



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE
INVESTMENTS DIVISION

F (I): 1/39/1

January 24, 2019

Ms. Jacqui Sampson-Meiguel
Clerk of the House
Parliament of the Republic of Trinidad and Tobago
Level G-7, Tower D
The Port of Spain International Waterfront Centre
PORT-OF-SPAIN

Dear Ms. Sampson-Meiguel

Re: Fourteenth Report of the Public Accounts (Enterprises) Committee on an Examination of the Audited Accounts, Balance Sheets and other Financial Statements of the National Commission for Self Help Limited (NCSHL) for the financial years 2008 to 2015


I refer to your letter dated December 11, 2018 reference Parl. 5/4/74 on the subject at caption and the enclosed Report. The responses to the Committee's recommendation are outlined below:

Item VII the Committee recommended that:

- A. The Ministry of Finance – Investments Division must adhere to guideline 2.2.3 in the State Enterprises Performance Monitoring Manual which highlights the functions and roles of the Investments Division in monitoring State Enterprises.*

The monitoring of State Enterprises is a joint effort between the Ministry of Finance, Investments Division and the respective Line Ministry. The Investments Division is responsible for Corporate Governance. The Division acts on behalf of the Minister of Finance (Corporation Sole) and carries out the corporate function. This includes representation of the Minister at shareholders' meetings; establishment of new Enterprises and rationalization of the investments portfolio of the Shareholder.

The Line Ministry is responsible for the policy mandate and strategic direction of the entity. The Line Ministry's role includes technical supervision of planning, monitoring and evaluating projects, plan and programme implementation and ensuring that the entity adheres to the sectorial policy guidelines of Government of the Republic of Trinidad and Tobago (GORTT).

 (868) 612-9700
ext. 2539/2541



(868) 623-6338



KissoonM@gov.tt



www.finance.gov.tt

Investments Division would work with closely the Line Ministry, the Ministry of Communication Development, Culture and the Arts (MCDCA), to ensure that the mandate and strategic direction of the entity are clarified and that a strategic plan and performance indicators are established. These will inform the measurement criteria used to monitor the performance of the entity.

Investments Division will also continue to monitor the activities of the NCSHL outlined in Section 2.2.3 of the State Enterprises Performance Monitoring Manual, July, 2011 (SEPMM) including but not limited to the following utilising its available resources:

- Monitoring the adherence to the performance criteria;
- Ensuring consistency between Enterprise performance and GORTT's macro-economic policy objectives;
- Management of a comprehensive database on the State Enterprise Sector;
- Commissioning of operational and management audits of State Enterprises;
- Appraising and evaluating investment plans of State Enterprises to ensure the profitability of investment projects;
- Analyzing of the operations of individual Enterprises to ensure consistency with GORTT macroeconomic and sectoral objectives;
- Preparing economic and financial appraisals of Enterprises;
- Preparing quarterly and annual forecasts and reviews of domestic investment activity;
- Providing overall strategic planning and co-ordination of the Sector; and
- Preparing Annual Reviews of the Sector.

The Division will continue to work with the Line Ministries towards the rationalization of GORTT equity holdings in corporate entities.

B. The Ministry of Finance – Investments Division should urgently undertake an assessment of the areas in which assistance can be rendered to the Commission in attempt to achieve its strategic goals and fulfil its mandate.

The Ministry of Finance, Investments Division, hosted a workshop with selected State Enterprises on July 16, 2018 with Boards of Directors, Executive Management and Line Ministries to reinforce oversight and monitoring. The workshop focused on tenets of Corporate Governance outlined in the SEPMM, the roles and responsibilities of the Ministry of Finance, the Line Ministries and Boards of Directors. Members of the Board of Director of NCSHL and Executives attended the workshop.

The Central Audit Committee conducted an Audit on Corporate Governance at NCSHL in 2018 as part of its work programme and findings and recommendations to improve governance were conveyed to the Commission as well as the Line Ministry.

In addition, the Board of Directors was reconstituted on August 3, 2018.

Investments Division would continue to work with the MCDCA to clarify the direction, mandate and goals and objectives of the NCSHL. The Division would also continue to utilise the tools outlined in the SEPMM to foster good corporate governance.

The Division is also in the process of updating the SEPMM to provide better guidance for governance.

Investments Division remains committed to fulfilling its mandate by highlighting issues to the Line Ministries for its attention.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. P. ...', is written above the typed name.

Permanent Secretary in the
Ministry of Finance (Ag.)