for the conduct of a personal interface by a Port Facility Security Officer (PFSO) and Ship Security Officer (SSO) upon the arrival of each international vessel wherein security-related information is declared by the SSO and captured on an interface form. As well, sensitive security information is exchanged with regards to providing additional security measures for vessel, crew and cargo.
- Ensuring that cargo received, stored and delivered are detailed and descriptive on the manifest. Further, ensuring the manifest is submitted to Customs and the Port prior to the arrival of the vessel. Export cargo must have the relevant Customs approval as verified by gate clerks before acceptance for export and container seals are checked to ensure they correspond with the shipping documents.
- Delivering cargo to consignees subsequent to being screened and released by Customs.
- Ensuring the integrity of all cargo received while on the port via physical inspection of container seals, via security personnel, mobile patrols and use of limited CCTV coverage.
Monitoring High Valued Containers (HVC) from their discharge through delivery to minimise tampering and storing them in a designated area where PFSOs constantly monitor them.

Ensuring that all personnel have a valid reason for visiting the Port.

Ensuring that all persons are screened by security when entering, exiting or within the port facility.

Ensuring that all persons possess a valid departmental identification card or supporting documentation.

Processing and granting shore leave to vessels’ crew. This is performed by Immigration Boarding Officers.

3.4.10. Nevertheless, there have been breaches of security. The breaches detected by the Authority during the period January, 2012 to December 2013 are at Appendix X and consequently, security vigilance has been increased at the port as follows:

**Security Container Scanners**

3.4.11. Recently, a container scanner was obtained. It is estimated that approximately fifteen (15) units measuring 40’ can be scanned per hour at a speed of 50mm/s to 300mm/s in other words one 40’ container every four minutes can be examined using the scanner. Likewise, it was indicated that twenty (20) Units measuring 20’ can be scanned at a speed of 200mm/s per hour that is, one 20’ unit every three minutes.

3.4.12. Currently, the CES as operated by the C&ED requests on average thirty-five (35) containers per day for examination. Therefore, the Customs Department screens approximately twenty per cent of 80,000 containers that enter the country on an annual basis. As such, the C&ED will also determine the number of containers to be scanned per day taking into consideration the quota established for the day and the number of operational hours.

3.4.13. The PATT in collaboration with the C&ED are in the process of installing the container scanner at the PPOS and a deadline date of June 30th, 2014 was given for the completion of the construction for the infrastructure to enable the scanner. In order to supplement the container
scanner, two (2) mobile scanners will be implemented to treat with the issues of contraband and illegal drug trafficking through the port.

3.4.14. In the interim, there is a **Joint Operability Team** comprising the C&ED, the TTPS and the PATT to strengthen through intelligence, the framework used to ensure that there is not a repeat of illegal drugs being shipped from Trinidad and Tobago until the scanners can be implemented. Particularly, the C&ED would be reviewing their process and procedures to be intelligence driven.

**Examining Containers**

3.4.15. In general, the PATT oversees cargo. The security measures instituted ensure that containers on the port are not opened, tampered with or stolen. Containers are only accepted or released from the port if proper documentation from an agent, the C&ED, Bureau of Standard and other authorised agencies are produced. **The Customs Department is the intelligence unit responsible for inspecting containers entering and leaving the port** therefore, this department decides whether a container should be opened for inspection, imported or exported.

3.4.16. Inspections are performed randomly using the new ASYCUDA system. It is expected that with this new system the Customs intelligence will increase given that information on customer profiles are being captured electronically for easier access. Manifests are also recorded electronically which must be one hundred per cent (100%) accurate otherwise the relevant agent is fined. **Therefore, the PATT has no responsibility regarding the examination or opening of containers.** Generally, the COPPOS, the cargo handling section at the Port weighs the export containers which remain at the terminal until they are ready to be shipped while import containers are sent to the CES.

**CCTV System**

3.4.17. Currently, there are two (2) CCTV systems at the PPOS, one owned and monitored by the Port Police and the other by the MoNS and the TTPS. The Port of Scarborough has one (1) system which is also owned by the MNS and monitored by the TTPS.
3.4.18. The CCTV system monitored by the TTPS is currently under assessment for possible integration into the Ports system. The TTPS provided the PATT with guidelines relating to staffing and Standard Operating Procedures which have been adhered to. In addition, the PATT is in the process of preparing a Memorandum of Understanding (MoU) or Memorandum of Agreement (MoA) to establish the financial aspect of the venture. As well, a Request for Proposal (RFP) was being prepared for the revamp of the entire CCTV system at the Ports of Port of Spain and Scarborough.

**Challenges with Strengthening Surveillance Systems**

3.4.19. The following were identified as challenges which hinder the strengthening of surveillance systems:

- PATT’s CCTV systems requires upgrading in keeping with new technology.
- PATT requires vehicle x-ray and walk through scanners for both Ferry Terminals to improve the screening process to detect contraband transported between Trinidad and Tobago.
- PATT requires an increase in government funding to facilitate the cost of upgrading the CCTV systems and to acquire the vehicle x-ray and walk through scanners.
- PATT is challenged in its sea side security coverage and depends heavily on the TTCG and Customs Marine Interdiction Unit to conduct marine patrols and to respond to reported incidents. However, these agencies have national responsibilities and respond upon request.
- The harbour and navigational aids are considered critical port infrastructure, therefore, these require continuous monitoring and security patrols.
- PATT also requires and is exploring a more definitive arrangement from existing customs and TTPS, K9 Services.

**International Maritime Security Standards**

3.4.20. Noteworthy is that the Shipping Act, Chap 50:10 stipulates an international convention on safety at life at sea. The Government of Trinidad and Tobago has ratified numerous International Maritime Conventions and is in the process of enacting some Conventions into national legislation.
such as the Maritime Pollution (MARPOL)\textsuperscript{13}, Ballast Water Management\textsuperscript{14} and Marine Labour Conventions\textsuperscript{15}. The Port also adheres to International Maritime standards in accordance with the International Maritime Organisation (IMO)\textsuperscript{16}.

**ISPS Code**

3.4.21. PATT also adheres to safety policies on maritime matters in accordance with both ISPS Code and local legislation such as Bunkering, Oil Spills, Waste Disposal and Dangerous Cargo. PATT has been in compliance with the ISPS Code since its inception in 2004, which provides detailed security related mandatory requirements, as well as a series of guidelines that establish the ways to meet the security requirements\textsuperscript{17}. Essentially, the ISPS code was developed to institute a common framework for establishing security procedures and guidelines.

3.4.22. Correspondingly, PATT has obtained certification for three (3) port facilities, the Ports of Port of Spain, Scarborough and Charlotteville (for cruise ship visits only). Further its port facilities remain ISPS compliant. Furthermore, all international vessel weighing 500 gross tons and over utilising PATT’s facilities are required to have a valid International Ship Certificate as stipulated in Section 19.1 Part A of the ISPS Code which is subject to inspection by the Port State of Control Office, Maritime Service Division, MoT. The International Ship Certificate indicates that the vessel has a Ship Security Plan, approved by a Contracting Government or a Recognised Security Organisation and the ship must display its IMO identification number.

3.4.23. However, International Ship Certificates and an approved Ship Security Plan, are not required for inter-regional vessels weighing 500 gross tons and under, which call at the CARICOM Wharf. Nevertheless, these vessels can be inspected by the Maritime Services Division for seaworthiness and safety of operations under the Caribbean Memorandum of Understanding on Port State of Control.

\begin{thebibliography}{9}
  \bibitem{13} \url{http://www.imo.org/OurWork/Environment/PollutionPrevention/Pages/Default.aspx}
  \bibitem{14} \url{http://www.imo.org/OurWork/Environment/BallastWaterManagement/Pages/Default.aspx}
  \bibitem{15} \url{http://www.ilo.org/global/standards/maritime-labour-convention/lang--it/index.htm}
  \bibitem{16} \url{http://www.imo.org/Pages/home.aspx}
  \bibitem{17} \url{http://www.imo.org/ourwork/security/instruments/pages/ispscode.aspx}
\end{thebibliography}
3.4.24. Furthermore, the PATT complies with the International Maritime Laws relevant to safety of navigation and port security as follow:

- Safety of Life at Sea (SOLAS)\(^\text{18}\);
- Standard Training, Certification and Watch-keeping (STCW)\(^\text{19}\);
- High Speed Craft (HSC) Code\(^\text{20}\);
- International Safety Management (ISM) Code\(^\text{21}\);
- High Speed Craft (HSC) Code\(^\text{20}\);
- Load lines, Collision Regulations (COLREGS)\(^\text{22}\); and
- Search and Rescue (SAR)\(^\text{23}\).

3.4.25. Further details regarding International Maritime Rules specific to the Ferry Service are at **Appendix XI.**

**Safety Issue at the Port of Scarborough**

3.4.26. The PATT indicated that it adheres to OSHA standards. However, it was noted that the port of Scarborough, Tobago, facilitates both passenger and cement operations which is posing a health hazard. Meetings were held with the Chamber of Commerce and Trinidad Cement Limited (TCL) regarding the issue and some recommendations were made. The main recommendation being the removal of the TCL operations out of the port of Scarborough. In the interim however, there has been an increase in cleaning and heightened requirement for workers to adhere to health and safety standards as a means of minimising the potential threat to the health of employees.


\(^{19}\) [http://www.stcw.org/](http://www.stcw.org/)

\(^{20}\) [http://www.imo.org/OurWork/Safety/Regulations/Pages/HSC.aspx](http://www.imo.org/OurWork/Safety/Regulations/Pages/HSC.aspx)

\(^{21}\) [http://www.imo.org/OurWork/HumanElement/SafetyManagement/Pages/ISMCode.aspx](http://www.imo.org/OurWork/HumanElement/SafetyManagement/Pages/ISMCode.aspx)


\(^{23}\) [http://www.imo.org/OurWork/Safety/RadioCommunicationsAndSearchAndRescue/SearchAndRescue/Pages/Default.aspx](http://www.imo.org/OurWork/Safety/RadioCommunicationsAndSearchAndRescue/SearchAndRescue/Pages/Default.aspx)
ONE STOP BARREL SHOP

3.5.1. The “One Stop Barrel Shop” (Shed 10) was established in the late 1990’s to store and deliver Personal Effects cargo. The PPOS is responsible for the management of the Shop. It was noted that during non-peak seasons the average customer turnaround time is an hour and a half (90 minutes) however, during the peak season it is three to four hours, as a result of increased traffic and daily demands.

3.5.2. Noteworthy, is that an inadequate number of customs staff during peak periods contributes to the high average customer turnaround time. To address these concerns, PATT in collaboration with the C&ED, implement ‘Peak Season’ measures on an annual basis which focus on ensuring that both tangible and intangible resource inputs achieve a productive output from the increase in demands. Accordingly, the following measures are implemented:

- hours of operation at the shop are extended to 7p.m.;
- the cashier booth closes at 6pm rather than 2:45, 3:00p.m. at non-peak times;
- officers work though their lunch hours;
- additional customs officers are engaged;
- the prompt arrival and departure of officers at the Shop are ensured;
- saturday deliveries are facilities where required;
- additional cashiers both at the customs and the port booths are commissioned;
- additional port police are engaged;
- an increased number of containers are unstuffed; and
- port human resources generally are increased to assist with the escalation in customer traffic.

3.5.3. It was also noted that, the PATT assumes responsibility for the cost of additional Customs resources and incurs the cost of extended working hours at the shop.

Upgrading of the One Stop Barrel Shop

3.5.4. The upgrade of the facility is of prime necessity as the shop was not designed to accommodate the volume of traffic it currently experiences. Further, given such large volume, the
Customs and the Port demand a complete information technological environment equipped with interoperability.

3.5.5. Further, it was indicated that if enhanced logistics services are implemented by the Agents/NVOCC (Non-Vessel Operating Cargo Carrier) to facilitate door-to-door services, the volume of customers visiting the shop can be reduced. The PATT gave the assurance to inquire and consider the relocation of the “one stop barrel shop” since the current location is considered to be inappropriate and not customer friendly.

4. FINDINGS AND RECOMMENDATIONS

We considered the oral and written evidence received against the established objectives of the inquiry and submit the following findings and recommendations:

OBJECTIVE 1
To examine the management structure in place at the Authority and to assess how effective these structures are vis-à-vis the operations of Ports in Trinidad and Tobago

4.1.1. The Committee is in agreement with the restructuring of the PATT given the wide range of business and services in which the Authority is involved. We appreciate the importance of dividing these activities into manageable units. This approach is also being adopted by ports in other regions such as Europe. However, the evidence received suggested that the implementation of the restructuring activities is still in progress. We were concerned that as at February 2014, Boards of Directors were not appointed to oversee the affairs of these business units. Instead what was in place was an interim arrangement whereby the CEOs of these business units would report to the Authority’s Board and administratively to PATT’s General Manager.

4.1.2. We noted that there was supposed to be a capital restructuring of the balance sheet and the implementation of VSEPs to facilitate the restructuring of the Authority’s human resources.

24 http://www.merriam-webster.com/dictionary/interoperability
which has not been implemented despite being recommended in two Cabinet notes in 2002 and 2009 respectively. As a result, we were concerned that there appeared to be major delays in the organisational reform. In this regard, from the evidence received it was clear that a lack of proper funding has contributed significantly to the delay in the operationalization of these organisational adjustments.

4.1.3. As it pertains to the DTT, the Committee acknowledged the reasons for its non-operation and also finds it impractical to initiate this unit at this stage given the considerable number of necessary requirements for its successful implementation. Given that the PATT requires state funding, valued at $35mn to cover the expenses for this venture, it appears that the launch of the DTT should be classified as a medium to long-term project. As such, given the current financial situation of the PATT, we are of the view that the government, through the Ministry of Transport should strongly consider allocating the necessary funding to this port upgrade project since we believe that this investment in ports infrastructural development has the potential of generating additional revenue for the authority.

4.1.4. The Committee is also concerned that all Senior Management Officials are on acting appointments and further, that as at December 30th, 2013 the total amount of vacancies at the PATT was one hundred and twenty-one. Although it was indicated that once a CEO was recruited for the Authority priority would be placed on recruiting CEOs for the Business Units, we remain apprehensive about the remaining vacancies at the PATT.

4.1.5. The Committee noted the increasing number of loans being taken on an annual basis by employees, while we have no objection regarding these loans given that repayments are facilitated via salary deductions, we are concerned about its effect on the financial position of the PATT. It may be useful to review the conditions for granting these loans to place limitations on the frequency loans can be granted to an employee and the eligible value and whether the Authority will be able to facilitate the yearly increase.
RECOMMENDATIONS

A. We recommend that the Ministry of Transport collaborate with the Boards Committee of Cabinet and the Port Authority with a view to selecting suitable persons to serve on the Boards of the Business Units so that they can function effectively and independently as intended.

B. We further recommend that the PATT initiate the Capital restructuring and VSEP to staff so that the process of restructuring the human resources of the Authority can begin.

C. Given its mandate set out in Section 8 of the Port Authority Act Chapter 51:01 ("the Act"), we recommend that PATT negotiate with central government in order to acquire funding required for the upgrade of the Port facilities, in particular those upgrades which are necessary for the initiation of the DTT project. In justifying the feasibility of this project, the authority should indicate how and in what quantity revenue will be generated.

D. We recommend that in the Ministry’s response to this report, it provide the Parliament with a status update on progress made to modify the legal/regulatory framework governing the operations of PATT namely the Port Authority Act [Chapter 51:01] and the Shipping Act [Chapter 50:10]

E. Further to Section 24 of the Act, PATT should examine its current financial conditions, particularly as it relates to its debt to asset ratio to determine the feasibility of pursuing strategic alliances with foreign investors.

F. We recommend that in its response to this report, the Ministry of Transport provide the Parliament with an update on efforts to prepare draft legislation to replace the Act.
G. We recommend that the PATT seek to immediately fill not only positions at the Senior Level which are mainly contract positions, but also lower level contract positions. Further the Authority should liaise with the relevant Service Commissions to fill permanent and temporary vacancies.

H. We recommend that the Authority institute a system regarding loans offered to employees so that a batch of employees are offered loans in one year and another in the consecutive year to reduce the number of employees taking loans on an annual basis as a means of relieving the financial strain on the Authority.

OBJECTIVE 2

To examine the systems for managing vessel/ship traffic on the waterways as it pertains to both domestic and international maritime rules.

4.2.1. Information received suggested that a Vessel Traffic Management System was in its third phase of implementation after being subjected to some delays. It was noted that this project was being executed in collaboration with the Maritime services Division with the assistance of foreign and local experts. It was interesting to learn that pending the operationalization of the proposed Vessel Traffic Management System, each port has developed its own procedure for treating with vessel traffic. We expect that subject to the availability of the necessary funding, the authority will employ effective project management practices in order to ensure that the final two phases of the project are completed within the expected timeframe. (i.e. February/March, 2015).

4.2.2. We also noted the various challenges with regards to vessel and cargo management particularly as it pertains to poor infrastructure to store cargo, excessive dwell time of cargo, unproductive work practices and berthing conflicts which disrupt schedules. It was encouraging to learn about PATT’s plans to improve the current vessel and cargo management arrangements which are primarily centered on infrastructural improvements. With regards to financing the necessary improvements in infrastructure and equipment, we
concur that consideration ought to be given to seeking funding through the initiation of strategic alliances with foreign investors, subject to the approval of the MoFE.

4.2.3. With respect to the monitoring and removal of derelict vessels in the sea, we were encouraged to learn that in 2009, the MoWT entered into an agreement with Sea Neptune Marine Services Limited to rid the coastal waters (from the Port of Spain Harbor to Chaguaramas Bay) of derelict vessels at no cost. It would be useful to be advised on whether this cost-effective arrangement with this company is expected to continue beyond February 2015 at which time the contract with Sea Neptune Marine Services Limited is expected to come to an end. Members also expressed concern about the lengthy procedure followed for treating with wrecks.

RECOMMENDATIONS

A. We recommend that PATT employ all the necessary resources, once available, in order to complete the Vessel Traffic Management (VTM) Project by February 2015. We suggest that the components of this VTM project be applied to the two other major ports in Trinidad and Tobago as a means of standardizing the procedures and protocols followed by these ports.

B. We recommend that the PATT liaise with the Trinidad and Tobago Metrological Office and establish a definitive arrangement to determine tides to improve the reliability of the schedule so as to minimize disruptions.

C. We recommend that PATT consult with the relevant unions for the purpose of revising collective agreements with a view to reducing inefficient work practices. The revised work policies should be documented and circulated for the consideration of all employees. Workshops and meetings must also be held to ensure that the vision and intention of the new approach to the execution of work at the PATT is effectively communicated and understood by employees.
D. We recommend that the Authority commission the Principal Receiver of Wreck to rid the waters of the seven derelict vessels located in the waters of San Fernando and one vessel in Cedros within the ensuing nine (9) months. Further, we recommend that the PATT collaborate with the TTPS, the Immigration and Customs and Excise Divisions with the aim of tracking the location of owners of wrecked or abandoned vessels. Further, we suggest that the PATT begin establishing relationships with regional and international ports and related authorities for the purpose of finding the owners of wrecked foreign vessels.

E. We recommend that the Authority utilize its website and perhaps ‘social media’ to disseminate information on the procedure and laws associated with the treatment of wrecks. In particular, the provisions of Sections 327, 328, 330 and 332 of the Shipping Act [Chapter 50:10] should be summarized and disseminated along with other relevant information concerning wrecks.

OBJECTIVE 3
To inquire into the performance of all Ports, particularly the Port of Port of Spain for the past ten (10) years with regard to:
- no. of port users;
- quantum of exports and imports;
- profits and losses of the Authority;
- the performance measurement tools utilized by the Authority;
- the performance of the Port of Port of Spain in comparison to other regional ports and or other local ports; and
- A review of the metrics system applied by the PATT.

Number of port users
4.3.1. The Committee was pleased to be informed that there has been a steady increase in both vehicular and passenger usage during the period 2005-2013 with the exception of a decline
in passenger usage recorded in 2009. As well, we commend the Inter-Island Ferry Service for their compliance with the statutory dry docking program over the years.

4.3.2. It would have been useful to acquire statistics on the number of cargo vessels and cruise ships that docked at our three major ports in recent years. However, the evidence received suggested that further infrastructural development of the PPOS’s facilities is required as a means of attracting more shippers and cruise liners to “Destination Trinidad and Tobago”.

*Quantum of imports and exports*

4.3.3. One of the main indicators that may be used to gauge the performance of a port is the volume of cargo/freight that is processed through the port over time. Therefore, we examined the evidence received concerning the movement of cargo at the two major Ports (PLIPDECO and PPOS) and noted that both ports released notable increases in the volume cargo processed annually. In particular, it was encouraging to learn that PPOS doubled its TEUs from 200,000 in 2009 to 383,000 TEUs in 2013 which is approximately 350,000 containers.

4.3.4. Another criteria we sought to assess was the time required for processing of containers. It appeared that the PPOS has increased its efficiency in this area of operations as it was reported that in 2013 the average time required to process a container was reduced from 1 ½ hours to 58 Minutes. The improvements in the “turnaround” time for cargo attributed to the introduction of the NAVIS and ASYCUDA systems. However, customers are still required to endure approximately three to four days delays in PPOS and one to two days delay in Point Lisas which is required by the Customs and Excise Division to conduct screening/searching procedures. This has resulted in the customers incurring significant demurrage costs. We are of the opinion that even with the reduction realized in PPOS, the turnaround time to clear a container remains unreasonable in both peak and non-peak seasons.

*Inter-island Ferry Service*

4.3.5. Further, the Committee was pleased to learn that the Authority has dedicated resources to providing local crews of the Inter-Island vessels with training so that they would be adequately equipped to oversee the management and operations of the ferries. It was also
encouraging to note that the Authority has filled two of three critical positions in respect of the Inter-island ferry service. Evidence received alluded to the fact that the PATT was challenged to attract and retain senior seafarers due to the relatively inadequate compensation packages associated with this position.

4.3.6. Furthermore, the Committee was concerned that the margin between revenue and expenditure in relation to this service remains significant. Statistics received concerning revenue and expenditure during the period 2005 to 2013 confirmed that on average, each year the cost of operating the inter-island ferry service exceeds the revenue accrued by approximately 200%. Table X below outlines the aggregate revenue and expenditure figures for the period 2005 to 2013.

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4.3.7. As is stated in the table, the expenditure exceeded revenue over the 8 year period by an estimated $1.36 Billion. However, the fact that a state run transportation service is being heavily subsidized was not a surprise, what we as a committee were very much concerned about was to determine what efforts are being made to increase the revenue generated by the service. The most obvious strategy for increasing revenue is to increase passenger and freight fees, however, we are mindful that current economic and political conditions may render such an option as untenable or politically unattractive.

4.3.8. The requirement for the “Tobago ferry service” to generate more revenue is further accentuated by the fact that expenditure that exceeds the annual $130 Million subsidy provided by the state must be generated independently by the Service. It appears that the
service has been challenged to generate additional income to supplement its state subventions and as a consequence, initiating upgrades and purchasing equipment had to be deferred for a number of years.

**Profit and loss**

4.3.9. Further, we were very concerned to learn that the Authority losses approximately two hundred million dollars ($200M) annually due to leakages and or shortcomings in its operations. It was interesting to note that one such shortcoming was the poor leveraging of properties owned by POSINCO. We concur that POSINCO’s current lease agreements affords the Authority payments below market value. On another note, it was not clear why successive administrations have refused to write-off some of its aged loans which have been approved for a debt to equity swap, that is yet been effected.

4.3.10. We were encouraged to learn that the authority in an effort to counteract the significant dependence on state funding, has assessed its operations and has proposed several strategies/initiatives for reducing its dependence on the state. In particular, we noted the intent of the Authority and its Business Units to: implement new work practices; improve productivity; increase tariff rates; improve quality management systems; reduce towage expenditure; and institute new working schedules to reduce overtime cost.

4.3.11. As it pertains to the high percentage of overtime cost incurred by the PATT annually, the Committee is baffled as to why the PATT has permitted this arrangement to continue over the years knowing that the cargo handling area is critical to the Authority. Therefore, we fully endorse the implementation of the *five in seven proposal*. We also noted that this proposal must first be accepted by the union.

4.3.12. We also flagged a familiar phenomenon whereby plans are drafted but not implemented. This is in reference to a Master plan developed in 2007/2008 to treat with the issue of limited cargo operating space at the Port of Spain Ferry terminal that was never implemented. As well, the status of the master plan for the Tobago Ferry terminal was indicated as incomplete. Therefore, in both instances, we expect that the Authority and or its business entities will
seek to re-examine the current circumstances with a view to modifying these plans. The management of the Port must seek to develop and execute strategies for implementing the initiatives set out in these plans.

**Performance Measuring Tools**

4.3.13. We also concluded that additional indicators/criteria should be used to assess the performance of our ports. These should include, the ports size, resources, technology and equipment.

4.3.14. As it pertains to attracting transshipment business from new destinations, the Committee noted the fact that due to our geographic location, Ports in Trinidad and Tobago would not be the preferred transshipment points for cargo originating from the Panama Canal. However, we also noted that our country’s geographical position is conducive to capturing transshipment business associated with South America and possibly West Africa. Notwithstanding, we are mindful that in order to capitalize on our strategic location, the capacity and efficiency of our ports must be improved. Additionally we acknowledged that in attempting to acquire more transshipment business, it may be more feasible to establish a new port at La Brea given that its location may be considered more suitable than Port of Spain.

4.3.15. As it pertains to the Health and safety standard observed by the authority, it was noted that the Authority has identified Loss Time and Accident Rates as components of its key performance indicators. In the absence of statistics on accidents (fatal and non-fatal) we decided to focus on the fatal accident involving Mr. Roland Roberts. In this regard, we noted the findings of the Authority’s report into this accident, in particular the findings regarding liability for the accident. These findings appeared to place culpability on the deceased and poor work safety practices of workers in general. However, we found it interesting that these apparent “poor work safety practices” were allowed to persist in the cargo handling area of the Port of Port of Spain and is now being remedied as a result of a fatality. Thus as has become the societal norm, concerted efforts to rectify shortcomings has been activated as a
result of the loss of life. A more proactive approach in this regard must be adopted by the authority in the future.

RECOMMENDATIONS

A. We suggest that the PATT liaise with the CPO to discuss possible options for enhancing the compensation package for Seafarers as well as other key positions that are essential for the efficient operation of the Port Authority and its Business Units.

B. We recommend that the PATT prepare an updated version of the proposed Master Plan (2007/2008) and in collaboration with its line Ministry discuss avenues for its implementation. As would be expected, the plan should speak to the strategy (short-term, medium and long-term) for improving the operations of the Ports over which the authority has jurisdiction. As it pertains to the Terminal in Scarborough, we recommend that due consideration be given to the implementation of the breakwater facility and additional parking space as required.

C. We recommend that the PATT engage the services of the Commissioner of Valuations (MoFE) OR a Land Surveyor/Valuator with a view to properly reassessing the value of its properties. Thereafter, the Authority should consult with its tenants regarding the re-assessment of rental cost associated with their tenancy. PATT should seek to ensure that it harnesses the full earning potential from the properties under its control.

D. We recommend that the MoT assume the initiative on behalf of the PATT to inquire into the status of the debt to equity swap and to consult with the Investments Division of the Ministry of Finance and the Economy to treat with the necessary arrangements for facilitating the “debt/Equity swap” immediately as this will improve the Authority’s credit rating.
E. With respect to improving the revenue earning potential of the Ports under its purview, we recommended that the Authority’s plans to generate revenue be documented in the form a revenue generation plans. These plans ought to include options for generating more revenue in the areas such as:

   i. Dockage fees
   ii. Rental/lease renewal fees
   iii. Increased Cruise liner berths.

   In this regard, the Authority should collaborate with the Ministry of Tourism to encourage cruise liners to consider Scarborough and Port of Spain as ports-of-call.

   The objectives of these plans should be approved by the Commissioners of the Board and delegated to management for execution.

F. We recommend that the PATT seek to have a comprehensive performance assessment of its operations conducted by an appropriate body involved in rating and assessing the performance of Ports. In this regard a collaborative approach could be pursued involving the PATT’s line Ministry and the Ministry of Trade, Industry, Investments and Communications. To this end, due consideration should be given to how the operations of the Port may affect this country’s ranking should we be included in the Logistics Performance Index\textsuperscript{25} produced by the World Bank. Stakeholders in particular the Ministry of transport and the Management of PATT must be ever mindful of the impact the operations of a country’s ports has on its trade competitiveness.

G. We recommend that the PATT submit to its line Ministry and other relevant stakeholders its views on the feasibility of the establishment of a port at La Brea.

\textsuperscript{25} \url{http://data.worldbank.org/indicator/LP.LPI.OVRL.XQ}
H. We recommend that in response to this report, the Authority, through the MoT, provide the Parliament with a status update on the implementation of the remedial actions recommended in the Investigating Committee’s report on the fatal accident involving Mr. Roland Roberts.

OBJECTIVE 4
To determine the effectiveness of the security arrangements at the ports.

4.4.1. With respect to PPOS, we noted that security and surveillance at the PPOS and Scarborough is administered through the joint efforts of various law enforcement agencies and other authorities including Port Police, members of the TTPS, the Coast Guard, the Immigration Division of the Ministry of National Security, among others.

4.4.2. The components of the Authority’s security system were outlined including CCTV surveillance, employee identification cards, intelligence gathering. It was encouraging to learn that these security measures are supported by a number of other strategic security protocols, some of which are administered by the Coast Guard as the Designated Authority responsible for the security of ports. Also noteworthy was the fact that PATT has been adhering to the provisions/recommendations of the ISPS Code and Port Facility Security Plan which involves the sharing and receiving of information regarding vessels, cargo and personnel.

4.4.3. Notwithstanding these relatively comprehensive security arrangements, we were not surprised to learn that there have been a number security breaches as set out in Appendix IX. As its concerns cargo, the Committee was mindful that one of the major challenges for ports world-wide was the effective screening and detection of illegal items, including narcotics, as ports are generally considered porous points of entry due to the large volume of cargo/freight that passes through them and the reality that not all containers can be screened. In fact, the evidence received confirmed that the Customs and Excise Division screen only 20% of containers annually. It means that approximately 300,000 containers pass through the PPOs unscreened on an annual basis.
4.4.4. However, we were pleased to note that, PATT has recently acquired a new container scanner. The fact that two mobile scanners were also being procured was a good indication that PATT is increasing its capacity to detect illegal/unauthorized items/substances/personnel from gaining entry into our boarders.

4.4.5. The Committee also endorses the initiative of the PATT to utilize the ASYCUDA to capture electronically information on customer profiles for easier access efforts to ensure 100 per cent accuracy of Manifests and to implement a new container scanner in addition to two mobile scanners.

4.4.6. It was quite obvious that operating a Port facility require consistent surveillance and the reinforcement of security procedures and protocols to ensure optimum value for money since a significant amount of the Authority’s financial resources are allocated to securities services. With criminals becoming more and more innovative, it is imperative for all Ports of entry to be properly equipped with the requisite tools and personnel to effectively secure and survey our points of entry. In light of this, we concluded that there needs to be system that allow for the constant and comprehensive upgrading of surveillance and screening equipment at all ports. Any incidents of impropriety on the part of PATT employees as it relates to the compromising of the Authority’s “security blanket” should be dealt with expeditiously and with a zero tolerance approach.

**RECOMMENDATION**

A. We recommend that a Joint Standing Committee on security management be established. We suggest that the mandate of this committee should be *inter alia* to:

i. assess the standard of security arrangements at the ports under the control of PATT;

ii. recommend improvements to the security and surveillance arrangements at the these ports;

iii. report to the Minister of National Security and by extension the National Security Council on urgent security issues pertaining to these ports.
B. We recommend that PATT establish an order of priority for addressing the various challenges which are hindering the improvement of security and surveillance arrangements at the Ports under its purview. The priority list should be used to inform the Authority’s future expenditure on security and surveillance.

C. Any plan for the further infrastructural development of the Ports in Trinidad and Tobago must include a commensurate security management plan. As such, we recommend that the revisions to the Master Plan developed in 2007/2008 include proposals for ensuring that robust security arrangements are instituted to compliment the suggested port expansion activities.

D. We recommend that the PATT harness the resources of local and international security agencies to ensure that optimum resources are being assigned to prevent the infiltration of illegal arms/ammunition; narcotics (and other contraband) as well as illegal aliens into our borders.

E. In furtherance of recommendation (D) above, as a committee, we are mindful that there is a relative unchecked movement of persons between Trinidad and Tobago on the ‘sea bridge’, however in light of the prevalence of criminal activities in Trinidad and the high potential for the movement of criminals between both islands via the inter-island ferry service, we recommended that the ticketing arrangements for this service include picture identification and consideration be given to the completion of a visitor’s form for non-residents of Tobago. It is acknowledged that the definition of being resident in Tobago would need to be clearly defined first. This visitor’s form should request information regarding the purpose for visiting Tobago, employment, intended address and period of stay, among other details deemed necessary. Likewise for those persons resident in Tobago and visiting Trinidad consideration should be given to have them fill out a similar form.

F. We also recommend that a “zero tolerance” approach be adopted against employees who are found to be involved in prohibited activities which compromise or had the
potential of compromising the integrity of the security arrangements at the ports. This Zero Tolerance Policy should be incorporated in the industrial relations agreements between the authority and the Union since we suggest that strident disciplinary action be applied to persons found culpable.

G. We recommend that the Customs and Excise Division in collaboration with its line Ministry and PATT establish an action plan for increasing the number of containers scanned annually from 20% to 40% over the next two years. There must be continuous efforts to improve systems for properly screening containers. As such, we further recommend that a more strategic approach be adopted in the use of information stated in manifests to determine whether containers/shipments should be subject to searches. Searches ought not to be totally random but must be based on assessments done against certain established criteria.

**OBJECTIVE 5**
*To gain insight into the ‘one stop barrel shop’.*

4.5.1 Taking into consideration the high volume of cargo processed and high traffic of customers attended to at the ‘one stop barrel shop’ we applaud the efforts of the PATT in collaboration with the Customs and Excise Division to reduce the turnaround time for customers particularly during peak seasons.

4.5.2 We also acknowledged the fact that the shop does require some upgrades for the purpose of enhancing logistics and the environment for customers and staff. However, with regards to the relocation of the shop, we suggest that a cost-benefit analysis be conducted taking into consideration the impact the relocation may have on customers. Would such a relocation add or reduce the convenience currently enjoyed at the present location? Therefore, in the interim we suggest that efforts be made to enhance the operations of the shop in its present location. As the primary issue with the current shop remains its inability to handle the large volume of customers and freight, the Committee is of the opinion that other systems to reduce processing time and customer visits to the port are warranted. The Committee therefore
endorses the innovation of the ‘Non-Vessel Operating Cargo Carrier system’ to facilitate door-to-door services to reduce the number of customers visiting the shop.

4.5.3 Further, as it pertains to the examination and payment for cargo, we see merit in the suggestion that cargo should be cleared in batches rather than on a first come first serve basis.

RECOMMENDATIONS

A. We recommend the implementation of a pilot roll out of the Non-Vessel Operating Cargo Carrier system within the ensuing eighteen (18) months. We suggest that in this pilot programme a sample of customers from various locations throughout the country be randomly selected to benefit from this service. By adopting this multi-regional approach, the Authority would be able to acquire a wider representation of views concerning the service, the cost effectiveness of the service, the potential for the service to be fully outsourced among other essential data that would assist the Authority in determining the feasibility of the full implementation of this service.

B. We recommend that additional cashiers be recruited (if not done already) to assist with the faster processing of payments required to be made by customers. We are convinced that this will assist with reducing the average amount of time customers spend at the shop. In addition, we suggest that arrangements be put in place to ensure that electronic payment options such as links/debit cards are available to customers.

C. In furtherance of reducing turnaround time, we recommend that the PATT meet with officials at the Customs Department to arrange for a permanent increase in the number of customs officers assigned to the shop particularly during ‘peak seasons’.

Your Committee respectfully submits this Report for the consideration of the Parliament.
Nineteenth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 2)

SGD.
Dr. Victor Wheeler
Chairman

SGD.
Mr. David Small
Vice-Chairman

SGD.
Dr. Tim Gopeesingh, MP
Member

SGD.
Mr. Clifton De Coteau, MP
Member

SGD.
Mr. Kevin Ramnarine
Member

SGD.
Dr. Lincoln Douglas, MP
Member

SGD.
Ms. Alicia Hospedales, MP
Member

SGD.
Mr. Collin Partap, MP
Member

SGD.
Mr. Fitzgerald Jeffrey, MP
Member

SGD.
Dr. Lester Henry
Member

SGD.
Dr. Bhoendradatt Tewarie
Member

SGD.
Ms. Raziah Ahmed
Member

January 16, 2015
APPENDICES
APPENDIX I

Entities falling under the purview of the Committee
List of Ministries, Statutory Authorities and State Enterprises that fall under the purview of this Committee

1. **Local Government**

   STATUTORY BOARDS AND OTHER BODIES:
   - National Commission for Self-Help Limited
   - New City Mall
   - East Side Plaza

   WHOLLY OWNED ENTERPRISES:
   - Trinidad and Tobago Solid Waste Management Company Limited
   - National Maintenance Training and Security Company Limited (MTS)

2. **National Diversity and Social Integration**

   STATUTORY BOARDS AND OTHER BODIES:
   - Archaeological Committee
   - National Museum and Art Gallery (Royal Victoria Institute)

3. **National Security**

   STATUTORY BOARDS AND OTHER BODIES:
   - Defence Force Commissions Board
   - Defence Council
   - Firearms Appeal Board
   - Strategic Services Agency
   - Youth Training Centre Board of Management
   - National Operations Centre

4. **Office of the Prime Minister**

   STATUTORY BOARDS AND OTHER BODIES:
   - Sport and Culture Board of Management

5. **People and Social Development**

   STATUTORY BOARDS AND OTHER BODIES:
   - Social Welfare District Boards
   - Trinidad and Tobago Association in Aid of the Deaf
   - Trinidad and Tobago Blind Welfare Association

6. **Planning and Sustainable Development**

   STATUTORY BOARDS AND OTHER BODIES:
   - Advisory Town Planning Panel
   - Caribbean Industrial Research Institute (CARIRI)
   - Chaguaramas Development Authority
   - Council for Innovation and Competitiveness
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- Economic Development Board
- National Population Council

STATE ENTERPRISES:
- East Port-of-Spain Development Company Limited

7. **Public Administration**

WHOLLY-OWNED ENTERPRISES:
- Government Human Resources Services Limited (GHRS)

8. **Public Utilities**

STATUTORY BOARDS AND OTHER BODIES:
- Regulated Industries Commission (RIC)

WHOLLY-OWNED ENTERPRISES:
- The Trinidad and Tobago Electricity Commission (T&TEC)
- The Trinidad and Tobago Postal Corporation (TTPOST)

MAJORITY-OWNED ENTERPRISES:
- Telecommunications Services of Trinidad and Tobago Limited (TSTT)

9. **Science and Technology**

WHOLLY-OWNED ENTERPRISES:
- National Information, Communication, Technology Company Limited (iGovTT)
- National Institute of Higher Education (Research, Science and Technology)
- Telecommunications Authority of Trinidad and Tobago (TATT)

10. **Sport**

STATUTORY BOARDS AND OTHER BODIES:
- National Stadia Board of Management
- Regional Complexes
- Trinidad and Tobago Boxing Board of Control

WHOLLY-OWNED ENTERPRISES:
- Sport Company of Trinidad and Tobago Limited

11. **Tertiary Education and Skills Training**

STATUTORY BOARDS AND OTHER BODIES:
- Accreditation Council of Trinidad and Tobago (ACTT)
- Board of Industrial Training
- College of Science, Technology and Applied Arts (COSTATT)
- Eastern Caribbean Institute of Agriculture and Forestry (ECIAF)
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- John S. Donaldson Technical Institute
- National Energy Skills Centre (NESC)
- National Training Agency
- San Fernando Technical Institute
- Teachers Training Colleges
- Trinidad and Tobago Hospitality and Tourism Institute
- University of Trinidad and Tobago
- University of the West Indies
  - Open Campus

MAJORITY-OWNED ENTERPRISES:
- Metal Industries Company Limited (MIC)
  - Government Vocational Centre

WHOLLY-OWNED ENTERPRISES:
- Youth Training and Employment Partnership Programme Limited (YTEPP)

12. **Tobago Development**

STATUTORY BOARDS AND OTHER BODIES
- Tobago Regional Health Authority

13. **Tourism**

STATUTORY BOARDS AND OTHER BODIES:
- Zoological Society of Trinidad and Tobago

WHOLLY-OWNED ENTERPRISES:
- Tourism Development Company Limited
- National Academy of the Performing Arts Hotel

14. **Trade, Industry, Investments and Communications**

STATUTORY BOARDS AND OTHER BODIES:
- Betting Levy Board (BLB)
- Trinidad and Tobago Bureau of Standards (TTBS)
- Trinidad and Tobago Racing Authority (TTRA)
- Weights and Measures
- Prices Council
- Board of Film Censors

WHOLLY-OWNED ENTERPRISES:
- Evolving TecKnologies and Enterprise Development Company Limited (e-Teck)
- Export-Import Bank of Trinidad and Tobago Limited (EXIMBANK)
- Trinidad and Tobago Free Zones Company Limited (TTFZ)
Caribbean New Media Group Limited (CNMG)
Government Information Services Limited (GISL)
National Broadcasting Network (NBN)

MAJORITY-OWNED ENTERPRISES:
- Business Development Company (BDC)
- Point Lisas Industrial Estate
- Trinidad and Tobago Entertainment Company Limited (TTent)
- Trinidad and Tobago Film Company
- Creative TT Limited

INDIRECTLY-OWNED ENTERPRISES:
- Caribbean Leasing Company Limited (CLCL) Subsidiary of BDC
- National Flour Mills (NFM)
- Premier Quality Services Limited (PQSL) Subsidiary of TTBS

15. Transport
STATUTORY BOARDS AND OTHER BODIES:
- Airports Authority of Trinidad and Tobago
- Air Transport Licensing Authority
- Pilotage Authority
- Port Authority of Trinidad and Tobago
- Public Transport Services Corporation (PTSC)
- Transport Board

WHOLLY-OWNED ENTERPRISES:
- The Vehicle Maintenance Corporation of Trinidad and Tobago Limited

MAJORITY-OWNED ENTERPRISES:
- National Helicopter Company Limited
- Point Lisas Port Development Corporation Limited (PLIPDECO)

MINORITY-OWNED ENTERPRISES:
- LIAT (1974) Limited

16. Works and Infrastructure
WHOLLY-OWNED ENTERPRISES:
- National Infrastructure Development Company Limited (NIDCO)
- National Maintenance Training and Security Company (MTS)
- Community Improvement Services Limited (CISL)
- Palo Seco Agricultural Enterprises Limited (PSAEL)
- Rural Development Company of Trinidad and Tobago (RuDeCOTT)
PRESENT

Committee Members
Mr. David Small                 Vice-Chairman
Dr. Tim Gopeesingh, MP         Member
Ms. Alicia Hospedales, MP      Member
Mrs. Raziah Ahmed              Member
Mr. Fitzgerald Jeffrey, MP     Member
Mr. Collin Partap, MP          Member

Secretariat
Ms. Candice Skerrette          Assistant Secretary
Ms. Katharina Gokool           Graduate Research Assistant

ABSENT
Dr. Victor Wheeler             Chairman (excused)
Dr. Bhoendradatt Tewarie       Member (excused)
Mr. Clifton De Coteau, MP      Member (excused)
Dr. Lincoln Douglas, MP        Member (excused)
Mr. Kevin Ramarine             Member
Dr. Lester Henry               Member

REPRESENTATIVES OF THE PORT AUTHORITY OF TRINIDAD AND TOBAGO
Mr. Suresh Gangapersad         Deputy Chairman
Ms. Sharon Mark                General Manager/ Chief Executive Officer
Mr. Leon Grant                 Chief Executive Officer (Ag.), Trinidad & Tobago Inter-Island Company Limited
Ms. Kathleen Maxwell           Chief Executive Officer (Ag.), Port of Spain Infrastructure Company Limited
Ms. Trudy Gill-Conlon          Chief Executive Officer (Ag.), Port of Port of Spain
Ms. Pamela Ford                Port Secretary (Ag.)
Ms. Vernessia Moise            Executive Manager (Ag.), Human Resources
INTRODUCTION

1.1 The Vice-Chairman called the meeting to order at 9:35 a.m.

1.2 The Vice-Chairman indicated that Dr. Wheeler, Dr. Tewarie, Mr. De Coteau and Dr. Douglas had requested to be excused from the meeting.

CONFIRMATION OF MINUTES

28th Meeting held on January 10th, 2014

2.1 The Committee considered the Minutes of the 28th Meeting held on January 10, 2014.

2.2 The following correction was proposed:

- Item 6.3 (xi), page 3; delete the words “a lost” and replace them with the words “loss of”.

2.3 The motion for the confirmation of the Minutes, as amended, was moved by Mrs. Ahmed and seconded by Ms. Hospedales.

MATTERS ARISING FROM THE MINUTES

3.1 As per item 3.1, it was confirmed that additional information requested from the Trinidad and Tobago Blind Welfare Association was disseminated to Members on February 4, 2014.

3.2 As per item 4.1, the Vice-Chairman advised that pre-hearing information was received from the Port Authority of Trinidad and Tobago (PATT) on January 30, 2014 and was circulated in hard copy on February 07, 2014. Members confirmed receipt of the submission.
3.3 **As per item 7.1,** Members were informed that a request for additional information was communicated to Government Human Resources Services Company Limited (GHRS) via letter dated February 07, 2014.

**CONSIDERATION OF DRAFT INQUIRY PROPOSAL ON THE EVOLVING TECKNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LTD**

4.1 The Vice-Chairman indicated that on February 10, 2014, a Draft Inquiry Proposal on the Evolving Tecknologies and Enterprise Development Company Limited (e’TecK) was circulated for the consideration of members via email.

4.2 The Committee reviewed and approved the Draft subject to the following amendments:

- Objective 3, new question (xi): **“How much was spent to train or retrain staff and management at e’TecK during the period 2010 to present?”**

- Objective 4, new questions (ix) to (xiv):
  
  a. **“What was the process for choosing the site for the Tamana InTech Park?”**
  
  b. **“When was the decision made to choose the site for development of the Tamana InTech Park?”**
  
  c. **“What other sites were examined prior to the selection of Tamana for the Tamana InTech Park?”**
  
  d. **“What is the status of the operations of other existing parks?”**
  
  e. **“Has the development of existing parks taken place within the context of “Pillar 5 for Sustainable Development - A More Diversified, Knowledge Intensive Economy”?”**
  
  f. **“Where are the existing economic zones/parks and what infrastructural works have been completed?”**

4.3 The Committee agreed that its next meeting would be held on March 14, 2014 and at that meeting, it will convene a public hearing with e’TecK.

**PRE-HEARING DISCUSSIONS RE: INQUIRY INTO THE PORT AUTHORITY OF TRINIDAD AND TOBAGO**

5.1 The Vice-Chairman advised members that responses to the Committee’s request for written submissions were received from the following entities:

- Trinidad and Tobago Pilots Association;
- the Trinidad and Tobago Chamber of Industry and Commerce;
the Seamen & Waterfront Workers Trade Union (SWWTU); and
the Tobago Division of the Trinidad and Tobago Chamber of Industry and Commerce.

5.2 Members were advised that these documents were circulated via email.

5.3 Brief discussions ensued on some of the main issues to be raised during the public hearing with officials from PATT. The Committee noted the absence of a senior official from the Ministry of Transport and agreed that this concern would be highlighted during the public hearing.

5.4 It was agreed that the first round of questions would commence with questions from Ms. Hospedales.

OTHER BUSINESS

6.1 The Vice-Chairman advised that the Ministerial Response to the 13th Report on the Commissioning Process for the New Scarborough General Hospital was received and laid in the Senate on February 11, 2014 and in the House of Representatives on February 14, 2014. In addition, the Ministerial Response to the 14th Report on the Administration and Operations of the TTPS was laid in the Senate on February 11, 2014 and in the House of Representatives on February 07, 2014.

6.2 Brief discussions ensued on the methodology for determining the work programme for the Committee. Members were reminded that the determination and priority of the next five (5) areas of focus would be discussed at the next meeting.

6.3 The meeting was suspended at 10:00 a.m.

[Members exited the Arnold Thomasos Room (East) and proceeded to the J. Hamilton Maurice Room]

PUBLIC HEARING WITH THE PORT AUTHORITY OF TRINIDAD AND TOBAGO (et al)

7.1 The Vice-Chairman reconvened the meeting in the J. Hamilton Maurice Room at 10:10 a.m.

7.2 The Vice-Chairman welcomed officials from the PATT and the Ministry of Transport and introductions were exchanged.

7.3 Detailed below are the issues raised and the responses which emanated from the discussions with the various representatives:

i. Opening Statements
a. **Deputy Chairman, PATT**
The Deputy Chairman submitted that the intention of the officials was to be very clear and transparent during the course of the meeting.

b. **General Manager/Chief Executive Officer, PATT**
The current GM/CEO has been in this position for the past eleven months and worked for over ten (10) years at PATT. The other members of the executive management have also been in their respective positions for approximately ten (10) years.

c. **Director, MSD**
The Director indicated that her presence was to support the representatives from the Ministry of Transport and confirmed that only questions with respect to vessel traffic management fall under the remit of the MSD.

ii. **Responsibility for the Administration of Ports**

a. Sections 8 of the Port Authority Act, Chap. 51:01 has vested the responsibility for the development of all harbours in the PATT. However, only the Port of Port of Spain (PPOS) and the Port of Scarborough have been vested in the PATT as per the First and Second Schedule of the Act.

b. The Comptroller of Customs usually would write to the CEO/GM of the Authority to inquire if there are any objections to the establishment of a new port. Once a new port does not deal with similar products and services as is done by the PATT, approval is usually granted.

c. Officials admitted that the porousness of new ports has been recognized and is the responsibility of the Trinidad and Tobago Customs and Excise Division. The establishment of a National Ports Council (NPC) was cited as a means of alleviating this problem. Although legislation concerning the establishment of the NPC was drafted, there has not been any feedback from the Law Review Committee (LRC) to date.

iii. **Security Arrangements**

a. In 2004, the International Ship and Port Facility Security Code (ISPS Code) came into effect and established a common framework for security procedures and guidelines. In this regard, the Coast Guard is the designated authority responsible for conducting audits and approving five year security plans for the Ports which include vulnerability assessments. The current five year cycle ends on June 30, 2014.

b. However, there are also continuous assessments based on new information and security incidents that may not have been dealt with in the previous vulnerability
assessments. Thereafter, mitigation strategies are developed that would require the security plan to be amended and approved by the designated authority.

c. The PATT and the Customs and Excise Division are in the process of setting up a container scanner on the PPOS and infrastructural work to support the equipment is scheduled to be completed by June 30, 2014. In addition, the Comptroller of Customs has advised PATT that his department intends to acquire two (2) mobile scanners to deal with contraband or illegal drugs entering and leaving Trinidad via the ports.

d. A joint ‘interruptibility team’ comprising members of the Customs and Excise Division, the Trinidad and Tobago Police Service (TTPS) and the PATT has been established to strengthen the intelligence framework until the scanners are installed.

e. Officials confirmed that the inspection of containers is the responsibility of the Customs and Excise Division. Therefore, the decision to open a particular container that may have been flagged is within the jurisdiction of Customs and Excise Division. Traditionally, incoming containers are sent to the Customs Examination Station (CES) for inspection whereas containers due for export are not opened. Approximately twenty percent (20%) of containers are randomly searched on an annual basis.

f. Security measures for containers are to ensure that containers are neither opened nor stolen while at the port. Containers are only accepted or released by the port, with the proper documentation from the agent, the Customs and Excise Division, the Trinidad and Tobago Bureau of Standards and other agencies. The new Asycuda World system allows for the processing of electronic manifests.

iv. Re-structuring of PATT
a. Cabinet Minute 270 dated December 5, 2002 conveyed approval for the restructuring of PATT into four (4) business units and this was done through Legal Notice No. 68 of 2006. Three (3) of these business units, namely the Port of Spain Infrastructure Company Limited (POSINCO), the Port of Port of Spain Limited (PPOS) and the Trinidad and Tobago Inter-Island Company Limited (TTIT) are not fully operational to date and Destination Trinidad and Tobago Limited (DTT) has not been formed. This Cabinet Minute also indicated that a capital restructuring of the balance sheet and Voluntary Separation of Employment Packages (VSEP) would be required, however this has not occurred.

b. However, in order to fulfill these requirements the board of directors took a decision to separate the companies/business entities.
c. POSINCO was vested with all assets and liabilities of the restructured PATT and an interim management structure was developed to be responsible for the four (4) companies. These companies would each have individual boards and once appointed will report administratively to the GM/CEO and on governance matters to the chairman of PATT.

d. All business entities use the central services of the PATT-Governing Unit (GU). These services include security, human resources, information technology, audit and secretarial support.

v. Legislative Changes
a. PATT has submitted proposals for amending the Shipping Act, Chap. 50:10 through the MSD. These amendments recommend a reclassification of certain harbours as ports and are also concerned with the PPOS and the Port of Scarborough. The PATT submitted that it was comfortable with the existing provisions of the Port Authority Act.

b. The Harbours Act, Chap. 50:06 identify a number of harbours in the country. These include Port of Spain, San Fernando, Scarborough, Brighton, La Brea, Point Fortin, Charlotteville, Cedros and Point Lisas. This Act is also currently under review by the MSD. Many provisions from the Harbours Act would be incorporated into a Shipping (Amendment) Act which is currently being reviewed by the Chief Parliamentary Counsel.

vi. Other Ports
a. There are currently thirty one (31) port facilities that fall under the parameters of ISPS which deal with international trade. The three (3) largest ports are PATT, Point Lisas Industrial Port Development Corporation Limited (PLIPDECO) and Galeota.

b. Officials outlined that a harbour is defined by the Harbours Act, “as any water area bounded by natural features or man-made structures, such as breakwater or sea well, which offer mooring and protection for ships” whereas a port is defined as “a man-made coastal facility where vessels may load and unload.”

vii. Cargo/Freight Volume
In 2013, the PPOS handled a volume of 383,000 Twenty-foot Equivalent Units (TEUs) and PLIPDECO handled approximately 165,000/175,000 TEUs. Approximately fifty-two percent (52%) of the containers processed at the PPOS is trans-shipment cargo and remaining percentage is domestic cargo. Officials were unable to confirm the volume of cargo moved at the Port of Scarborough but estimated that it was about two hundred containers per annum.

viii. Upgrade of Closed Circuit Television (CCTV) System
a. There are parallel CCTV Systems in operation at present, the first is owned by the Ministry of National Security and monitored by the TTPS. The other system that is owned by the PATT is in need of upgrade and to address this a Request for Proposals (RFP) is being prepared for a new CCTV system for the PPOS as well as Scarborough.

b. Although the Authority has received operating guidelines from the TTPS, a Memorandum of Understanding (MOU) between the Port and the TTPS was being prepared.

ix. **Expanding capacity to berth larger vessels**

a. The PATT’s Strategic Plan of 2012 outlined the infrastructural and equipment requirements of the Ports. However, it was submitted that PATT is not in a position to solely finance the infrastructural work required to increase the capacity of the PPOS to berth larger vessels. Although a presentation was made to the Ministry of Transport for expanding its capacity, these plans were not approved.

b. PATT is examining finance options through foreign investment and strategic alliances with the approval of the Ministry of Finance and the Economy.

c. Officials admitted that the PPOS is presently unable to handle larger vessels and this will hinder the Port’s ability to capitalize on additional transshipment business. For example, the expansion of the Panama Canal by 2015.

d. Surrounding developments such as the Waterfront Complex have created barriers for the expansion of the PPOS. Thus, there is limited space available to accommodate an expansion in the PPOS’s activities. A more feasible option may be the construction of a new port facility proximate to National Petroleum. Another option is the construction of a new Port in La Brea.

e. Officials advised that in contrast with Trinidad, Jamaica’s location is more conducive for capitalizing on new trans-shipment business originating from China and the Panama Canal, since Jamaica is more proximate to the eastern coastline of the United States. On the other hand, Trinidad would have to assess the business potential of bulk cargo originating from Brazil and the West African markets. There was a proposal from a Chinese company approximately four years ago, however officials were unable to give a status update on this proposal.

x. **Infrastructural work for the Summit of the Americas**

Officials indicated that paving works done for the Summit of the Americas concentrated on the roadways between the terminals and Dock Road and were intended to improve the aesthetics of the area.
xi. **Development of the La Brea Port**
The PATT has had no input in the development of the La Brea Port. The Authority admitted that they did contribute to a rationalization study commissioned by the Ministry of Planning and Sustainable Development.

xii. **Inter-Island Ferry Service**

a. Although $266.3M was budgeted for this service for the financial years 2013/2014 and 2014/2015 this funding has not been received. The Inter-island Ferry Service receives $130M (annually) as well as funding for infrastructural works. Officials conveyed that approximately $4.95M was spent on the Tobago ferry terminal. There are also other projects to be undertaken such as a jetty for the conventional ferry and yard paving.

b. Officials confirmed that on December 8, 2013, the Warrior Spirit experienced engine problems and was now sailing with one engine. With effect from February 2, 2014 the vessel has been making six (6) sailings per week. In the interim, the PATT is allowing trucks which are 3 to 5 tonnes in weight to utilize the fast ferry in order to alleviate the backlog of cargo.

c. The Committee was informed that all the required technical work to facilitate an online ticketing system has been completed. However, the process has been delayed as a result of the absence of a Board of Directors for the TTIT. Signatories from the TTIT board are required to advance the process.

xiii. **Overtime Expenses**

a. The Committee expressed concern about the $7 Million incurred in overtime payments during 2010. Officials indicated that these expenses were mainly generated by workers assigned to the cargo handling area, which has traditionally generated the most revenue. The cargo handling area has three (3) work shifts and due to a high level of absenteeism on the third shift or “C” shift; high overtime costs are incurred. This area also requires a certain amount of “gangs” due to the volume of cargo handled.

b. In order to alleviate these overtime expenses, PATT intends to introduce a new work arrangement called “five-in-seven”. This will allow an employee to work five out of seven days per week, without overtime costs being incurred. This proposal would have to be negotiated with the associated trade union.

c. It was further clarified that the collective agreement between the trade union and PATT provides for a four shift system, operating seven days a week, with three shifts a day. However, officials admitted it is an archaic compensation scheme, since it provides that from Monday to Friday a worker would receive regular pay and overtime rates on weekends, although weekends are ‘normal’ working days
for these workers. Overtime costs amount to approximately $3 to $4 million monthly.

d. Eighty percent (80%) of overtime costs are incurred on weekends and twenty percent (20%) on week days due to absenteeism. The supplementing of workers in one area of operations results in a shortage in another area and as a consequence overtime costs will be generated.

xiv. Vacancies
a. Vacancies have arisen at the executive level due to the expiration of contracts. In addition, there are vacancies to be filled in order to make the business units fully functional. The filling of vacancies will be guided by the strategic objectives of the PATT as articulated by the Board of Directors.

b. The board took the decision to advertise the vacancies at the executive management level such as the position of the CEO. Once a substantive CEO is appointed, the Board intends to work with the CEO to fill the vacant positions within the business units.

xv. Staff Loans and Advances
a. The Committee expressed concern that the receivables figure for Staff Loans and Advances has been increasing annually.

b. Officials clarified that under its collective agreement with the Seamen and Waterfront Workers Trade Union (SWWTU), junior staff are entitled to a vacation leave loan. The quantum of loans is dependent on the amount of persons proceeding on vacation and the number of persons desirous of accessing the facility.

c. In addition, under its collective agreement with the Senior Management Association, management is entitled to several categories of loans for motor vehicles and vacation leave. The quantum of these loans is dependent on the number of request made per category.

d. Loans are recovered from salary deductions, thus the receivable amount would be reflective of the loan balances at a particular point. However, the annual balance may seem to be increasing due to new loans. Assurances were given that employees have been making payment on these loans.

xvi. Loan Write-Offs
In 2002, Cabinet approved a debt-to-equity swap for some old loans that were on the Authority’s balance sheet. Thereafter, the Investment Division of the Ministry of Finance and the Economy met twice with the PATT however to date no progress has
been made. The Authority initiated further correspondence requesting debt forgiveness, however no response has been received to date.

xvii. **Reduction in turnaround time for the processing of containers**
   a. In the past two (2) years, the implementation of the Navis Terminal Operating System (TOS) in conjunction with the Asycuda World system has significantly reduced the turnaround time for receiving imported containers from eleven (11) to eight (8) to nine (9) days.

   b. PATT is currently holding discussions with the Comptroller of Customs in an effort to further “de-bottleneck” processes at the PPOS.

xviii. **Comparison between PLIPDECO and PPOS**
   a. Officials confirmed that over the past ten (10) years two (2) major shipping lines have relocated from PPOS to PLIPDECO. The Committee was also informed that PLIPDECO has grown from 80,000 to 165,000 TEUs whereas PPOS has grown from 200,000 to 400,000 TEUs over the past ten years.

   b. Currently the facilities at PPOS and PLIPDECO both allow for twenty-five (25) berth moves per hour. The PPOS achieves Fourteen (14) crane moves per hour of fourteen (14). Official of the PPOS submitted that compared with PLIPDECO the PPOS moves a larger volume of cargo.

   c. In terms of Customs and Excise, customers can process documents within two (2) days at PLIPDECO and within four (4) days at the PPOS.

xix. **Key Performance Indicators (KPIs)**
   PATT’s KPIs are vessel productivity and truck turnaround time. The processing time for a truck to collect and drop off a container was reduced from one and a half hours in 2012 to fifty-eight (58) minutes in 2013.

xx. **One Stop Barrel Shop**
   a. PATT is responsible for processing documentation and Customs and Excise is responsible for the examination of barrels and levying custom duties at the One Stop Barrel Shop. The Authority writes annually to Customs and Excise around October/November to request an increase in the number of officers at the shop in order to deal with the increased volume of barrels during the Christmas Season. The shop’s opening hours on weekdays are extended to 7:00 p.m. and also on Saturdays if necessary. During periods of low activity the cashier closes around 3:00 pm, however during peak periods a cashier is available until 6:00 p.m.

   b. Officials conceded that modifications to the procedures used to process barrels were required in order to reduce the processing time.
c. PATT conveyed that they would consider the recommendation of the Trinidad and Tobago Chamber of Industry and Commerce that proposed relocation of the Barrel Shop to an offsite location that is more conducive to efficient service.

xxi. Vessel Traffic Management System
a. The MSD can be considered as the regulatory authority responsible for vessel traffic management in Trinidad and Tobago. Its operations are informed by the provisions of the Shipping Act Chap. 50:10, the Harbours Act Chap. 50:06 as well as other pieces of legislation.

b. Section 10, 11 and 12 of the Harbours Act gives the Harbour Master the responsibility for anchorage as well as collecting information on vessel arrival and departure. Each port is required to have its own vessel traffic management system or berthing section that will monitor and guide incoming and outgoing vessels. Entities such as the PATT, the Trinidad and Tobago Pilot’s Association and Customs and Excise Division are also involved in vessel traffic.

c. MSD is responsible for the Shipping Act, which made provisions for the ratification of the International Convention for the Safety of Life at Sea (SOLAS). This Convention encourages the state to establish a vessel traffic management system. In 2006, a Cabinet approved the establishment of this system for the Gulf of Paria. Approval was granted for the project to be undertaken in five (5) phases.

d. Currently, this system is in its third phase, which entails the identification of a location for the vessel traffic control centre. It was reported that after searching for approximately one and a half years, a suitable location for the control centre was identified about four month ago. The final two (2) phases will identify equipment needs and an implementation plan for completion by March 2015.

e. Officials admitted that though technology is available, adjustments to existing legislation such as the Shipping Act are required. Draft legislation in this regard is currently before the Chief Parliamentary Counsel.

xxii. Status of Derelict or Seized Vessels
a. Derelict vessels were described as wrecks, abandoned vessels, vessels in a state of disrepair, either alongside, at anchor, at buoy or sunk. Seized vessels according to Section 81 of Customs Act, provides that the Customs and Excise Division may seize a vessel that has been abandoned for one month.

b. Section 334 of the Shipping Act, states that the Principal Receiver of Wreck can take possession of abandoned vessels and sell or dispose a vessel. There are approximately one hundred (100) abandoned and wrecked vessels within the Gulf of Paria and Tobago and approximately fifty (50) of these vessels have owners.
These vessels are located in Chaguaramas, PPOS and Sea Lots, Claxton Bay, San Fernando, Cedros and Tobago. Legislation considered when dealing with wrecked vessels includes the Harbours Act, the Port Authority Act, the Shipping Act and the Customs Act.

c. In 2009, the Ministry of Transport entered into an agreement with Sea Neptunous Marine Services Limited, to dispose of thirty (30) items in the POS and Chaguaramas at no cost to the Government. The execution of the contracted work was delayed due to a court matter involving one of the wrecks. As a consequence, the contract was extended from March 2012 to February 2015. There are approximately eleven (11) more items to be removed.

d. The administrative process for dealing with wrecks includes several procedures, including; locating the vessel, identifying the country where the vessel was registered, save that if the location of the wreck poses a potential hazard to navigation and the environment, the process of identifying its registration is deferred and the wreck is removed, lit, recorded and associated marine safety information is disseminated to mariners.

e. If the removal of a wreck is not urgent, MSD will publish a ‘Notice to Wreck’ and a response to this notice may take sixty (60) days to six (6) months. If this procedure is not effective, the wreck is sold, removed or disposed.

f. In December 2013, the Ministry of Transport and the Ministry of Environment and Water Resources instructed the MSD and the Environmental Management Authority (EMA) to carry out a risk assessment on wrecked vessels, develop an action plan for the removal of these vessels in the shortest possible timeframe and implement systems to ensure that Trinidad and Tobago is not used as a dumping ground for derelict vessels.

g. Initiatives such as the amendment of the Shipping Act, the repealing of the Harbours Act, the restructuring of the MSD for the purpose of establishing a Maritime Authority and the appointment of Assistant Harbor Masters are intended to rid the Gulf of Paria of derelict vessels.

h. Officials confirmed that they were not aware of persons living on derelict or seized vessels.

xxiii. Net Losses and strategies for reducing the required amount of government subventions
   a. Net Losses recorded for the years ended September 30 2009 and September 30 2010 were $64,195,224 and $125,024,238 respectively.
b. In the PATT’s submission, Appendix 3 outlined that Government funding has been used for debt financing, payments to Portia Management Operator and subsidies for the inter-island ferry service.

c. Officials clarified that the government subventions stated in the consolidated financial statements of PATT would exclude the subsidies for the operation of the inter-island ferry service, because the accounts of the inter-island ferry service and PATT are required to be prepared separately. Further, the Port Authority Act stipulates that the finances of the port cannot be used to finance the Government Shipping Service (inter-island ferry service).

d. In addition, out of the government grant of $158,922,497 for the year ended September 30, 2010 approximately $102M was utilized for debt servicing of loans guaranteed by government. There are three (3) government guaranteed loans which are expected to be closed between 2018 and 2019. It is expected that the closure of these loans will reduce the value of the annual subsidy by $102 Million.

**xxiv. Revenue generation**

a. POSINCO, the landlord for PATT’s estate has been challenged to acquire market rates for lease arrangements. It was submitted that if the PATT’s property was being leased at the current market rate it would receive approximately $14 Million annually. It was submitted that the revenue gained from the most prime properties in Trinidad is less than what is acquired from property located on the Point Lisas Estate. This disparity has resulted in several matters being referred for Arbitration.

b. Officials admitted that since one of its highest costs are wages and salaries, PATT will seek to address this issue with the upcoming negotiation of the collective agreement.

c. In addition, PATT has continuously improved its turnaround time in the last two years in order to increase revenue. Efforts are being made to procure a new ship-to-shore crane which will increase productivity for cargo at the port as well as procure more trailer trucks.

**xxv. Health and Safety**

a. Officials acknowledged that a fatal accident involving an employee of the PATT occurred on the morning of February 15, 2014. The PATT is conducting a full investigation to determine the cause of the accident and the results would be presented to Minister of Transport.

b. The Chief Inspector (OSH) was immediately informed and visited the site of the accident along with other inspectors who were consulted on the feasibility of
resuming operations. PATT was also working with its Safety Officer to avoid a recurrence of such accidents.

c. In terms of the Scarborough facility, PATT met with the Tobago Division of the Trinidad and Tobago Chamber of Industry and Commerce and the Trinidad Cement Limited (TCL) two (2) weeks ago with respect to the potential health hazards that are being generated by the off-loading of cement. Further to these discussions, PATT was in the process of compiling a report comprising recommendations for addressing this issue. One of the main recommendations will be to remove TCL’s operations from the port of Scarborough. In the interim, PATT will ensure that the warehouse facility is cleaned and that employees wear protective gears.

7.4 At the conclusion of the hearing, the Vice-Chairman conveyed appreciation to the officials for their attendance. He advised the officials that the Committee would write to them regarding the additional questions/queries which arose during the hearing.

REQUESTED INFORMATION

8.1 The PATT was asked to furnish the Committee with the following information:

i. the Ports identified for inclusion under the Shipping Act;

ii. the estimated number of containers the new scanner at the PPOS will be capable of scanning per day;

iii. the number of vacancies at the Port Authority as at December 31, 2013;

iv. the revenue received from each POSINCO property for the years 2010 to 2013;

v. the proposed strategies or interventions to reduce PATT’s dependence on government subventions;

vi. the reasons for an increase in expenditure on insurance from $3,300,546 to $8,920,652 during fiscal 2009/2010 given that the aggregate value of property, plant and equipment decreased from $2,275,115,978 to $2,232,804,271 for that said period;

vii. Whether the financial statements for the years 2004 to 2010 were formally submitted to the Ministry of Finance and the Economy for laying in Parliament?

viii. the status of the administrative reports of PATT for the period 2008/2009 to present and the projected timeframe for the submission of these reports to Parliament; and

ix. a copy of the report on the investigation of the fatal accident that occurred on February 15, 2014 (when completed).
ADJOURNMENT

9.1 The Committee concluded its meeting at 12:49 p.m. and adjourned to Friday March 14, 2014 at 9:00 a.m.

I certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

March 12, 2014
APPENDIX III

NOTES OF EVIDENCE
PRESENT

Mr. David Small            Vice-Chairman
Mr. Fitzgerald Jeffrey    Member
Mrs. Raziah Ahmed         Member
Miss Alicia Hospedales    Member
Mr. Collin Partap         Member
Dr. Tim Gopeesingh       Member

Miss Candice Skerrette    Assistant Secretary
Miss Katharina Gokool      Research Assistant

ABSENT

Dr. Victor Wheeler        Chairman [Excused]
Dr. Bhoendradatt Tewarie  Member [Excused]
Mr. Clifton De Coteau     Member [Excused]
Dr. Lincoln Douglas       Member [Excused]
Mr. Kevin Ramnarine       Member
Dr. Lester Henry          Member

10.10 a.m.: Meeting resumed.

PORT AUTHORITY OF TRINIDAD AND TOBAGO

Suresh Gangapersad        Deputy Chairman
Sharon Mark               General Manager/ CEO
Leon Grant                CEO, TTIT (Ag)
Kathleen Maxwell          CEO, (POSINCO) (Ag)
Trudy Gill-Conlon         CEO, Port, Port of Spain
Pamela Ford               Port Secretary (Ag)
Mr. Vice-Chairman: Okay, good morning; happy to see all these bright faces here this morning. I would like to welcome all the officials who are here. I would like to introduce myself. My name is David Small. I am the Vice-Chairman of the committee. The substantive Chairman, Dr. Wheeler, is unavoidably absent so I will be holding the brief for today's meeting. Regarding what we are here to do today, the objectives of the enquiry were to examine the management structure in place at the Port Authority; to examine the systems for managing vessels, ship traffic on the waterways; to enquire into the performance of all the ports, particularly the port of Port of Spain for the past 10 years, with regard to number of port users, quantum of exports and imports; profits and losses; performance measurement, tools utilized by the PATT; the performance of the ports in comparison to other regional ports or other local ports and the metrics that are being applied by the Port Authority, and also to determine the effectiveness of the security arrangements at the ports and to gain some insight into the one-stop barrel shop.

Now, I wish to indicate that the committee was in receipt of several pre-hearing documents from several organizations, and we are really thankful for those documents that were received. It will help guide the discussions today. In terms of how we go forward, I wish now to invite Mr. Suresh Gangapersad, the deputy chairman of the board, to make some brief opening remarks.

Forgive me. You all have to bear with me.

Dr. Gopeesingh: We have to introduce ourselves.

Mr. Vice-Chairman: So forgive me. I will ask the Members of the Committee to introduce themselves.

[Introductions made]

Thank you everyone for introducing yourselves. I would now call on Mr. Suresh Gangapersad, the Deputy Chairman of the Port Authority to make some brief opening remarks.

Mr. Gangapersad: Thank you very much, Vice-Chair, and good morning again to all. Chairman of the
joint select committee of Parliament. Members of the committee, today we have the management team
of the Port Authority. I would leave out the word, “acting”. I will just introduce the Members again. We
have, basically, our CEO, Ms. Sharon Mark, who will lead the discussion; we have Ms. Kathleen
Maxwell, Mr. Leon Grant and Ms. Trudy Gill-Conlon, all acting CEOs at the Port Authority, together
with the rest of support executive management team.

Our intention here today is to be very clear and transparent as we set the baseline to move forward,
and the questions that you have posed upon us here are very pertinent and in alignment with our overall
strategy to improve the Port Authority of Trinidad and Tobago. Thank you, again, and thanks very much.

Mr. Vice-Chairman: Thank you very much, Mr. Gangapersad. I would like to ask Ms. Sharon Mark,
CEO, to give a few brief opening remarks.

10.15 a.m.

Ms. Mark: Deputy Chairman of the Joint Select Committee of Parliament, Members of the Committee,
as previously said, my name is Sharon Mark and I am the acting General Manager and CEO of the port,
a position which I have held for the past 11 months, but I have worked with the two previous GM/CEOs
over the past 10 years in the restructuring and transformation of the port. The other managers at the table,
who comprised as you said, the acting CEOs and executive management team, have also been in their
positions for about 10 years. So I think we are all equally equipped to answer any questions posed to us
this morning, and any of those that need clarification that were forwarded previously.

As indicated by the Deputy Chair, we at the port are faced with structural challenges, but we
know that we have had to advocate and put mechanisms in place to try to manage the image of the port
by implementing changes to improve our efficiency, our productivity, and the standard of service which
we would like to give to our customers. Without further ado, we could proceed. Thank you.

Mr. Vice-Chairman: Thank you very much, Ms. Mark. I would like to ask Ms. Beverly Phillip, the
Director of the Maritime Services Division to give a brief opening remark.

Ms. Phillip: Thank you Deputy Chair. Good morning everyone, other Members. Beverly Phillip,
Director of Maritime Services, Ministry of Transport. I am here in support of the team. The questions
one and 10 pertain to the Maritime Services Division, so I have here Commodore Best who deals with
wrecks. So those two questions will be what we will be responsible for answering, and any other
questions that the Port Authority may need our support to answer, we will be here to give guidance and
direction. Thank you.

Mr. Vice-Chairman: Thank you very much everyone for being here. I think the Committee certainly,
as the Vice-Chair, we would like to note that neither the Permanent Secretary nor the Deputy Permanent
Secretary from the line Ministry is able to attend. I think that the Committee wishes to express its
disappointment that the line Ministry’s executive management team, some member of that team was not able to be present today. I think in the progress of these meetings we think—[An official raises his hand]—forgive me. Could you introduce yourself, please?

**Mr. Harrypersad:** Good morning, Mr. Chair and Members of the Committee. I am Gobin Harrypersad, Legal Advisor at the Ministry of Transport. I am here on behalf of the Ministry.

**Mr. Vice-Chairman:** Well, thank you very much. You make me almost have to take back my words. [Laughter] Well, we appreciate you being here.

**Mr. Harrypersad:** If I may, Mr. Chair, I do apologize for my slightly late arrival as well.

**Mr. Vice-Chairman:** No need. It is fine. The Committee was just concerned the line Ministry was not properly represented at the highest level as is the norm in these meetings. So let me move away from that and quickly into the document we have front of us and the questions that Members would have. Member Hospedales, I think you have a question?

**Miss Hospedales:** Thank you, Mr. Chair. Good morning to everyone again. I believe this question may be directed to Miss Beverly Phillip. Under the Port Authority Act we are told that the Port Authority is responsible for all ports, but based on the report you all have submitted, you all have identified only the port of Port of Spain and Scarborough. Could you indicate to us exactly what are the reasons the other ports are not under your purview, and whether there is any intention at all to bring those ports under your purview?

**Ms. Mark:** I think that question would be directed to the Port Authority, our Legal Officer and Port Secretary.

**Ms. Ford:** Good morning. You are right. Under clause 6, I think it is of the Port Authority Act, and under section 57, the Port Authority was supposed to be in charge of all ports, and ports were supposed to be vested in the Port Authority. This has never occurred since the establishment of the Act, 1961. Ports are established, but usually the Comptroller of Accounts just—sorry, Comptroller of Customs just writes and asks if we have any objection. And once it is a port that is not dealing with any of the products or services dealt with on the Port Authority, the CEO/General Manager will give their “no objection” and a port will be established. So, in fact, we are only—under our purview only the port of Scarborough in Tobago and the port of Port of Spain, and this was done in the Act under the Schedules of the Act.

**Miss Hospedales:** Over the years, there has been a lot of concern about the porousness of our borders in terms of easy to penetrate and that kind of thing. You all are saying that these other ports are not under your purview, but what do you all do to ensure that there is no penetration and the transshipment of things that ought not to becoming into the country?

**Ms. Ford:** Under the purview, mostly of the customs—and this is one of the things that was recognized
when the whole restructuring of the port and one of the things that we were supposed to do was to establish the national ports council because I think it was recognized by the Government at the time, that this was a real problem, the proliferation of ports and the porousness of the ports. About eight lawyers got together from different stakeholders and a legislation concerning the establishment of the National Ports Council was done, and it is laid at the LRC for years and we have not really heard anything about it. But this was one of the things that we were looking at to solve this problem because at the same time it would be repealing the Port Authority Act.

**Miss Hospedales:** Seeing we are on that particular line of questioning, could you all tell us what exactly what you all are doing to strengthen the security service at the port? What exactly is being done? Because, you know, after we have heard of the report of the transshipment of drugs leaving Trinidad and Tobago, the port, and—you know, there are so many questions around that, so exactly what is being done to ensure that there is not a repeat in that kind of activity, particularly leaving the shore of Trinidad and Tobago?

**Ms. Ford:** Well, the head of our security is here.

**Mr. Birch:** Good morning everybody. The first thing to deal with the security of the nation’s port in 2004 the ISPS Code came into effect and it is basically designed to have a common framework for establishing security procedures and guidelines. The designated authority and I am of the—the coast guard have been given that responsibility to conduct or to audit any plans to approve an assessment dealing with our vulnerabilities. Coming out of the assessment, we will develop a security plan. They would now audit the plan and give approval.

Having said that, in the line of the last part of your question, the Port Authority together with the Trinidad and Tobago Customs are in the process of setting up a container scanner on the port. The scanner of itself is in Trinidad. It is on the port. Construction for the infrastructure is soon to begin. Also, I have been advised by the Acting Comptroller of Customs that they should be getting two mobile scanners to supplement the one already in Trinidad to deal with the issue of contraband or illegal drugs entering and leaving Trinidad, through the ports.

**Miss Hospedales:** When are we expected to have these scanners installed?

**Ms. Mark:** From our information, June 30 is the deadline for the completion of construction.

**Miss Hospedales:** Just one more question, Mr. Chair. So on June 30 you are expected to have the scanners installed, but what measures—-[Interrupt]

**Ms. Mark:** One scanner is installed.

**Miss Hospedales:** The scanner? Right! What measures are being put in place prior to that deadline date to ensure, again, that, you know, we do not have a repeat of illegal drugs being shipped from the country?
Mr. Birch: At present, there is a joint operability team from the Trinidad and Tobago Customs and Excise, the TTPS and the port to strengthen through intelligence, that framework to deal with this situation until the scanners. Customs would be previewing their process and procedures, but it will be intelligence driven.

Mr. Vice-Chairman: Bear with me. I would like to just continue that for one because I saw a news story dated January 20 where the Trade Minister says and I quote:

“Traditionally we have not checked containers or goods leaving Trinidad…”

That statement for me is a surprising statement to hear that we do not check containers leaving Trinidad and Tobago. My concern is, that this could have been going on—if this is correct and I am trusting that the Minister made a public statement like that, this is correct. If it is not correct, I will appreciate your guidance. And, to the extent that we are now trying to do something, I would like to understand what it is modeled on. I understand there is a joint inter—[Interruption]

Mr. Birch: Inter-operability team.

Mr. Vice-Chairman: Lovely, but was there any exercise carried out to understand what happens at other major ports, or how do you handle export of containers, securing them, making sure—what was done? I need to understand what was done. What I am trying to understand was it just a response to the activity; or was there some clear process by which the Port Authority determined that this process of having containers not being checked is something that needed to stop and you decided that two years ago or five years ago and then you started to put plans in place; or was it just something that just came up? I would like to understand the process.

Ms. Mark: In fact, the checking of containers leaving the port is Customs responsibility. So Mrs. Gill, will give an explanation.

Mrs. Gill-Conlon: Good morning.

Mr. Vice-Chairman: Morning.

Mrs. Gill-Conlon: CEO PPOS, cargo handling section at the Port Authority. Generally speaking, for instance, in Jamaica there is lot of contraband and things like that. Now what is done, again, the decision to whether a particular container should be opened, whether it be import, export transshipment is determined by Customs. Customs is the intelligence unit that is responsible for that. The port is not directly responsible for opening and we do not have the jurisdiction to open containers. Customs has to direct that. So having said that, in terms of opening containers, et cetera, the port does not do that. Exports basically come in to the port, we weigh the export and it sits on the terminal until it is ready to be shipped out.

If Customs through their intelligence gathering determines that, for whatever reason it has to be
opened, it is pulled out and it is checked. Generally speaking, import containers that come into the 
country are sent to what we call the Customs Examination Station, which is the CES. So traditionally, I 
have been on the port for past 10 years, export containers are not opened leaving the country.

Mr. Vice-Chairman: Thank you very much for that. Member Gopeesingh.

10.30 a.m.

Dr. Gopeesingh: First of all, as a Member of the committee, may I warmly welcome all of you to assist 
us in getting a clearer understanding and a national picture of what is happening on the port and the Port 
Authority of Trinidad and Tobago, and to welcome all of you and thank you for being here for us to seek 
some answers to questions which we have.

The first question I want to ask is based on the issue of the management structure of the port 
authority and the control of the ports in Trinidad and Tobago. It is my understanding that based on the 
Act, Chap. 51:01, section 8, that you are responsible to develop to harbours of Trinidad and Tobago, and 
under the First and Second Schedules.

“…and such other harbours may from time to time be vested in the Authority under section 57;”

Under section 57:

“The President may from time to time by Order vest in the Authority any port and harbour in
Trinidad and Tobago.”

Could you give us an idea of what harbours there are beside the Port of Spain harbour, the Tobago 
harbour—Scarborough—and I see here that you all are looking at another one in Tobago—

Members: Charlotteville.

Dr. Gopeesingh: Charlotteville. Has there been any recommendation for—what are the others port in 
Trinidad or harbours? Have there been any recommendations for any of these to be brought under the 
Port Authority of Trinidad and Tobago? If so, has the custom official who is the lead person, the 
Comptroller of Customs, has he asked you all to incorporate any of these harbours or ports in that? That 
is my first question, if you want to take it down and answer it now, or you could probably answer it 
subsequent.

The second issue is, I read what you sent to us—the organizational structure of the port authority. 
Well, let me congratulate you all and thank you for doing a tremendous job for the people of Trinidad 
and Tobago by the work that you all are doing on the port. But I saw here in 2002 that you were supposed 
to go through a restructuring process and it seems as though that has not occurred. You were supposed 
to go into establishment of the Port of Spain Infrastructure Company, which is POSINCO, which was 
supposed to be an infrastructure holding company. You were supposed to have done the Port of Port of 
Spain Limited Company, (PPOS), and Destination Trinidad and Tobago Limited, (DTTT), which is
supposed to be looking after the cruise ships, and the fourth was the Trinidad and Tobago Inter-Island Company.

From what you have given us here, have any of these being done and are they still running—whether these companies have been formed or whether they are not formed and whether the port has, in fact, fulfilled these types of desires or are they just running as separate business units or are they separate entities or so? Those are the first two questions I want to ask you.

Ms. Mark: I will answer question two concerning the restructuring of the port. That Cabinet Minute of 270, December 05, 2002, spoke to the restructuring of the port into companies. This has been done since 2002, also, by the Legal Vesting Order of No.68 of 2006. We did separate the ports into companies. All of them are operational although not fully operational.

We have had the human resources assigned; we are doing some of the operations, the business of the port. There are some issues. One of the recommendations of that Cabinet Note was that there was supposed to be a capital restructure of the balance sheet which has not yet occurred, and there was supposed to be also VSEP, what we call optimal human resource rationalization, which has not taken place. Up to 2009, the port also did another Cabinet Note for restructuring, and along with that, there was supposed to be a manpower separation. The companies are supposed to be separated.

Again, the question of the restructuring of the balance sheet and of the physical organizational restructuring, due to situations beyond our control, this never took place but the port’s management and board took decisions to separate the companies. We started off as business units in 2006 and board Members reported at board meetings, that sort of thing, to make sure we had a sort of focused management. We mirrored the accounts as much as we could. You will see some org. structure attached and so. So that is how we have been trying to progress the restructuring and transformation of the port.

Dr. Gopeesingh: I do not think that I have clearly understood. By virtue of what you were supposed to do is to form these four companies.

Ms. Mark: They have been formed.

Dr. Gopeesingh: And they have been formed by virtue of the—

Ms. Mark: Except Destination TT, that is the only one.

Dr. Gopeesingh: All right. So the port authority, all the assets of the port authority were vested in PPOS—

Ms. Mark: In POSINCO.

Dr. Gopeesingh: And the POSINCO which is the Port of Spain Infrastructure Company Limited.

Ms. Mark: Yeah.

Dr. Gopeesingh: And the Trinidad and Tobago Inter-Island Company Limited.
Ms. Mark: It was vested in POSINCO and we are already into an interim management structure because we are still finessing the structure.

Dr. Gopeesingh: So the TTIT has not been formed?
Ms. Mark: No, all the other companies have been formed—POSINCO—
Dr. Gopeesingh: And they are operating as separate business units?
Ms. Mark: As companies.

Dr. Gopeesingh: Is the port authority responsible for all these four units?
Ms. Mark: Yes, we are.

Dr. Gopeesingh: Are these four separate distinct entities in terms of management capacity, capability, reporting, mechanisms?
Ms. Mark: Yes, they are.

Dr. Gopeesingh: So each of these four are identifiable strategic units?
Ms. Mark: Except Destination TT. Three.

Dr. Gopeesingh: Three. Under the port authority?
Ms. Mark: Yes.

Dr. Gopeesingh: So do you they have separate boards?
Ms. Mark: Yes, they do.

Dr. Gopeesingh: These boards report to the port authority board?
Ms. Mark: Well, they are supposed to report to the port authority—on this dispensation of the port authority board, the boards of the three companies—the members of the boards have not been identified.

Dr. Gopeesingh: Okay, so all right, in that context then, so basically the port authority still governs the units.
Ms. Mark: Yes.

Dr. Gopeesingh: Although they were vested by Order, they are not functioning as separate and [Inaudible] for the time being?
Ms. Mark: For the time being.

Dr. Gopeesingh: Is there any area—before you answer in coming to other question related to this—is there any way you feel that the Act needs to be changed? Any areas within the Act itself that need to be changed to give you all more flexibility and authority? Are there areas of concern for changes within the Act itself? Or have there been changes since the Act came into power in the 1960s?
Ms. Mark: I will pass that to Ms. Ford.

Ms. Ford: So with establishment of the NPC, the Act was going to be repealed. In the meantime recently, we have made some suggested changes through Maritime Services Division based on the new Shipping
Act that is due to come on board. So we have asked them to take notice of some of concerns and most of it is to change the harbours into the ports, and to deal with the two ports that we are responsible for, which is Port of Spain and Scarborough, so that is mainly the changes that we have done.

The Act gives authority for us to form the companies because there is a section that says that we could give—get any other person or—what would you call—anybody to do whatever we have to do, we can ask them to do that. The section in the Act gives us that authority.

**Dr. Gopeesingh:** I am not getting it clear. I ask—before, I think, we have to answer the other question about the other harbours and ports. But is there anything that you all are contemplating that should be considered for changes within the Act itself that you may find to be advantageous if the Act is changed, to give you more competencies and capabilities in the management of the port?

**Ms. Ford:** Not really, Sir.

**Dr. Gopeesingh:** Not really. You are comfortable with the existing Act?

**Ms. Ford:** Yes, those that we asked to be changed, just recently we have sent that to the maritime services—suggested amendments.

**Dr. Gopeesingh:** All right. Could you just answer, if it is possible, the other question—which other harbours or ports that you know of? Have you sought to bring them under the port authority or you have decided to leave them as separate entities?

**Ms. Phillip:** Thank you. Presently, we have the Harbours Act of 1880. It is very old.

**Dr. Gopeesingh:** 1880. [Laughter]

**Ms. Phillip:** And under that Act, we have defined a number of harbours. You have the Port of Spain harbour, San Fernando, Scarborough, Brighton, La Brea, Point Fortin, Charlotteville, Cedros and Point Lisas. These are the ports that are defined in the Harbours Act.

Currently, the Harbours Act is under review by the Maritime Services Division. That division is responsible for administering and regulatory matters relating to the legislation which is the Shipping Act, the Harbours Act—there are a number of legislations outdated and we are presently seeking to update.

This Harbours Act, the decision is to remove some of the provisions and incorporate it under our Shipping Act. The Shipping Act—we have a Shipping Amendment Bill which is about 95 per cent completed, it is presently being reviewed by the Chief Parliamentary Counsel, and we are looking at these various ports. We are reviewing these various ports to see what can be done, whether they need additional—we can submit that information to you at a later date of the other ports that we are looking at to include under the Shipping Act once we have merged the Shipping Act, the Shipping Bill and provisions under the Harbours Act.

**Dr. Gopeesingh:** Mr. Vice-Chairman, may I be permitted to just ask one before my colleagues? So
based on the 1880 Act, how many of these are now functioning in Trinidad and Tobago as functioning harbours? And then, of course, my question would be what capacity in terms of the amount of—are they containerized? How many containers are going through each one of the ports and so on if that they are and so on? Which ones are operating?

**Ms. Phillip:** We are talking about harbours. If you are looking at ports and transactions with ports, under the ISPS, that is International Ship and Port Facility Security, which the security officer mentioned, there are 31 port facilities that deal with international trade, and not deal—so this Harbours Act is outdated. Because of a new legislation that came out which is the ISPS, International Ship and Port Facility Security Regulations, that has included a number of port facilities that deal with trade.

10.45 a.m.

**Dr. Gopeesingh:** Forgive my little lack of knowledge. What is the difference between a port and a harbour?

**Ms. Phillip:** All right. A harbour, according to the Harbours Act:

> A harbour shall be defined as any water area bounded by natural features or man-made structures, such as breakwater or sea wall, which offer mooring and protection for ships.

That is the harbour.

When you are talking about a port now—

> A port shall be defined as man-made coastal facilities where vessels may load and unload.

So you have a certain area, you have the harbour at one area and then after the harbour, you have the port area. So the harbour, more or less, extends to the sea—seaward. And it is at the port where you will have transaction taking place.

**Dr. Gopeesingh:** And how many of those are functioning in Trinidad now—the ports?

**Ms. Phillip:** Thirty-one.

**Dr. Gopeesingh:** Thirty-one ports are functioning?

**Ms. Phillip:** Port facilities.

**Dr. Gopeesingh:** Which are the larger ones?

**Ms. Phillip:** It will be Port Authority, PLIPDECO and Galeota.

**Dr. Gopeesingh:** The others to some smaller extent?

**Ms. Phillip:** Yeah. To some extent and they would be handling different commodities.

**Dr. Gopeesingh:** Well if I may be permitted a last question on that, Chair. What would be your respective capacity in the various ports for the elucidation of course, in terms of Port of Spain deals with what sort of tonnage and what sort of port activity?—and Scarborough, and Galeota, and PLIPDECO—all the four ports that you are speaking about. How many containers, et cetera.
Ms. Phillip: Port Authority will have to answer that. They deal with containers, as well as PLIPDECO deals with containers. So they will be able to give you a comparative analysis of who handles—but Port Authority handles more containers, I suppose, than PLIPDECO.

Dr. Gopeesingh: Can you give us any idea?

Ms. Gill-Conlon: Last year the port of Port of Spain, we handled 383,000 TEUs, right, that is twenty-foot equivalent units. That is roughly about 350,000 containers. PLIPDECO handles around 165,000/175,000 TEUs. So that is the volume that we handle. Of that volume, 50 per cent, 51/52 per cent is trans-shipment cargo and the remaining is domestic cargo, a mixture of domestic imports and exports.

Dr. Gopeesingh: So about 51 per cent passes through the ports of Trinidad on the way to other areas?—when you say trans-shipment.

Ms. Gill-Conlon: Of the 383,000, yeah, 52 per cent comes here, stays in the port and then goes back on a vessel to somewhere else in the region. It does not leave the port.

Dr. Gopeesingh: So about 360, Port of Spain; 165, PLIPDECO. How much in Tobago?


Dr. Gopeesingh: All right, thank you all very much. Chair.

Mr. Vice-Chairman: Thank you, Minister. Mr. Partap, I know you have a question but I just want to go back to something and get some deeper information on a point raised by Minister Gopeesingh. In your response, Ms. Mark, you indicated that you were finessing the structure and that the different organizations had separate boards but they were not appointed. So I have a governance question around whether there are any central services provided to these other organizations by the Port Authority. And whether or not does the port impute a charge for those services?

And then if you have a situation where these other entities operate under you, is it that all the CEOs report to your—to the chairman? Do they provide ongoing—because my concern is oversight. You have organizations that are supposed to have a board; they do not have a board. They have CEOs. I want to understand what is the oversight because there must be oversight. You cannot have a CEO running an organization and the CEO does not report to anyone. So I need to understand, does the CEO report to the deputy chairman? And do they come to the board meetings and provide operational updates? This is what I need to understand.

Ms. Mark: Okay. The CEOs report to the PATT Board, well they report to me. There is something called the PATT Governing Unit, which is where, it is like a head office, which I would manage, and the
CEOs will report to me and to the—administratively to me and governance to the Port Authority’s board of which Mr. Gangapersad is the Deputy Chairman.

In terms of common services, we offer—all the companies partake of services which are offered by the governing unit. These include security, HR, IT and the Port Secretariat.

Mr. Vice-Chairman: Audit also?

Ms. Mark: Yeah, the Port Audit and the Port Secretariat.

Mr. Vice-Chairman: Okay. That is fine. Member, Partap, has a question.

Mr. Partap: First of all “lemme” thank you all for being here. This question is directed to Mr. Birch. Mr. Birch, in the submission for the Port Authority, it was stated that the Port Police were:

charged with the responsibility to ensure that the integrity of all cargo received remain intact whilst at the port. This is achieved through physical inspection of sealed containers via foot security, mobile patrols and limited use of CCTV footage.

Further, it was stated that:

Both technologies in Port of Spain and Scarborough require upgrades in keeping with new technology.

I have two questions and then a supplemental afterwards. First question is: when will the upgrade of the CCTV cameras installed at the ports be undertaken? And, part (b): do you propose any additional CCTV cameras?

Mr. Birch: Presently, there is a parallel system—CCTV system—on the facility. That is owned by national security, operated or monitored by TTPS. Presently, we are in discussions to integrate their system into our present system. They had given us guidelines, in terms of “yuh” staffing, “yuh” SOPs. We have completed that. We are in the process now to do a Memorandum of Understanding or Agreement so we could go forward with the financial aspect.

From the other CCTV perspective, at present we are preparing “ah” RFP to go out to do over the whole camera system—CCTV system—for the port, inclusive of Tobago—Scarborough, and the port. We hope to achieve—to fill any gaps in the present configuration.

Mr. Partap: There is one supplemental I had. In relation to the scanners, were there ever any scanners on the ports in Trinidad and Tobago at all? And when the scanners are up and running, how many containers will they be able to check a day? That is both the two mobiles and the stationary scanner.

Mr. Birch: At present, there are no container scanners on the port. With regards to the capacity, I do not have that information at hand. I could get that information to you at a later time.

Mr. Vice-Chairman: The Committee will request same; we will formally write and request that.

Mr. Birch: Very well, sir.
Mr. Vice-Chairman: Member Hospedales?

Miss Hospedales: Thank you, Mr. Chair, I am happy that we came back to this topic of security at the port because I have a lot of questions and, based on the information provided this morning, you all indicated to us that the Trinidad and Tobago Police Service, as well as Customs, the Port Authority Security, all these groups work together to provide some measure of security on the port but we recognize that there is a significant security gap.

One of the things you all highlighted in your report is that you:

have done a vulnerability analysis which identifies the major security risk.

How often is that vulnerability analysis done? And what were the findings of the last report? Could you indicate to us please?

Mr. Birch: Vulnerability assessments are ongoing, from an official perspective when we are doing the security plan. We are required to do a security plan every five years, according to the ISPS Code. However, as time goes on we would do continuous assessments based on any new information, any threat analysis, any situation, security incident that may occur that may not have been dealt with in the previous assessment and you will mitigate against that.

Once you develop mitigating strategies, you are required to amend the plan and you would send the amendments to the designated authority for approval, to be incorporated into “yuh” plan. As I said, the plans are for five years. We are approaching the cycle for review. The cycle ends on June 30 and we are in the process to do an assessment again—continuous assessment. But to do an official assessment that would go to the DA—Designated Authority—for their approval, for us to develop a plan or improve on the plan that we have.

Miss Hospedales: Okay. One other question I would like to ask with respect to the Customs aspect of the security. Are random checks done on a regular basis?

Ms. Gill-Conlon: Okay. I just want to add something, to maybe clarify to your questions that you are asking. All right, so the Port Authority is the custodian of cargo. Our security measures that we have in place are to ensure that while your container is on the port, that it is not opened, something is not put into it, it is not stolen. So once it enters the port, we have to ensure that it is secured. The only way we will accept a container into the port or release a container out of the port is if we have the proper documentation and that documentation comes from the agent, the Customs and any other agency, Bureau of Standards, et cetera. That is the only way the Port Authority will accept a container into the port or allow a container to leave the port.

The containers—how the Customs—and I am speaking out of turn sort of, but how the Customs decides if a container is examined randomly is through their intelligence. So Customs, basically, you
know, they are the ones that determine, for instance, roughly about, what, 30 to 40 containers go into the CES every day for examination.

So out of 80,000 containers that enter this country every year, Customs screens about, what is it, 20 per cent of those containers and, basically, that is how they do their random checks, based on their intelligence. And with their new system that they have, ASYCUDA, which is now automated electronic, I believe their intelligence is going to be heightened with that because now they have customer profiles and they are actually capturing data electronically. Manifests are coming in electronically.

The information on the manifests has to be 100 per cent accurate, or else the agent is going to be fined. There are very high fines and things like that. So, yes containers are checked randomly if Customs feel that it needs to be checked, they will pull it out, even though it may have been a delivery authorized container, then they may come and say to the port: we want this container to go into CES.

**Miss Hospedales:** So, from my understanding of what you are saying, it is checked randomly but not as random as it ought to, in terms of regular, in terms of the randomness.

**Ms. Gill-Conlon:** I cannot answer that question. Customs would be in a better position to answer that.

**Mr. Vice-Chairman:** Okay. Member Ahmed?

**Mrs. Ahmed:** Thank you, Chair. I have two questions—one macro and one micro. The first one: in terms of your strategic plan, what is the provision for expanding your capacity to berth larger vessels?

**Mr. Gangapersad:** Okay. Good morning, everyone. We, at the Port Authority, have made a strategic plan about two years ago, where we did a thorough analysis as to what are the infrastructural requirements and the equipment requirements.

**11.00 a.m.**

**Mr. Gangapersad:** As at this point in time, we are not in a financial position to fund this on our own. We have made presentations to the Ministry of Transport, even in the last budget presentation, for our needs for expansion towards increasing our capacity. These have not been approved, as of now. We are now looking into the direction of possibly foreign investment in strategic alliances, et cetera, but all on the basis of an approval from the Ministry of Finance. And at this point in time, we continue to operate within our limited draft and crane capabilities and we do not foresee, within the next three years, any immediate plans to deepen the harbour or increase significantly the cranage capacity unless we have some major intervention of funding and that is our limitation, basically. We would want it, but we need to be financed.

**Mrs. Ahmed:** Thank you. My second question is, I noticed in your response on page 24, there were some paving works done for the Summit of the Americas to the tune of $4 million-plus. Could you say what kind of paving and where was that done for the Summit of the Americas?
Mrs. Maxwell: Those works were essentially road paving works. It was in an effort to improve the aesthetics of the port and the concentration was mainly on the roadways in between the terminals and Dock Road.

Mrs. Ahmed: Thank you, Chair.

Mr. Vice-Chairman: Okay thank you. I just want to, member Jeffrey just bear with me, add to a question that Sen. Ahmed placed. So I just want to be clear, is the port able to handle post Panamax vessels?

Mrs. Maxwell: Not at this time.

Mr. Vice-Chairman: Not at this time. Because I have noted in one of the submissions from the pilotage authority, they indicated that there are some challenges when particular size vessels come and they require special conditions, it needs the daylight hours, it needs to be at high tide and they need tugs, which is unusual as to time and, of course, as to cost for turnarounds.

Now if the port is recognizing that, with the opening of the Panama Canal, the widening of the Panama Canal, you may very likely see that bigger and bigger ships are coming through, I am hearing the Deputy Chairman saying unless something drastic happens, he does not see, at least within three years, any moves to dredge the harbour to a deeper depth. I would like to understand, is it that you are just going to sit and wait for something to happen? The environment in which you operate is changing. It is changing on you.

Mr. Gangapersad: Okay, let me take that question right and it is more than just the Port Authority of Trinidad and Tobago, it is the entire national development framework. Let me go straight to the Panama Canal issue. We do not only have to look at containers, et cetera. Besides the containerize operations, there is a huge amount of liquid bulk and dry bulk that we are not looking at in this country right. For example, at the Point Lisas Estate, the basin there itself, the development plans suggested by Plipdeco is only for their berths but there are many other berths there that are being considered.

I think there is a bigger problem in that when the Panama Canal opens, we will have a situation where the private enterprises will be in a huge dilemma that they will be now facing vessels coming demanding higher freight rates because they are unable to go at the draft. So the current draft of the country, the maximum draft, is 12 metres. Most vessels come in at 11.59, 11.69. Some might come to 12, based on the high tide. So, from my understanding, there is an effort with NEC, with regards to a La Brea port, which, well, basically, the funding that is required from—if you look at the amount of money that is required to invest in Port of Spain alone, because of Port of Spain we have had a lot of developments around Port of Spain that have locked the terminal. You have the Hyatt built, the Financial Complex built. So you have created human barriers that would allow for more ergonomic movement of
cargo. So there has been development without looking at the logistics of developing the port further. You do not have much space to go anywhere on the Port of Port of Spain except if you want to build a rail system, for example but nobody wants a rail built by Hyatt to go to South Quay or to go into the lands that are available by Coosals in the back by NP, so we can make a containerized terminal.

Added to that, there is a lot of works required to develop that port. The same money you can see to build a new port that would be more. You will have more efficiency because you would create your own berth, you would create your own docking facility. So I think in the end, I am not speaking on behalf of the Government here or anything but the financial decision, if you need to invest, would be, in my opinion, of national interest to build a new port in a location that is ergonomically friendly for a logistics management and a traffic management, the entire support services of the country, you know.

At Port of Spain, we already have what we call niche operations. We have the Inter-island Ferry Service that we have to manage. We have the land estate that we have to manage. We have a containerized business, import and export. The whole idea of the Panama Canal opening up, there is nothing about increasing domestic trade in Trinidad when that canal opens up. It is mostly about transshipment, capitalizing the location of Trinidad and the business of transshipment. So I believe the ports in Trinidad will still have their niche markets and PLIPDECO, for example, you cannot move any of the plants there so they are still required to operate in the location that they are at and still required to have vessels berthing there. So the business of tugs and support services will still be required. So, in my opinion it is not that we do not want to push forward, it is an issue of where do we spend money in the country and where do we invest. So, in my opinion, I think a new port in La Brea is the best option.

Mr. Vice-Chairman: All right, just permit me. I appreciate your response because, from my thinking if you are recognizing that the market is changing on you and you are constrained in what you can do and that one of the options is to understand: well listen, perhaps if there is need to be an investment, invest it somewhere else. Now the question in my mind question will be: What happens to the current port? Do you scale it back to handle particular things and you move things to another place? And this is for your elucidation because I looked, I only saw a story yesterday morning where the Jamaicans have taken a particular position. They are going after the transshipment market. They have made a clear decision and while they are constrained—they are very constrained with funding—they are probably significantly constrained with funding but they have made a strategic government decision that they are going after the transshipment market and to support that it requires some significant expansion of the port facilities. So, I am just—where you are as an organization, seeing what is happening in the market.

Mr. Gangapersad: Let us paint the timeline right. Jamaica would have done this investment, not yesterday. They would have made that strategic decision at least 10 years ago. Currently their capacity
is 2 million TEUs right now with all the cranes that they require, the berth, the draft, full support. This has been completed at least two or three years ago or before. So they were would have engaged in this type of development long in advance and they are in the process of now, basically, soliciting agreements with the different trade associations and shipping lines, et cetera.

Plus their proximity to the eastern coastline of the US, which they anticipate to have growth from the region of 14—25 per cent over the next five years. So the location of Jamaica is strategic for the shipping lines to go to Jamaica, drop their cargo and then you have subsequent trade from Jamaica going to the eastern coast of the US.

For us it would be mostly along the African coastline and the South American coastline, if we have to look into that and most of it coming out of the Brazilian and the West African markets are mostly bulk cargo. So there is not much room for transshipment at this point in time unless Brazil decides to have a full export oriented or manufactured goods. So, unless the Brazil economy rises to the level that they can export a huge amount and they are required to stop somewhere in Trinidad to make some reverse trip through the Canal, which I highly doubt, most would be coming from China. The Brazilian laws and the African laws are such that there is heavy taxation into goods and services that come into the country.

So Trinidad, although it is strategic, we have to see what are the volumes offered. Lines are talking about it but at this point in time most of the business is done in that location of Jamaica, Cartagena, around that circle right there. So the Chinese developers, which is the people who went around looking, they invested heavy in Venezuela, in Colombia in Jamaica, in the last eight to 10 years. We would have had a proposal in Trinidad here with a Chinese company about four years ago, five years ago. But that has never came to fruition and I do not know what is the status of that proposal as of now.

We did have some issues with the location, which was Sea Lots. We have a heavy deposit from the Caroni—the silt. So that location was not ideal, plus the issue of traffic and traffic management around the area of Port of Spain. How do you have a terminal and create the logistics for transshipment.

So, the issue of Jamaica being ahead of us is, they would have been prompted, in a way, by investors who would have looked at the entire global picture and looked for strategic locations in the world to say: okay, let us look there is an island called Jamaica. It is more cost effective to put down two million TEUs of extra capacity there than to do the same thing in Trinidad. Right? So you would move cargo out of the Canal from China to the eastern seaboard rather than you carry it to Trinidad and bring it up back. You know, it is all in the business profile of what the global picture looks like.

**Mr. Vice-Chairman:** Okay, you have actually answered my next question. Member Jeffrey you asked a question.

**Mr. Jeffrey:** The Port Authority of Trinidad and Tobago is the most experienced entity, in terms of port
operations in Trinidad and Tobago. Now in the La Brea situation, we have a lot of industrial development which are supposed to take place. But I am a little worried about the logistics, in terms of the turnaround for ships in basin. Has the port any input in the development of the La Brea port?

Mr. Gangapersad: At this point in time, no.

Ms. Mark: No, we only took part in the rationalization study. There was a rationalization study done by the Ministry of Planning and we were asked to give some inputs about our experiences at the port and some of our statistics, and so on, were provided. Other than that, no, I am not sure if the study has been completed.

Mr. Jeffrey: But I think it is necessary for you input to have some serious input in the development. Because I think I am a little worried about, yes I am glad for those projects La Brea and so on, but I am a little worried about what is going to happen in the Gulf at the La Brea port.

My second question has to do with the ferry service to Tobago, all right, where $266.3 million was budgeted for the financial year 2013/2014 and 2014/2015, for things like fleet operation and the upgrade and so on, and equipment. How much of that $266.3 million, as the case might be, have you all received and if so what have you all spent that portion on?

Mr. Grant: All right. While that may have been budgeted, that is not money that we have received. We get approximately $130 million as subsidy to run the service and we make up the shortfall, in terms of revenue ticket sales and other forms of income. But, along the way, we do manage to—at least we cannot buy equipment, we have not bought equipment for a number of years but have been able to lease a couple of forklifts, from time to time, and big lifts but we have not been able to buy any equipment.

11.15 a.m.

Of that $266.3 million that you all had specially requested, you all have not had any of that money given to you?

Mr. Grant: All right. We would have gotten some money to do some infrastructure works. We spent about $4.95 million with respect to Tobago terminal itself; the ferry terminal. We have some other projects to undertake, like we have the jetty for the conventional ferry. We are about to start that project. We have some other infrastructure works like the yard paving and so on to do. We are going to upgrade the existing building in Port of Spain; the ferry terminal, and we have the commitment from the Ministry to fund those projects.

Mr. Jeffrey: Okay. I have another question. In your consolidated financial statement for September 30, 2010, page 41, under operating and administrative expenses, something is worrying me there. Salaries 2009, $26.5 million; salaries for 2010, $27.3, but the overtime is $7.5 million and so on. I find that is plenty; $7.5 million, overtime. How do you account for that? [Board members search through their
Ms. Mark: Excuse, is it the consolidated accounts you are speaking to, sorry?

Mr. Jeffrey: Supplementary information to consolidated financial statement, September 30, 2010; operating administrative expenses, wharves; administration, and then you have claims: overtime; salaries; page 41. How do you account for that $7 million overtime?

Ms. Lewis: Good morning. Morning. I am Charmaine Lewis, the Executive Manager, Finance and Administration. The overtime you see captured there it is under wharves. Wharves are what we call the operation area; the cargo handling area. Cargo handling area is the area where we generate most of the revenue. However, to generate that revenue, the level of overtime performed has traditionally been high.

One of the reasons for that is that while we have three shifts, the last shift which is the third shift, we have a lot of absenteeism on that shift, and if there is that absenteeism, it causes overtime cost to be incurred. The port recognizes this, and we are looking towards changing the existing practices, and what we have put on the table is a proposal to have what you call five-in-seven. So that when an employee works, he will work five days out of seven regardless, and so there would be no overtime hours to be incurred. So we have to negotiate this with the union. It is part of one of the restrictive practices that exist.

So for the time being because of a lack of manpower on some of the shifts, we, of necessity have to incur the overtime costs. And because operations are the area with the high activity and highest generation of the revenue, you would see that sort of correlation between the extent of the overtime.

Mr. Jeffrey: Well, you raised the question about high absenteeism. What could be the cause of that?

Ms. Lewis: If the labour does not turn up for the C shift, which is the last shift, we still have to run the shift, and I do not know if it is a—operations may be able to answer, which is Ms. Gill. I do not know if it is a disincentive when they are on the third shift, because they will still get paid once they are registered guys, but what the experience has been, there has been absenteeism on that C shift.

Mr. Gangapersad: Let me just clarify something. You are asking question on page 41, of the thing?

Mr. Jeffrey: Yes.

Mr. Gangapersad: And the figure that you are talking about here is overtime of $7.5 million, under wharves?

Mr. Jeffrey: Yes.

Mr. Gangapersad: Okay. All right. I will just make one point and then I will hand it over to Miss Conlon. The collective agreement of the port authority is structured in a way that, although they operate a four shift system, meaning that you operate seven days a week, three shifts for the day. They have basically maintained an old and archaic structure of payment where Monday to Friday is regular pay and weekends are overtime. So your shift by natural default, you will work on a Saturday and Sunday, and
you will get premium time on Saturday followed by more on Sunday. Right? So that in itself is the single most largest contributor of overtime, and it is a matter that we must deal with in the next rounds of negotiation. I will now hand over to Ms. Gill.

**Mr. Jeffrey:** I would say on a Sunday, would be double time.

**Mr. Gangapersad:** So Ms. Gill will now give you more details on that.

**Ms. Gill:** All right. Just to put things into perspective. On average we spend about $3 million to $4 million per month in overtime. You have Monday to Friday, the absenteeism Ms. Lewis was speaking about would impact the Monday to Friday overtime, more so as the Deputy Chairman indicated Saturday and Sunday are automatic.

About 80 per cent of the total overtime incurred occurs on Saturday and Sunday, right? Because of our gang usage and the vessels that would be handling the volumes we would be handling. So you working three shifts, you are working four cranes, you know, you require X amount of gangs. So you cannot really get away from that overtime, and that accounts for 80 per cent of the overtime.

**Mr. Gangapersad:** And this is not absenteeism. This is natural work that is being done—[**Interuption**]

**Ms. Gill:** Automatic.

**Mr. Gangapersad**—and because of the collective agreement, we have to pay accordingly.

**Ms. Gill:** So the other 20 per cent is accounted for Monday to Friday, and that is basically where the overtime, the absenteeism. Now, with the absenteeism, what it is, you may not have the number of persons that are required in each category. So, for instance, you require say, 30 crane operators, you require say, 50 tractor/truck drivers. If a crane operator or two do not turn out, then a person who is able to drive that particular equipment from a lower category may have to go in there. So then there is a shortage in his area, and that is where the absenteeism comes in, with that, we have registered and non-registered. So people who are registered are rostered. People who are not registered are not rostered. So you know, they just do not turn up, they just do not get paid and things like that.

**Mr. Jeffrey:** Well, my final question HR, again. Your staff complement is 1,585. Are there vacancies on the port? Right? What attempts are being made to fill those vacancies? And I have a little worry, a little concern in terms of so many acting appointments and so on. When are vacancies—those positions going to be confirmed? How do you all respond?

**Ms. Mark:** Okay. We are all actors at the port at the senior management level. We are in the process now of engaging a recruitment agency, an executive recruitment agency to hire five of the critical positions that we need to fill, namely; GM/CEO—[**Interuption**]

**Mr. Gangapersad:** Well, let me take this, and then afterwards she will tell you the other numbers. Right? So the composition of those numbers and I stand to be corrected is permanent staff and also
temporary staff, which includes your stevedores. Right? So it is not all permanent staff and Ms. Gill could probably tell you about the composition of that.

But with regards to the executive management team, we have basically in the structure, vacancies arising out of contracts expiring, et cetera. We are in the process of trying to fully operationalize these business units. So at this point in time, we as you would have heard, we have acting CEOs. We as a board have taken a decision to go out and advertise. The first position that would be advertised is the CEO position of the port authority, which is the top position. Once that person comes on board, then we will work together with that person to now decide the way forward in terms of the CEO position of the SBUs. That in itself, now you will have to look at what is our real requirement to deliver targets that the board will set in terms of profitability, in terms of reducing subventions, et cetera. So in terms of cost savings and revenue measures, we will realign what is the human resource requirement required to really move the SBUs in a direction of eventual profit-making.

Vice-Chairman: Thank you.

Mr. Jeffrey: Well, you do not believe that waiting until you have a CEO confirmed, the person who is acting in the position now what is the—[ Interruption]

Mr. Gangapersad: No, we have not stopped work at any point in time with regards to operations, and the human resource requirement at the port to sustain those operations, in the existing boundaries of the collective agreement.

Vice-Chairman: Okay. All right, just bear with me, member Gopeesingh. As we were looking at the accounts, I just had a couple of quick questions as we were in the accounts. In your notes to the consolidated financial statements for every year, I am seeing an amount under receivables to staff loans and advances, and rather than going down, that number seems to be increasing every year. Could someone help me, why is the—I am not sure what constitutes staff loans and advances? And then why is it increasing every year? If I go back to all the accounts it is just increasing every year. Is it that people are not servicing the loans? Or is it that people are taking loans on top of loans? I am not sure what the number reflects.

My second question as you were in the accounts: has there been any consideration given by the authority, by the board, to approaching the Government to seek a write off for some of the very aged loans that you have on the books, that are really messing up your balance sheet? At least make an approach to seek to have those loans written off, to clean up your balance sheet and give the authority some—a little more wiggle room in terms of the things it is doing.

Mr. Gangapersad: Yes, there have been—I think there is also a Cabinet Note—Charmaine?

Ms. Lewis: Yes there is.
Mr. Gangapersad: With regards—Ms. Lewis will give you the full details from the write off of loans, to the employee loans that you are asking about. Charmaine?

Ms. Lewis: To answer the question with respect to the staff loans and advances. We have, what we call, the junior staff, persons who are represented by the SWWTU and we have the management personnel, represented by the Senior Management Association. Under the SWWTU agreement, staff is entitled to a vacation leave loan, when they proceed on vacation leave. So the quantum of the loans would be dependent on the amount of persons proceeding on leave and those who opt to take the loans in any given year.

In terms of the senior management, the senior managers are entitled to several categories of loans, and again, the quantum will depend on the loans that they would opt to apply for. For instance, under senior management, there are loans for motor vehicles, and these levels are set by guidelines from the CPO. So managers would oftentimes opt to avail themselves of motor vehicle loans: there are loans for insurances for the motor vehicle; there are loans for—there is a vacation leave loan entitlement as well. So there are several categories of loans.

11.30 a.m.

These loans are recovered via salary deductions, and they are for stipulated tenor as in per each agreement, and that is what we observed. So the numbers are just reflective of what the balances would have been at any one point in time.

Mr. Vice-Chairman: I was just concerned that the balances are not decreasing; the balances are ever increasing. I was not sure why the balances—I understand that there would be facilities for the staff to do various things, but I would think that if it is going this way, it goes up and then it comes down, and then it goes up again—I can understand every three years motor vehicles or whatever, but it is only going up.

Ms. Lewis: Not necessarily, you may see it at a particular level because you may have new issues. They are paying, but you have new issues of loans all the time. So that it is only if the staff stop taking loans altogether, you would see it declining, but once the loans are taken and, particularly, if the managers opts for vacation leave loans, those are very high sums. So that the numbers are what they are, and we are recovering the loans.

Mr. Vice-Chairman: Forgive me, forgive me. I just want to be clear about the other questions. There is a Cabinet Note where you all are working to make an approach.

Ms. Lewis: There is a Cabinet Note; I think it was referred to earlier in the deliberations, it is 2002, I believe, which was part of the restructuring, and Cabinet approved a debt-to-equity swap for some very old loans that exist on the balance sheet. The lead for that to be effected is with the Ministry of Finance.
Investment Division. They met with us on two occasions that I can remember, about a year or two or so ago and nothing has happened. It was not pursued. We then issued correspondence asking well, let us look at—instead of the debt-to-equity swap—at a debt forgiveness altogether. That is on the table, and I do not think we have had a response on that request.

**Mr. Vice-Chairman:** Okay, that is fine with me. Thank you.

**Dr. Gopeesingh:** Thank you, thank you Chair. This is being directed to the Deputy Chairman. The hon. Minister of Trade and Industry has indicated that the time of doing business in Trinidad and Tobago has been reduced significantly from a burdensome probably more than 100-something days to a significantly less amount of days for doing business in Trinidad and Tobago and, of course, the Port has something to do with this as well, and so the Ministry of Trade and Industry.

From my understanding he has worked with you all to bring about the ASYCUDA system. My experience in Parliament, going back from 2001, with just a two-year hiatus, so for the last 13 years, from my knowledge, the discussion of an ASYCUDA system has been on the table for a long time, and I think you all ought to be complimented together with customs for effecting this and bringing about the ASYCUDA system now, which is shortening business time and transaction time at the ports and so on. Is that, in fact, correct? That is correct.

**Mr. Gangapersad:** In the last two years, we have implemented the Navis system which is a terminal operating management system, and that has significantly reduced the inefficient movements of forklifts, or even giving you better information to make a timely decision on shift as to which containers to move timely. So ASYCUDA, together with the operations management systems at the port, has really now significantly reduced the turnaround time for receiving import containers.

**Dr. Gopeesingh:** What period of time?

**Miss Gill-Conlon:** Prior to ASYCUDA, we were experiencing dwell times on the port of 11 days for import containers. It has gone down to about eight days or nine days, so we have gained about three days. What the ASYCUDA—it is the processing of the documentation, before it was manual, so when you brought in your container it would take you with customs, maybe anywhere from seven to 10 days to actually process those documents, so now what we are seeing is that a container lands here and within I would say, four days, you can come to the port for it. However, the consignees may sometime still chose to leave the container there until the rent-free period is up which is seven days.

**Dr. Gopeesingh:** But it could be done faster.

**Mrs. Gill-Conlon:** Correct. So that even the longer period is due sometime to the consignee leaving it there for a while and not clearing it, but it could be cleared in three or four days from about 11 days. It could actually be cleared whilst it is on the vessel because once customs has the manifest, they can
actually clear it.

**Dr. Gopeesingh:** That is good.

**Mr. Gangapersad:** And to further improve our turnaround time, we are in the process of meeting with the new comptroller to try to debottleneck the processes at Port of Spain to be as efficient as we could, if it means more resources on his side, or if it is due to logistic challenges on our side to improve, in terms of layout, to have it more accessible for the officers to inspect.

**Dr. Gopeesingh:** So therefore the port is contributing in its own way towards the speed of doing business and making Trinidad and Tobago more competitive in the international economy.

**Mr. Gangapersad:** And we hope that people who are doing all these trades that they impart the profit of less demurrage on the vessels to the country of Trinidad and Tobago. Sometimes we do all these efficient operations and we reduce dwell times of containers; reduce the lead times of the vessels, and you see prices of merchandize still going up.

**Dr. Gopeesingh:** That is not due to you.

**Mr. Gangapersad:** No, no, but, you know, if you have a savings, we should mention it to the trade associations and the manufacturing associations that we have an improvement, where is the benefit?

**Dr. Gopeesingh:** I think you should take that up because many times people blame the port and so on, but that is good. Congratulations. The second issue is the question of diversification of the economy. You know, for long we have been pegged to the oil and gas and, as the Government move towards the maritime industry and the port for improving and bringing about some more diversification—you mentioned Jamaica with a 2 million TEUs. I think Cuba is now moving ahead and there was a launch recently in Cuba.

Now, my understanding is that your tonnage and so on and the work now at the port are really almost to its full capacity. Is there the need for the development of other ports as you mentioned in La Brea as opposed to any other area? Is there the need for another port to be constructed and, if so, wherever you recommend?

**Mr. Gangapersad:** In my opinion, based on my experience in the last few years, the need for a new port, whether it is in La Brea or any other location, is justified and it would be a good strategy to follow and implement, looking down the line in terms of 20 to 30 to 40 years from now, not looking at just within the next five years because the opening of the Panama Canal, “it eh happen yet” to use those words, and it will be, as we say, a growth in the shipping business. There are a lot of unpredictable scenarios that could occur.

So in the next five years also is a good time to jockey yourself in position to, at least, for the transhipment business. But, more so, than just the transhipment business, Trinidad has the gift of a natural
location, and you cannot take away that from us. So spin-off industry such as dry-docking facilities is the way to go. You will provide a lot of craft and trade employment; a lot of agencies to come here and set up base to supply spares and equipment and resources, et cetera. So I believe it is a very good strategy to have a new port here based on transhipment initially. You do not know 20 years from now what might be the decision of where the capital of Trinidad might be. I think a new port in a new direction, and young people like me around, we need to look ahead 30 years from now.

**Dr. Gopeesingh:** All right. Mr. Gangapersad, thank you for indicating that there is need for a consideration of a new port to be established in Trinidad, and also you would probably give some consideration as to where you would recommend, and the whole question of dry-docking in improvement in maritime support services and bringing in more capital, you are also recommending that as well.

**Mr. Gangapersad:** It will create employment too.

**Dr. Gopeesingh:** It would probably be incumbent upon you all to give the hon. Minister of Trade and Industry and the Minister of Transport some information as to what you all think. So, perhaps, it may be worthwhile for you all as a grouping based on maritime and the port authority.

**Mr. Gangapersad:** Just to share additional benefit, transhipment when you have vessels coming here, most of the vessels in Trinidad that dock here, we do not supply fuel directly to them. It is through agents and global contracts. I think if Trinidad decides to brand itself also as a place of food, water, shelter, fuel, et cetera for vessels, you are adding also the point of location for transhipment cargo, but also refuelling and water and supplies to your vessel, and also you have the issue of tourism; you have entertainment. So you have a total package being offered. We have the fuel, so it is just a matter of developing the resources, and you have an Atlantic energy close by. I think vessels sooner than later in 20 years from now, will patent LNG-driven engines, and it will be masses. So the time is right to start that area of project in La Brea and jump off the already infrastructure of your natural gas pipe lines in the country.

**Dr. Gopeesingh:** All right, thank you for that. I just want to come to some smaller issues shortly. I noticed in your passenger and vehicular usage between Trinidad and Tobago, that has been increasing from year to year and that augurs well for Trinidad and Tobago trade. I have seen year that in 2009; 900,600,000 passengers and now in 2013; 1,000,030,000 passengers. So of course, your port is facilitating a more effective transportation mechanism between Trinidad and Tobago in terms of passengers and also vehicles as well; 2009—204,000 vehicles and 2013—254,000 vehicles. So Tobago, you are taking more vehicles across to Tobago on a yearly basis now, an improvement of 50,000 vehicles more and, of course, nearly 100,000 more passengers.

Of course, I have seen the Government has had to give you much more money to run the business.
In 2009, your revenue was $68 million that is between here and Tobago, and the expenditure was $208 million and in 2013 it is $82 million revenue. You have got more revenue and your expenditure is $249 million. So, there is a subvention of about $160 million in 2013 and $140 million in 2009. So the Government of Trinidad and Tobago is giving some degree of massive subvention in the transportation to Tobago, approximately $160 million per year. That is what the figure shows. Is that correct?

Mr. Gangapersad: Yes.

Dr. Gopeesingh: The next issue is the capital development projects. I see that you have earmarked on the budget 2013/2014, a number of capital development projects, like reconstruction of the jetty, refurbishment of fast ferries, and the Minister spoke about the possible purchase or leasing of another ferry to Tobago shortly. So you are doing some reconstruction work it would seem.

Mr. Gangapersad: Yes.

Dr. Gopeesingh: Let me just go to the area, just last one or two points, Mr. Chair. Now you also had some development plans and development work going on in 2010—2013. I saw in 2009 you had about $2 million, and subsequent to that you had about $98 million worth in infrastructure and repairs, and maintenance and development. So it means that you all are taking some action in terms of moving and bettering the port facilities to the tune of over $98 million expenditure between 2010 and 2013. Yes? That is on page 26 of your documentation, page 26 and page 27. The cost for the construction and repairs and so on was $98,000 between 2010 and 2013. Yeah. So that repairs and maintenance, capital development projects, dry docking, et cetera—that completes my examination.

Mr. Vice-Chairman: Okay. Thank you. Member Hospedales?

Ms. Hospedales: Okay. Thank you, Mr. Chair. Mr. Chair, I just want to make reference to a submission made by the Seamen and Waterfront Workers Trade Union with reference to a number of major shipping lines no longer doing business with the port of Port of Spain and, as well as, they indicated that they have relocated to the Plipdeco and other lines have significantly reduced their business, and they are now in the decision with making process in terms of scaling down, or actually relocating to Plipdeco as well. One of the main complaints is the processing time. They also said that the reasons—another reason is poor productively, the issue of congestion and responsiveness, et cetera. Could you all just shed some light in terms of what they would have reported to us, and mainly with respect to the low processing time, that is one of the main reasons why these major shipping lines have decided to go over to Plipdeco.

Ms. Gill-Conlon: All right. I want to thank the SWWTU for their contribution, but I would beg to differ. The figures speak differently. Just to put things again into perspective, the two major shipping lines in the country, CMA CGM, and MSC account for roughly 80 per cent of cargo that is handled by this country
at the port of Port of Spain. Over the past 10 years, yes, we have seen a movement of one or two lines to Plipdeco and, again, Plipdeco would have grown from say 80,000 TEUs to 165,000 TEUs in the last ten years. We would have grown from 200,000 TEUs to 2009, we handled 400,000 TEUs, so we have also grown 100 per cent in the last ten years as they have. So I do not know, you know, the data for that information, and, again, as well as having the two major lines—[Interruption]

**Mr. Gangapersad:** Do you have the data there?

**Ms. Hospedales:** Yeah. Well the information is a submission that they would have made to the—

**Ms. Gill-Conlon:** Right. As far as the productivity goes, in terms of comparison to Plipdeco and Port of Spain, obviously we handle more volume, twice what they handle, and our moves per hour are relative to theirs. It is probably, may be one move per hour less, but overall our berth moves per hour stand at around 25. I am not sure what their berth move per hour stand at.

**Mr. Vice-Chairman:** Twenty-five.

**Ms. Gill-Conlon:** So our crane moves per hour around 14—that is what we did in 2013. And just to add, over 2012 we had, you know, an improvement of around 26 per cent in productivity.

**Mr. Vice-Chairman:** Sorry to jump in, but inside the same SWWTU document that was submitted to the committee they have a table that the source is indicated as the Caribbean Maritime Transportation Sector by Fritz Pinnock, are you familiar with that document? Because in that document it shows that on page 12, it shows that the berth moves per hour for Port of Spain is 11 and for Point Lisas is 12. I think you were saying 25, so—yeah.

**Ms. Gill-Conlon:** Crane moves?

**Mr. Vice-Chairman:** It says, mean moves per berth hour, so I will be guided. I will be guided.

**Ms. Gill-Conlon:** Well, it is the same crane moves, 11 and 12 which is not—[Interruption]

**Mr. Vice-Chairman:** Not correct. Okay.

**Mr. Gangapersad:** What is the date of that document, the reference data? What date?

**Ms. Hospedales:** August, 2012.

**Mr. Vice-Chairman:** 2012.

**Ms. Gill-Conlon:** 2012.

**Mr. Gangapersad:** 2012. And as of 2013, how much we have now?

**Ms. Gill-Conlon:** Our crane moves per hour was 14 and our berth moves per hour was 25.

**Mr. Vice-Chairman:** Okay.

**Mr. Gangapersad:** So we are now up to 14 with the last year.

**Mr. Vice-Chairman:** Okay. I just wanted clarification; because they submitted the document and I am not able to independently assess the veracity. I was wondering if you were familiar with the document.
**Ms. Gill-Conlon:** Right. And I think Point Lisas’s crane moves per hour is more than 12 anyway, so as far as processing times go, I am not clear as to what they may be speaking of, but in terms of our KPIs, the way we measure, is either vessel productivity or truck turnaround time. So the processing time of trucks at the port of Port of Spain is under an hour to bring in a container and drop off a container. In 2012 it was an hour and a half and it has gone to 58 minutes in 2013. Ten years ago it would have been about five hours, so it is massive improvement over the last ten years.

However, I just want to add, and I think the Deputy Chairman indicated this. In terms of processing times with customs there is a bit of a discrepancy between Point Lisas and Port of Spain. Customers on our meetings with them indicate that they can get their documents processed in one day, two days, customs processing, whereas in Port of Spain it takes three to four days, and that is something that we have to meet the Comptroller on.

**Mr. Gangapersad:** I have spoken to him personally about this matter and he has promised to sit with us and discuss, and he also has mentioned that he also has some challenges to deal with, with regards to his resources.

**Mr. Vice-Chairman:** Member Hospedales.

**Ms. Hospedales:** Okay. Yeah, Mr. Chair, with reference to the one-stop barrel shop, you indicated that during peak times the wait time for clients is three to four hours. Do you all normally strategize in terms of putting systems in place to ensure that wait time is actually reduced compared to the non-peak times?

**Ms. Gill-Conlon:** Yes, we do, every year at around October, November, we write to customs, the barrel shop, part of it is processed by the port, which we have port documentation processing, however, the customs is who is responsible for doing the examination of the barrels, as well as paying customs duty and all of that. So it is port and customs. So at Christmas time we usually get the manning levels. We ask customs to increase the number of persons in the barrel shop to handle the increased volume.

We also extend the hours. We usually work till 7 p.m., as well as on Saturdays, if necessary. We also work through lunch hour, so we have staggered lunch. On non-peak times the cashier closes anywhere between—well it is supposed to be 2.45, 3.00, but at peak times the cashier remains open until 6.00 p.m. So, yes, we put, you know, extended hours, more manpower in place to handle the increased volume to try and process persons faster during peak period.

**Ms. Hospedales:** Some of the issues highlighted in the report by the Seamen and Waterfront Workers Trade Union was the issue of the closure of the cashier, and probably you all need to develop a system whereby you have cashiers on rotation, so that lunch period—you know, that period for lunch there is a cashier on spot to ensure that, you know, the lines keep going, because three to four hours is a very, very, very long time. And even an hour and a half in the non-peak periods as well, that is also a very long time.
So probably some system needs to be developed. A more effective system need to be developed to ensure that the waiting time is not so long.

**Ms. Gill-Conlon:** And just to give an idea, again, customs, you know, is responsible for examining and collecting monies and payments, so most of that time is attributable to the procedures within their purview, right. In terms of one of the areas that needs to be strengthened is that the examination and the payment happens in batches. So for instance, a hundred of us may get there at 6.00 a.m., but, you know, the person who is number 50 gets processed much later than the first 50. So they bring up the cargo in batches, they process payments in batches—so, yes, procedurally, there needs to be some improvement there.

**Ms. Hospedales:** Mr. Chair, I would like to think that there would be some measure of collaboration, you know, in terms of working out or fine tuning the solutions to the problems that have been identified, because from what I have been hearing this morning, well it is customs who is responsible, or this one is responsible, and, you know, it is like passing the baton.

**Mr. Vice-Chairman:** I am in total agreement, Member Hospedales, and having been a victim of the closing cashier myself, and you wait three to four hours and then the cashier is closed, it is not fun. You spend an entire day and it is not fun, and it certainly does not represent any reasonable level of customer service, but I understand those challenges.

I have a question as we are on the talk on the one-stop barrel shop, because in the submissions submitted by the chamber of commerce, they have suggested twice that the port consider relocating the one-stop barrel shop; it should be relocated someplace else. Is this something that Port Authority has thought about or given any consideration to? Their argument is that where it is located it is far from an ideal location, it is not customer friendly, and that their recommendation or suggestion is that it be located off-site and in some place more aesthetic that is more conducive to having an efficient service. So is this something that the Port Authority has thought about?

**Mr. Gangapersad:** At this point in time we take your suggestion—[Interuption]

**Mr. Vice-Chairman:** No, it is not my suggestion; it is the suggestion of the Trinidad and Tobago—

**Mr. Gangapersad:**—and recommendation alluded to by the chamber, and it is definitely something we have to look into. All right.

**Mr. Vice-Chairman:** Okay. I have a couple of questions also now for your line agencies. One question I have now is directed to the maritime authority. I have a concern about the management of the vessel traffic in Trinidad and Tobago. Now the port of Port of Spain has—this is probably outside of the remit of totally of the port, but because the amount of the vessel moves that the port does, with what Plipdeco does, and then more importantly what the chemical ports do in Point Lisas, and the Atlantic moving
essentially cargo that is very hazardous cargo.

I know there is a challenge with managing all of this traffic, and as I know for sure, right now we have no integrated proper porter vessel management system for the traffic around Port of Spain. In fact, I know some vessels switch off the AISs on certain days just to be off the radar for whatever reason, and these are the things—is there some legislation required? I think we got a document this morning, so that I have not had the chance to really look at it because, you know, I only got it as we got to this room, but could you help me with where we are with that?

**Ms. Phillip:** The Maritime Services Division is the lead agency responsible for the vessel traffic management. When we talk about vessel traffic management system, we are looking at safety of life at sea, we looking at the safety of navigation, we are looking at the protection of the marine environment from ship generated pollution, we are looking at information sharing, navigational warning, notices, and we are also looking at traffic organization.

**12.00 noon**

**Ms. Phillip:** The Maritime Services is more like a regulatory authority. We work with regulations, legislation. We have the Shipping Act, we have the Harbours Act and a number of other pieces of legislation. Sections 10, 11 and 12 speak to the responsibility of the Harbour Master in relating to anchorage.

So what we are saying is that the Harbour Master can direct a vessel to anchor at some point outside there. It also speaks to visiting the vessel to collect information on vessel arrivals, stay and departure. That is the piece of legislation that deals with vessel arrivals, departures and stay. But there are a number of other agencies related to the vessel traffic, because right now you have the—a vessel sends an arrival declaration form advising that that vessel is coming into Port of Spain. Maritime Services Division will have that information, the Port Authority has their role.

The pilot will bring that vessel in and then the port will take it from there. They will be directing the vessel where to go, also the other ports. So each port is supposed to have their own vessel traffic management system or their berthing section that will advise the vessel when to come in, when to leave. We have the Port Authority, you have the Pilots Association, you have Customs, you all these various entities. So that is part of the Harbours Act.

The Maritime Services is also responsible for the Shipping Act. With the Shipping Act it gives provision to an International Convention for the Safety at Life at Sea, an international convention that Trinidad and Tobago has ratified. In this convention, it encourages States to establish a vessel traffic management system, depending on the traffic and risk out there.

In 2006, the division decided—a Cabinet note was done, a note was submitted to Cabinet and
Cabinet agreed to the establishment of a vessel traffic system. In 2009, a contract was awarded to an English-based company to establish the vessel traffic system. Cabinet agreed to it in five phases. We are at the third phase right now.

The third phase of this vessel traffic system is where a study was done, and the location for a vessel traffic centre was identified. Just like in the airport you have a control centre, it is similar for the sea. So it was identified, and it took maybe about a year and a half to get a location, a site, to establish this centre. Maybe about four months ago a site was identified, so the division is now in communication with the consultant so that they can come now—because there are two other phases. One phase is to identify the equipment, because you would need radar, you would need a lot of other stuff so that you can deal with the traffic. Then it will be like training operators.

We have an implementation plan, and it is expected that this should be completed by February 2015—February or March 2015.

Mr. Vice-Chairman: Is that only for the Port of Port of Port of Spain? You noted that every port would need to have VTMS.

Ms. Phillip: No, no, no, that is in the Gulf of Paria. So that would be a centre that will be directing the traffic right through.

Mr. Vice-Chairman: My concern is what is happening now, probably because this is part of my professional area. I have subscriptions to Drewry and Lloyd’s for my own personal use, and I can understand exactly where chemical and LNG vessels are. I can log on right here from my iPad, and I can see them, so I know the technology. They need to have the AISs on, but the technology exists to at least monitor what is going on. For me, I struggle with why it is taking so long. Why is it taking so long? It is not earth-shattering, groundbreaking technology; it is available, and I am struggling to understand why it is taking so long. So I am happy to hear that it is finally moving.

Ms. Phillip: Yes, technology is available, but regulations—you have to have the regulations—so that is what we are dealing with. We have made provisions for the vessel traffic system into—I mentioned earlier that we are reviewing the Shipping Act of 1987, so we have a Shipping (Amdt.) Bill at CPC, and it is due—maybe before June we would hear some positive information on that.

Mr. Vice-Chairman: I would like an update quickly on what is the situation with the various wrecks. I saw also you submitted a document here but, again, I have not been able to read it because we have been in session. Could you give us an update on what is happening with the removal of the various wrecks: who is the contractor, what is the status, when they will be all moved?

Ms. Phillip: The wreck is part of our responsibility, but it is shared by a number of agencies. We have a consultant of wrecks, and he is here. I will ask him to give a presentation. Thank you.
Mr. Vice-Chairman: Presentation? Just give us an update.

Ms. Phillip: Not a presentation, an update. [Laughter]

Commodore Best: I will just give a quick update. Commodore Best, engaged by the Maritime Services Division, Ministry of Transport, to deal with wrecks.

Very quickly, the question really stated what was the status of what appears to be derelict and seized vessel in waterways, but to put things in perspective, I thought it was necessary to define what we call derelict vessels, seized vessels and waterways, so we could understand or explain what we were speaking about when we answered the question.

When we talk about derelict vessels, we are really talking about wrecks, vessels abandoned, vessels in a state of disrepair, either alongside, at anchor, at a buoy or sunk. Seized vessels, on the other hand, is where the Customs Act says in section 81 that Customs can seize a vessel if it has been abandoned for one month. The Principal Receiver of Wreck under the Shipping Act, specifically section 334, can take abandoned vessels under its possession and deal with it, either by sale or just disposal. Our understanding of waterways is the waters of Trinidad and Tobago.

So very quickly, in an overall sense, there are about 100 vessels in the Gulf of Paria and in Tobago, including wrecks, but these do not include vessels like pirogues, launches, sailing vessels and so on.

Approximately half of these vessels have legitimate owners. They may look like derelicts, but they come and go. The other 50—I will just give you a sense of where they are—in Chaguaramas you have about seven; in the Port of Port of Spain and Sea Lots area you have about 12 wrecks and approximately 20 abandoned fishing vessels. These abandoned fishing vessels came there in 2012 and they resulted in some cost to the State, which we are sorting out to clear up. In Claxton Bay there are about seven items; San Fernando, you have about three; Cedros, you have beach vessels and in Tobago you have one.

There are about four pieces of legislation dealing with wrecks, and they include the Harbours Act, which you heard about, from 1880; the Port Authority Act, the Shipping Act and the Customs Act. We spoke about the wrecks and their location. I will just give you a brief understanding of the existing wreck removal contract.

In 2009, the Ministry of Transport entered into an agreement with a company called Sea Neptunas Marine Services Limited, to remove 30 items in the Port of Port of Spain and Chaguaramas area, at no cost to the Government—so they were doing it in their own time. The contract was a bit frustrated by a court matter dealing with one of the wrecks that was actually blocking the area where the wrecks were being taken ashore. This contract was extended in March 2012, and right now there are approximately
11 more items to be removed, and this is scheduled to be completed by February 2015.

There are some vessels that are not on the contract, and these vessels I speak of are in the Claxton Bay, San Fernando and Cedros areas. These will be the subject of an order from the Principal Receiver of Wreck to destroy or they may be the subject of a request for proposal, a bidding process, where we can sell or dispose of the wreck generally.

The administrative procedure for dealing with wrecks is a bit onerous, and it is in law. First, when you locate a wreck, you have to identify the flag—that is the country where it is registered. It may be a foreign vessel; you have to find the owner, the agent or the operator. If there is a wreck and there is an immediate hazard to navigation or the environment, we will have to mitigate that arrangement. We will have to remove the wreck, mark it, light it, put it on the chart, provide marine safety information to mariners and so on. If it is not immediate, we have to do a notice to wreck, and that may take 60 days to six months, where we either afterwards sell the wreck or remove it and dispose of it.

In December 2013, the Ministry of Transport and the Ministry of the Environment gave instructions to the Maritime Services Division and the EMA to carry out a risk assessment as it relates to developing a plan for the removal of wrecks in the shortest possible time, and also to put some systems in place so that Trinidad and Tobago would not be used as a dumping ground for derelict vessels.

I am happy to report that the following initiatives are underway, and it improves as the Director said. An amendment to the Shipping Act, which we should get by June, where we will also repeal outdated legislation, like the Harbours Act and so on, which also deals with wrecks. We are going to restructure the Maritime Services Division by transiting to a Maritime Authority, with more capability for policing and dealing with enforcement, to ensure vessels are not just dumped and left there. We are going to also appoint harbour masters so that they would be looking after in the local areas to ensure wrecks are not just left abandoned.

In summary, the Ministry of Transport’s overall intent is to rid the Gulf of Paria and the waters of unwanted derelict vessels. We are going to strengthen the legislation. We are going to restructure the division, and hopefully we will provide more mobility by way of new vessels to the division so that they can police the area. I think that is it for answering that question.

Mr. Vice-Chairman: I think Member Ahmed has a question on that same area.

Mrs. Ahmed: Thank you, Chair. Are there any persons living temporarily or in any other capacity on any of these vessels that are in any of these categories, derelict, seized, abandoned? Any persons living on any of those vessels?

Commodore Best: As far as we are aware, no; but I can tell you that in 2012 when 20-odd fishing vessels were abandoned, there were over 120 seamen that were abandoned by the owners of these vessels and
they have since been repatriated to their countries.

**Mr. Vice-Chairman:** I have just two more questions, but I have one to the representative of the line Ministry, because throughout this hearing we heard from the port authority the challenges they are having with coordinating with various agencies. It is a recurring theme that while they have the actual operations, they need to have cooperation. So I want to understand the extent to which the line Ministry is assisting the port authority with these issues, and also with the other issues, I think it is really critical for the organization, about cleaning up their balance sheets.

What is the line agency’s position on some of these things? Are you properly assisting the authority? Could you help me with that?

**Mr. Harrypersad:** Good morning again, Chair and members.

As it relates to the Ministry and our interaction with the port authority and the line agencies that fall under the purview of the port authority, I can tell you, Chair, with definitive certainty that the Ministry has continuously engaged in discussions with personnel from the port authority, and not just personnel from the Port Authority; on more occasions than not, also with members of the line agencies. Flowing from those discussions, the Ministry has in fact on numerous occasions reached various agreements, and have taken decisions where steps are to be taken.

If I may, Mr. Chair, as recent as yesterday, the Ministry met with personnel from the Maritime Services Division, which in fact again resulted in certain decisions being made. I can assure your good self, Mr. Chair, and members of the committee, that the Ministry has continuously supported the port authority and its agencies that are in fact under their purview.

**12.15 p.m.**

**Mr. Vice-Chairman:** Okay. Thank you. Member Gopeesingh.

**Dr. Gopeesingh:** Thank you very much. I noticed on your reports here from 2006 you have provided information of government subventions to you and government funding to you, and it ranges between over $250 million to about $330 million. What is the operating expense on an annual basis and your revenue and your loss that will cause to have Government provide funding for approximately $300 million per year for the last few years?

**Ms. Lewis:** If I draw your attention to the financial statements for the year ended September 30, 2010, which is the last set of financial statements in the booklet.

**Ms. Lewis:** Page 4. There is a summary presented on page 4—[Interruption]

**Dr. Gopeesingh:** Yes.

**Ms. Lewis:** Yes.
operations—[ Interruption ]

**Dr. Gopeesingh:** Yeah.

**Ms. Lewis:**—other income and the bottom line, net loss.

**Dr. Gopeesingh:** Sixty four million in 2010.

**Ms. Lewis:** Yes.

**Dr. Gopeesingh:** One hundred and twenty five million in 2009.

**Ms. Lewis:** And generally from the prior years, the losses have been in that vicinity of a hundred million.

**Dr. Gopeesingh:** Are you all doing anything to reduce this loss? What interventional strategies are you putting in place to reduce this loss of approximately $100 million per year? Does this include the $300 million subvention annually, approximately, by Government? So, if Government gives you $300 million and that is not included, your loss will be approximately $400 million. What is your real loss? If the Government is giving you $300 million annually, approximately—which is down to the end of your presentation, you would see it there in almost the last few pages. You have from 2006, 2007 up to 2013, and you have here—the last page has $302 million given to you up to September 25, 2013. So where is that in terms of your consolidated statements of revenue and expenditure? Do you include that? Because if the Government is giving you $300 million—I am not seeing that taken care of here in the financial statements.

**Ms. Lewis:** With respect to the subventions—[ Interruption ]

**Dr. Gopeesingh:** You have government grant of $158 million; that is for 2010. At 2010, what you have here is over $220 million. So something is not correct there.

**Ms. Lewis:** Hon. Minister, could you direct me to the page you are reading from?

**Dr. Gopeesingh:** All right. I am reading from the same page that you directed me to, page 4, Other Income Expenses. Government Grants, 14; for 2010—$158 million and 2009—$72 million. And you have a loss for 2010 of $64 million and 2009, 125.

So if Government had not given you this $158 million—I am just taking 2010 for example—and you still ended up with a net loss for the year of $64 million, you would have in fact ended up with a loss of about $222 million. Yeah. And as an authority, what are you all doing to reduce the burden on the State of approximately $222 million, like in 2010? That is the last financial statement we have from you. Do you all have measures in place? Are you looking at increased generation of revenue, not to the cost—what are you doing?

**Ms. Lewis:** Okay. Page—hon. Minister, you quoted a sum of 300-odd million dollar as having been received by the authority in government grants.

**Dr. Gopeesingh:** Yes. It is here; Government Funding and it goes back from 2000 and—if you look at
what you submitted to us.

Ms. Lewis: Yes.

Dr. Gopeesingh: Government funding received for the period of October 2008, 2006 and 2007 Appendix, 5.3, Appendix 3—[Interruption]

Ms. Lewis: Okay.

Dr. Gopeesingh:—and you will see for 2006—from November to September 2007, $229 million.

Ms. Lewis: Okay.

Dr. Gopeesingh: And then from October 2007 to 2008—$259 million; and for October 2008 to September 2009—$273 million, et cetera, 2009 to 2010—275. But the front there, page 4, does not reflect the correct thing. So for 2010, from October 2010 to September 2011 is $253 million. And your statement from 2009 to 2010, what you got was $275 million, but on page 3 of your financial statement for 2010 you have only $128 million. So why is there this discrepancy in your accounting? Here you are saying you got $128 million; and here you are saying you received close to nearly $300 million. Something is wrong there. You need to check.

Ms. Lewis: On the breakdown, it is presented at Appendix 3.

Dr. Gopeesingh: Yes.

Ms. Lewis: If I draw your attention to the headings—[clears her throat] excuse me—you have debt servicing.

Dr. Gopeesingh: Government Funding received for the period x to y.

Ms. Lewis: If Appendix 3—[Interruption]

Dr. Gopeesingh: Yes.

Ms. Lewis:—with the caption “Government Funding” for 2006 to 2007—[Interruption]

Dr. Gopeesingh: Yes.

Ms. Lewis:—if you look at the headings there, it consists of Debt Financing, money for Portia Management operators. They were contracted as management operators for the port.

Dr. Gopeesingh: Yes. I see all of that.

Ms. Lewis: Okay. So—[Interruption]

Dr. Gopeesingh: But that is money given to you.

Ms. Lewis: What I need to explain—[Interruption]

Dr. Gopeesingh: “Uh-hmm.” Yes.

Ms. Lewis:—is this includes the subsidies for the inter-island ferries. The inter-island ferries and the Port Authority’s financing are done separately. Under the Port Authority Act, we cannot use money from the port to finance the inter-island ferries. So while the subsidies are shown here—[Interruption]
Dr. Gopeesingh: “Ah-ha”.

Ms. Lewis:—under the caption, those subsidies are not in our accounts. Those moneys are to meet the shortfall for the sea bridge between Trinidad and Tobago.

Dr. Gopeesingh: So part of what is recorded here is part for the port—[Interrupt]

Ms. Lewis: And part for the Government—[Interrupt]

Dr. Gopeesingh:—part for the ship service.

Ms. Lewis:—Shipping Service.

Dr. Gopeesingh: The subvention for the inter-island ferry.

Ms. Lewis: That is correct.

Dr. Gopeesingh: So in your—[Interrupt]

Mr. Vice-Chairman: Accounts.

Ms. Lewis: Yeah. Under the Act, it states that we must keep our accounts separate from those of the, what was then called the Government Shipping Service.

Dr. Gopeesingh: So, your accounting here which shows approximately $300 million, a certain amount—[Interrupt]

Ms. Lewis: As the title indicates—[Interrupt]

Dr. Gopeesingh:—for the port and a certain amount for the ferry—[Interrupt]

Ms. Lewis:—for the ferry service.

Dr. Gopeesingh:—because of your financial reporting mechanism.

Ms. Lewis: Yes.

Dr. Gopeesingh: But even though you have a shortfall of approximately $130 million per year, what are you all doing about it?

Ms. Lewis: In addition to which you may notice as you have—[Interrupt]

Dr. Gopeesingh: Okay. I have noticed. What are you all doing about the shortfall of the approximate losses per year; approximately two hundred-plus million dollars per year as a port? Can the deputy chairman of the port report on that?

Mr. Gangapersad: Okay. With regard to the—let us start with the Inter-island Transport Service.

Dr. Gopeesingh: No. Forget that part. We have to subsidize that. We—[Interrupt]

Mr. Gangapersad: Right.

Dr. Gopeesingh:—all know that, but as a port now which you are responsible for.

Mr. Gangapersad: Okay. We have different business units. We have the POSINCO, we have the PPOS and we have the TTIT. So we will not deal with the TTIT. But with the POSINCO, which is the landlord of the Port of Spain estate, one of the challenges that we have faced in the last few years is that we have
made a concerted effort to at least reach to what we will call the market rates for lease arrangements. Regrettably we must inform that the revenues generated from the most prime properties of Trinidad is woefully less than in the other estate which is at Point Lisas and this is a matter where we have reached arbitration in several instances, for example, Bhagwansingh; the MovieTowne area; we have had areas such as the Marriott where because of different strategies you have—[ Interruption ]

**Dr. Gopeesingh:** Well that is one aspect of it.

**Mr. Gangapersad:** Yes. So your revenue earnings out of your prime properties, for example—[ Interruption ]

**Dr. Gopeesingh:** Would generate approximately how much, if you were to get what you are asking for?

**Mr. Gangapersad:** Fourteen million annually now. Right.

**Dr. Gopeesingh:** What about the other ones?

**Mr. Gangapersad:** But the reality of what is the [Crosstalk] possibility—at least five times the amount.

**Dr. Gopeesingh:** If you “doh” have the answers now—[ Interruption ]

**Mr. Gangapersad:** Yeah. We will give you.

**Dr. Gopeesingh:**—I think it is important—[Crosstalk]

**Mr. Gangapersad:** We, the board—[Interruption]

**Dr. Gopeesingh:**—as a board for you to submit for us—[Interruption]

**Mr. Gangapersad:** Yeah.

**Dr. Gopeesingh:**—what proposed strategies or interventions that you may want to implement to assist you in reducing the burden on the State from your operations on an annual basis. We know we have to subsidize the inter-island ferry; there is no question. Perhaps you may have to look at, from your own perspective as a board and a management, how could we reduce the burden on the State from that. I know the answers would not be forthcoming. [Crosstalk]

**Mr. Gangapersad:** What I can tell you is what the big issues are. Right. That we will document what is strategy. One of the major cost elements is wages and salaries. Right. One of the major cost elements—it is the single most—the highest one is wages and salaries.

**Dr. Gopeesingh:** You cannot reduce that. No.

**Mr. Gangapersad:** Right. Well, no. There is the issue where we are going into negotiations in terms of trying to change the collective agreement. And the other items we have to have discussion—[ Interruption ]

**Dr. Gopeesingh:** What about operations—[ Interruption ]

**Mr. Gangapersad:** Right.

**Dr. Gopeesingh:**—effectiveness and capabilities and performance and—[Interruption]
Mr. Gangapersad: Right.

Dr. Gopeesingh:—because in most organizations that is the most what is the critical issue?

Mr. Gangapersad:—so we have continuously improved in terms of the, let us say, turnaround times in the last two years. We have been working with the Minister in the last few months, the current Minister—as you know this is the fourth Minister of Transport we have had in the last three years. So we are trying to procure a new ship-to-shore crane which will add in the increased productivity of the port, at least for the cargo side, and with regard to mobile equipment on the land site, we are in the process of trying to procure more trailer trucks.

Dr. Gopeesingh: So I just want to draw it to your attention that perhaps that this is a consideration that you as an authority have to be looking at, as all other state enterprises and special purpose companies have to be looking at, in terms of reduction of their burden on the State and becoming self-sufficient and self-manageable. I just wanted to throw that out to you.

Mr. Vice-Chairman: Thank you, Minister. You have hit on a point and I want to take from it because I have looked through the submissions, I have probably about 50 other questions I could ask, but we do not have time. But I think, in your submission, this is symptomatic of probably of where the thinking is, is probably where is a challenge.

On page 5 of 33 of your submission you essentially say that you need to do, what is required in the long term is to redesign a cruise shipping terminal. And the first thing that you have here, what is required is government funding to do it. So that this is where I think the Minister is going, that if you are saying that you need to do something as an organization, the first thing, the bullet, you have as a response to it, what is required to make it happen is government funding. My question is, why? Why can you not package this as a loan? Is it not intended to be profitable? I am not asking you to answer. I am saying, where the Minister has just pointed you is that when, as a body, you should be trying to do things that deliver a return, that can be self-sustaining rather than being continually dependent on the State. So the Minister has hit an excellent point, and I think that there are several issues like that inside of your submission, but this is just one. The first thing that comes up is that you need government funding. So that if the management says we need to do this, I would think that the next stage for the management is to say, okay, how can we get it funded? It cannot be that default could be government funding. So that I think this is where the Minister is going. Am I correct, Minister?

Dr. Gopeesingh: Yes.

12.30 p.m.

Dr. Gopeesingh: To help you raise awareness of your issues that need to make you much more effective and efficient as an authority and as a body, of course, getting the support of the State where it is needed,
but you have to consider it within your own capacity and capability, and probably fill the vacancies that you have there all over the place and make your organization prim and capable and competent, and this is what we look forward to your organization continuing to mobilize and do the things that are required to bring about the efficiency that is desired. You are doing a good job but it could be better. Reduction of desired from the State.

**Mr. Vice-Chairman:** Correct.

**Ms. Lewis:** Chairman, could you please allow me to explain something? The $158 million in Government grants, approximately $102 million is for debt servicing. Those are loans guaranteed by Government. We have three of such loans existing still and they are going to end between 2018 and 2019, which means from 2019 onward the 102 million of subvention would no longer exist, which will change the complete picture of the bottom line. So, I just wanted to make that point. So, it would not be a continuous burden on the State, the whole situation would be different because that 102 million—

[Interruption]

**Dr. Gopeesingh:** Ma’am, with due respect this is 2014, the beginning, you are speaking about five years from now.

**Ms. Lewis:** Well, I am just saying that they are Government guaranteed loans and those are contractual—

[Interruption]

**Dr. Gopeesingh:** We appreciate that.

**Mr. Vice-Chairman:** We have noted the information and we thank you for providing it.

**Dr. Gopeesingh:** Do not evade the point that I am trying to make to you.

**Ms. Lewis:** Not at all.

**Dr. Gopeesingh:** And do not make excuses for it.

**Ms. Lewis:** [Laughs] It is not an excuse, it is a statement of fact.

**Dr. Gopeesingh:** Sorry I have to leave you. Thank you very much.

[Dr. Gopeesingh leaves committee room]

**Mr. Jeffrey:** One question I would like to raise under “property management”. In 2009 it was $3.3 million; in 2010, $8.10 million, so a difference of about $5.6 million. When you look at your assets on page three, in 2009 your assets were higher, $2,275,000,000; in 2010, $2,232,000,000; why still you have an increase in the insurance? You are following me?

**Ms. Maxwell:** What are you reading from?

**Mr. Jeffrey:** Page 46, insurance, under “property management”. You had an increase in 2010 over 2009. Page 46.

**Mr. Vice-Chairman:** While you are responding to the Member’s question, I just want to draw it to your
attention that administratively the port has not—regarding your financial reports we have noted that the financial statements that were submitted to us, we would like to find out whether or not they were forwarded through the Ministry of Finance and the Economy for laying in Parliament. We have them here, but were they formally submitted through the Ministry of Finance and the Economy for laying in Parliament? We have no record of that, so I would like you to just follow up on that. You do not have to deal with that right now, but we just want to make sure that it is properly noted and we will respond with that in writing after this meeting is over. You can respond to Member Jeffrey.

Ms. Maxwell: We would like to get back to you with respect to the insurances. We will need to investigate it further.

Mr. Vice-Chairman: Okay.

Ms. Maxwell: But it could be—during the summit we had purchased some security equipment and that probably went on to the insurance in 2010, but I just want to be sure.

Mr. Jeffrey: Okay.

Mr. Vice-Chairman: Yes, and I have been reminded that also your administrative report, the last one that was received was for 2007—2008 and we would like to understand what has happened subsequently? If other ones were done we have not received them, so, again, this would be the subject of a follow up question. I have one more question but I am going to give the question to—I understand Member Hospedales has a question.

Miss Hospedales: Thank you, Mr. Chairman. Over the last two weeks or so there would have been an outcry from the business community, Tobago particularly, with reference to their cargo not being delivered on time, and the issue of the length of time it takes for the T&T Spirit to move from Trinidad to Tobago, what systems are you all putting in place to ensure that that problem is resolved?

Mr. Grant: Okay, on December 08, the Warrior Spirit, which is the cargo ferry would have experienced engine problems and she is now down to one engine. Initially, we have continued the service and we were getting three to four days per week. On February 02, we were able to increase the number of sailings to six sailings per week, which we are doing now for the last two weeks. Yes there was some backlog and what we did in the interim is that we allowed 3-to-5-tonne trucks to travel on board the fast ferry out of Port of Spain to alleviate those concerns.

Mr. Vice-Chairman: I have one other question. I noted that over the weekend there was a fatality on the port during an off-loading operation, and it was very minorally reported in the press. I know because I talk to people. So, could you update us or provide what you know as of now about that incident? I think it is one person whose name is Mr. Roland Roberts.

Mr. Gangapersad: I will take that, Chairman. The incident occurred on Saturday, February 15, this
year. It happened approximately sometime around eight minutes past nine. The name of the person in the accident was Roland Roberts. The accident involved stevedoring operations on a vessel berthed by the name of MV Juan Shun Hi. And the type of operations that was being done was the removal of pipes from the cargo hold onto the shore side of the port. At this point in time we are conducting a full investigation, and once that investigation is completed we will determine what the cause of the accident was which resulted in the fatality of Mr. Roberts and would present that to our line Minister.

Mr. Vice-Chairman: And also this committee would like to be provided with a copy of that report whenever it is ready. I also just have one question in the conduct of your investigation: was the OSHA agency involved?

Mr. Gangapersad: Yes.

Mr. Vice-Chairman: Are they involved?

Mr. Gangapersad: Yes, at the point in time when the accident happened we immediately informed the chief inspector and we saw it fit from our side to ensure that they are present on site to. The first and foremost matter was to ensure that we got their blessings for any resumption of any activities, so they sent their inspectors sometime towards the afternoon of Saturday into the night and we are currently working with our safety officer to ensure that all measures are put in place to avoid that specific situation from happening again.

Mr. Vice-Chairman: Your response just concerned me a bit and probably I heard it wrong, but I think I heard you said that your first thing that your primary was trying to get operations resumed?

Mr. Gangapersad: No, no, no.

Mr. Vice-Chairman: Okay, probably I heard it wrong.

Mr. Gangapersad: No, not to get it resumed. Is that we must ensure that OSHA is involved for any further activities to resume.

Mr. Vice-Chairman: Okay.

Mr. Gangapersad: Right?

Mr. Vice-Chairman: That is important. As you were talking health and safety I want to make sure I capture everyone’s submissions. The Tobago division of the chamber of commerce, as we are talking health and safety, they have, in their submissions to the committee, indicated that there are some OSHA issues at the Tobago facility regarding workers facing unhealthy conditions, especially with the concrete off-loading exercise. Are there any mitigating things that could happen to improve that situation, Mr. Grant?

Mr. Gangapersad: About two weeks ago we had a meeting with the chamber and Trinidad Cement Limited (TCL), because, yes, we do have operations in Scarborough in terms of the cement in particular,
that has some hazards surrounding the operations and we had a full discussion and we made some recommendations. The report is now being done, and one of the main recommendations is a view to removing that TCL operation out of the port of Scarborough, and in the interim, we are doing what we can with the warehouse facility, and in terms of the cleaning, to ensure that we contain the hazard with respect to employees, and ensuring as well and insist that they wear the gears. Because many times we provide them with the gears and so, but they are not wearing it, so we are getting very strict with them in the wearing of gears. But, yes, it is posing a problem. The port of Scarborough can no longer continue doing passenger operations as well as that cement operations. [Interruption]

Mr. Vice-Chairman: In the same place.

Mr. Gangapersad: Yes. It is really a hazard.

Mr. Vice-Chairman: I appreciate that. As we are talking about the ferry there is one other question I have. I mean, getting a ferry ticket still continues to be a bit of a nightmare and I think that we are in 2014, what are the plans to get a more efficient system, a more acceptable system to get a ticket for the ferry? I mentioned something about an online ticketing system, where are you with that?

Mr. Grant: All right, where are we with that is that administrative ditch that we have to cross, we are at the point now where we have done all the technical work. Everything is done. The issue we are facing now is really with documentation with the bank, and the query came up quite a few times within recent weeks about a board. I know the question was raised this morning about having a board responsible for TTIT?

Mr. Gangapersad: Yes.

Mr. Grant: Signatories are required from that board, and until we get that board in place we cannot continue the process. But I expect that before long that issue would be resolved so that we can move along with that.

Mr. Vice-Chairman: I appreciate that because getting a ticket to go to Tobago continues to be a nightmare and it has been a nightmare for—it has gotten a little better but it is still a nightmare. All right, I appreciate your responses.

Okay, well we have run well into the lunch period, so I am just now about to wrap up this meeting and I am going to call—Mr. Chairman is in disposed so I am going to call on Ms. Mark to give some closing statements or remarks.

Ms. Mark: Vice-Chairman of the Joint Select Committee of Parliament and your Members, I want to thank you for giving the Port Authority of Trinidad and Tobago and our sister agency, Maritime Services Division, the opportunity to share with you our challenges and our plans for transforming the port authority into a more customer-centric organization and by, as you said, doing some stuff to reduce
Nineteenth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 2)

our dependence on the Treasury, and assure you that with this management team I think we are capable of so doing, but of course we need the help of officials of the Government. [Laughs]

Mr. Vice-Chairman: Your line Ministry is represented here, you should be looking to him. [Laughter]

Ms. Mark: And I thank you very much for the time.

Mr. Vice-Chairman: Thank you very much. Ms. Phillip, you have any closing statements?

Ms. Phillip: It was a great opportunity to be here and I want to assure you that most of what we have mentioned here in terms of the vessel-traffic management and the wreck, maybe in a year, by the end of 2015 you will see rapid improvement with vessel traffic. We should be able to have a system of the VTMS up, and we are hoping that most of the wrecks would be cleared, and I take this opportunity to thank you all for listening to us and for giving input. Thank you.

Mr. Vice-Chairman: You are most welcome. It is our job here to make sure that, you know, everyone understands that we are all in the same space, working for the same objective for improving things in Trinidad and Tobago, so this is not an inquisition it is just that we are trying to understand where you are, and to the extent that the committee could do something to help things improve. That is what we are here for. The Chairman has come back in time—Yes, Ms. Phillip.

12.45 p.m.

Ms. Phillip: I just want to inform you that our Minister is supportive and we have his commitment; and with his commitment things will really work out and will be implemented by 2015. Thank you.

Mr. Vice-Chairman: Thank you very much. Mr. Gangapersad, some closing remarks.

Mr. Gangapersad: I would say, this is the first time I have been in front of one of these committees and it was a very interesting experience and we look forward to, with more resolve and determination to really make some decisions, business decisions. I mean a lot of times we would like to make business decisions and because of the public enterprise that we are in, there is a public expectation also. But with that in mind, I think for the general well-being of this country, that the Port Authority must start making some business decisions and look ahead to becoming a profitable enterprise in the near future.

So I expect to have more of these sessions to let us, to peg us, and to really put us in perspective as to where we are really at and what is the perspective from around.

Mr. Vice-Chairman: Thank you very much, Mr. Gangapersad. This is the first time anyone has come in the front of this committee and asked to come back. They want more of these sessions. [Laughter]

Mr. Gangapersad: I have a lot of experience in this forum, but not in this public sector enterprise, so it is always a good point to really come back and challenge the speaker, you know.

Mr. Vice-Chairman: Oh, well, listen, we all are up for a challenge. Representative of the line Ministry I will allow you to say some closing remarks.
Mr. Harrypersad: Thank you, Mr. Chair. Firstly, let me give an undertaking to your good self and the committee, that I would certainly take back to the Ministry and convey to the hon. Minister, those issues that continue to be a challenge to the Port Authority. Additionally, Mr. Chair, I would like to state that the Ministry recognizes the strenuous efforts being made by the Port Authority. We in fact, also recognize that notwithstanding certain achievements on their part within recent times. There continues to be great room for improvement and particular areas where services are provided. I would want to give an undertaking and commitment on behalf of the Ministry, that we would continue to support and make strenuous efforts to ensure that whatever, you know, efforts are being made by the Port Authority are in fact supported by the Ministry. Thank you very much.

Mr. Vice-Chairman: Thank you very much, and just for the record all your roles are recorded so the Port Authority can always check to make sure that you have your support.

Mr. Harrypersad: Yeah, in fact I am well aware of that, Mr. Chair. [Laughter]

Mr. Vice-Chairman: Well, with this, with those few remarks I just want to thank all the officials from the various organizations who have come here today, who have sat and have responded to all of the questions that we had. I think that this is part of our democratic process, this committee would see different organizations, and I want to repeat that, we are here to help you, we are here to try to understand what your challenges are. Sometimes what we have seen in the past here is sometimes the line Ministry is not sure of all the challenges that the organizations face. So that I think it is a useful process and it is trying to make things better in Trinidad and Tobago.

So I want to thank you, I want to thank also the media for attending, and the listening audience. So with that I would like to indicate that this meeting is now adjourned. Thank you very much.

12.49 p.m.: Meeting adjourned.
APPENDIX IV
ORGANISATIONAL CHARTS
Sixteenth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 2)
APPENDIX V

STAFF ESTABLISHMENT
### PORT AUTHORITY OF TRINIDAD AND TOBAGO

#### CURRENT ESTABLISHMENT

**AS AT 2013 DECEMBER 31**

<table>
<thead>
<tr>
<th>MONTHLY PAID EMPLOYEES</th>
<th>NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>44</td>
</tr>
<tr>
<td>Senior Management - Contract</td>
<td>06</td>
</tr>
<tr>
<td>Staff - Permanent</td>
<td>384</td>
</tr>
<tr>
<td>Staff - Temporary</td>
<td>115</td>
</tr>
<tr>
<td>Staff - Contract</td>
<td>14</td>
</tr>
<tr>
<td>Estate Police - Permanent</td>
<td>114</td>
</tr>
<tr>
<td>Estate Police - Temporary</td>
<td>93</td>
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<tr>
<td>Estate Police (S.M) - Contract</td>
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<tr>
<td><strong>TOTAL MONTHLY PAID</strong></td>
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<tr>
<th>DAILY PAID EMPLOYEES</th>
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<tr>
<td>Registered</td>
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<td>White Card</td>
<td>208</td>
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<tr>
<td>Temporary / Seasonal</td>
<td>147</td>
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<tr>
<td><strong>TOTAL DAILY PAID</strong></td>
<td><strong>816</strong></td>
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<table>
<thead>
<tr>
<th>TOTAL</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1586</strong></td>
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</tbody>
</table>
APPENDIX VI

VACANCIES WITHIN THE COMPANY AS AT DECEMBER 31, 2013
<table>
<thead>
<tr>
<th>1. Assistant Auditor</th>
<th>1. Finance Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Junior Central Officer</td>
<td>2. Executive Assistant</td>
</tr>
<tr>
<td>3. Driver</td>
<td>3. Executive Assistant</td>
</tr>
<tr>
<td>4. Security Guard</td>
<td>4. Executive Assistant</td>
</tr>
<tr>
<td>5. Medical Officer</td>
<td>5. Executive Assistant</td>
</tr>
<tr>
<td>6. Laboratory Officer</td>
<td>6. Executive Assistant</td>
</tr>
<tr>
<td>7. Sanitary Inspector</td>
<td>7. Executive Assistant</td>
</tr>
<tr>
<td>8. Engineer</td>
<td>8. Executive Assistant</td>
</tr>
<tr>
<td>10. Clerk</td>
<td>10. Executive Assistant</td>
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**Total Vacancies:** 111 (38 Vacancies)
APPENDIX VII

STATUS OF ADMINISTRATIVE REPORTS
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<tr>
<th>Item</th>
<th>Year</th>
<th>Submission Date</th>
<th>Ministry Submitted to</th>
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<tbody>
<tr>
<td>Administrative</td>
<td>2008-2009</td>
<td>2011, June</td>
<td>Submitted to Ministry of Works and Transport</td>
</tr>
<tr>
<td>Report</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td>2009-2010</td>
<td>2011, October</td>
<td>Submitted to Ministry of Works and Infrastructure</td>
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<tr>
<td>Report</td>
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<td></td>
<td></td>
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<tr>
<td>Administrative</td>
<td>2010-2011</td>
<td>2012, September</td>
<td>Submitted to Ministry of Transport</td>
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<tr>
<td>Report</td>
<td></td>
<td></td>
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<tr>
<td>Administrative</td>
<td>2011-2012</td>
<td>2013, January</td>
<td>Submitted to Ministry of Transport</td>
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<td>Report</td>
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<tr>
<td>Administrative</td>
<td>2012-2013</td>
<td>In train</td>
<td>To be submitted by 2014, April 30</td>
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<td>Report</td>
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APPENDIX VIII

INITIATIVES TO ENHANCE THE OPERATIONS OF THE INTER-ISLAND FERRY SERVICE
### Current Initiatives

#### 1. TTIT's CAPITAL DEVELOPMENT PROJECTS FOR 2013 / 2014 UNDER PSIP FUND

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>817</td>
<td>Reconstruction of jetty</td>
<td>16</td>
<td>6</td>
<td>6</td>
<td>Approximately $3.7Mn was released for the mobilization of this project.</td>
</tr>
<tr>
<td>818</td>
<td>Refurbishment of fast ferries guide jetty</td>
<td>6.5</td>
<td>5</td>
<td>1.5</td>
<td>Awaiting Cabinet approval for Draft Cabinet Note submitted to the ministry of Transport for finalization and submission to Cabinet for approval.</td>
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<tr>
<td>819</td>
<td>Paving of GSS Terminal yard – Port of Spain</td>
<td>6</td>
<td>6</td>
<td>-</td>
<td>Same as above</td>
</tr>
<tr>
<td>820</td>
<td>Two vehicle scanners</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>Same as above</td>
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<tr>
<td>821</td>
<td>One baggage scanner</td>
<td>0.5</td>
<td>0.5</td>
<td>-</td>
<td>Same as above</td>
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#### OTHER CAPITAL PROJECTS TO BE FUNDED FROM INTERNAL REVENUE

<table>
<thead>
<tr>
<th>Project #</th>
<th>Project Description</th>
<th>Estimated Project Cost</th>
<th>Completion Date</th>
<th>Comment</th>
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<tbody>
<tr>
<td>1.</td>
<td>On-line ticketing system</td>
<td>$120,000.00</td>
<td>completed</td>
<td>Finalizing documentation prior to implementation</td>
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<tr>
<td>2.</td>
<td>Acquisition of 2 x 14-ton Lift Trucks</td>
<td>$2.3Mn</td>
<td></td>
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APPENDIX IX

STATISTICS ON IMPORTS AND EXPORTS

AND

IMPORTED BREAK BULK CARGO
<table>
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<tr>
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<tbody>
<tr>
<td>Import</td>
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<td>75,535</td>
<td>98,001</td>
<td>102,865</td>
<td>107,737</td>
<td>80,428</td>
<td>83,458</td>
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<td>Export</td>
<td>65,199</td>
<td>73,683</td>
<td>90,463</td>
<td>94,933</td>
<td>99,449</td>
<td>79,890</td>
<td>88,827</td>
<td>80,480</td>
<td>88,137</td>
<td>78,914</td>
</tr>
</tbody>
</table>
## BREAK BULK CARGO – IMPORT

<table>
<thead>
<tr>
<th>Item</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>CARS</td>
<td>11,573</td>
<td>14,578</td>
<td>17,143</td>
<td>23,402</td>
<td>31,281</td>
</tr>
<tr>
<td>NEW TRUCKS</td>
<td>241</td>
<td>390</td>
<td>361</td>
<td>353</td>
<td>668</td>
</tr>
<tr>
<td>USED TRUCKS</td>
<td>64</td>
<td>16</td>
<td>944</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>NEW CAT</td>
<td>5</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NEW BOAT</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUSES</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PKGS / PLTS</td>
<td>738</td>
<td>835</td>
<td>790</td>
<td>417</td>
<td>9,361</td>
</tr>
<tr>
<td>STEEL BDLS</td>
<td>709</td>
<td>118</td>
<td>57</td>
<td>27</td>
<td>13,612</td>
</tr>
<tr>
<td>PAPER ROLLS</td>
<td>12,827</td>
<td>31,486</td>
<td>18,705</td>
<td>16,633</td>
<td>17,979</td>
</tr>
<tr>
<td>LUMBER</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PIPES / PKGS</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
<td>9,258</td>
</tr>
<tr>
<td>PLANT</td>
<td>21</td>
<td>15</td>
<td>61</td>
<td>9</td>
<td>0</td>
</tr>
</tbody>
</table>
APPENDIX X

BREACHES DETECTED BY THE AUTHORITY
JANUARY, 2012 TO DECEMBER, 2013
### DETAILS OF BREACH | ACTION TAKEN
--- | ---
1. Two (2) separate incidents of illegal narcotics within the port's controlled area; | Based on intelligence received the perpetrators were intercepted.
2. US$0.6Mn concealed on a CARICOM vessel berthed at CARICOM wharf in May, 2012. | Based on intelligence and with the corporation of the Customs a search was conducted. The perpetrator was arrested and charged by Customs and is currently before the Court.
3. 96.4Kg of high grade marijuana with a street value of TT$7.2Mn found in May, 2013 inside a sealed Less than full Container Load (LCL) import container; | The breach was reported and is under investigation by Customs and TTPS.
4. 332.92Kg of marijuana with a street value of TT$4.26Mn was found inside a sealed Full Container Load (FCL) in June, 2013. | The breach was reported and is under investigation by Customs and TTPS.
5. Spirits and Tobacco (illegal importation) for smuggling was found on a CARICOM vessel in December, 2013. | The Captain of the vessel was arrested and fined by Customs the sum of TT$50,000.00
6. Two (2) imported vehicles stored at Spectrum Yard were reported missing in November, 2013 and January, 2014 respectively. | The incidents were reported to TTPS and Customs and investigations are in progress.
APPENDIX XI

INTERNATIONAL MARITIME RULES - THE FERRY SERVICE
International Maritime Rules specifically affecting the Ferry Service

<table>
<thead>
<tr>
<th>No</th>
<th>International Maritime Rules</th>
<th>Vessel [Ferry] Compliance</th>
<th>Port Compliance</th>
</tr>
</thead>
</table>
| 1  | SOLAS                        | Passenger Ship Safety Certificate  
|    |                              | High Speed Craft Safety Certificate  
|    |                              | International Ship Security Certificate  
|    |                              | Minimum Safe Manning Certificate  
|    |                              | Safety Management Certificate  
|    |                              | Document of Compliance with ISM Code  
|    |                              | Maintenance Plan / Programme  
|    |                              | Voyage Data Recorder System Certificate of Compliance  | PATT has contracted two management companies ISP and BFM. Both have the Document of Compliance with ISM Code and the International Ship Certificates for the ferries. As owner representative PATT ensures these certificates are kept valid. |
| 2  | MARPOL                       | International Oil Pollution Prevention Certificate (IOFP)  
|    |                              | Shipboard Oil Pollution Emergency Plan  
|    |                              | International Sewage Pollution Prevention Certificate  
<p>|    |                              | International Air Pollution Prevention Certificate  | As owner / representative PATT ensures these certificates are kept valid. Port contracts provide waste disposal services for segregated waste streams coming from the ferries. |
| 3  | Load Line 1966               | International Load Line Certificate  | As owner / representative PATT ensures these certificates are kept valid. |
| 4  | International Tonnage Convention 1969 | International Tonnage Certificate  | As owner / representative PATT ensures these certificates are kept valid. |
| 5  | STCW 78 /95                  | Certificate for Masters, Officers and Ratings as per the Safe Manning Certificate  | As crew employer and owner / representative PATT ensures these certificates are kept valid. |</p>
<table>
<thead>
<tr>
<th>No</th>
<th>International Maritime Rules</th>
<th>Vessel [Ferry] Compliance</th>
<th>Port Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>International Health Regulations</td>
<td>Ship Sanitation Control Exemption Certificate</td>
<td>As owner / representative PATT ensures these certificates are kept valid</td>
</tr>
<tr>
<td>7</td>
<td>International Telecommunications Union Convention</td>
<td>Vessel Radio Station Licence</td>
<td>PATT at this time does not operate an active Radio Station, however there are plans to resume this facility.</td>
</tr>
<tr>
<td>8</td>
<td>Convention on the Law of the Sea</td>
<td>Certificate of Registry</td>
<td>The Government owned vessels are T&amp;T registered. All vessel working with PATT are registered</td>
</tr>
<tr>
<td>9</td>
<td>ILO Convention</td>
<td>The Conventional Ferry is MLC 2006 Certified. This became an International requirement August 2013, and the convention was ratified by St Kitts &amp; Nevis the flag of the Conventional Ferry. The two fast ferries are T&amp;T flag and T&amp;T has not yet incorporated MLC 2006 into legislation as yet</td>
<td>PATT is looking into compliance with MCL 2006 which may have some level of difficulty as the HSC has no cabin accommodation.</td>
</tr>
</tbody>
</table>