



TWENTY-THIRD REPORT OF  
THE  
**PUBLIC ACCOUNTS**

( ENTERPRISES ) COMMITTEE

FOURTH SESSION OF THE 11<sup>TH</sup> PARLIAMENT

Examination of the Audited Financial Statements of  
InvesTT Limited for the years 2014 to 2017.



## Public Accounts (Enterprises) Committee

The Public Accounts (Enterprises) Committee (P.A.(E).C) established under Section 119(5) of the Constitution of the Republic of Trinidad and Tobago is mandated to consider and report to the House of Representatives accordingly on:

*“(a) the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the state; and*

*(b) the Auditor General’s Report on any such accounts, balance sheets and other financial statements.”*

### Current membership

Mr. Wade Mark	Chairman
Dr. Tim Gopeesingh	Vice-Chairman
Mrs. Jennifer Baptiste-Primus	Member
Mr. Fitzgerald Hinds	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	Member
Dr. Nyan Gadsby-Dolly	Member
Ms. Amrita Deonarine	Member

### Committee Staff

The current staff members serving the Committee are:

Ms Keiba Jacob	Secretary
Ms Hema Bhagaloo	Assistant Secretary
Mr Darien Buckmire	Graduate Research Assistant
Mr Justin Jarrette	Graduate Research Assistant
Ms Anesha James	Administrative Assistant
Ms. Natoya O’Neil	Clerk Typist I

## **Publication**

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MEMBERS OF THE PUBLIC ACCOUNTS (ENTERPRISES)  
COMMITTEE



Mr. Wade Mark  
**Chairman**



Dr. Tim Gopeesingh  
**Vice-Chairman**



Dr. Nyan Gadsby-Dolly  
**Member**



Mrs. Jennifer Baptiste -Primus  
**Member**



Mr. Fitzgerald Hinds  
**Member**



Ms. Amrita Deonarine  
**Member**



Ms. Cherrie-Ann Crichlow-Cockburn  
**Member**

## EXECUTIVE SUMMARY

The Public Accounts (Enterprises) Committee (PA(E)C) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the audited accounts of all State Enterprises that are owned or controlled by the state. The Committee examined **Audited Financial Statements of InvesTT Limited for the financial years 2014 to 2017** and produced this report to highlight its findings and recommendations.

This report details the issues, endorsements and recommendations made by the Committee to improve the InvesTT's performance. The issues identified in this report were found during the period under examination (2014 to 2017).

During this inquiry, the following issues arose:

1. The mandate of the InvesTT;
2. The systems in place to ensure the efficiency and effectiveness of the operations of the InvesTT;
3. The measures implemented by the InvesTT to pursue its mandate as an Investment Promotion Agency (IPA);
4. The challenges faced by the InvesTT in gaining visibility compared to other IPA's as a result of budget limitations and availability of resources;
5. The InvesTT's self-assessment of its success as an IPA;
6. The alignment of the work of the InvesTT to Theme 4 of Vision 2030: Building Globally Competitive Business;
7. The collaboration of the InvesTT with the regional corporations and the Chambers of Commerce with regard to the local outreach initiatives and potential investment opportunities;
8. The award won by the InvesTT for the 2019 Top IPA in Central America and the Caribbean from the World Forum for Foreign Direct Investment (FDI);
9. The importance of the InvesTT's website in attracting investors;
10. The number and value of investments facilitated by the InvesTT for the period October 2013 to September 2017;
11. The number of jobs created by the InvesTT and the area of expertise;
12. The oversight role of the MII;
13. The discontinuation of the "one stop shop" facility and the potential to replace this with an online procedure;
14. The absence of a legislative framework for the "one stop shop";
15. The re-investment strategy of the InvesTT;
16. The re-evaluation exercise conducted by the InvesTT;
17. The status of the achievement of the investment targets in the InvesTT's strategic plan;
18. The status of the tenure of the InvesTT's executive staff;
19. The measures in place to attract local and foreign investors;
20. The type of investments made with regard to strategic engagements between the period 2014 to 2017;
21. The establishment and composition of the Inter-Ministerial Committee;
22. The concept of 'Country Branding and Marketing';

23. The link between Trinidad and Tobago's Ease of Doing Business (EODB) score and the need for the "one stop shop";
24. The status of implementation of the Single Electronic Window framework;
25. The relationship and the overlapping roles of the InvesTT, the Trinidad and Tobago Free Zones Company Ltd (TTFZ) and the Trinidad and Tobago International Financial Centre Management Company Ltd (TTIFCMCL);
26. The major investment incentives offered to potential investors;
27. The deterioration of Trinidad and Tobago's EODB ranking and the measures in place to improve it;
28. The relationship between the InvesTT and TT diplomatic missions abroad;
29. The InvesTT's investments in the agriculture, tourism, manufacturing and maritime sector;
30. The relationship between the InvesTT and the Evolving Technologies and Enterprise Development Company Limited (e Teck);
31. The status of the accumulated deficit and the steps taken to address this issue;
32. The proportion of allocation of the InvesTT's expenditure to staff costs;
33. The need for an internal audit unit and internal audit function at the InvesTT;
34. The vacant positions on the InvesTT's organizational structure;
35. The project management systems in place at the InvesTT;
36. The status of the payment of Green Fund Levy and Business Levy by the InvesTT; and
37. The status of the collaboration with the InvesTT and the Trinidad and Tobago Creative Industries Company Limited (CreativeTT).

In light of the Committee's findings, the following recommendations were made:

- InvesTT should submit a report to Parliament on the re-evaluation exercise including the time period during which it was carried out, the findings of the exercise and the measures to be implemented based on those findings by November 30, 2019;
- InvesTT should identify the skills that need to be developed in relation to the sectors highlighted in the re-evaluation exercise by November 30, 2019;
- InvesTT should report on the feasibility of collaborating with training providers in respect of skills development by November 30, 2019;
- InvesTT should outline the ways in which InvesTT's initiatives further the development goals of the GORTT under Theme 4 of Vision 2030 by November 30, 2019;
- The MII should provide its appraisal of InvesTT's re-evaluation exercises and the alignment of the Company with GORTT's development goals under Theme 4 of Vision 2030 by November 30, 2019;
- InvesTT should revise and resubmit its Draft Strategic Plan as soon as possible and confirm this to Parliament by November 30, 2019;
- InvesTT should report to Parliament on the changes made to its Draft Strategic Plan in light of the re-evaluation exercise by November 30, 2019;
- The CSO should liaise with InvesTT to develop a system to keep track of the overall and sector by sector contribution to GDP made by the investments it facilitates and report to Parliament by November 30, 2019;
- The MII should explain the reason for detailed information on investment and GDP no longer being available like it was before by November 30, 2019;

- InvesTT should report to Parliament on the establishment of a Project Management Unit by November 30, 2019;
- The MTI should provide Parliament with the following information on the EODB Committee referred to by InvesTT and submit by November 30, 2019;
  - The composition and mandate of the Committee; and
  - A summary of the work of the Committee and the Committee's contribution to Trinidad and Tobago's EODB.
- The MTI should provide a status update on the EODB initiatives with which it is involved by November 30, 2019;
- The MALF, the MAGLA, the MoF, the MoH, the MPD, the MPA, the MOWT, the CED, the IRD, the Office of the Supervisor of Insolvency and the Treasury Division should provide a status update on the EODB initiatives with which they are involved by November 30, 2019;
- The MTI should provide the following information by November 30, 2019:
  - the composition and mandate of the Inter-Ministerial Committee; and
  - a summary of the work of the Inter-Ministerial Committee;
- InvesTT should update Parliament on all recruitments to replace OSS-related functions by November 30, 2019;
- InvesTT should consult with the MTI and the National ICT Company Limited (iGovTT) on the implementation of an online OSS equivalent and report findings by November 30, 2019;
- InvesTT should consult with the MFCA to formalize a structured, written Protocol for cooperation between the 2 entities and report by November 30, 2019;
- InvesTT should provide a full copy of its Shared Services Agreement with eTeck by November 30, 2019;
- The MTI should provide Parliament with details of the guidance provided to InvesTT concerning its debt to eTeck by November 30, 2019;
- eTeck should provide a copy of its most recent Internal Audit Report highlighting the section(s) relevant to InvesTT by November 30, 2019;
- Further to recommendation 8(i), InvesTT should provide the following information by November 30, 2019:
  - indication of the areas outside of the Shared Services Agreement which have never been audited; and
  - an explanation of possible means whereby these areas may be monitored going forward by November 30, 2019.
- InvesTT should consult with eTeck and the MTI and report on the feasibility of establishing its own Internal Audit Unit by November 30, 2019; and
- The Committee has examined InvesTT, the TTIFCMCL and the TTFZ during this 4<sup>th</sup> Session of the 11<sup>th</sup> Parliament. In light of the numerous similarities observed across these entities, a special report on the issue of potential policy overlap and possible ways to remedy this problem is being prepared and will be published in the near future for the MTT's consideration.

In light of the Committee's findings, the following observation was made:

- The Committee notes the international recognition earned by InvesTT, commends the entity's initiatives that led to this achievement and encourages it to pursue further progress – notably by implementing the recommendations contained in this report – in order to surpass the achievements already made.

# INTRODUCTION

## Establishment

The PA(E)C of the Eleventh Republican Parliament was established by resolution of the House of Representatives and the Senate at the sittings held on Friday November 13, 2015 and Tuesday November 17, 2015 respectively.

## Mandate

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House on the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by, or on behalf of the State.

In addition to the Committee's powers entrenched in the Constitution, the Standing Orders of the House of Representatives and Senate also empower the Committee (but not limited) to:

- a) send for persons, papers and records;
- b) have meetings whether or not the House is sitting;
- c) meet in various locations;
- d) report from time to time; and
- e) communicate with any other Committee on matters of common interest.

## Ministerial Response

The Standing Orders<sup>1</sup> provide for the Minister responsible for the Ministry or Body under review to submit within sixty (60) days a paper to the House responding to any recommendations or comments contained in the Report which are addressed to it.

## State Enterprises Performance Standards

The PAEC used the State Enterprises Performance Monitoring Manual as a benchmark to examine the performance of State Enterprises. The manual outlines the framework for compliance with official policy and the monitoring mechanisms to be used in assessing such compliance. The Government of Trinidad and Tobago monitors the performance of State Enterprises to ensure that these enterprises successfully execute their mandates and maximize value for money for the national stakeholders and shareholders.<sup>2</sup>

## Election of the Chairman and Vice Chairman

In accordance with section 119(6) of the Constitution, the Chairman must be a member of the Opposition in the Senate. At the first meeting held on Wednesday December 2, 2015, Mr. Wade Mark was elected Chairman and Dr. Tim Gopeesingh was elected Vice Chairman of the Committee.

## Establishment of Quorum

The Committee is required by the Standing Orders to have a quorum so that decisions can be made. A quorum of four (4) Members, inclusive of the Chair or Vice-Chairman), with representatives from both Houses was agreed to by the Committee at its First Meeting.

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<sup>1</sup> Standing Order 110 (6) in the [House of Representatives](#) and 100(6) of the [Senate](#).

<sup>2</sup> <http://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>

## Change in Membership

- On December 1, 2017 a decision was made at a sitting of the House of Representatives to replace Ms. Shamfa Cudjoe as a Member with Dr. Nyan Gadsby-Dolly; and
- With effect from November 27, 2018, Ms. Amrita Deonarine replaced Mr. David Small as a Member of the Committee as a result of a decision made at a sitting of the Senate.
- On July 21, 2019 Mr. Foster Cummings appointment as a Senator was revoked.

# METHODOLOGY

## Determination of the Committee's Work Programme

On January 13, 2016 during its second Meeting, the Committee agreed to prioritize thirty-three (33) State Enterprises to be examined in the Eleventh Parliament as follows:

1. Caribbean Airlines Limited (CAL)
2. Caribbean New Media Group (CNMG)
3. Caroni Green Limited
4. Community Environmental & Protection Enhancement Programme Company Limited (CEPEP)\*
5. Community Improvement Services Limited\*
6. Education Facilities Company Limited (EFCL)
7. Estate Management and Business Development Company Ltd. (EMBDC)\*
8. Evolving Tecknologies and Enterprise Development Co. Ltd (eTECK)\*
9. Government Human Resource Services Company Limited (GHRS)\*
10. National Commission for Self Help Limited\*
11. National Entrepreneurship Development Company Ltd. (NEDCO)\*
12. National Enterprises Limited (NEL)
13. National Flour Mills Limited\*
14. National Gas Company of Trinidad and Tobago Limited (NGC)\*
15. National Infrastructure Development Company Ltd. (NIDCO)\*
16. National Insurance Property Development Company Ltd. (NIPDEC)
17. National Quarries Company Limited (NQCL)
18. National Schools Dietary Services (NSDSL)\*
19. Palo Seco Agricultural Enterprises Ltd (PSAEL)
20. Petroleum Company of Trinidad and Tobago (PETROTRIN)
21. Point Lisas Industrial Port Development Corporation Ltd. (PLIPDECO)\*
22. Port of Spain Waterfront Development Ltd.
23. Rincon Development Ltd.
24. Rural Development Company of Trinidad and Tobago Ltd.
25. Sport Company of Trinidad and Tobago (SportT)\*
26. Telecommunication Services of Trinidad, Tobago (TSTT)\*
27. Trinidad and Tobago Fashion Company Ltd.
28. Trinidad and Tobago National Petroleum Limited (NP)\*
29. Tourism Development Corporation (TDC)
30. Union Estate Electricity Generation Company Limited(UEEGCL)\*
31. Urban Development Corporation of Trinidad and Tobago (UDECOTT)
32. Solid Waste Management Company Limited (SWMCOL)\*
33. Vehicle Management Corporation of Trinidad and Tobago (VMCOTT)

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\* Examined in the Eleventh Parliament of the Republic of Trinidad and Tobago

This was followed by a meeting held on February 17, 2016 during which the Committee added the following entity to be examined:

- Trinidad and Tobago Mortgage Finance Company Limited (TTMF)\*

Subsequently, at a meeting held on November 15, 2017 the Committee included the following entities:

- The National Maintenance, Training and Security Company Limited (MTS)\*
- The National Training Agency (NTA)\*
- Youth Training and Employment Partnership Programme (YTEPP)\*

At a meeting held on December 5, 2018, the Committee identified the following entities for examination in the Fourth Session of the 11<sup>th</sup> Parliament:

- i. National Petroleum Marketing Company Limited (NP);
- ii. Caroni (1975) Limited;
- iii. Cocoa Development Company of Trinidad and Tobago Limited;
- iv. Palo Seco Agricultural Enterprises Limited (PSAEL);
- v. Trinidad & Tobago Free Zones Company Limited;
- vi. Trinidad & Tobago Creative Industries Company Limited;
- vii. Export Import Bank of Trinidad and Tobago (EXIMBANK);
- viii. InvesTT;
- ix. Trinidad & Tobago International Financial Centre Management Company Limited;
- x. Rural Development Company of Trinidad & Tobago Limited (RDC);
- xi. Taurus Services Limited; and
- xii. Portfolio Credit Management Limited

# THE INQUIRY PROCESS

The Inquiry Process outlines steps taken by the Committee to conduct the inquiry into the operations of InvesTT Limited. The following steps outlines the Inquiry Process agreed to by the PA(E)C:

- I. Identification of issues in the Audited Accounts, Balance Sheets and other Financial Statements of the TTFZ for the financial years 2014 to 2017;
- II. Preparation of Inquiry Proposal for InvesTT outlining:
  - a. Background;
  - b. Objective of Inquiry; and
  - c. Proposed Questions.
- III. Questions were forwarded to InvesTT on April 1, 2019. Written responses were received from InvesTT on April 18, 2019;
- IV. Determination of the need for a Public Hearing based on the analysis of written submissions. In this instance, a public hearing was held on July 3, 2019.
- V. After the public hearing a written request for additional information was sent to InvesTT, the Ministry of Trade and Industry and the Ministry of Finance – Investments Division on July 8, 2019. All responses were subsequently received by August 7 2019.
- VI. Report the Committee’s findings and recommendations to Parliament upon conclusion of the inquiry.

## PROFILE – InvesTT

### Background<sup>3</sup>:

InvesTT Limited was established in 2012 as the national investment promotion agency (IPA) aligned under the Ministry of Trade and Industry.

InvesTT's overarching goal is to implement government investment policy, act as the point of access for potential foreign investors in all sectors of the economy as well as to facilitate all requirements, including regulatory approvals necessary to establish a business.

The objective of the IPA is to assist the government in the thrust to diversify the economy by attracting Foreign Direct Investment (FDI) into non-energy industries.

In addition, InvesTT facilitates local reinvestment through its facilitation services which include issue resolution, advisory services, creating business linkages, real estate services, opportunity identification and policy advocacy.

InvesTT's core business units: Investments, Investor Services and Marketing & Communications.

**Line Ministry** – Ministry of Trade and Industry

**Minister** – Hon. Mrs. Paula Gopee-Scoon

**Permanent Secretary** – Ms. Frances Seignoret

**Chairman** – Mr. Philip Knaggs

**President<sup>4</sup>** – Mr. Christopher Lewis

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<sup>3</sup> InvesTT, *About InvesTT*, accessed on August 2, 2019: <http://www.investt.co.tt/how-we-help/>

<sup>4</sup> At the time of reporting, the position of President appeared to be vacant. See InvesTT – *Our Team*, accessed on September 9, 2019: <http://www.investt.co.tt/how-we-help/our-team/> :

# ISSUES, OBSERVATIONS AND RECOMMENDATIONS

In the Committee’s examination of InvesTT, the following issues were identified and the corresponding observations and recommendations proposed:

## 1) Periodic Re-Evaluation Exercise

**Official development objectives should always be at the centre of InvesTT’s initiatives.** At the public hearing, InvesTT indicated that it was going through its regular re-evaluation process. The purpose of this exercise involving staff and external consultants, was to identify the most relevant sectors on which to focus the country’s investment promotion initiatives. These periodic checks were necessary in order to ensure InvesTT’s consistent alignment with the Government of the Republic of Trinidad and Tobago’s (GORTT) Vision 2030 – specifically Theme 4: Building Globally Competitive Business – in light of the constantly changing global economy. These exercises are in line with international best practice observed at other IPAs.

According to the State Enterprises Performance Monitoring Manual (SEPMM), part of the Line Ministry’s responsibility towards an enterprise under its purview is “ensuring consistency between GORTT macroeconomic policies and the plans of the enterprises”<sup>5</sup>.

Theme 4 of Vision 2030 explains that “building a more competitive economy requires that our citizens have the right skills and capabilities to perform higher-value jobs”<sup>6</sup>. Although “FDI is estimated to have modest effects on job creation”<sup>7</sup>, in the wider region, InvesTT reported that 11 companies had made almost \$900,000 worth of reinvestments and created 956 permanent jobs since 2014<sup>8</sup>. The Committee affirmed at the public hearing that, in addition to identifying sectors of emphasis, the re-evaluation exercises should seek to assess and highlight the kinds of skills that will be needed to effectively function in these target sectors so that the labour pool could be adequately trained.

### **Recommendations:**

- i. InvesTT should submit a report to Parliament on the re-evaluation exercise including the time period during which it was carried out, the findings of the exercise and the measures to be implemented based on those findings by November 30, 2019;*
- ii. InvesTT should identify the skills that need to be developed in relation to the sectors highlighted in the re-evaluation exercise by November 30, 2019;*

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<sup>5</sup> State Enterprises Performance Monitoring Manual, p 8

<sup>6</sup> Government of the Republic of Trinidad and Tobago, *Vision 2030*, p 51, accessed on August 12, 2019:

<https://www.planning.gov.tt/sites/default/files/Vision%202030-%20The%20National%20Development%20Strategy%20of%20Trinidad%20and%20Tobago%202016-2030.pdf>

<sup>7</sup> Economic Commission for Latin America and the Caribbean, *Foreign Direct Investment in Latin America and the Caribbean 2012*, 9 45, accessed on August 29, 2019:

[https://repositorio.cepal.org/bitstream/handle/11362/1152/1/S2013382\\_en.pdf](https://repositorio.cepal.org/bitstream/handle/11362/1152/1/S2013382_en.pdf)

<sup>8</sup> InvesTT responses to questions for additional information p 11.

- iii. *InvesTT should report on the feasibility of collaborating with training providers in respect of skills development by November 30, 2019;*
- iv. *InvesTT should outline the ways in which InvesTT's initiatives further the development goals of the GORTT under Theme 4 of Vision 2030 by November 30, 2019; and*
- v. *The MTI should provide its appraisal of InvesTT's re-evaluation exercises and the alignment of the Company with GORTT's development goals under Theme 4 of Vision 2030 by November 30, 2019.*

## 2) Strategic Plan

**There have been delays in the approval of the Strategic Plan.** InvesTT explained that its 2017 - 2020 Strategic Plan was approved by the Ministry of Trade and Industry (MTI) in February 2017, but had not yet been approved by the Ministry of Finance – Investments Division (MoF-ID).

In a written submission, the MoF-ID explained that it did not receive a copy of the Plan as approved by the MTI until May 6, 2019. Further, in light of InvesTT's ongoing re-evaluation exercise, the MoF-ID advised InvesTT to revisit its Strategic Plan to ensure that it matched the conclusions of the re-evaluation and then re-submit it for MoF-ID approval. Once this is done, the MoF-ID will respond 3 weeks after receiving the revised Plan.

The Committee notes the SEPMM explanation that “changes in long range Strategic Plans alter the character and direction of an organization”<sup>9</sup>.

### **Recommendations:**

- i. *InvesTT should revise and resubmit its Draft Strategic Plan as soon as possible and confirm this to Parliament by November 30, 2019; and*
- ii. *InvesTT should report to Parliament on the changes made to its Draft Strategic Plan in light of the re-evaluation exercise by November 30, 2019.*

## 3) InvesTT's Contribution to the Economy

**InvesTT's contribution to Trinidad and Tobago's Gross Domestic Product (GDP) was not being measured.** In its annual Foreign Direct Investment (FDI) Reports, the Economic Commission for Latin America and the Caribbean (ECLAC) explains that Trinidad and Tobago consistently ranks as the second highest recipient of FDI in the Caribbean region<sup>10</sup>. According to ECLAC data, inward FDI represented 5.5% and 4.9% of the country's GDP in 2014 and 2015 respectively<sup>11</sup>.

<sup>9</sup> *State Enterprises Performance Monitoring Manual*, p 28.

<sup>10</sup> The Dominican Republic is consistently the number 1 destination for FDI in the Caribbean.

<sup>11</sup> ECLAC, *Foreign Direct Investment in Latin America and the Caribbean – 2016* p 48, accessed on September 4, 2019: [https://repositorio.cepal.org/bitstream/handle/11362/40214/6/S1600662\\_en.pdf](https://repositorio.cepal.org/bitstream/handle/11362/40214/6/S1600662_en.pdf)

The Committee stressed the need to diversify the economy. This was part InvesTT's Vision – 'a sustainable diversified economy'<sup>12</sup>. According to ECLAC's 2015 FDI Report, from 2007-2011 – just before the establishment of InvesTT – natural resources accounted for 73%<sup>13</sup> of the FDI inflows into Trinidad and Tobago. The 2016 Report estimated that 89% of FDI inflows came in the hydrocarbon sector in 2015<sup>14</sup>, though no detailed breakdown was provided.

When the Committee asked InvesTT for a breakdown of investment's total and sector by sector contribution to GDP, the Agency replied that no system was in place to record such data. The MoF-ID also explained that InvesTT's monitoring framework did not provide for 'objective assessment'<sup>15</sup> of contribution to GDP. However, the 2007-2011 ECLAC sectoral breakdown of Trinidad and Tobago's FDI inflows referenced above was presented 'on the basis of official sources'<sup>16</sup>. This suggests that such data was indeed kept before, but that it stopped at some point. Before InvesTT was established, investment promotion was conducted by the Business Development Company (BDC)<sup>17</sup> under the purview of the MTI. This would have been the source of the information quoted by ECLAC.

At the public hearing, InvesTT said that it would collaborate with the Central Statistical Office (CSO) to develop a system to keep track of such information.

**Recommendation:**

- i. The CSO should liaise with InvesTT to develop a system to keep track of the overall and sector by sector contribution to GDP made by the investments it facilitates and report to Parliament by November 30, 2019; and*
- ii. The MTI should explain the reason for detailed information on investment and GDP no longer being available like it was before by November 30, 2019.*

#### **4) Project Management**

**InvesTT operates without a Project Management Unit.** In a written submission, InvesTT indicated that it used the Salesforce CRM software for project management. It was further explained that a unit dedicated to project management would only be feasible in the event that the Agency's mandate and scope of activities were to broaden in the future.

Project management is identified as an important part of the mandate of State Enterprises in the SEPMM<sup>18</sup>. Inadequate planning in the absence of a dedicated Project Management Unit means that InvesTT may face challenges committing available resources to feasible projects and suffer due to inaccurate assessment of the market or needs for specific project outputs.

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<sup>12</sup> InvesTT, About InvesTT, accessed on August 6, 2019: <http://www.investt.co.tt/how-we-help/>

<sup>13</sup> ECLAC, *Foreign Direct Investment in Latin America and the Caribbean – 2015* p 76, accessed on September 4, 2019: [https://repositorio.cepal.org/bitstream/handle/11362/38215/4/S1500534\\_en.pdf](https://repositorio.cepal.org/bitstream/handle/11362/38215/4/S1500534_en.pdf)

<sup>14</sup> Ibid, p 62.

<sup>15</sup> Ministry of Finance – Investments Division, responses to questions for additional information.

<sup>16</sup> ECLAC, *Foreign Direct Investment in Latin America and the Caribbean – 2015* p 76.

<sup>17</sup> Discover Trinidad, Trinidad: the regional business centre, accessed on September 4, 2019:

<https://www.discovertrinidad.com/articles/Trinidad/Trinidad-Business-Economy/62/3/17#axzz3QzMR50GA>

<sup>18</sup> *State Enterprises Performance Monitoring Manual*, p 2.

**Recommendation:**

- i. InvesTT should report to Parliament on the establishment of a Project Management Unit by November 30, 2019.*

**5) Ease of Doing Business**

**More needs to be done to make it easier to do business in Trinidad and Tobago.** The World Bank Group publishes the annual ‘*Doing Business*’ report comparing business regulations for domestic firms in 190 economies. The report ranks countries according to how business friendly their policies are based on the following criteria:

Starting a business	Dealing with construction permits
Getting electricity	Getting credit
Protecting minority investors	Paying taxes
Trading across borders	Enforcing contracts
Registering property	Resolving insolvency

A GORTT news article<sup>19</sup> dated October 30, 2014 indicated that the country’s Ease of Doing Business (EODB) was improving. However, Trinidad and Tobago’s EODB score fell from 64.24 in 2015 to 60.81 in 2019 and the country’s ranking fell from 79<sup>th</sup> to 105<sup>th</sup> over that same period<sup>20</sup>.

Trinidad and Tobago’s EODB score has consistently been in decline since 2015. In the 2019 report, Trinidad and Tobago was ranked 76<sup>th</sup> for starting a business, 125<sup>th</sup> for dealing with construction permits, 130<sup>th</sup> for trading across borders, 158<sup>th</sup> for registering property and 174<sup>th</sup> for enforcing contracts.

The same news article referred to above highlighted that Trinidad and Tobago was one of the countries implementing the most reforms aimed at making it easier to do business. In a written submission, the MTI indicated that it was working with several other Government Ministries and Agencies on the implementation of necessary reforms.

These Ministries / Agencies were:

<b>Ministry</b>	<b>Issue</b>
Agriculture, Land and Fisheries (MALF)	Trading Across Borders
The Attorney General and Legal Affairs (MAGLA)	Starting a Business; Registering Property
Finance (MoF)	Trading Across Borders
Health (MoH)	Trading Across Borders

<sup>19</sup> *Trinidad and Tobago Advances in the World Bank’s Ease of Doing Business Ranking*, accessed on February 5, 2019: <http://www.news.gov.tt/content/trinidad-and-tobago-advances-world-bank%E2%80%99s-ease-doing-business-ranking#.XFnK4tJKgdU>

<sup>20</sup> The World Bank Group, *Reports*, accessed on February 5, 2019: <http://www.doingbusiness.org/en/reports/global-reports>

Planning and Development (MPD)	Dealing With Construction Permits;m Getting Electricity
Public Administration (MPA)	Paying Taxes
Works and Transport (MOWT)	Trading Across Borders

Other Agencies	Issue
Customs and Excise Division (CED)	Trading Across Borders
Inland Revenue Division (IRD)	Paying Taxes
Office of the Supervisor of Insolvency (Ministry of Finance)	Resolving Insolvency
Treasury Division	Paying Taxes

In a written submission, InvesTT affirmed that the following improvements would facilitate EODB<sup>21</sup>:

- a. InvesTT representation on reformulated EODB Committee
- b. World standard targets should be set for delivery within 2 years
- c. Private sector involvement in EODB committee
- d. Faster timelines for implementation of comprehensive e-government inclusive of e-payments

**Recommendations:**

- i. *The MTI should provide Parliament by November 30, 2019 with the following information on othe EODB Committee referred to by InvesTT;*
  - a. *The composition and mandate of the Committee; and*
  - b. *A summary of the work of the Committee and the Committee’s contribution to Trinidad and Tobago’s EODB.*
- ii. *The MTI should provide a status update on the EODB initiatives with which it is involved by November 30, 2019; and*
- iii. *The MALF, the MAGLA, the MoF, the MoH, the MPD, the MPA, the MOWT, the CED, the IRD, the Office of the Supervisor of Insolvency and the Treasury Division should provide a status update on the EODB initiatives with which they are involved by November 30, 2019.*

**6) One Stop Shop**

**To stay in touch with its mandate, InvesTT needs to implement a replacement to the One Stop Shop (OSS).** The OSS function was a core aspect of InvesTT<sup>22</sup>, but it was discontinued in April 2016<sup>23</sup>. There was an OSS Unit within InvesTT’s Investor Services Division. This Unit served as a single point of contact interacting with stakeholders in the pursuit of FDI and reinvestment opportunities with the aim of providing all necessary information through one channel and fast-tracking necessary approvals and improving the investor experience.

<sup>21</sup> InvesTT responses to questions for additional information, p1.

<sup>22</sup> *Trinidad and Tobago Investment Policy Statement*, p 1.

<sup>23</sup> InvesTT Written Submission, p 4 and Appendix A.1.7.

The Inter-Ministerial Committee for the Approval and Facilitation of Investments, chaired by the MTI, was meant to be the successor to the OSS for investments valued over US\$5M. Since the end of the OSS, InvesTT has redistributed OSS-related work within the entity and was in the process of recruiting a Business Facilitation Officer to continue the work formerly done by the OSS.

One aspect of the Project Management Protocol in the SEPMM is “adopting electronic information systems”<sup>24</sup>. It was noted by InvesTT at the public hearing that the best policy to replace the OSS would be to facilitate all relevant processes online.

***Recommendations:***

- i. The MTI should provide the following information by November 30, 2019:*
  - a. the composition and mandate of the Inter-Ministerial Committee; and*
  - b. a summary of the work of the Inter-Ministerial Committee;*
- ii. InvesTT should update Parliament on all recruitments to replace OSS-related functions by November 30, 2019; and*
- iii. InvesTT should consult with the MTI and the National ICT Company Limited (iGovTT) on the implementation of an online OSS equivalent and report findings by November 30, 2019.*

## **7) Partnership with Diplomatic TT Missions Abroad**

**This partnership is not structured and does not realize its full potential.** At the hearing, InvesTT explained that the main countries / regions of origin of foreign investors in Trinidad and Tobago are the United States of America, Canada, China, the United Kingdom, India and Latin America. This is echoed in the 2015 ECLAC FDI Report<sup>25</sup>, which listed the United States, India, Canada and the United Kingdom as the top countries of origins for the country’s FDI inflows. At the public hearing, InvesTT indicated that a Protocol was in place with the Ministry of Foreign and CARICOM Affairs (MFCA) for promoting Trinidad and Tobago as a destination for FDI. This Protocol involves the provision of training about FDI, investment opportunities in Trinidad and Tobago and the role of InvesTT to Foreign Service Officers being posted to Diplomatic Missions abroad. This policy is widely recognized as potentially one of the most successful strategies to attract foreign investment by providing market information and targeted assistance to potential investors. According to InvesTT, this Protocol was never formalized and, while, it has not generated any FDI to date, it is of no cost to InvesTT<sup>26</sup>.

***Recommendation:***

- i. InvesTT should consult with the MFCA to formalize a structured, written Protocol for cooperation between the two (2) entities and report by November 30, 2019.*

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<sup>24</sup> *State Enterprises Performance Monitoring Manual*, p 4.

<sup>25</sup> Page 57.

<sup>26</sup> InvesTT responses to questions for additional information, p 7.

## 8) Relationship with Evolving Technologies and Enterprise Development Company Limited (eTeck)

**InvesTT was heavily reliant on eTeck.** There was a Shared Services Agreement in force between InvesTT and eTeck covering back office support<sup>27</sup>. InvesTT depended on eTeck for its risk management, internal fraud and whistleblowing policies, in addition to internal auditing function. In addition, InvesTT functions under the terms of eTeck's Employee Cellular Phone Policy<sup>28</sup> and the eTeck compensation and benefits policy<sup>29</sup>. The selection of external consultants for InvesTT is done by eTeck. InvesTT depends on eTeck legal department<sup>30</sup> for certain legal and has no legal unit of its own. The legal work not handled by eTeck was outsourced.

Further InvesTT owes eTeck money, as reflected by the "amounts due to related party" entry on InvesTT's Statements of Financial Position. This is because eTeck made loans to InvesTT to enable it to cover frequent shortfalls in funding from the MTI<sup>31</sup>. The MTI explained that it was considering accounting options to address InvesTT's debt to eTeck<sup>32</sup>.

### ***Recommendations:***

- i. InvesTT should provide a full copy of its Shared Services Agreement with eTeck by November 30, 2019; and*
- ii. The MTI should provide Parliament with details of the guidance provided to InvesTT concerning its debt to eTeck by November 30, 2019.*

## 9) Internal Auditing

**InvesTT's Internal Audit arrangement is not comprehensive enough.** InvesTT does not have its own internal auditing function. These services are provided by eTeck for the areas of activity covered by the Shared Services Agreement. This means that no internal auditing is done for areas outside of the Agreement and that the Internal Audit Reports submitted to the MoF-ID only presented a partial picture of the entity.

InvesTT explained that the audits conducted via eTeck ensure that the processes are properly executed in line with policy<sup>33</sup>. The areas not covered by the Shared Services Agreement are therefore not monitored, creating a great risk of prolonged, undetected inefficiencies and ineffectiveness in those areas. This is a serious monitoring and evaluation weakness.

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<sup>27</sup> Ibid, p 14.

<sup>28</sup> InvesTT written submission, Section B 11.

<sup>29</sup> Ibid, Section B 9.

<sup>30</sup> Ibid, Section B 13.

<sup>31</sup> InvesTT responses to questions for additional information, Appendix 1.7.3 - Letter to PS MTI - Re - Funding Requirements for InvesTT

<sup>32</sup> MTI, responses to questions for additional information, p 4.

<sup>33</sup> InvesTT responses to questions for additional information, p 14.

**Recommendations:**

- i. eTeck should provide a copy of its most recent Internal Audit Report highlighting the section(s) relevant to InvesTT by November 30, 2019;*
- ii. Further to recommendation 8(i), InvesTT should provide the following information by November 30, 2019:*
  - a. indication of the areas outside of the Shared Services Agreement which have never been audited; and*
  - b. an explanation of possible means whereby these areas may be monitored going forward by November 30, 2019.*
- iii. InvesTT should consult with eTeck and the MTI and report on the feasibility of establishing its own Internal Audit Unit by November 30, 2019.*

### 10) Relationship with Similar Agencies

**There is a risk of overlap between InvesTT initiatives and those of similar public agencies.** Several other public entities work to bring investment to Trinidad and Tobago. These entities are either industry-specific, like the Trinidad and Tobago International Financial Centre Management Company Limited (TTIFCMAL) or programme specific such as the Trinidad and Tobago Free Zones Company Limited (TTFZ) – which administered the Free Zones Programme, but will soon be phased out and replaced by another entity to administer the upcoming Special Economic Zone (SEZ) Regime.

There are similarities between the goals of these related agencies as follows:

InvesTT mission <sup>34</sup>	To <b>attract</b> , facilitate and retain <b>investments</b> in Trinidad and Tobago.
TTIFCMCL mission <sup>35</sup>	To <b>attract</b> & facilitate foreign direct <b>investment</b> in the financial services sector that would enhance the growth and diversification of the economy by creating sustainable employment and generating foreign exchange.
TTFZ mission <sup>36</sup>	Leveraging our competitive advantage to provide an <b>investment friendly environment</b> that facilitates business activities to achieve our aims of national economic diversification, job creation and attractive investor returns.

InvesTT explained<sup>37</sup> that it has no formal relationship with these other related agencies and that it only interacted with them as the need arose. InvesTT emphasized that the scope of the initiatives carried out by these other agencies was not as broad as its own, so there was a low likelihood of overlap.

**Observation:**

- i. The Committee has examined InvesTT, the TTIFCMCL and the TTFZ during this 4<sup>th</sup> Session of the 11<sup>th</sup> Parliament. In light of the numerous similarities observed across these entities, a special report on the issue of potential policy overlap and*

<sup>34</sup> InvesTT, *About InvesTT*, accessed August 20, 2019: <http://www.investt.co.tt/how-we-help/>

<sup>35</sup> TTIFCMCL, *About TTIFCMCL*, accessed August 8, 2019: <https://www.ttifc.co.tt/index.php/meet-team/overview>

<sup>36</sup> TTFZ, *Vision, Mission, Values*, accessed August 4, 2019: <http://ttfzco.com/index.php/about-us/>

<sup>37</sup> InvesTT responses to questions for additional information, p 6.

*possible ways to remedy this problem is being prepared and will be published in the near future for the MTT's consideration.*

## 11) International Recognition

**InvesTT has been recognized as a world class IPA.** InvesTT won the “2019 Top Investment Promotion Agency”<sup>38</sup> award from the World Forum for Foreign Direct Investment. This was the third time InvesTT won this award, having received it in 2015 and 2017. The award recognizes excellence in the quality of facilitation services provided to investors by an IPA. InvesTT is thus rated as one of the best IPA in the Latin America and Caribbean region.

### *Observation:*

- i. The Committee notes the international recognition earned by InvesTT, commends the entity's initiatives that led to this achievement and encourages it to pursue further progress – notably by implementing the recommendations contained in this report – in order to surpass the achievements already made.*

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<sup>38</sup> TT Newsday, TT ranked one of the best Caribbean investment locations, accessed August 4, 2019: <https://newsday.co.tt/2019/07/01/tt-ranked-one-of-best-cbean-investment-locations/>

## CONCLUSION

InvesTT was established in 2012 at a time when FDI inflows were shrinking, decreasing by 19% from 2012 to 2013, and by a further 30% in 2014<sup>39</sup>. The Agency has a number of achievements to its credit in its relatively short existence but there is room for improvement in attracting investment to Trinidad and Tobago. The share of FDI in national GDP is relatively small and has great growth potential under the right conditions, which InvesTT is mandated to create.

Vision 2030, to which InvesTT constantly strives to align its initiatives, states that “when our economy grows, all our people have opportunities to prosper” and that growth means that “Government has the resources it needs to reduce poverty, improve healthcare, invest in education, and build infrastructure”. InvesTT’s success is, therefore, important to the whole national community.

Vision 2030 also speaks of the need to make sure our “environment attracts the right investors and entrepreneurs”; this speaks to the need to quickly implement ICT-based systems to replace the OSS and perform its vital functions more seamlessly and in a more accessible way. This will also go a long way to stop the country’s worrying downward trend in the EODB rankings, as will the numerous legislative reforms, technical and procedural upgrades currently being undertaken across Ministries and Departments. All of this should continue to be a priority in order to enhance the investment attraction environment.

The relationship between InvesTT and eTeck appears to function well and benefit InvesTT from a cost point of view. It is still unsettling that InvesTT is not itself equipped with several of the functions that make for a well-performing State Enterprise, thereby exposing itself to any risk incurred by eTeck. Equally as unsettling is the Committee’s observation that other public agencies perform similar functions to InvesTT, albeit on a narrower scale.

Finally, shortfalls in funding and late disbursement of monies to InvesTT make the continued progress of the entity more difficult. The MTI must step up its efforts to be attentive to InvesTT’s needs and to ensure that these problems are the exception rather than the rule.

Almost 90% of all of the outgoing FDI generated in the Caribbean comes from Trinidad and Tobago, and the country is second for FDI inflows. With the right stewardship from InvesTT, Trinidad and Tobago could solidify its position even further.

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<sup>39</sup> ECLAC, *Foreign Direct Investment in Latin America and the Caribbean – 2015* p 69, accessed on September 4, 2019: [https://repositorio.cepal.org/bitstream/handle/11362/38215/4/S1500534\\_en.pdf](https://repositorio.cepal.org/bitstream/handle/11362/38215/4/S1500534_en.pdf)

The Public Accounts (Enterprises) Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.

Mr. Wade Mark

**Chairman**

Sgd.

Dr. Tim Gopeesingh

**Vice-Chairman**

Sgd.

Mr. Fitzgerald Hinds

**Member**

Sgd.

Mrs. Cherrie-Ann Crichlow-Cockburn

**Member**

Sgd.

Mrs. Jennifer Baptiste-Primus

**Member**

Sgd.

Dr. Nyan Gadsby-Dolly

**Member**

Sgd.

Ms. Amrita Deonarine

**Member**

# APPENDIX I

## Minutes of Meetings

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –  
FOURTH SESSION, ELEVENTH PARLIAMENT  
MINUTES OF THE THIRTY- NINTH MEETING HELD ON WEDNESDAY, JULY  
03, 2019 AT 9:42 A.M.  
IN THE ARNOLD THOMASOS (EAST) MEETING ROOM, LEVEL 6 AND IN  
THE J. HAMILTON MAURICE ROOM, OFFICE OF THE PARLIAMENT, TOWER  
D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, 1A  
WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice Chairman
Ms. Amrita Deonarine	-	Member
Mr. Fitzgerald Hinds	-	Member
Dr. Nyan Gadsby-Dolly	-	Member
Mr. Foster Cummings	-	Member

Excused were:

Mrs. Jennifer Baptiste-Primus	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member

Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary
Ms. Vanna Jankiepersad	-	Procedural Officer Intern
Mr. Justin Jarrette	-	Parliamentary Intern

**COMMENCEMENT**

1.1 At 9:42 a.m. the Vice-Chairman called the meeting to order and welcomed those present. Mrs. Jennifer Baptiste-Primus and Mrs. Cherrie-Ann Crichlow-Cockburn were excused from the meeting.

**THE EXAMINATION OF THE MINUTES OF THE THIRTY- EIGHTH MEETING**

2.1 The Committee examined the Minutes of the Thirty - Eighth (38<sup>th</sup>) Meeting held on Wednesday April 3, 2019.

2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mr. Fitzgerald Hinds and seconded by Ms. Amrita Deonarine.

**MATTERS ARISING FROM THE MINUTES OF THE THIRTY- EIGHTH MEETING**

3.1 With reference to item 3.1, the Vice-Chairman informed the Members that the responses to the questions for additional information from the Palo Seco Agricultural Enterprises Limited (PSAEL) were received by the Secretariat on May 3, 2019 and used to draft the Twentieth Report of the Committee.

- 3.2 With reference to items 3.3, the Vice-Chairman informed the Members that the responses to the questions for additional information from the Ministry of Trade and Industry (MTI) and the Trinidad and Tobago Free Zones Company Limited (TTFZ) were received by the Secretariat on April 5, 2019 and used to draft the Twenty-First Report of the Committee. The Report was subsequently presented in the Senate and the House of Representatives on June 4, 2019 and June 7, 2019 respectively.
- 3.3 With reference to item 8.5, the Vice-Chairman informed the Members that questions for additional information were sent to the Creative Industries Company Limited (CreativeTT) and the MTI on April 9, 2019. The responses from the CreativeTT and the MTI were received by the Secretariat on April 25, 2019 and used to draft the Twenty-Second Report of the Committee.

### **REVIEW OF THE COMMITTEE'S QUORUM**

- 4.1 The Vice-Chairman proposed that the quorum for Committee's meetings be reduced from four (4) Members inclusive of the Chair or Vice-Chairman, with representation from each House to three (3) Members inclusive of the Chair or Vice-Chairman, with representation from each House. A discussion ensued. The Committee agreed to leave the Committee's quorum at a membership of four (4) Members.

### **PRE-HEARING DISCUSSION RE: INVESTT**

- 5.1 The Vice-Chairman reminded the Members that the purpose of the meetings was to examine the Audited Financial Statements of the InvesTT for the financial years 2014 to 2017 and to improve the InvesTT's delivery of services in an efficient, effective and economic manner.
- 5.2 The Members discussed the issues of concern and the general approach for the public hearing.
- 5.3 There being no further business for discussion *in camera*, the Vice-Chairman suspended the meeting at 10:06 a.m.

### **INVESTT**

- 6.1 The Chairman called the public meeting to order at 10:14 a.m.
- 6.2 The following officials joined the meeting:

#### **InvesTT**

- |                         |   |                          |
|-------------------------|---|--------------------------|
| • Mr. Philip Knaggs     | - | Chairman                 |
| • Mr. Gerard Noel       | - | Director                 |
| • Ms. Tricia Beckles    | - | Director                 |
| • Mr. Christopher Lewis | - | President                |
| • Ms. Stacy Adams       | - | Vice President, Investor |

- |                            |   |   |
|----------------------------|---|---|
|                            |   | Services                                    |
| • Mr. Sekou Alleyne        | - | Manager, Investments                        |
| • Mr. Nishal Nagassar      | - | Manager, Research and Business Intelligence |
| • Mrs. Shurla Henry-Gibson | - | Manager, Marketing                          |
| • Mr. Kris Mohammed        | - | Manager, Procurement, e Teck                |
| • Mr. Hayden Alfred        | - | Manager, Financial Performance, e Teck      |

### **Ministry of Trade and Industry (MTI)**

- |                                  |   |                               |
|----------------------------------|---|-------------------------------|
| • Ms. Frances Signoret           | - | Permanent Secretary (Ag.)     |
| • Ms. Karlene Roach<br>Secretary | - | Deputy Permanent<br><br>(Ag.) |
| • Mr. Randall Karim<br>Strategy  | - | Director, Policy and          |
| • Mr. Dennis Scott               | - | Senior Business Analyst       |
| • Mr. Videsh Maharaj             | - | Senior Economist (Ag.)        |

### **Ministry of Finance – Investments Division (MOF-ID)**

- |                                |   |  |
|--------------------------------|---|--|
| • Mrs. Michelle Durham-Kissoon | - | Permanent Secretary (Ag.)                                    |
| • Ms. Chintamani Sookoo        | - | Director, Agro-based Manufacturing and Services Sector (Ag.) |
| • Ms. Seeta Beedasic           | - | Business Analyst (Ag.)                                       |

### **6.3 Key Topics Discussed:**

1. The mandate of the InvesTT;
2. The systems in place to ensure the efficiency and effectiveness of the operations of the InvesTT;
3. The measures implemented by the InvesTT to pursue its mandate as an Investment Promotion Agency (IPA);
4. The challenges faced by the InvesTT in gaining visibility compared to other IPA's as a result of budget limitations and availability of resources;
5. The InvesTT's self-assessment of its success as an IPA;
6. The alignment of the work of the InvesTT to Theme 4 of Vision 2030: Building Globally Competitive Business;

7. The collaboration of the InvesTT with the regional corporations and the Chambers of Commerce with regard to the local outreach initiatives and potential investment opportunities;
8. The award won by the InvesTT for the 2019 Top IPA in Central America and the Caribbean from the World Forum for Foreign Direct Investment (FDI);
9. The importance of the InvesTT's website in attracting investors;
10. The number and value of investments facilitated by the InvesTT for the period October 2013 to September 2017;
11. The number of jobs created by the InvesTT and the area of expertise;
12. The oversight role of the MTT;
13. The discontinuation of the "one stop shop" facility and the potential to replace this with an online procedure;
14. The absence of a legislative framework for the "one stop shop";
15. The re-investment strategy of the InvesTT;
16. The re-evaluation exercise conducted by the InvesTT;
17. The status of the achievement of the investment targets in the InvesTT's strategic plan;
18. The status of the tenure of the InvesTT's executive staff;
19. The measures in place to attract local and foreign investors;
20. The type of investments made with regard to strategic engagements between the period 2014 to 2017;
21. The establishment and composition of the Inter-Ministerial Committee;
22. The concept of 'Country Branding and Marketing';
23. The link between Trinidad and Tobago's Ease of Doing Business (EODB) score and the need for the "one stop shop";
24. The status of implementation of the Single Electronic Window framework;
25. The relationship and the overlapping roles of the InvesTT, the Trinidad and Tobago Free Zones Company Ltd (TTFZ) and the Trinidad and Tobago International Financial Centre Management Company Ltd (TTIFCMCL);
26. The major investment incentives offered to potential investors;
27. The deterioration of Trinidad and Tobago's EODB ranking and the measures in place to improve it;
28. The relationship between the InvesTT and TT diplomatic missions abroad;
29. The InvesTT's investments in the agriculture, tourism, manufacturing and maritime sector;
30. The relationship between the InvesTT and the Evolving Technologies and Enterprise Development Company Limited (e Teck);
31. The status of the accumulated deficit and the steps taken to address this issue;
32. The proportion of allocation of the InvesTT's expenditure to staff costs;
33. The need for an internal audit unit and internal audit function at the InvesTT;
34. The vacant positions on the InvesTT's organizational structure;
35. The project management systems in place at the InvesTT;
36. The status of the payment of Green Fund Levy and Business Levy by the InvesTT; and
37. The status of the collaboration with the InvesTT and the Trinidad and Tobago Creative Industries Company Limited (CreativeTI).

**Please see Verbatim Notes for the detailed oral submission by the witnesses.**

- 6.4 The Vice-Chairman thanked the representatives from the Ministry of Finance – Investments Division, the Ministry of Trade and Industry (MTI), the InvesTT, members of the media and the public for their attendance.
- 6.5 The Committee agreed that additional questions for written submission should be sent to the InvesTT, MoF-ID and the MTI.  
**[Please see Appendix 1]**

### **ADJOURNMENT**

- 7.1 There being no other business, the Chairman thanked the Members for their attendance and the meeting was adjourned.
- 7.2 The adjournment was taken at 12:41 p.m.

**We certify that these Minutes are true and correct.**

CHAIRMAN

SECRETARY

*July 03, 2019*

**ADDITIONAL INFORMATION REQUESTED**

**INVESTT**

**General Questions**

1. Provide a breakdown of the estimated and actual value by sector of the InvesTT's contribution to Trinidad and Tobago's Gross Domestic Product (GDP).
2. What are the metrics used by the InvesTT to measure the effectiveness and value for money of its social and digital media practices including its website?
3. What are the challenges being faced by the InvesTT and what are the recommendations to address these issues?
4. Partnerships were in place between the InvesTT and educational / training institutions to enhance the skills of the local labour pool to equip workers with the skills sought by investors.
  - a. Provide the names of all educational / training institutions and other relevant entities with which InvesTT has collaborated to enhance skills.
  - b. Provide a list of the priority areas in which skills were developed.
  - c. When were these collaborative efforts launched?
  - d. How many skilled professionals have been developed due to these initiatives?
  - e. What steps are being taken to expand these initiatives?

**Primary Responsibility of the InvesTT**

1. How does the InvesTT source investors?
2. What incentives does the InvesTT offer to facilitating and encouraging investment?
3. What is the ratio of local to foreign direct investment facilitated by the InvesTT? Provide a breakdown of the total local and total foreign direct investment facilitated by the InvesTT for the period 2014 to 2019.

**Efficient, Effective and Economical Policy**

1. What are the Key Performance Indicators (KPI) used by the Board?
2. What does the InvesTT's 'Employer Management Performance System' entail?

**Executive Management and Organisational Structure (Appendices A.1.1 – A.1.4)**

Among the responsibilities of the President of the InvesTT are the following:

- To establish and build value added and profitable and supportive relationships with internal and external stakeholders;
- To undertake investor sourcing to realize set investment and diversification targets.

1. Who are the InvesTT's internal and external stakeholders?
2. What were the InvesTT's precise investment and diversification targets?

- a. What was the basis for the setting of these targets?
  - b. To what extent were these targets met?
  - c. What challenges affected the achievement of these targets?
3. What weaknesses were detected in the Company's investment sourcing incentives?
  - a. What systems were in place to remedy these issues?
  - b. How successful have these systems been? Provide an explanation.
4. The InvesTT maintains a performance score card on Trinidad and Tobago's strength, position and performance in the non-energy sector.
  - a. What variables were used to determine the score?
  - b. What was the trend in the score since 2014?
  - c. What measures are in place to improve the score?
5. The InvesTT conducted strategic engagements<sup>40</sup> from 2014 to 2016 with potential investors in China, Dominican Republic, Republic of Korea, USA, Venezuela and Trinidad and Tobago.
  - a. What were the outcomes of these initiatives?
  - b. What were the costs of undertaking these engagements?
  - c. How did these initiatives enhance the achievement of the InvesTT's mandate?
  - d. What was the reason for no such engagements being undertaken in 2017?
6. What does the InvesTT's Charter of Business Ethics entail? Provide a copy to the Committee.

#### **Organisational Structure (Appendix A.1.5)**

1. The InvesTT indicated that the reason for several posts being vacant on its current organisational structure is a problem of funding, which comes from Government subventions.
  - a. Is the Line Ministry aware of this issue? Provide supporting correspondence.
  - b. What are the impacts of the vacant positions on the operations of the InvesTT and the fulfilment of its mandate?

#### **Investor Incentives**

1. The incentives offered by the InvesTT are financial and include reductions or exemptions from customs duties and VAT, tax deductions, cost reimbursements and rebates, capital expenses and other allowances, trade financing loans and provision of export credit insurance.
  - a. How did the InvesTT ensure that the investment facilitated is worth the financial cost of the incentives in terms of lost revenue?

#### **Relationship with Other Investment-Related Agencies**

The InvesTT leads initiatives aimed at "attracting investment into the non-energy sector through the creation of an enabling environment", while the Trinidad and Tobago Free Zones Company

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<sup>40</sup> InvesTT Written Submission, Appendix A.1.7.

(TTFZ) was formed as “an instrument to attract non-energy-based projects to Trinidad and Tobago”.

Both the InvesTT and the TTFZ offer mainly financial incentives to investors.

**Questions:**

1. What is the relationship between the InvesTT and the TTFZ?
2. How does the InvesTT ensure that there has been no overlap between the activities of the two entities?

**One Stop Shop Facility**

The InvesTT was designed to function as a “one stop shop”<sup>41</sup> for investments. However, this function has no longer been fulfilled since April 2016<sup>42</sup>.

**Questions:**

1. What precisely did the “one stop shop” function entail?
2. What was the reason for stopping its operation?
3. What systems were in place to ensure the fulfilment of the InvesTT’s mandate in the absence of this function?

**Investor Sourcing**

The InvesTT conducts investor sourcing activities including strategic event presence, direct engagement with potential investors in specific geographic locations and collaboration with Trinidad and Tobago’s diplomatic missions abroad.

**Questions:**

1. What were the events at which the InvesTT attended?
  - a. When did these events take place?
  - b. What was the cost associated with attendance?
  - c. What was the value of investments generated due to attendance at these events?
2. What are the principal geographic locations/regions in which the InvesTT engages with potential investors?
  - a. What was the value of the investments generated through this direct engagement?
  - b. What was the cost of this direct engagement?
  - c. What measures are in place to increase interest in investing in Trinidad and Tobago by investors in more locations/regions?
3. The InvesTT indicated that a Protocol was in place with the Ministry of Foreign and CARICOM Affairs (MFCA) for promoting Trinidad and Tobago as a destination for Foreign Direct Investment (FDI).
  - a. When was the protocol established and implemented?
  - b. What have been the value of FDI generated as a result of the Protocol?
  - c. Provide a copy of the Protocol.

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<sup>41</sup> Trinidad and Tobago Investment Policy Statement, p 1.

<sup>42</sup> InvesTT Written Submission, p 4 and Appendix A.1.7.

### **Potential vs Secured Investments (Appendix A.1.7)**

The InvesTT secured a total of \$873.97 million in investment from 2014 to 2017 out of \$4.04 billion in potential investments, which represents just over one-fifth (21.6%).

1. What measures were implemented to resolve the following challenges identified as preventing the InvesTT from securing the remaining \$3.16 billion worth of potential investments:
  - a. Lack of resources for Investor Sourcing Division;
  - b. Lack of funding for advertising;
  - c. Limited ability to travel to meet investors;
  - d. Land issues (including Town and Country Planning Division approvals);
  - e. Government bureaucracy; and
  - f. Lack of benchmark data.
2. What measures were implemented to improve the following:
  - a. the proportion of potential investments that is secured; and
  - b. the number of investors attracted?

### **Training (Appendix A.1.8 and Appendix 2)**

The InvesTT achieved 10% of its staff training target as at September, 2017 and 40% as at March 2019.

#### **Questions:**

1. What did the staff training entail?
2. What were the challenges hindering the completion of this goal?
3. What measures were in place to achieve the set target?

### **Human Resource Manual (Appendix A.1.8)**

The InvesTT achieved 30% of its goal to revise its HR Manual as at September 30, 2017.

#### **Questions:**

1. What was the cost of revising the HR Manual?
2. What is the status of this target as at 2019?

### **Strategic Plan**

#### **Questions:**

1. The implementation of the plans and proposals outlined in the Strategic Plan is tracked and monitored through monthly Corporate Performance reports submitted to the Board, employee appraisals and monthly Unit Dashboards.
  - a. What were the conclusions of the Corporate Performance reports and to what extent have these conclusions been used to improve the implementation of the Strategic Plan?
2. The InvesTT explained that it made periodic recommendations to the MTI on changes needed in the enabling environment to attract and retain investments.

- a. What were these recommendations?
- b. How have they helped the InvesTT to achieve its mandate?

## **New Investments and Reinvestments (Appendix A2)**

### Foreign Direct Investment (FDI)

As at March 2019, the InvesTT indicated that it had secured no new FDI, but that four (4) were pending. The target was two (2) new FDIs.

#### **Questions:**

1. What was the reason for the delay in securing these investments?
2. What was the timeline for closing the four (4) pending investments?
3. What was the value of these potential investments?

### Local Direct Investment (LDI)

As at March 2019, the InvesTT indicated that it had secured one (1) new FDI, with two (2) more pending. The target was two (2) new LDIs.

#### **Questions:**

1. What is the timeline for closing the two (2) pending investments?
2. What is the value of all secured and potential LDI?

### Reinvestments

As at March 2019, the InvesTT indicated that it had secured no new reinvestments, but that one (1) was pending. The target was three (3) new reinvestments.

#### **Questions:**

1. What was the reason for the delay in securing reinvestments?
2. What is the timeline for closing the one (1) pending reinvestment?
3. What is the value of the one (1) pending reinvestment?
4. What measures were implemented to achieve the established target?
5. What percentage of companies reinvested from 2014 to 2019?
6. Provide a breakdown of the names of the reinvesting companies, the types of the reinvestments (sector) made, the value of the reinvestments, the areas of expertise (skills) developed and the number of jobs created for the period 2014 to 2019.

## **Risk Management**

The InvesTT developed an enterprise risk assessment in 2017, but is awaiting the completion of a risk management policy by eTeck to develop the InvesTT risk management process in alignment with eTeck. An update to the 2017 risk assessment was due to be completed by April 2019.

#### **Questions:**

1. What were the conclusions of the updated April 2019 risk assessment exercise?

2. In the absence of a defined risk management process how has the InvesTT ensured that risks were adequately identified and their effects minimized?
3. What was the reason for not preparing a risk review reports?
4. Does the InvesTT intend to undertake a risk review report? Please provide an explanation.

## Procurement Policy

### Questions:

1. What were the general conclusions of the review of the Tender Rules and Procedures conducted in 2019?
2. How has training regarding the new procurement legislation been included in the InvesTT's overall staff training programme?

## Project Management

### Questions:

1. What was the reason for the absence of a project management unit?
2. In light of the absence of a Project Management Unit, how does the InvesTT cope with the following:
  - a. Inability to commit available resources to feasible projects due to inadequate planning; and
  - b. Inaccurate assessment of the market or needs for the project outputs?
3. When would the InvesTT consider making provision for a Project Management Unit in its organizational structure?
4. What are the scheduled completion dates for the InvesTT's priority projects?
5. What is the expected outcomes of the following:
  - Regional / Sector Manpower Studies;
  - Tourism Investment Studies; and
  - Latin America Lead Generation Study.
6. The InvesTT does not have clear instructions from the MTI on its role in country branding. In 2014, \$1.7M was spent on country branding, with \$16,000 spent in 2015. Brand Development and Advertising accounted for spending of \$1.1M in 2015 and \$1.3M in 2016.
  - a. What is the difference between Country Branding expenses and Brand Development and Advertising expenses?

## Internal Auditing

The InvesTT does not have its own internal auditing function. Since it receives office support from eTeck, the InvesTT is covered under eTeck audits and relevant Reports are produced.

### Questions:

1. What is the reason for conducting audits only in areas managed by eTeck?
2. Provide examples of inadequacies detected by internal audit and the corrective measures taken.

### **Due to Related Party**

InvesTT occasionally received financial support from eTeck to pay salaries.

#### **Questions:**

1. What was the reason for the need to access such funds from eTeck?

### **Operating Expenses**

The InvesTT incurred expenses of \$309,829.20 in the execution of PSIP expense – 297 (Business Investment) in 2017. The status of the project was “inactive” because the funding under that vote was no longer available.

#### **Questions:**

1. Was the project described as “inactive” completed?
  - a. If yes, when was it completed and what were the outcomes?
  - b. If not, what was the reason for the non-completion and what is the possibility of salvaging the project in future?

### **Settlement / Claim Fees**

#### **Question:**

1. What was the reason for the late payment of gratuity to the former President of the InvesTT?

### **Internal Fraud Policy**

Until it develops its own policy, the InvesTT functions under eTeck’s internal fraud policy.

#### **Questions:**

1. What was the reason for the absence of an internal fraud policy specific to the InvesTT?
2. What guarantees that the fraud policy of eTeck is suitable and can successfully aid in the detection and prevention of fraud at InvesTT?
3. What is the timeline for the development of this policy?

### **Whistle-Blowing Policy**

InvesTT was in the process of reviewing a draft whistleblowing policy received from eTeck to determine how to implement it.

#### **Question:**

1. What was the reason for the absence of a whistle-blowing policy until the recent draft policy?

## **MINISTRY OF TRADE AND INDUSTRY (MTI)**

### **General Questions**

#### **Question:**

5. Provide a breakdown of the estimated and actual value by sector of the InvesTT's contribution to Trinidad and Tobago's Gross Domestic Product (GDP).

### **Ease of Doing Business Plan**

Trinidad and Tobago's Ease of Doing Business (EODB) score has deteriorated over the past 5 years:

<b>Year</b>	<b>EODB Score</b>	<b>World Rank</b>
2019	60.81	105
2018	60.68	102
2017	60.99	96
2016	62.58	88
2015	64.24	79
2014	N/A	66

#### **Questions:**

1. What measures are being implemented by the MTI to reverse this trend?

### **Accumulated Deficit**

The 13.6% increase in the InvesTT's accumulated deficit between 2016 and 2017 was due to inadequate subventions from the GORTT.

#### **Questions:**

1. What were the issues affecting the release of GORTT subventions to the InvesTT?
2. What systems are in place to ensure that subventions are received in a timely manner?

### **Due to Related Party**

#### **Question:**

1. What guidance is the Ministry providing to the InvesTT regarding the balances owed to the eTeck?

### **Country Branding and Marketing**

Country branding is identified as part of the central mandate of the InvesTT<sup>43</sup>. However InvesTT was awaiting the guidance of the MTI on its possible future role in country branding and country marketing initiatives<sup>44</sup>.

#### **Question:**

1. What was the reason for the delay in informing the InvesTT about these initiatives?

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<sup>43</sup> InvesTT Written Submission, p 1.

<sup>44</sup> InvesTT Written Submission, p 5.

## Strategic Plan

### **Question:**

1. The InvesTT made periodic recommendations to the MITI on changes needed in the enabling environment to attract and retain investments.
  - a. How does the MITI ensure that the recommendations were taken into account?

## **MINISTRY OF FINANCE – INVESTMENTS DIVISION (MoF –ID)**

### General Questions

1. The InvesTT's 2017 to 2020 Strategic Plan was approved by the Ministry of Trade and Industry (MITI) in February 2017, but has not yet been approved by the Ministry of Finance – Investments Division.
  - a. What was the reason for this delay?
  - b. What is the timeline for the approval of the Plan?
2. Provide a breakdown of the estimated and actual value by sector of the InvesTT's contribution to Trinidad and Tobago's Gross Domestic Product (GDP).

# **APPENDIX 2**

## **Attendees**

# Attendees

## InvesTT Trinidad and Tobago (InvesTT)

- Mr. Philip Knaggs - Chairman
- Mr. Gerard Noel - Director
- Ms. Tricia Beckles - Director
- Mr. Christopher Lewis - President
- Ms. Stacy Adams - Vice President, Investor Services
- Mr. Sekou Alleyne - Manager, Investments
- Mr. Nishal Nagassar - Manager, Research and Business Intelligence
- Mrs. Shurla Henry-Gibson - Manager, Marketing
- Mr. Kris Mohammed - Manager, Procurement, e Teck
- Mr. Hayden Alfred - Manager, Financial Performance, e Teck

## Ministry of Trade and Industry (MTI)

- Ms. Frances Seignoret - Permanent Secretary (Ag.)
- Ms. Karlene Roach - Deputy Permanent Secretary (Ag.)
- Mr. Randall Karim - Director, Policy and Strategy
- Mr. Dennis Scott - Senior Business Analyst
- Mr. Videsh Maharaj - Senior Economist (Ag.)

## Ministry of Finance – Investments Division (MOF-ID)

- Mrs. Michelle Durham-Kissoon - Permanent Secretary (Ag.)
- Ms. Chintamani Sookoo - Director, Agro-based Manufacturing and Services Sector (Ag.)
- Ms. Seeta Beedasic - Business Analyst (Ag.)

**APPENDIX 3**

**Entities under puvview of**

**PA(E)C**

## List of entities falling under the purview of the PAEC:

1. Agricultural Development Bank (ADB)
2. Caribbean Airlines Limited (CAL)
3. Caribbean Leasing Company Ltd (owned by ExporTT)
4. Caribbean New Media Group Limited (CNMG)
5. Caroni Green Limited
6. Clico Trust Corporation Limited
7. Cocoa Development Company of Trinidad and Tobago Ltd
8. Community Environmental & Protection Enhancement Programme Company Limited (CEPEP)
9. Community Improvement Services Limited
10. East Port of Spain Development Company Limited
11. Education Facilities Company Limited (EFCL)
12. Estate Management & Business Development Company Ltd. (EMBDC)
13. Export Centers Company Limited
14. Export Import Bank of Trinidad & Tobago (EXIMBANK)
15. ExporTT (formerly BDC: Business Development Company Limited)
16. Evolving TecKnologies & Enterprise Development Company Limited (eTeck) (formerly Property & Industrial Development Company of Trinidad & Tobago)
17. First Citizens Bank (FCB)
18. First Citizens Holdings Limited
19. Government Human Resource Services Company Limited (GHRS)
20. Government Information Services Limited (GISL)
21. Human Capital Development Facilitation Company Limited
22. InvesTT
23. Lake Asphalt of Trinidad & Tobago (1978) Ltd.
24. La Brea Industrial Development Corporation
25. Metal Industries Company Limited (MIC)
26. National Agricultural Marketing Development Corporations Limited (NAMDEVCO)
27. National Commission for Self Help Limited
28. National Energy Corporation of Trinidad and Tobago Limited
29. National Entrepreneurship Development Company Ltd. (NEDCO)
30. National Enterprises Limited (NEL)

31. National Flour Mills Limited (NFM)
32. National Gas Company of Trinidad & Tobago Limited (NGC)
33. National Helicopter Services Limited
34. National Information & Communication Technology Company Limited (NICTCL)
35. iGovTT (ttconnect)
36. National Infrastructure Development Company Limited (NIDCO)
37. National Insurance Property Development Company Limited (NIPDEC)
38. National Maintenance, Training & Security Company Limited (MTS)
39. National Project Development Services Ltd
40. National Quarries Company Limited (NQCL)
41. National Schools Dietary Services Limited
42. National Training Agency (1997) Ltd.
43. Natpat Investments Company Ltd.
44. Oropune Development Ltd. (owned by UDECOTT)
45. Palo Seco Agricultural Enterprises Limited (PSAEL)
46. Petroleum Company of Trinidad & Tobago Limited (PETROTRIN)
47. Phoenix Park Gas Processors Ltd.
48. Point Lisas Industrial Port Development Corporation Ltd (PLIPDECO)
49. Point Lisas Terminals Ltd. (owned by PLIPDECO)
50. Portfolio Credit Management Limited
51. Port of Spain Waterfront Development Ltd.
52. Rincon Development Ltd.
53. Rural Development Company of Trinidad & Tobago Limited
54. Seafood Industry Development Company Limited
55. Sports Company of Trinidad & Tobago Limited (SportT)
56. Taurus Services Limited
57. Telecommunications Services of Trinidad & Tobago Limited (TSTT)
58. Tourism Development Company Limited (TDC)
59. Trinidad Nitrogen Company Limited (TRINGEN)
60. Trinidad Northern Areas Ltd.
61. Trinidad & Tobago Entertainment Company Limited (TTent)
62. Trinidad & Tobago External Telecommunications Ltd.
63. Trinidad and Tobago Fashion Company Limited

64. Trinidad & Tobago Film Company Limited
65. Trinidad & Tobago Fish Processors Ltd.
66. Trinidad & Tobago Food Processors Ltd.
67. Trinidad & Tobago Free Zones Company Limited
68. Trinidad & Tobago International Financial Centre Management Company Limited
69. Trinidad & Tobago Marine Petroleum Company Ltd.
70. Trinidad & Tobago Mortgage Finance Company Limited (TTMF)
71. Trinidad and Tobago Music Company Limited
72. Trinidad & Tobago National Petroleum Marketing Company Limited (NP)
73. Trinidad & Tobago Solid Waste Management Co. Ltd. (SWMCOL)
74. Trinidad & Tobago Tourism Business Development Limited
75. Trintoc Services (owned by PETROTRIN)
76. Union Estate Electricity Generation Company Limited
77. Urban Development Corporation of Trinidad & Tobago Limited (UDECOTT)
78. Vehicle Management Corporation of Trinidad & Tobago Limited (VMCOTT)
79. Youth Training & Employment Partnership Programme Limited (YTEPP)

# APPENDIX 4

## VERBATIM NOTES

**VERBATIM NOTES OF THE THIRTY-NINTH MEETING OF THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE HELD IN THE J HAMILTON MAURICE MEETING ROOM, MEZZANINE FLOOR, (IN PUBLIC), OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, #1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, JULY 03, 2019, AT 10.14 A.M.**

**PRESENT**

Mr. Wade Mark	Chairman
Dr. Tim Gopeesingh	Vice-Chairman
Mr. Fitzgerald Hinds	Member
Ms. Amrita Deonarine	Member
Mr. Foster Cummings	Member
Dr. Nyan Gadsby-Dolly	Member
Ms. Keiba Jacob	Secretary
Ms. Hema Bhagaloo	Assistant Secretary
Ms. Vanna Jankipersad	Procedural Officer Intern

**ABSENT**

Mrs. Jennifer Baptiste-Primus	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	Member

**INVESTT LIMITED**

Mr. Philip Knaggs	Chairman
Ms. Tricia Beckles	Director
Mr. Gerard Noel	Director
Mr. Christopher Lewis	President
Ms. Stacy Adams	Vice-President, Investor Services
Mr. Sekou Alleyne	Manager, Investments
Mr. Nishal Nagassar	Manager, Research and Business Intelligence
Mrs. Shurla Henry-Gibson	Manager, Marketing
Mr. Kris Mohammed	Manager, Procurement, e Teck
Mr. Hayden Alfred	Manager, Financial Performance, e Teck

**MINISTRY OF TRADE AND INDUSTRY**

Ms. Frances Seignoret	Permanent Secretary (Ag.)
Ms. Karlene Roach	Deputy Permanent Secretary (Ag.)
Mr. Randall Karim	Director of Policy and Strategy
Mr. Dennis Scott	Senior Business Analyst
Mr. Videsh Maharaj	Senior Economist (Ag.)

## MINISTRY OF FINANCE - INVESTMENTS

Mrs. Michelle Durham-Kissoon	Permanent Secretary in the Ministry of Finance (Ag.)
Ms. Chintamani Sookoo	Director, Agro-based Manufacturing and Services Sector (Ag.)
Ms. Seeta Beedasia	Business Analyst (Ag.)

[DR. GOPEESINGH *in the Chair*]

**Mr. Chairman:** A very good morning to each and every one and welcome to, first of all, the officials from the Ministry of Finance, Investments Division, the Ministry of Trade and Industry, members of the invesTT of Trinidad and Tobago, as well as members of the media and the public. I am Dr. Tim Gopeesingh, I am the Vice-Chair of this Committee. Sen. Mark, who is the Chair, is a bit delayed and he has asked me, and with the concurrence of the members, to Chair the Committee. Can I ask for introductions from my colleagues, starting from Sen. Deonarine?

[*Introductions made*]

**Mr. Chairman:** Thank you. Investments Division.

[*Introductions made*]

**Mr. Chairman:** The Ministry of Trade and Industry.

[*Introductions made*]

**Mr. Chairman:** InvesTT.

[*Introductions made*]

**Mr. Chairman:** Thank you very much, a special welcome to all of you. This Committee, the Public Accounts (Enterprises) Committee has a mandate to consider and report to the House on the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the State. And the Auditor General's report on any such accounts, balance sheets and other financial statements and in addition, whether its policies are carried out efficiently, effectively and economically, and whether expenditure conforms to the authority which governs it.

And so the purpose of this meeting this morning of the Public Accounts (Enterprises) Committee is to examine the audited accounts, balance sheets and other financial statements of the invesTT Trinidad and Tobago for the financial years 2014 to 2017.

The Committee is desirous of hearing the challenges being faced by the key stakeholders at the invesTT Trinidad and Tobago in attempt to determine some of the possible solutions to these challenges. And the role of this Committee is to help the invesTT Trinidad and Tobago improve the delivery of services, if we can, in an efficient, effective and economic manner.

And the meeting is being held in public, as you would realize, and is being broadcast live on the Parliament's Channel 11 and radio 105.5 FM and the Parliament's YouTube channel *ParView*. And viewers and listeners can send their comments related to today's topic via email [parl101@tt.org](mailto:parl101@tt.org), at [facebook.com@ttparliament](https://www.facebook.com/ttparliament) and [Twitter@ttparliament](https://twitter.com/ttparliament).

So can I now ask for some short comments from the Investments Division of the Ministry of Finance; first of all the Investments Division.

**Mrs. Durham-Kissoon:** Thank you, Chairman, good morning. Good morning, members and

colleagues. We at the Ministry of Finance are pleased to be here this morning to partake in this conversation on the accounts of investTT. We welcome any issues that need to be clarified, and we will try our best to provide assistance to the Committee. Thank you.

**Mr. Chairman:** Thank you very much. Madam Permanent Secretary, would you be kind enough to consider making some opening remarks?

**Ms. Signoret:** Thank you very much, Mr. Chairman, and a pleasant good morning to you and the distinguished members of the Committee.

The Ministry of Trade and Industry is appreciative of this opportunity to be part of the deliberations of the Public Accounts (Enterprises) Committee. As the forum may be aware, the Ministry of Trade and Industry is mandated to expand the non-energy exports, facilitate and attract investment, support the development of globally competitive businesses to contribute to the sustainable growth and diversification of the economy.

InvesTT is a key part of the Ministry of Trade and Industry's work. In fact, the National Investment Promotion Agency is the implementer of investment promotion strategies of the Government including investor sourcing, investor facilitation, investor aftercare; very importantly, tenancing and marketing of the Tamana InTech Park, the Moruga Agro-Processing and Light Industrial Park and the new park that is being developed next year.

InvesTT's responsibilities therefore are in unison with theme four of *Vision 2030*, building globally competitive businesses aimed at creating a business environment that is conducive to entrepreneurship and a more attractive destination for investment and trade among other goals.

We are at the Ministry of Trade and Industry confident that the activities being pursued by investTT will contribute towards the goals identified in *Vision 2030*, and therefore, we look forward to the recommendations coming out of this Committee because we are clear that these will serve to improve the operations of the state agency. Thank you, Chairman.

**Mr. Chairman:** Thank you very much, Permanent Secretary. And the President or Chairman of investTT. Chairman.

**Mr. Knaggs:** Good morning, Chairman, and members of the Public Accounts (Enterprises) Committee. We are very honoured to be invited today by your Committee to report on the activities of investTT for fiscal 2014 to 2017.

InvesTT is a national investment promotion agency of Trinidad and Tobago under the purview of the Ministry of Trade and Industry. Our mandate is essentially to source and facilitate investments, as well as encouraging reinvestments. We target both foreign direct investment and local investments outside of the petrochemical area.

We represent a small team of 19 professionals tasked with a rather large job of competing against a global landscape of countries doing their best to attract foreign investment into their markets.

From a personal perspective, I have been appointed as a non-executive Chairman in March of this year, approximately three months ago. I accept the challenge of this appointment and the opportunity that investTT will have to contribute to the economic development of Trinidad and Tobago.

So, given the importance of this review, as well as the short nature of my tenure in a non-executive capacity, we have assembled a key team of company representatives that will assist us in providing clear answers to all of your very important questions.

Over the period under review, October 2013 to September 2017, investTT has sourced or facilitated 16 investments valued at approximately TT \$863 million creating 1,200 jobs in the process. This achievement was only possible through active and close collaboration with our line Ministry, other Ministries and relevant agencies such as the Technical, Town and Country Planning Division and the Immigration Division.

We are particularly pleased to be able to present to you today the audited accounts for fiscal 2014 to 2017. If I may, I would like to advise the Committee that the 2018 audited financial statements are complete and have been approved by the shareholder, and the extract of the statements are being reviewed by the external auditors before publication in the press. Thank you, and good morning.

**Mr. Chairman:** Well thank you very much, Chairman. I have two members of this Committee who have another engagement with another Committee which is for the first time meeting today. So first of all, may I ask Minister Fitzgerald Hinds to lead off the discussions with you, with everyone and we will move on from there. Minister Hinds.

**Mr. Hinds:** Thank you very warmly, Mr. Chairman. Let me too just congratulate and thank you the members of the board of investTT, having had a look at the profiles here, I am satisfied that we have a very able and strong board to manage this organization, so I thank you for your service to the Government and the people in that regard.

I would like, for the benefit of our key stakeholders, the listeners and the people of Trinidad and Tobago to get some kind of comfort, some assurance from you, investTT, that the mandate that you have just described which I consider to be the “ought”, how is that being realized? What comfort do you give us that this mandate is being carried out efficiently, effectively and economically in the interest of the people of Trinidad and Tobago? I want that stated so we can understand, with that as a backdrop going forward; investTT.

**Mr. Knaggs:** Sure. Thank you very much. Through the Chair, I would like to reiterate that our mandate is to attract, facilitate and source foreign direct investment from across the globe, and we do that in a lot of different fashions. It starts with our website. We have targeted attendance at foreign events where we are able to not only meet investors, but we are also able to see best practices, observe best practices in different markets to understand how people are handling their foreign direct investment policies and strategies, and also meet with the people that are the site selectors. So, the people that are employed by companies to find homes for their various different enterprises and companies in their—very often they show all locations. So we have a lot of different strategies employed by investTT; I think the numbers are very good numbers.

We also have local outreach programmes, we have involvement with the local and regional chambers, and we have outreach programmes within Trinidad and Tobago where we meet with the regional corporations. We have met with eight regional corporations working together with them to see what investment opportunities they see in their particular areas. If it pleases the Chair, perhaps I would like the President to say a few words in this area. Is that okay?

**Mr. Chairman:** Thank you. President.

**Mr. Lewis:** Okay. Thank you, Chair. I will just like to add, we are a small team, so it is approximately 18 or 19 of us. So what we are very strong on is emphasizing maximum use, utility of the resources available to us.

So as our Chairman referenced, the website is very important because as the port of first call, investors considering Trinidad and Tobago from abroad, they look at our website. They may not call, they may not visit but they check to see what Trinidad has to offer through the investTT website. So it is very important for us to keep that up-to-date and with relevant up-to-date information that investors could, at least, make preliminary decisions.

**Mr. Hinds:** Question, if I may. Sorry.

**Mr. Lewis:** Yes.

**Mr. Hinds:** Yes. Thank you. When did you establish this website? And what sort of attraction hits has it had to date roughly?—since this is your main source of feedback.

**Mr. Lewis:** What I can say is that the website has, since the agency started in 2013, but it was revamped in or around November 2017, so what you are seeing now is more or less brand new. And in terms of hits, we get about 5,000 hits per month in terms of visits to the website.

**Mr. Hinds:** That is impressive.

**Mr. Lewis:** Yes. So it is very important for us. And as the Chairman, again also referenced in terms of the targeted overseas events, that is also important for an agency as small as investTT because that is what allows us to build a network.

So, for example, we recently had an investment roundtable targeting the tourism sector which was held two months ago, and for hoteliers, international hoteliers came at their own expense to Trinidad and Tobago and stayed at the Hyatt, paid their travel expenses; we just catered for them in terms of facilitation on the ground, but they came because we had contact with them previously through those networking opportunities and through the website. So that is what works for us even though we are small and we have limited resources, we try to maximize those resources as best as we can.

**Mr. Hinds:** To your credit I have noticed, I think, earlier today I saw a report from the Ministry of Trade and Industry and investTT won some international award. I would like to understand, let the citizens understand, from whom did you receive that? And what is the context in which that was received? I think the Chairman was the recipient of that on behalf of us. Could you tell us a little bit about that so that we can understand your impact in the world?

**Mr. Lewis:** Yes. That award was presented by an organization which has been in the investment promotion field for over 50 years. And the basis of the award was basically on terms of the quality of the facilitation of investTT to investors, how responsive are we to their queries; how comprehensive is our website; how well do we follow up and update investors on their queries that they may have from time to time? So it was a reflection of the type of quality service we provide to the investment community, those were the main criteria for that.

**Mr. Hinds:** That I take it is an annual award?

**Mr. Lewis:** Yes, it is.

**Mr. Hinds:** And that would have been the first time that you—

**Mr. Lewis:** No. It is the third time actually.

**Mr. Hinds:** It is the third time that you won it?

**Mr. Lewis:** Yes. It was previously won in 2017, and the marketing manager may correct me, but I believe 2014 was the first time.

**Mr. Hinds:** And how many countries participate in this?

**Mr. Lewis:** It is international, through the Chair, it is an international award, so in terms of the

IPAs in the region, we were one of two that received that award which was CINDE in Costa Rica, as well as investTT.

**Mr. Hinds:** PS, this one is for you. What—this is a \$10 million operation, not very significant, but significant in its impact and its mandate, but what systems do you have in place to ensure the efficiency and the proper oversight of investTT, important as it is for Trinidad and Tobago as PS, the financier.

**Ms. Signoret:** Thank you, Minister Hinds. The Ministry of Trade and Industry on an annual basis has to submit to other authorities the estimates of expenditure, and we do that internally first by meeting with various companies and in this case investTT to exam what their elements, key elements in the development plan are. We look to ensure that that is in concert with the strategic plan of the Ministry which, of course, follows on the National Development Strategy. And we also try to ensure that the projects that are listed are, in fact, those that are clearly going to bring value ultimately to the taxpayer of Trinidad and Tobago, so that is on an annual basis, when we, if you like, set the blueprint for the fiscal year ahead.

And our project management unit, therefore, has the remit to keep in touch on a regular basis, in fact, on a monthly basis, there is a report that comes into the project management unit, as well as to the monitoring and evaluation unit, they also follow up on a regular basis within investTT to see that those targets, those issues are identified and agreed to are, in fact, moving forward.

So, we believe that we have the systems in place, there is a lot of engagement, communication as required, and we are therefore, hopeful that this will lead to really tangible benefits and ultimately the goals that we really do want, and that is to increase investment—local, as well as, very importantly, foreign direct investment.

**Mr. Hinds:** So, Chair, just one comment and another question. The reason why I asked that and wanted to get some feedback on that is because, unfortunately in our country we have seen many a good thing with a good mandate lose its way, in some cases state operations, state enterprises, so it is important that that oversight remains constantly in place to ensure that we get what we expect from this very worthwhile endeavour.

The question then is, on a scale of 10, because I am not unaware that when you have a trade mission or the politicians leave the jurisdiction and go elsewhere for any reason, some investment opportunities come out of that, as opposed to, was distinct from a direct approach to investTT through its website. On a scale of 10, what would you say, Mr. Chairman, or Mr. President is the attraction to foreign investment through investTT on a scale of 10, as opposed to politicians making contact out there and coming with the ideas or say private trade missions and that sort of thing; on a scale of 10, just so that we can understand.

**Mr. Lewis:** Through the Chair, if I were to guesstimate I would say about a seven. There is more that we could if we had the resources in terms of, for example, if we look at comparable IPAs, they may have offices in the USA or in England or in territories where they think there are possible strong sources of attraction of investment inwards into the territories. We cannot afford that based on our budget, so we have that limitation. So, I would say, yes there are some ways to go, but our approach is not to dwell on that, but to maximize what resources we do have; so I would say seven.

**Mr. Hinds:** I am gratified to know, and thank you very much.

**Mr. Lewis:** Thank you.

**Mr. Hinds:** And congratulations on your selection for the top place in that investment assessment.

**Mr. Lewis:** Thank you, member.

**Mr. Chairman:** Thank you very much, Minister Hinds. Sen. Deonarine.

**Ms. Deonarine:** Thank you, Chair. Good morning, again.

**Mr. Chairman:** Just one minute. May I be—Sen. Cummings has the meeting together with—

**Mr. Cummings:** Thank you.

**Mr. Chairman:**—with Minister Hinds. Can we ask him to go first?

**Mr. Cummings:** Thank you, Chairman, and thank you, Sen. Deonarine. I just have a couple questions. Based on your submissions, this is to invesTT, you indicated that there are some engagements with potential investors in China, Dominican Republic, Korea, the US and Venezuela. Can you give us an indication of what sort of fruits came from those interactions?

**Mr. Lewis:** If I may enquire through the Chair, what year specifically are you referring to?

**Mr. Cummings:** 2016.

**Mr. Lewis:** Okay. In terms of China, if I may through the Chair, that was a national effort that was coordinated with our line Ministry as well to visit China, and there was an expo at the same time. In terms of results coming out of it, there were some leads, there were some contacts made, but no hard investments were derived from those initiatives, but sometimes those initiatives are necessary in order to spread the word, because remember as a new agency, formed in 2013, nobody knows about invesTT, people may not have even known that much about the country Trinidad and Tobago. So part of the outreach is necessary in order to spread the word out there, so the results, the timeline for the results would not be instantaneous, but I think it is a necessary effort that needs to be put in in order to get returns down the road.

**Mr. Cummings:** And the one-stop shop facility, I see that invesTT was supposed to function as a one-stop shop and that was discontinued. Could you tell me a bit about that?

**Mr. Lewis:** Well, the concept of the one-stop shop is basically that you have all the relevant agencies in one place. So, for example, if you are looking to construct a building, you may have Town and Country Planning, you may EMA and so on, all located in one location, so that an investor has one stop to get all the necessary approvals and review of documents and so on.

So at the time I know the PS may have a few words to add to that. We moved to a different model where there is an interministerial committee which is chaired by the Minister at the Ministry of Trade and Industry, and we work closely with the Ministry of Trade and Industry to try and effect the similar type of results in terms of that type of interaction.

The best practice is at a scale, if you look at, for example, Estonia, they do not even have a stop, everything is online, and that is really the best practice. So the investor can just put in their required information online in one form and it goes to all the relevant agencies, so there is no stop basically.

So, we are some ways away from that; I know the Ministry of Trade and Industry is making some efforts in terms of the online services that are available, so we are making progress, but it is how we operate right now is through collaboration with the relevant agencies. We mentioned Immigration, Town and Country, WASA, T&TEC all of them, so it is about maintaining those types of relationships to help the investor or to fast-track whatever proposals they may have.

**Mr. Cummings:** Chairman, you indicated in your opening that invesTT through its efforts had

realized or brought to Trinidad and Tobago, investment exceeding \$800 million, you said?

**Mr. Knaggs:** That is correct. Yes.

**Mr. Cummings:** Could you just give me that figure, again, please?

**Mr. Knaggs:** Eight hundred and sixty three million over the period in question.

**Mr. Cummings:** Could you give us an indication, and it does not have to be a total breakdown, but that investment would have been in what area?

**Mr. Knaggs:** A variety of different areas, and I can also ask the President to chime in, if he feels necessary. We have trans-shipping as an area identified.

We have logistics as areas identified. Of course in a forum like this we do not really want to talk about specific companies and level of investment.

**10.40 a.m.**

But it is also important to note that we also use—we use ROIs as a return on investment as an internal KPI—so while we try and keep the level of expenditure down as low as possible, we try and maximize the return. We use specific numbers and if you look at the level of investment outside of the areas in question as well, you see a very good trend that will indicate that every dollar spent in investment reaps a very good reward, in terms of investment coming into the country and of course, once you have a high level of investment you have a growth effect, a compound effect on top of that. You have jobs that come along with that and then you have people paying taxes, and economic activity and support of families around that.

So, we are concentrating in many different areas and we are trying to stay very consistent with the Government's 2030 Vision, which is an important one for the country, and our activities this year—I think in previous years have been quite varied, and a lot of successes in a lot of different areas. I think a lot of work—we are doing a lot of work internally this year, to see if we can narrow the focus, stay outside of the petrochemical area as is our remit, but really focus in on three, four, or maybe five, sectors that really make sense for Trinidad and Tobago, that fit well with our demographics, our skill set, our labour rates, direct flights from North America, direct flights from London.

So, I think we are in the re-evaluation phase right now, to try and find out what sectors really make sense for Trinidad and Tobago to make sure we do not overlook anything, and of course the international markets are changing all the time. So, technology is changing, businesses are changing, countries have inflows and outflows of FDI. FDI is down on a worldwide basis, but our numbers are ramping up, so we are also in a re-evaluation phase.

**Mr. Cummings:** Have you set yourself a target for instance? To say that—I know you have a strategic plan—but have you gone in terms of setting a dollar target that—you have reached eight plus now—have you set a figure that you would like to—

**Mr. Lewis:** If I may, you know, one thing is to set the target, the second thing is how accurate is the target. So, our target is based on what is in our investment pipeline. For example, if we re-examine the pipeline in terms of contacts we have made, or outreaches to particular investors, we will see a TT \$2 billion pipeline. As to how much will be achieved within, let us say fiscal 2020, our current estimate is in the range of TT \$200 million for 2020. But the target is really based on what is in the pipeline, because even if an investor walks through the door tomorrow and says “Hey, we looked at Trinidad and we want to invest”. We are talking one to two years before it actually happens. So, that is not an investment you could count right away, but it is important to

make those outreach efforts and do that networking so the pipeline builds, because the actual investments generally—unless something falls in your lap—generally comes from what you have built up in your pipeline.

**Mr. Cummings:** One more question, Chairman. In terms of your executive team, and you may have inherited this, Chairman, so, you have two Vice-Presidents? You have two Vice-Presidents?

**Mr. Knaggs:** Yes.

**Mr. Cummings:** And they are employed on a permanent basis?

**Mr. Knaggs:** That is correct.

**Mr. Cummings:** And your President is on contract?

**Mr. Knaggs:** Correct.

**Mr. Cummings:** What is the thinking there?

**Mr. Knaggs:** Well, as you rightly said, I have inherited this. That has been the modus operandi. That is the way I found it. There are different schools of thought when it comes to a position such as this. One school of thought is that you really want to have somebody in for a set period of time to keep the ship pointed in a particular direction—

**Mr. Cummings:** Yes.

**Mr. Knaggs:**—right, and encourage people to do so. As opposed to an employee of a company which may or may not be targeted or recruited to go to another agency, so in one respect the contracts are ideal, in terms of setting a time frame for the organization and keep that direction over a lengthy period of time. And in other ways, in other respects, perhaps not as ideal, because there is—there may be the feeling of a slight separation between yourself and the organization. I think the truth really lies in how you handle it, and how you work together as a team, how you collaborate internally as well, as well as collaboration with the different entities and the Ministry itself.

**Mr. Cummings:** Okay, thank you, Chairman.

**Mr. Chairman:** All right, thank you very much, Sen. Foster. Thank you for your answers. And we come now to Sen. Deonarine.

**Ms. Deonarine:** Thank you, Chair. Good morning again everybody. Mr. Chairman, I heard that you were saying that you all are currently undergoing a re-evaluation exercise on the sectors in which you all would like to be involved in, and in response to one of Sen. Cummings' questions, you said that right now investments are in the area of trans-shipment and logistics. Are there any other sectors? Because I looked at your website—and good job at the website—and I saw that the areas that you all are interested in are: tourism, ICT, agriculture, agro-processing, maritime services, creative industries, manufacturing and financial services. So, is it that you all are expecting to move away from these sectors?

**Mr. Knaggs:** Thank you, through you Chair, no, the expectation is not to move away from the sectors. The expectations are twofold, number one, we have to make sure that we stay very true to the country's *Vision 2030*, which is a great direction if you look at it, but fairly broad in scope. If you look at the website you will see a lot of areas that the company invests in. IT has traditionally focused on, but these are the things that we think we know.

So, I think the way the world is moving and the economies are shifting, and technology is changing. With a foreign direct investment activity you always have to re-evaluate, and make sure you know what you know, and you also know what you do not know. So you always have to be

in this constant re-evaluation stage with trans-shipping for example, which is one of the examples. It is perhaps an undeveloped sector that has a lot of opportunity; we have the largest natural harbour in the Western Hemisphere on our doorstep. If you look at other—and we are geographically located perfectly for an operation such as that. And if you look worldwide, people do a lot more with smaller resources. Perhaps not a natural harbour that is as large as ours, or a geographic proximity that is ideal as ours.

We are in the re-evaluation phase of the year, and I think it would be prudent to do that every year around this time just to make sure that we are not missing anything. When we visit other IPAs in the region that have great successes as well, it is very clear that they are constantly re-evaluating what they are doing. What they are doing right now may not necessarily mesh with where they need to be in five years. So, they may be very, very successful in a particular sector, but they may be forward thinking to a point where they realize that where they are successful now those jobs may evaporate in five years. So they always try and be in the re-evaluation phase and the crest of the wave from a market standpoint and a technology standpoint, so that they can work with the educators, work with the organization, work with the companies that are there to start gearing up for what they see as the next stage, and that is what investTT is doing presently.

**Ms. Deonarine:** Okay, so could you tell me briefly, what are the elements of your re-evaluation exercise currently?

**Mr. Lewis:** If I may, and I go back a little bit in terms of the types of investments which we have closed over the period. Besides the trans-shipping and so, we also have ICT investments, agri-processing investments, creative services, as well as manufacturing as a broad base. So, in terms of going forward, the starting point for us is to—we have done a polling of the staff, which actually closed yesterday, to get some feedback from the staff. Okay, what are your—from your perspective you are working in investTT for a number of years, you are interacting with investors, you know where the interest lies, what are the best bets for Trinidad and Tobago from your perspective? And some of the initial results indicate things such as the logistics issue, being an important investment area for us, the maritime services, ICT sector, particularly the BPO sector.

What we will do with that, the next step would be to engage probably local or foreign consultants to try to pin down, okay, these are what we think are our best bets. You do the more detailed analysis as a consultant and tell us what really works for Trinidad and Tobago. What will work for investTT, do the research, do the comparative positions between us and other territories in the region, and then you come back and then that will fine-tune to maybe the three, four, top wins that make sense for Trinidad and Tobago. So that will be the next stage.

It does not mean that we go outside those areas, I would just like to make that point, because you may have an investor come through the door in an area totally that you did not consider, but which makes sense and fits in the *Vision 2030*, and so forth, and you treat with that investor as it happens. But it does give you better focus as our Chairman was alluding to. So we know exactly where we should focus our limited resources to get the maximum impact based on the analysis.

**Ms. Deonarine:** Okay, so during your earlier—one of the answers to the earlier questions—you indicated that 1,200 jobs were created, and I am just wondering what areas of expertise those local jobs were focused on—of job creation, is it skilled labour in various sectors?

**Mr. Lewis:** It is a mix. So for example in the ICT sector, that accounts for a significant percentage

of the jobs, so that counts for maybe 300/400. And we are talking about school leaving, high school students type of qualifications, basic high school certificate at that level. Then you will have more technical services in, let us say, the maritime services area where you have special training or technical skills that you could apply in that type of environment.

Another type of the—in terms of the ICT software development, we are talking university grads who may have had a degree in software development or in robotics or something like that.

So, it really depends on what the investors' requirements are, but you raised an important point, if I may through the Chair, because part of what investTT's challenge is, is to anticipate what the skill requirements are of the investors coming through the door, and to work with the relevant authorities whether it be the Ministry of Education, or the tertiary institutions such as UWI and COSTAATT and UTT, to upskill our people, so that we can meet the needs of the investor when they are ready to make the investment. Because what investors sometimes tell us, they do not necessarily expect to have a pool of labour that meets their requirements right way, but they want to know you have a system in which you can train the required people in the particular skill sets that they are looking for, over a reasonable period of time. So that is part of our role as well.

**Ms. Deonarine:** And just a recommendation, maybe this should be a critical aspect of the entire re-evaluation exercise, because at the end of the day, we want to make sure that we use as much of local labour as possible, and also make sure that there is some sort of transfer of skills taking place as well. And also, some sort of integration with the other authorities to ensure that we have no skills mismatches, and ensure that we improve any mismatches that may be taking place. Another question, Chair, if you permit me?

**Mr. Chairman:** Go ahead.

**Ms. Deonarine:** Now, I understand from studies and you would have indicated that almost 70 per cent of reinvestment goes towards the foreign direct investments, right? So, could you shed some light on the reinvestment strategy of investTT?

**Mr. Lewis:** Through the Chair, I do not know if it was a misquote, but the 70 per cent figure if I recall, says that basically 70 per cent of the investment that happens in our country happens through reinvestment.

**Ms. Deonarine:** Yes, my apologies, I said it incorrectly.

**10.55 a.m.**

**Mr. Lewis:** That is fine Senator. So, basically, while we need to keep adding to the pool of investors through sourcing and targeting and bringing new investment in, we cannot ignore the investors who are already in the country because they are the ones, the 70 per cent, who are likely to reinvest and to spend more money. So part of the role of investTT is to maintain close relationships with those investors, so we never leave them. It is like a long-term marriage. So, we do not just want to bring you in and you invest and we say “Bye bye, thanks for investment”. It does not work like that. It is a long-term marriage, and that investor is now handed over to Stacy's department, the VP Investor Services, and that unit works the investor over the lifetime that they are in Trinidad and Tobago encouraging them to reinvest. They may have certain needs, for example, they may want to expand and they need some assistance with Town and Country, or with Immigration, and this sort of thing, so we always maintain contact, because we are trying to encourage that 70 per cent reinvestment.

**Ms. Deonarine:** All right. So, in light of the recent economic slowdown, I saw in your submission

that you said that a lot of the reinvestments, the rate of reinvestments also slowed as well. Is that correct?

**Mr. Lewis:** I am not sure, through the Chair, Senator, if I can say it has slowed. What I would say is that investors work on different cycles. So, we will never see a steady graph showing investments going up all the time or going down all the time. It depends on when we interact with that investor, where are they in the investment decision cycle. So, we expect to see some fluctuation, and that is the normal trend, to fluctuate.

**Ms. Deonarine:** Okay, so at present what is the percentage of companies that have been reinvesting?

**Mr. Lewis:** If I may, looking at 2018 where we closed eight investments, ah, one, two, three, four of those eight were reinvestments.

**Ms. Deonarine:** Do you have a value?

**Mr. Lewis:** I can get those numbers of those reinvestments to you.

**Ms. Deonarine:** Okay, I would appreciate that.

**Mr. Lewis:** Yes, sure.

**Ms. Deonarine:** One more question. Now this might pertain to the Ministry of Energy and Energy Industries, and also invesTT. What resources are being put in place to see what the contribution towards the overall GDP is in these various sectors? So, for example, are you in a position to say that how compared to 2012 or 2013 when invesTT was established to today that there has been an increase in contribution of GDP from their ICT sector, agro-processing sector to date that was directly attributable to invesTT? The work of invesTT and the foreign direct investment coming in from abroad?

**Ms. Signoret:** Senator, I think that would be an element that we would have to reach out to the Central Statistical Office to get some details on and we will follow that up. I think it is a very useful suggestion.

**Ms. Deonarine:** Okay, thank you. And also in terms of exports, exports of services as well and exports of goods and services, because, remember we have to be cognizant of the fact that this is a lot of work that we are putting in here. InvesTT is doing a lot of work. A lot of Government resources are going in towards making sure that this facilitative role is working for the economy. At the end of the day you want to make sure you are able to measure the impact these things have on the economy, because at the end of the day we want to make sure that we are diversifying away from the energy sector, and that is the mandate of the company, to ensure that there is a certain level of diversification away from the energy sector. So just a point of recommendation and suggestion there. Thank you, Chair, that is for them.

**Mr. Chairman:** Thank you very much, Sen. Deonarine. Next we will hear from Minister Gadsby-Dolly.

**Dr. Gadsby-Dolly:** Thank you so much, Vice-Chair, and let me address my first question, I think, maybe to the President. I note the mandate of the company is attract, facilitate and source investments, yes?

**Mr. Lewis:** Yes.

**Dr. Gadsby-Dolly:** Okay, good. Now, I am looking at your strategic engagement pattern for the years in question, 2014 to 2017, now noting that the company started in 2013?

**Mr. Lewis:** Yes.

**Dr. Gadsby-Dolly:** So, there would have been quite a number of strategic engagements both local as well as foreign for the years 2014. It reduced somewhat in 2015 and 2016, so in 2014 you may have had over 10, approaching 20?

**Mr. Lewis:** Yes.

**Dr. Gadsby-Dolly:** 2015 maybe just about 10 or less; 2016 about three and then none in 2017. What I am trying to understand is, what is the type of investment that would have been made in 2014, '15 and '16 in terms of your strategic engagements, if you can disaggregate in terms of foreign and local, that would be good as well, and I would like to understand the rationale between 2014 to '16, that decrease, and certainly in 2017 what happened there where there was none at all, not even local listed here, at least based on the submission that we have in front of us, and I would like to understand what is your policy with respect to investment in that area and the returns that you get from it? So, just a little bit of understanding of what happened in terms of your strategic engagements?

**Mr. Lewis:** If I may through the Chair, I would ask the answer to be started off by our manager of finance to explain in terms of the dollar spend for the insured years and then I would come in at the end.

**Dr. Gadsby-Dolly:** And if I could just ask to the manager, I noted you came in in 2017, the manager for finance. Was he here in those years, 2014, et cetera?

**Mr. Lewis:** Yes, he was.

**Dr. Gadsby-Dolly:** Okay, good, so he has good perspective to give us?

**Mr. Lewis:** Yes.

**Mr. Alfred:** If I understand your question member, in terms of the spend from 2014 coming forward. The spending is primarily driven by the funding provided by the MTI in terms of investIT's activities, and there has been a decline after those initial years in terms of the funding that has been provided, and it is now in the last two years or so, probably levelled out a "lil" bit, but the funding has declined from in the first years, and I do not have the numbers.

**Dr. Gadsby-Dolly:** You do not have a quantum for us for 2014, '15, '16 in terms of what was spent?

**Mr. Alfred:** In terms of 20—

**Mr. Lewis:** If I may chime in, through the Chair, overseas travel in 2014 was 1.7 million; 2015, 728,000; it was zero in 2016 and '17, and I could, if I may add, for 2018 it went up to \$226,000. Overall, I would say we are a lot more—I cannot speak that was the previous administration in terms of prior to 2014/'15 figures, but if I may say, we are a lot more focused now in terms of what events we attend or which investors we try and target to maximize in terms of the use of our resources. While there may be some allowances in 2014 for the level of travel, I do not think it may have been fully consistent with the returns that one would expect from that travel, if I may say, but as I say that predates me.

**Dr. Gadsby-Dolly:** Understood. So, in term of the focus on local strategic engagements, has that increased while the foreign ones have decreased?

**Mr. Lewis:** Yes. So, what we did, because, of course, you may recall the change of administration in 2015, and, of course, one of the priorities then was in terms of looking at the resources. So, in terms of overseas travel that was taken a very hard look at, and I think need rightfully so. So, our focus was on developing, ramping up the website, because if you are not travelling as much as you

can, you still need for the investors to know about you and to reach you, and through the website revamp which started—predated me—but it was completed in November 2017, they now have a better face to the potential investor outside there.

We have also ramped up there, as our chairman mentioned, the local interaction with the local chambers. And I am not just talking the major chambers, but also the regional chambers, like the Chaguanas Chamber of Commerce, the Toco/Sangre Grande Chamber, and so on, as well as in terms of the regional corporations, the actual number is actually 11 regional corporations, including Tobago has been visited, and that is to find out, well, okay, what are your priorities in terms of investments. The Mayor of Arima, or the Mayor of San Fernando, or Tobago, or Diego Martin, or Penal/Debe, what are your priorities? What are your investment projects?

Following up from that, we would also be doing some very targeted labour studies in those particular regions by regional corporations. So, if we are, for example, looking to sight a BPO set up in Penal/Debe or in Chaguanas, what is the pool that we are drawing from? Because the point we made to investors, they may look at the unemployment rate and say, Trinidad does not have. Anybody is not working. Is 5 per cent, that is full employment by definition. But, the reality is the pool that is required for the BPO sector is generally age between 17 and 25, just left high school, and that unemployment rate might be more in the range of 8 to 10 per cent. So, there is a pool of people, and that is the type of work we do to try and attract and to have the information that is necessary for the investor.

**Dr. Gadsby-Dolly:** So, if I am to understand you correctly then, the emphasis has changed in terms of attracting the foreign to using the website to do that and to focus a lot more on your local investment?

**Mr. Lewis:** If I may Minister, it is a mix. So, we are trying to attract the foreign, we are trying to attract the local. We are heavy in the use of the website and the social media presence to reach out. For example, I recently attended the CHRIS conference in Miami, that is Caribbean Hotel and Resort Investment Summit, and part of our protocols when we attend these events is that besides reaching out to people there we all make sure we add them on to our personal LinkedIn pages to try and start conversations and maintain a personal network. So it is the who strategy in this modern era, modern dynamics of reaching investors, because people invest where they know people and they like you. That is the reality of it. So, if they are interactive with Christopher Lewis or with Philip Knaggs or so on, and at some event and say, well, “Hey, let’s consider Trinidad and Tobago because Chairman Knaggs works there.”

**Dr. Gadsby-Dolly:** So you are saying you are focused on social media and your social presence in the online environment is to—the company a better spend in terms of being able to attract the foreigners rather than actually travelling and spending the amount that was spent.

**Mr. Lewis:** Correct, so it is a change of focus, because we could probably get the same results from in Trinidad and Tobago.

**Dr. Gadsby-Dolly:** Okay. So that brings me to the question then of the country’s branding and marketing, and I am seeing that that aspect was an add-on to the mandate of the company, and it may not at this point be maximized to its full extent. Is the use of the website an attempt to also push forward the country’s branding and marketing aspect of the mandate?

**Mr. Lewis:** Through the Chair, I believe the PS might be the best position to answer the country branding issue, but basically we await guidance from our line Ministry. Initially invest prior to

my being at the position was in charge of a country branding exercise, but with the change in the administration that is under review at present, and I know there were some changes taking place under tourism, which is a major element of the country brand. So, it is not something that we pursue right now as an agency, but we await guidance to see how best we can fit in that exercise.

**Dr. Gadsby-Dolly:** Okay, so could I direct it to the PS then? What exactly is the idea behind this country branding and marketing? Is it on a tourism aspect? Is it for an investment point of view? What exactly is expected from this area?

**Ms. Signoret:** Yes, thank you very much Minister. I think that that is a discussion that is being held in different quarters, certainly within the Ministries of Tourism and Planning and Development, and we were of the view that investTT which had actually led a group or a committee, an inter-ministerial committee several years ago, that the work could have continued from that committee. As it stands now, we are or I believe another entity, another public sector entity is being charged with looking at the overall country brand, and so we are to be guided by what that ultimate brand will be.

However, in terms of moving forward with promoting Trinidad and Tobago as an investment location, we are clear that that is the niche that the Ministry of Trade and Industry is going to be going after, and investTT has been doing that quite well, quite pointed in terms of looking at the areas that we have a competitive advantage and building on those. They have also, in our respectful view, reached out to the diaspora, which has been also a very useful source of generating interest, but within the clear area of investment facilitation because the wide diaspora policy, again, falls elsewhere. But the feedback has been encouraging, and the work that they have been doing in terms of getting T&T out there, that also must be commended.

**Dr. Gadsby-Dolly:** So, am I to understand then that in the initial iteration of this mandate it fell into the broad area of the total country branding of Trinidad and Tobago, not specifically in the investment area?

**Ms. Signoret:** That was our feedback. I think that committee was established probably in 2013, thereabouts, or maybe before, and there was a European consultant that had been engaged to look at an overall country approach, but that has since changed.

**Dr. Gadsby-Dolly:** That is interesting. Would you know whether or not a report was generated from that? Was it completed, and what kinds of funds were invested in that, and where that report is now?

**Ms. Signoret:** I think that report has been completed. We can seek to have that made available, and all those other details perhaps highlighted as requested.

**Dr. Gadsby-Dolly:** Because it would be interesting to know whether the work that was done to generate that report and all of the analyses, whether or not they are being taken into consideration by whichever state enterprise is now going to be tasked with the role of the country branding and marketing? Because I would not imagine that if we had a foreign consultant that does not necessarily come cheaply, so therefore if there is value to be obtained from it, I think it would be important for us to understand where that value can be maximized?

If I may, with regard to the receipt of the award for quality facilitation, congratulations are due. However, I want to contrast that with the moving away from the one-stop-shop model that existed prior to 2016, and to understand in moving the model, would that—were awards obtained before 2016 when the one-stop-shop model was used? Yes?

**Mr. Lewis:** Yes.

**Dr. Gadsby-Dolly:** And so moving away from that model you are still able to obtain award. So I want to understand what was the rationale for moving away from that particular model? And I want to understand whether or not—well, the receipt of the award suggests that what is in place now, the model in place now, is that it is reasonably effective. I want to understand what was the policy decision and why the justification?

**Mr. Lewis:** If I may interpret, through the Chair, I believe it was a question of best use of people's interpretation of whether—how effective the one-stop-shop was, because, really it is a challenge in the absence of a legislative framework that says, "Hi, you were investTT and you have the authority to go into any particular government agency and get information or get follow up action, or to get an investor proposal to the top of the pile." In the absence of that legislative framework, you see it becomes a question of moral suasion, and persuading and contacts, and people change, heads change. So at the time their thinking was that maybe the one-stop-shop was not as effective as it could have been. It has morphed into a new variation, the inter-ministerial committee, which is led by the Ministry of Trade.

I believe a key element going forward, and to be successful in terms of an investment facilitation is the whole question of the ease of doing business and making improvements, which again is being led by the Ministry of Trade and Industry. We make our recommendations from time to time which they consider, but the certain things like opening of business, the standard in Trinidad and Tobago is seven days from the analysis. The world best standard is two hours in Macedonia. So, these are the gaps that we have to try and close, and I believe if we close those gaps in terms of the ease of doing business well then the one-stop-shop idea would become a redundant one, because, you know, it would be easy for everybody.

**Dr. Gadsby-Dolly:** So, when you mentioned moral suasion, as a representative I felt as though I know exactly how that feels. [*Laughs*] When you say now that you have this inter-ministerial committee, so representation comes then from all of the different agencies and stakeholders and they meet regularly, and so are able to fast-track the applications and so?

**Ms. Seignoret:** Yes. Minister, and if I may answer that question, yes. In fact, the inter-ministerial committee was established in 2017, and it is primarily for investment facilitation over TT \$30 million, over US \$5 million. So investTT really does—they continue to do what they would normally do, but in the case where there may be a larger investment we really want to insure that there are no hurdles. And sometimes when the issues come to the table it may be something as simple as not getting feedback in the anticipated time frame from a particular state agency. What having people around the table has done, is that the different agencies are able to say, oh, this is being initiated, send us a copy one time, or send us, give us that update one time so we do not have to wait another two weeks, another two months, and it has been quite useful in terms of being able to unclog some matters. And I think that it has been a good generator of goodwill, and moving processes forward that might have been otherwise adversely looked at.

**Dr. Gadsby-Dolly:** So how often does this inter-ministerial committee meet?

**Ms. Seignoret:** At the Ministry, sometimes it is perhaps once a quarter or as required. But the absence of meeting does not mean that one does not move forward with an issue. In fact, one of my colleagues here is practically on the phone every day or every other day with any particular agency, whether it be Town and Country Planning, whether it be T&TEC, whether it be the EMA,

to see how far a particular process has reached, or with the investor himself or herself, who might be a little concerned about the pace at which things are moving forward. So that is not necessarily aligned exclusively to the date of a meeting. There is constant interaction and approaches to the different entities as required on a daily basis.

**Dr. Gadsby-Dolly:** So the composition of that meeting, what level of officers are represented? It is chaired by the Minister of Trade and Industry?

**Ms. Signoret:** It is.

**Dr. Gadsby-Dolly:** And what is the composition of the representation from the other agencies?

**Ms. Signoret:** They are usually very senior technocrats from the AG's office, the Deputy Chief State Solicitor, people who are of a high managerial level.

**Dr. Gadsby-Dolly:** So, decision makers?

**Ms. Signoret:** Decision makers or very close to decision makers, Director, Town and Country, sometimes two or three persons may come from a particular agency, even WASA or T&TEC, depending on, or maybe the Ministry of Works and Transport dealing with the roads and Highways Division. So there are a number of different areas that are represented by people who are in a position, a) to know the intricacies of the particular project, what may constitute a hurdle or an impediment, and also to give advice as to what needs to be done. And, again, through collaboration with others around the table realize, okay, well, you started this, please make sure this is not—do not leave us out of the loop so that we can work collaboratively to get this going forward. And I would have to say that it has been a very positive element, and the persons who have been representing their different entities, they are very committed, they go back to their different agencies, they come back to say, okay, this has been done. Really, it is a full team effort, and they also have to be commended as well.

**Dr. Gadsby-Dolly:** So if I understand you correctly then, though the committee may formally meet once a quarter, what it has created, or the convening of it, has created a network led by the Ministry of Trade and Industry who interacts directly with the investor above the certain level, US \$5 million, and the Ministry of Trade and Industry then would be able to, based on the membership of this committee, basically, in principle, have a one-stop-shop that happens and assists. Is that exactly what it is?

**Ms. Signoret:** Well, I would say that that in essence is what emerges. Because the one-stop-shop really is just go to one place and so on. But by having a team around the table working on resolving issues that helps to move processes forward and I also have to say in terms of the electronic approach, we have in train our single electronic window which does help to move things forward from an e point of view, and that has been a very useful element. I think we are the only ones in the Caribbean, in the Commonwealth Caribbean, in Caricom with such an entity that helps to bring a portal to persons who are looking to invest in Trinidad and Tobago, and where we are committed to moving forward, and we are committed to working within the SE, single electronic window framework, to develop the systems with other Ministries and other agencies so that we can move from what is current to what is best practice, and certainly improve our standing in the doing business scope.

**Dr. Gadsby-Dolly:** Chairman, you wanted to join in?

**Mr. Knaggs:** Yes, if I may, through the, Chair. I would just like to point out that a one-stop-shop approach is a good approach if the—it can be considered a good approach if the system

needs it. In an ideal world a company that is working together with a country and Ministries to attract foreign direct investment would, if everything was working at a 100 per cent, and we are firing on all pistons then you really would need a one-stop-shop, because the system would work for itself. So, we do meet with representatives in Europe, European countries who were able to, as the President stated, you are able to come into those countries and open a business in two hours or three hours. So the Ministry is really doing a lot of work in that area, and the idea really is to create a system that works so this portal is really best case and best practice, and if that can work very, very well then the resources and efforts of a company like invesTT can be squarely targeted at the domain where it should be. So you can spend less effort on trying to resolve issues, and pave the way, and cut through red tape and whatnot, and perhaps spend more energy trying to source investors to come to Trinidad and Tobago. So, work is being done in the background and I am very hopeful that at some point we have this elegant system that works well through—electronically well, and ties in together all the state agents' approvals, applications for incentives, perhaps, so that we can squarely do what we do best, and that is try and find more people to come into Trinidad and Tobago, bring foreign exchange, and create jobs.

**Dr. Gadsby-Dolly:** Okay. And just my last question. All of these factors that we have been speaking about in terms of the rate at which we can do things and trying to facilitate investment, would it affect the achievement of your investment targets? So, Sen. Cummings had mentioned about the targets before, and I know you had gone into some detail with respect to what is in the pipeline, and using those to set the targets and then to determine whether or not you have met them. So, for the time under investigation, 2014 to '17, the company would have fallen under its targets, and there would be different reasons why. My question is: What are the main areas that would have contributed to not meeting the targets? And I would want to know also how realistic the targets were set in terms of all the different things that go into ensuring that it goes from application to actually having the investment made? Are your targets realistic? Were they realistic in the start? Are they more realistic now? What is happening in your present day? Are you coming closer to meeting those targets? That is the kind of discussion I want to engage now.

**Mr. Lewis:** Thank you, Minister. Through the, Chair, I believe the dollar targets that were set in prior years were not realistic. It was sort of taken from some source that was unrelated to actual activity happening on the ground. So, going forward, because our new chairman has raised the point as well as about setting dollar targets going forward. What we moved to in 2017, around there, '16, '17 was targets based on number, number of investments, because it was so hard to put a dollar value to the investments. So, for example, in 2018 the target was four investments, two reinvestments, two new investments. We actually achieved eight. So, we exceeded the number of targets for 2018 in terms of what I could speak of from recent times. But, we can set a dollar target, but it has to be based on reality. What is in the pipeline? What do you expect to close within the next year, or the next two years? Other than that you would just be pulling a figure that looks good on paper but does not have the grounding in reality.

**Dr. Gadsby-Dolly:** Might not look so good the next year when you “doh” make it.

**Mr. Lewis:** Correct. [*Laughter*] Yes, and that would have a demotivating impact as well on the team, because if it is so far out of reach. But I believe if we really scrutinize our pipeline, which is what we are doing for 2020, and say, hi, well you guys say you have this big \$2 billion pipeline and you could get 200, let us say 250 million in investments next year, this is based on your numbers,

so that is your target, because you are telling me this is what you can do and this is what you now have to go out and achieve. So I believe that type of approach will be more fruitful in the long run, and it would be more motivating for the team, because they know where the numbers are coming from. But it does not mean to say that someone cannot walk through the door tomorrow and come with a—but that does not count, because that is not something that was in your radar.

**11.25 a.m.**

**Mr. Chairman:** Thank you very much. Following on some of the discussions that we had between the Committee here and you in terms of where is investTT going and so on, can I pose this question to the Permanent Secretary, Ministry of Trade and Industry. Madam Permanent Secretary, there are great similarities between the goals of investTT and other state enterprises namely, for instance, Trinidad and Tobago Free Zones Limited, Trinidad and Tobago International Financial Centre. And when I say that, let me just explain that. The Trinidad and Tobago International Financial Centre has as its goals, to attract and facilitate foreign direct investment in the financial services sector that would enhance the growth and diversification of the economy by creating sustainable employment and generating foreign exchange. That is the TTIFC.

The Free Zones Company has: leveraging our competitive advantage to provide an investment friendly environment that facilitates business activities to achieve our aims of national economic diversification, job creation and attractive investor returns. So these two are almost similar, but one dealing more with finance, and then you have investTT, which you enunciated are your goals as well. So given clear-cut similarities of all three enterprises, could you tell this Committee, given the overlapping goals and roles that—from the three, and there are more—where do you place investTT in this scenario knowing that TTIFC, or IFC, and Free Zones exist? What is relationship with one and the other? And how is the distinction made and the prevention of overlapping of roles and the confusion that could ensue as a result of these three doing the same thing. Could you give some clarification on that?

**Ms. Seignoret:** Thank you very much, Vice-Chairman. A useful observation indeed. But I think we see the Investment Promotion Agency, investTT as the window to the world and anyone looking to invest into Trinidad and Tobago will perhaps first reach to the IPA, reach to investTT. And so as the window to the world, as the gatekeeper, the doorkeepers, they would be charged with giving information about investing in Trinidad and Tobago—why we are a preferred location and of course the varied reasons.

The Trinidad and Tobago International Financial Centre, they do operate under the aegis of the Ministry of Finance and they are specifically looking at financial services. And of course that is in keeping with those seven areas that have been identified in *Vision 2030*, under one of the goals in theme four, “Building Globally Competitive Businesses”. There are seven areas that have been identified: financial services; maritime; agro, agriculture and agro-processing; fish and fish processing; creative industries; maritime industries; aviation services.

InvestTT has an overview, if you like, of the remit of Government of Trinidad and Tobago, the areas of interest, but investTT is looking at the non-energy sector. There is, in our view, no real overlap because investTT has a clear mandate. They also reach out to others, if for example someone is interested and I could think of a case of a BPO company that investTT was responsible for bringing on board, and once they get this particular interest, they then need to find the best local entity to move it forward. And so the Trinidad and Tobago Free Zones Company may come

in at that stage. So they then take it to another level in terms of creating an environment where the investor can happily establish and move forward.

So in a sense, while there are similar objectives. I think that they are—it is not necessarily an overlap per se—invesTT does not deal with financial services, exclusively. If something along that line which has come to their attention, they would ask the IFC to follow through in the—given their remit. But as the gateway, the doorway, reaching out to the external community, invesTT really is best positioned to do that. I do not think the TT Free Zones Company, that they do have that outreach and therefore when they are dealing with any entities that are applying for that status, they go along a different route, a different path, but ultimately, same objective is to ensure that you have a well-functioning environment for the investor to move forward in.

**Mr. Chairman:** If I am to put this to you, would you agree that there should be—first of all, is there coordination between these three enterprises? Because one overlaps on the other. And should there be some coordination between all foreign investment authorities, like the three we are mentioning, to bring about a convergence and a complementarity by having only one existing enterprise, which fulfils the functions of these three companies? What are your thoughts on that?

**Ms. Signoret:** Hmm. I think I will have to look at—

**Dr. Gopeesingh:**—and then you can have different divisions within that one enterprise.

**Ms. Signoret:** That is a useful way forward, but I think we also have to look at the work of National Energy and NGC, and they are very specific in attracting energy investments. And so as of now, I think it is important for there to be awareness and information sharing in the current construct—take into consideration that there is expertise that is lodged in the different areas.

**Mr. Chairman:** Can they not come together with this expertise? So you have a coordinative, functioning enterprise that one is knowing what the other one is doing right inside there, rather than trying to find out what one is doing outside—one is here and one is there. And that is why you will probably have to have these meetings of the different departments, so that you in those meetings, you are trying to bring the thoughts together. But if you have one enterprise that deals with the entire process—you are the Permanent Secretary, Minister of Trade and Industry—so I am putting this to you to see how you might want to respond even further on that issue.

**Ms. Signoret:** I think that we are responsible, the Ministry of Trade and Industry for the non-energy sector.

**Mr. Chairman:** Sure, but so are the others. TT Finance might not have a strong thing with energy, but they may have in other areas and I will come to the other areas which you spoke about just a while ago. Go ahead.

**Ms. Signoret:** Member, I think, Mr. Vice-Chair, that it is a very useful suggestion. I believe that there is some degree of engagement and collaboration among the different entities that currently exist. We still are of the view that the IPA is best positioned to respond to any enquiry and then, as required, channel those enquiries, to—whether it is the energy sector, whether it is the financial sector. But your proposal is something that is deserving of greater research.

**Mr. Chairman:** In terms of a governance prospect, you know, it is always a good thing to have one major enterprise that can have its wings in different areas. So, but there is a coordination at the top. But I thought I would bring this to your attention for possible consideration sometime by your committee, who may want to look at it. And I am now going to refer—go ahead, you wanted to say something.

**Ms. Seignoret:** Yes, sorry about that. I just wanted to say again the committee, the interministerial committee, does not look at the energy side of the aspect of the equation. But I believe there—if you would be—

**Mr. Chairman:** I was not speaking about the energy, I was speaking about—

**Ms. Seignoret:** About the non-energy?

**Mr. Chairman:** I would come to the area which I am speaking about now. Let me draw your attention to major investment incentives in Trinidad and Tobago. And this is for investTT: you have the manufacturing sector, the creative sector, tourism sector, agriculture sector and the maritime sector. Trade, financing, and then of course, you have some across the other sectors and then last of all is the energy, but we are not going into the energy.

There are major investment incentives across each one of these sectors. Is investTT aware of these incentives so that you can use these incentives in a proactive manner to help international organizations, businesses, to let them know that these are the incentives that we have in Trinidad and Tobago? How does investTT—are you first of all aware of these incentives? Let us take the manufacturing sector: What incentives you, as investTT, are aware of?—so that you sell to world that these—if you come to manufacture in Trinidad, these are the incentives you can benefit from.

**Mr. Lewis:** Thank you, Chair. I would like to start by saying that the Ministry of Finance has done a very good job of putting all the incentives together in one package which is available online as well, and which they shared with us and which we shared with investors as need be so we are aware of incentives, what are available in each of the sectors, whether it is manufacturing, whether it is agro-processing which does not really apply to foreign investors. But the point I would like to make is that incentives are available throughout the world; you go to any country, you go to Jamaica, you go to Barbados, you get a different slew of incentives. So what distinguishes one territory from the other is not necessarily so much the incentive, but the ease of doing business—how easy is it to come into the country and to set up and to get going?

**Mr. Chairman:** Okay. Can I stick a pin?

**Mr. Lewis:** Yes, sure.

**Mr. Chairman:** The ease of doing business has degenerated to some extent in Trinidad over the last few years. And so, what was a certain amount of days of doing business, has now been gone to an area where you have more days than should really occur. For instance, if we had 15 days of doing business from the initial part to the end point, now the amount of days of doing business has worsened. Could you comment on that?—where we were a few years ago, where we are now.

**Mr. Lewis:** I would start off the question, Chair, but I believe our Director of Policy would probably have a few points to add to that. What I would like to say, because I recently attended an “Ease of Doing Business” conversation held in Barbados through sponsorship, a party of Caribbean export.

**11.40 a.m.**

And we can make improvements in Trinidad and Tobago in a particular area, but our ease of doing business ranking, of course, could fall because they are comparing us with the rest of the world.

**Mr. Chairman:** Right. We have to.

**Mr. Lewis:** Yes. So the point is that we have to make—

**Mr. Chairman:** We are one of the 200 countries around the world and we have to be compared.

**Mr. Lewis:** Correct.

**Mr. Chairman:** If you were to get foreign direct investment you have to be good, you have to be efficient, effective and so. Go ahead.

**Mr. Lewis:** The point I would like to make, Chair, is that you have to make significant improvement. So 10 per cent improvement, 12 per cent would not work. What the consultants advise is that we are talking 40 per cent at least minimum in each of the pillars.

**Mr. Chairman:** And what are you doing about it? What is invesTT, and so on, doing to help coordinate your work to help to reduce ease of doing business? The Permanent Secretary mentioned the single electronic window. And so, how do you use this? Where are we now in the international scale and where were we a few years ago?

**Mr. Lewis:** If I may defer the question, please, Chairman, to the Director of Policy who is specifically engaged in that very question.

**Mr. Chairman:** Can we have the answer?

**Mr. Karim:** Thank you, Chairman.

**Mr. Chairman:** Where are we now? What number we rank?

**Mr. Karim:** We are currently ranked no. 91—91<sup>st</sup>.

**Mr. Chairman:** Can you give us the preceding years where we were ranked? This is 2019.

**Mr. Karim:** In 2019, 91<sup>st</sup>.

**Mr. Chairman:** Yes. Let us say, 2015, 2016, where were we?

**Mr. Karim:** Over the last three to four years we have seen a readjustment of the ease of doing business methodology worldwide. And it is a fact that you have seen the rankings improve and deteriorated in various areas. So, for example, it is not important just to look at the overall ease of doing business ranking—

**Mr. Chairman:** Mr. Karim, just focus. I asked a question, where are we now? You said 91. There are a lot of questions I can ask related to that but I want to focus back on some of these. Where were we, let us say 2015/2016, what number?

**Mr. Karim:** We were in the early 80s.

**Mr. Chairman:** So we are deteriorating?

**Mr. Karim:** Yes.

**Mr. Chairman:** Now, has that come to the attention of invesTT and all those who are players in the field of doing business with the single electronic window and all the incentives that we have? Could you—if you are the Director of Policy, could you enlighten us in a short way what focused action you are taking to ensure that the ease of doing business comes to the 50s and the 40s and the 30s. So that countries internationally could say, well you know Trinidad and Tobago, their business ability, we can get the things done very quickly. I know that there are some countries where you can get your things done in two or three days. So, just some short comments on that.

**Mr. Karim:** Yes, Chairman. So invesTT actively promotes the single electronic window for their clientele. So all foreign investors seeking investment facilitation through invesTT are referred to the single electronic window. Over the last, I would say nine to 10 years, we have made significant strides in various areas of doing business.

**Mr. Chairman:** But yet still we are going down?

**Mr. Karim:** Well, it is actually—

**Mr. Chairman:** Although you said that you are making strides, we are going in the opposite

direction.

**Mr. Karim:** Let me explain. It is directly related to what the President said. The fact of the matter is, while Trinidad and Tobago has been making incremental changes there are other countries that are moving much faster than we are.

**Mr. Chairman:** Well, well, sure—

**Mr. Karim:** And that is the reality.

**Mr. Chairman:** You are a country, you are a developed country, you are considered by the OECD as a developed country, and if these countries are making fast developments you have to catch pace with them.

**Mr. Karim:** Agreed.

**Mr. Chairman:** Because you are going to be left behind. So do not use an excuse that they are doing faster and, well of course we are being slower. So that we have to move with the pace that they are moving. But all right, I just wanted to have some answers on that issue.

**Dr. Gadsby-Dolly:** Chairman if I may, not to interrupt, I just want to ask about that change in methodology. What exactly is that, because I want to make sure that I am following the conversation, we are comparing apples with apples. So I beg your indulgence, what is this issue about the change in methodology?

**Mr. Karim:** So I am glad for this question because the doing business rankings have now moved more perception-based than actually based on empirical indicators. So what they literally do is send out a questionnaire in the last two years to various stakeholders within the domestic economy and asked stakeholders to give their perception of the domestic business climate. In addition they have actually made it much more difficult for smaller countries to rank very high in the doing business indicator. So if you look at trading across borders, for example, the first 30 countries are European countries. That is a fact. And the reason why all the—and I see Sen. Deonarine is shaking her head. Because the European countries, one of the indicators that are ranked higher is that if you have—how easy it is to trade across your immediate trading partner. So the doing business indicator we have seen the World Bank and to some extent the global—the World Economic Forum adjust to favour different clientele. But Chairman, if I may—

**Mr. Chairman:** Yeah. Quick. Focus on it.

**Mr. Karim:** In 30 seconds, under the Ministry of Trade and Industry we have been vigorously attacking the area of doing business. We have invested and we have seen significant improvements in the customs clearance process, trading across borders, starting a business is now three days, getting import permits and licences.

**Mr. Chairman:** All right, but you said just the customs issue.

**Mr. Karim:** Right.

**Mr. Chairman:** Today you are hearing that for some unknown reason the people who are importing products into Trinidad taking days before they can get their things, they are paying increased demurrage and you are saying that you are using customs and so on, to improve your efficiency. But if you are moving from 60, 70 and 80 and you are going to 91 you are trying to imply that the international ranking agency which is doing this, their methodology is something wrong, but I would differ from you on that but we would hold on that.

Now, the manufacturing sector, I was coming to ask you if you know of your incentives that you can project to the rest of the world. You were saying that countries around world have

different incentives and they may have the same incentives as you have. But are you aware of what incentives you have now for the manufacturing sector?—if you could explain some of these.

**Mr. Lewis:** I would not have hundred per cent awareness but of course I know certain elements—

**Mr. Chairman:** Such as the—

**Mr. Lewis:** Such as the capital allowances, such as the tax concessions that you may have. You may qualify for a free zone status if you have 75 per cent exports element in your manufacturing. There are some training allowances and so on. So it varies, really depends on the investor.

**Mr. Chairman:** May I ask you to familiarize yourself with your own document, Appendix A(1) to (6), with your major investment incentives in Trinidad and Tobago, and you have these at the forefront of your company's torch in moving to the rest of the world and saying that these are our incentives, you will not get better than these. These are what we are offering you and this is just not manufacturing—fiscal incentives, import duty concessions, approved small company status, free trade zones, allowance to the manufacturing sector, tax exemption for the housing sector, construction of multistorey car parks and so on. And then you have the same for the creative sector, you have for tourism and you have for agriculture, et cetera and you have the maritime sector. This is what I want to ask you now, coming to the maritime.

**Mr. Lewis:** If I may Chair, in terms of our process and our approach, when an investor comes to us or we approach an investor in a particular sector or a manufacturing enterprise, we analyze the incentives in detail in our research unit to determine what is the best fit for that particular operation. So rather than give them a bag of incentives to say, well, okay this is what we offer—so we try to tailor it.

**Mr. Chairman:** The point I am trying to make to you, President, you said when they come to you—

**Mr. Lewis:** Or we go to them. So we need to understand what they need.

**Mr. Chairman:** I am now getting that coming forward that you are going to them, and the Chairman wants to say something.

**Mr. Knaggs:** Chairman, thank you. I think the suggestion is centred around bringing the incentives from the background to the forefront, arming yourself with the incentives and making your sales pitch very, very, clear to the rest of the world. I think that is a fantastic approach and a timely suggestion. Up to yesterday in the offices we had some conversations with the team internally and part of the sector analysis and where we fit, where we could be competitive on a worldwide forum, part of that analysis the board has asked that the offices of the company when developing that spearheaded approach also examine the incentives in great detail. Once that is complete and we have a new refreshed four or five sector spearhead approach, now you drill down into the sales pitch. And inside of the sales pitch you will have the incentives that are needed for your operation to work efficiently in Trinidad and Tobago.

So now we are properly armed to be able to approach investors and say come to Trinidad and Tobago, this is what we are selling and this is why it makes sense for you. And some of the very top headlines inside of that sales pitch would be the incentives. So you talk demographics, labour rate, energy rate, et cetera, but the incentives play a big part. So your point is very, very valid and very timely. I think that is what we are doing now. We cannot have these incentives which were very well thought out linger in the background. They have to be brought to the forefront into the sales pitch and, of course, once you have the sales pitch, not only can the

organization go out there and find and source these investors, but the site selectors that are assisting you finding customers for your country are armed with real data and real incentives. Your foreign delegations have a sales pitch. So when they meet investors and they meet business leaders in their countries they understand why we are targeting the sector and why it makes sense for you to come to Trinidad and Tobago and inside of that, the incentives play a big part and if you do not use them they are not serving any purpose in the background.

**Mr. Chairman:** We are very gratified to know that Mr. Chairman that you have availed yourselves of all the information there. You are seizing the opportunity and you are taking it internationally so that Trinidad will benefit from your knowledge and your vision to take this knowledge externally. Now, can you I ask you, what is your relationship with the foreign missions that Trinidad and Tobago has across the world, across the globe? And how do you use the foreign missions for the work of invesTT?

**Mr. Knaggs:** Thank you, Chair. The foreign delegations really assist when we have events located within their area. For example, the CHRIS conference that the President attended earlier this year. The foreign delegations could be a real help and a sort of a collection point for people in the area that might be of interest to Trinidad and Tobago. However, I think the President could speak about it better than I can from a day-to-day basis, but from where I sit I think there is a great opportunity to engage the foreign delegations in more of a proactive manner and have them, essentially, these people are in different markets working on behalf of Trinidad and Tobago. So I think we have to do our part to enable them for them to help us.

**Mr. Chairman:** So therefore, would you consider your team working with the Ministry of Foreign and Caricom Affairs and all the Ambassadors and the international representatives of Trinidad and Tobago, providing the information from them, have in their handbook at the Embassies so that they can sell for you what you are trying to sell? Is that what you are planning?

**Mr. Knaggs:** Thank you, Chair. If you look at any world-class best practice in IPA function and sourcing, the foreign delegations play a huge part. And that is just best practice.

**Mr. Chairman:** So we are here to try to assist you. So we want to put forward these recommendations to try to bring about greater effectiveness of your—so these are recommendations we will make in our report which will be laid in Parliament for you to appreciate as well. So these are some of the things. The last area I want to ask before Senator—yes, President.

**Mr. Lewis:** If I may add Chair, we have a standing protocol with the Ministry of Foreign and Caricom Affairs. So it is common practice. When a new Ambassador, High Commissioner is posted anywhere, one of the stops required in Trinidad and Tobago before they go to their new jurisdiction is to meet with invesTT and we present—

**Mr. Chairman:** It should go beyond that and you have a concerted effort to inform all of them rather than one by one and have a determined relationship with the Ministry of Foreign and Caricom Affairs.

**Mr. Lewis:** What I was alluding to is that is just the start. So we do have an ongoing relationship with them.

**Mr. Chairman:** We get the picture. I just wanted to ask on the maritime aspect. We have been saying as a country a long time now, the maritime sector is one for a lot of opportunities. Is there anything that invesTT is doing at the moment or has done that will ensure a realization of more investments in the maritime sector?

**Mr. Lewis:** Thank you, Chair. In terms of the maritime sector we have been working very closely over a number of years with the Maritime Services Division, who has a large amount of the responsibility for the waters around Trinidad and Tobago and what goes in it. So we have assisted them in terms of the framework which I believe has been passed by Cabinet now for the monitoring or the regulation of cold stacking, warm stacking and trans-shipment operations in the Gulf of Paria which has led to, for example, special zones will have been indicated through the Maritime Services Division as to where these types of activities can take place. So it is a partnership, we cannot do it by ourselves and we do not attempt to. So we work hand in hand I can say with the Maritime Services Division in particular, with the Ministry of Trade and Industry, of course, as need be, or any other authority to grow that industry.

**Mr. Chairman:** Is there anything on board at the moment that will result in the creation of foreign direct investment in that sector?

**Mr. Lewis:** Well actually I got a draft today from the Manager of Investments in trans-shipment for a foreign direct investor from China who has started some trans-shipment operations. So I indicated to the Manager Investment I needed to get confirmation from the Maritime Services Division as to the extent of their collaboration and their authority in terms of being aware of these transactions and being okay with them before we took it forward and concentrate it to close investment.

**Mr. Chairman:** Before I hand over to my Chair, Sen. Mark, I want to appeal to you if it is possible to really have a deep introspection into the agricultural sector, because that is where Trinidad diversification is going to be. So we need a lot of work from there, we need work in the maritime sector and in the tourism sector, because the Minister of Tourism has enunciated so many incentives. So we need to beef up our—work forward in trying to get these foreign people to come down and build more hotels and so on, and increase your work there. So thank you for your answers and I now hand over to Sen. Mark.

**Mr. Mark:** Thank you very much, Dr. Gopeesingh. Good morning—it is almost rushing towards noon. I have a few questions I would like to raise for clarification. InvesTT is an investment promotion agency and one would hope that for it to do its work properly, efficiently and effectively you would need to have some degree of stability or autonomy. You should be able to have a well-resourced organization with the technical competencies so that you can execute your goals and objectives.

But when I look at the submission made by InvesTT and the Ministry of Trade and Industry, one reaches the inescapable conclusion that InvesTT has become literally a ward like Tobago was of Trinidad before it became part of one nation, one society. One gets the impression that InvesTT has grown into a ward of eTeck. It seems as if InvesTT depends on eTeck for a number of activities including providing it with resources to finance its operations. Would you agree with me, Madam Permanent Secretary, President, Chairman of InvesTT?

**Mr. Knaggs:** Thank you, Chairman.

**Mr. Mark:** But that is an area that we need to pay some attention to.

**Mr. Knaggs:** Sure. You know, I appreciate you may have got that impression from reading through the literature, but really it is not so. eTeck provides outsource functions for InvesTT which are non-essential to the—well, non-essential to the business, but non-essential to the core purpose of the company. So InvesTT is out there trying to source investors, facilitate and retain

investment in Trinidad and Tobago through FDI and LDI. ETeck is providing some support services, so they would provide a core audit function to make sure the company is in line, make sure reconciliations are being done properly, making sure that everything is operating as it should.

So, you will have a finance function, you will have an HR department, some support with IT services. But other than that—so these are really background, important but background services provided by e Teck and we thank them much for that. And investTT on a daily basis is very, very focused on getting foreign direct investment into Trinidad and making sure that the people who come here are very well facilitated and serviced and e Teck really has no involvement in that area.

**Mr. Mark:** If you—

**Ms. Seignoret:** If I may.

**Mr. Mark:** Madam Permanent Secretary, yes.

**Ms. Seignoret:** Mr. Chairman, as you also pose this question to the Ministry of Trade and Industry I also would like to say that investTT was actually a part of e Teck many moons ago and the wisdom of the then administration was vital to excise the functions, because the IPA really is necessary to operate on its own. And I think therefore as the Chairman just said the functions that are being undertaken by e Teck that are actually all part of having as tight as an organization as possible so that the core competencies can be pursued as best as possible.

And if I may also take this opportunity just to make a slight correction to an earlier question posed by the Vice-Chair. I think regrettably Trinidad and Tobago is at 105 on the doing business platform but there is a very clear process moving forward with all of the different Ministries to improve our country, our national standing and there are different areas that are being concurrently worked on. Thank you.

**Mr. Mark:** In the last two years investTT has accumulated a deficit of close to \$11.4 million and that is between 2016 and 2017, which represents a 13.6 per cent increase between those two years. What is the current state of play as it relates to this growing deficit that has been accumulating as we speak today, President, Permanent Secretary, Chairman? What is the current reality as it relates to the deficit and how does investTT intend to address this growing deficit in your system?

**Mr. Lewis:** If I may, Chair, the Manager of Finance could start off the answering to that question.

**Mr. Alfred:** Mr. Chairman, since September 30, 2018, the deficit has not grown. The year-to-date performance of the company, zero profit, zero loss. So they have not grown since September 30, 2018.

**Mr. Mark:** So at the moment, can you share with this Committee what is the current balance in terms of your growing deficit as of December 2018, where are we?

**Mr. Alfred:** As at the end of May 2019, the deficit stood at \$11.671million. That is basically the same thing it was at September 30, 2018.

**Mr. Mark:** And what steps are we taking to have that addressed?—seeing that it has stopped growing, you would like to probably address getting rid of that number on your books. What is investTT doing to have that matter addressed?

**Mr. Alfred:** Addressing the issue requires closer collaboration with the MTT and perhaps the President could speak to that in terms of providing adequate funding and trying to find some funding to address the issues of deficit that have been brought forward.

**Mr. Lewis:** If I may Chair, and if you go to the origins of the deficit. If you look at the Cabinet

Note establishing investTT, it actually states that investTT will be funded through the revenues of e TecK. So it was never envisaged to be a stand-alone self-funded, self-financing institution. What has happened over the time and why the deficit in a sense had built up so the debt-to-liability to e TecK I think is in the range of \$5.9 million. E TecK was funding the daily operations, their salaries and in the PSIP accounts of investTT. So we have started preliminary discussions, because it was raised at the shareholders meeting which we just had for 2018, from the Ministry of Finance was asking in terms of what is happening with that. Because it has caused concerns from the external auditors' standpoint as well in terms of growing concern issues which were raised. But we have no fear of that based on the consistent funding from the Government, but it is a matter that needs to be addressed because it just looks bad on your balance sheet and if external investors were to look at our balance sheet they would not be too impressed.

So what we are hoping for is some resolution which will involve Ministry of Trade and Industry and Ministry of Finance and powers that be to determine how to treat, essentially the core of it is that debt to e TecK which was built up over the years. And there are different constructs which can be taken but that is outside of my remit to suggest what will happen, but it has to be dealt with because it just makes the balance sheet look very bad.

**Mr. Mark:** When I look at your balance sheet, your financial audited statements for 2017, you would agree with me that close to 90 per cent of your allocation, which is about \$8million for recurrent expenditure and you have another \$3 million for PSIP purposes. You will agree with me that close to 90 per cent is taken up, eaten up, in terms of staff cost and related expenses and director fees and allowances. Can you share with us what is the current level of staffing at investTT?

**Mr. Lewis:** Thank you Chair, through the Chair. The current level is 18. We are going through a process of recruiting to fill some vacancies but I expect it would max in the range of maybe 21, 22 employees. We have always been a small entity; I think at peak, if I look over the years since 2014, it peaked at 24 employees and it was 21 in 2017. So we are currently at 18.

**12.10 p.m.**

**Mr. Mark:** Mr. President, I also would like to clarify—and this is a matter we had raised with the Permanent Secretary—even though you are in receipt of \$8 million as it relates to recurrent expenditure and another \$3 million for PSIP, I think it is incumbent upon investTT to establish its own independent internal audit unit. This tendency that we are seeing emerging, of piggy-backing on other organizations and entities involving organizations that are independently incorporated under the Companies Act, and the once you are incorporated under the Companies Act of this country and you understand the manual that governs your activity, that is the State Enterprises Performance Manual, you will realize that you have a fundamental duty and responsibility to have established within your organization an independent unit, maybe of one person, of two persons. But you cannot continue to piggy back on e TecK for internal audit functions. So I would like to ask the Permanent Secretary to take responsibility, along with the Ministry of Finance, to ensure that there is an independent internal audit unit within the operations of investTT. I will pause at this time and I will ask my colleague—

**Dr. Gadsby-Dolly:** Chairman, sorry, just on a point of clarity. Did you ever have an internal audit unit from the time it was set up in 2013?

**Mr. Lewis:** No.

**Dr. Gadsby-Dolly:** So you have never had one?

**Mr. Lewis:** No. We never had one.

**Dr. Gadsby-Dolly:** Okay. Just clarifying. Thanks.

**Mr. Chairman:** In addition to the statements and so on posed, and the questions asked, there are a few areas relevant to these. One is, I see here that you have about 14 vacant positions based on your organizational structure?

**Mr. Lewis:** Yes.

**Mr. Chairman:** And how do you intend to fill these? You are going to fill these positions shortly?

**Mr. Lewis:** If I may, Chair—

**Mr. Chairman:** For the fulfilment of your mandate.

**Mr. Lewis:**—I think the 14 vacancies are a little ambitious in terms of what we really need as an institution going forward. Taken apart, it says 14, but remember, too, a lot of those positions are really being filled by e Teck in terms of the support roles. So when we talk HR, we talk finance functions, we talk internal audit, we talk procurement, there are bodies occupying those responsibilities for invesTT but they reside in e Teck.

**Mr. Chairman:** So based on that, Mr. President, you may need to revise your organizational structure based on what is happening with your—well, not your subsidiary, but your partner, e Teck. So would you consider revising your own organizational structure? Or you would ask e Teck or make recommendations to e Teck to let you fill these positions yourself so that you can do your own work?

**Mr. Lewis:** Chair, if I may, it is a matter of funding. It is a matter of funding, primarily because we can say, yes, we will fill these 14 vacancies tomorrow, but next month when they come for payment we may have a challenge.

**Mr. Chairman:** So the Government gives a subvention to you—I was reading somewhere—close to about \$10 million per year, around there?

**Mr. Lewis:** We are tending towards \$8 million for this fiscal.

**Mr. Chairman:** Right. I think it was 10 and then it went down.

**Mr. Lewis:** Yes.

**Mr. Chairman:** And how much do you get, really, from e Teck? Or is it for service but not funding—direct funding?

**Mr. Lewis:** For service, but no payment is made to e Teck.

**Mr. Chairman:** I remember recently that \$300 million was moved from UTT to e Teck in Tamana Park, but the reasons for that we did not know whether that sum would have gone to invesTT, some would have gone somewhere else. Did you benefit at all from the \$300 million that was transferred from UTT to e Teck in Tamana Park?

**Mr. Lewis:** I am now hearing of it, Chair, but I could defer to the Ministry—

**Mr. Chairman:** Well, it is public knowledge over a period of time now.

**Mr. Lewis:** Well, certainly not since I am at invesTT. I have not seen that.

**Mr. Chairman:** Perhaps you should seek your share of it. [*Laughter*]

**Dr. Gadsby-Dolly:** Chairman, just for clarification. I want to clarify, really, what is the role of e Teck? Because if I am understanding, e Teck is partnering in terms of service and you are not paying e Teck. So does e Teck give you—does the money come from the Government through e Teck to you?

**Mr. Lewis:** No, it comes directly from the Government. Well, through the Ministry of Trade and

Industry, they tell us the cheque is ready; we come and we collect the cheque.

**Dr. Gadsby-Dolly:** Well, Chairman, I highly doubt anything passing to e Teck would pass directly to the invest<sup>T</sup>T. [*Laughter*]

**Mr. Chairman:** All right. Well, the other issue here, that in terms of the operations of your enterprise, I notice you do not have a project management unit. Is there any reason? Or is it that you feel that you would do so pretty shortly? Because in the execution of anyone of your plans you need a PMU. Some comments from you on that?

**Mr. Lewis:** Sure, Chair. We rely on technology in that sense. We use Salesforce which is a software for customer relationship managements and basically that is what manages all the projects. So anyone working in invest<sup>T</sup>T can go into the system and see well, Chris Lewis met with customer X yesterday and this is what transpired and these are the next steps. And that is how we keep track. We have a reporting system internally within each unit as well as monthly to the Board, in terms of dashboards to get apprised of the progress of each project. But the heart of our project management is the Salesforce software system.

**Mr. Chairman:** It is a software system which is shared by—

**Mr. Lewis:** Yes, by everybody who is in the organization and can pull it up and see what is going on with any project.

**Mr. Chairman:** So the core of the organization deals with the project management—

**Mr. Lewis:** Well, each entity, because we have—in terms of how invest<sup>T</sup>T is structured, besides the executive team, myself, the two VPs, you have the Investor Services led by Stacy; you have the Investments Unit here present; you have the research and business intelligence unit and you have the marketing team. So these teams, basically, input all their information into Salesforce and could keep track of what each other is doing, so nothing is left in someone's desk drawer.

**Mr. Chairman:** I want to ask you two quick questions. Given the heightened need to strengthen non-energy investment, because we all know the current decline in the energy sector, what efforts are really being made, if you can tell this country, by invest<sup>T</sup>T, to promote national investment—one, two, three, four, five—that may be at your fingertips?

**Mr. Lewis:** Well, I mentioned some of them already in terms of our online outreach efforts. That is key for us in terms of that external investor. Outside there are people being aware of what Trinidad and Tobago has to offer; which industries; what incentives are available; what are the opportunities we have identified; secondly, very targeted outward events, outreach programmes. So two, that is on our radar at all times—one is, which I mentioned—the Caribbean Hotel and Resort Investment Summit, which is for the hotel investment coming in, as well as the Site Selectors Guild, which is a major event held every year. And these Site Selectors are hired by the major Fortune 500 companies to determine where to place their investment. So it is important to build those sorts of relationships.

We also do internal activities. So I also reference the tourism investment roundtable, which was very successful. We had four major international hotel chains come to Trinidad at their own expense, because they see Trinidad and Tobago as a very viable market for tourism. And we will say, well, what about the rest of the Caribbean? And that is the reason why we are different. We may not have the levels of growth as the rest of the Caribbean but because we are fairly new in the tourism space, we are attractive to them. And Trinidad, separately from Tobago, is seen as two different entities by those foreign investors.

**Mr. Chairman:** Is there anything now on there that will say that Trinidad and Tobago can benefit from an investment of X amount of dollars on the table now?

**Mr. Lewis:** We are talking to one. We cannot call the names in this forum, unfortunately, based in south, and through our efforts and through introductions, basically they have two letters of interest of intent on the offer from international hotel chains wishing to establish their brand in a southern-based hotel.

**Mr. Chairman:** Thank you. Sen. Mark.

**Mr. Mark:** Two final questions. I have the management letter from Deloitte & Touche, I think. Could you tell us what has happened with your effort to have the Board of Inland Revenue waive your Green Fund levy and business levy outstanding for the period 2014 to 2016? Have you been successful in convincing the Board of Inland Revenue that those outstanding sums ought to be waived?

**Mr. Lewis:** If I may start, through the Chair, and I will ask the Ministry of Finance to end the answers to the question. We did write to the Board of Inland Revenue and specifically in terms of the Green Fund levy. The response from an attorney at Inland Revenue basically suggested that the question does not arise, that investIT would be liable for Green Fund levy, because the subventions from the Government is not treated by them as income, in the strict sense of the term, and we have no other source of revenue coming into the company. So they did not see it as being applicable. In terms of the business levy, if I may defer to the Manager of Finance.

**Mr. Alfred:** When we wrote the Board of Inland Revenue we just mentioned specifically the Green Fund levy. So we will probably need to do the same thing again, this time raising the issue of the business levy. But the rules that apply to both the Green Fund—on what the Green Fund and the business levy is to be calculated on are similar, company income. So we are hopeful that once we raise that, that a similar ruling will apply.

**Mr. Mark:** But, Mr. President, from what you have said, the Board of Inland Revenue has agreed to waive this amount for you? Or have they told you that you have to pay? The company has to meet this obligation?

**Mr. Lewis:** I do not want to overreach with what they said, but basically we got correspondence from their attorney which indicated that in their opinion it did not arise as a question of payment for the Green Fund levy, because we do not have independent sources of income.

**Mr. Mark:** All right. The other point I would like to raise here is this. Again, shares were issued during fiscal year 2015, but these shares were never recorded, which would have been in breach of section 34 of the Companies Act. What have you done to rectify this?

**Mr. Lewis:** If I may answer, Chair, basically it was a question of a cheque which was due from the Ministry of Finance for \$9 to represent the increase in the share capital, because the shares were increased without consideration, which is the breach that you referred to. But we have since received that cheque of \$9, so that matter is now squared off.

**Mr. Mark:** My final, final question is simply this, and maybe the Permanent Secretary and your good self can share briefly and you can put your thoughts in writing. Given the current reality facing investIT, what would you want to suggest to this committee that you would like us to consider to make this company more efficient, more effective, more autonomous, more stable, in the future? Because we would want to get from investIT and the Ministry, recommendations, considerations that you would like this committee to place on its agenda as we go forward.

So I would like to ask, briefly, and then you can put pen to paper and communicate to the secretariat on recommendations and considerations that you would like our committee to consider to make your company stronger, more stable, more autonomous, as the case may be, so that you can play your role as you see it, to attract more investment to our shores and generate foreign exchange, employment opportunities for our country. Can you briefly, in a few moments, both you and the Permanent Secretary, and later on put pen to paper and submit your further thoughts to the Secretariat?

**Ms. Signoret:** Thank you very much, Mr. Chairman. It is an aspect we probably do have to spend a little bit more time looking at, in terms of the aspects you raised, being more autonomous, in particular. But in terms of more effective, one must commend investTT for all the work that they have done to date, every member of the team. I think that where they can perhaps work more closely, it might be greater, because they are already doing it, but greater strategic focus. So that if, as was stated earlier by the President and the Chairman, that you are looking at four sectors: who in those four sectors; who in particular; how do you customize the pitch to that particular entity. And I think we have to be very mindful their resources are not as they used to be, and so an even greater strategic approach really is, to my mind, at this point in time, core to moving forward.

**Mr. Mark:** Mr. President?

**Mr. Lewis:** Thank you, Chair. There are just two points I would like to highlight. One, I believe that a legislative framework for the agency may be of some value in terms of strengthening its—going away from the moral suasion and shifting towards, okay, this is the law of the land; you need to work with investTT to achieve these benefits for investors, or to have their applications processed in a timely manner. It is written in law. So I believe that will help.

The funding remains an issue which needs to be sufficiently to be found. I would like to say, though, through the support of the Ministry of Trade and Industry and the Ministry of Finance, we have reduced the payables. So our payables balance as of today, excluding the debt to eTeck and the PSIP debt, when I joined in May 2017, it was \$1.7 million; it is now \$20,000. And that has been through constant work and reporting and feedback and communication. So those are my two points, Chair.

**Mr. Chairman:** Thank you very much. Sen. Mark, thank you. Sen. Deonarine has been waiting a little while now to ask some questions, and then we will wrap up.

**Ms. Deonarine:** Thank you, Mr. Chair. Most of the questions were asked already, so I just have two more questions. I am still thinking about the employment opportunities and I am wondering if investTT or the Ministry of Trade and Industry currently has any collaboration with the Ministry of Energy and Energy Industries—Ministry of Education, Ministry of Labour and Small Enterprise Development and also private tertiary institutes, in terms of identifying the areas in which we have a shortage in skills that these FDI firms are coming in and searching for.

**Mr. Lewis:** If I may start, Madam PS, through the Chair, we do have actually those relationships ongoing. If I could start with Nedco which falls under the Ministry of Labour and Small Enterprise Development, we have a working agreement with them in writing, so that when we have investors coming in—FDI, or they may be large \$100 million investments, but there is usually a spill-over in the economy in terms of support services to service those investments—we do channel those investments or our labour opportunities through Nedco so they could spread it to their micro-entrepreneurs who they have in their data pool, and could benefit from the new investments

coming in.

Specifically, in the BPO space, we have had discussions with the Ministry of Education, with COSTAATT—I know, personally, I was involved—in particular, to ensure that the skills requirements of that particular sector are met and what sort of training requirements would need to take place in order to service, let us say, someone coming in and they want to fill 500 seats and they want to ramp up to 1,500 seats in two years, to make sure that the training pool is available, so that there is no loss, or no interruption in service. So we can do more, I think. I agree with you. It could be more streamlined, but we are making efforts where we can in those areas.

**Ms. Deonarine:** Thank you. Could you tell me at the top of your head, maybe about five skills that we currently have a shortage or a lack of, based on your interaction with these firms, and the types of labour that they are looking for?

**Mr. Lewis:** The number one is software development, because what happens, the education system, we graduate a certain number of computer grads. So they are technical degrees, but a lot of them cannot do the jobs that are required of the international tech companies. So that is one of the initiatives which we are working with the Ministry of Trade and Industry to try and establish—is a coding school so that we could have our citizens enter this coding school, learn the particular software skills that are required and have a high degree of confidence that when they graduate—it may be a three-month, six-month type programme—they would move into jobs. So it is not learning for the sake of knowledge, but as a pathway to a career working with an international software development firm. So these are some of the—that is the first one that strikes me at the top of the list.

**Ms. Deonarine:** And what about in areas of artificial intelligence and so on?

**Mr. Lewis:** Well, again, all these are new to Trinidad. One of the investments we closed in 2018 was in robotics, and we have started off with, I think, one or two local student graduates from the University of the West Indies who are trained in that area, and I believe now there are up to four. But this is an area that is a gap that needs to be filled.

**Mr. Knaggs:** If I may, sorry, through the Chair, just to comment briefly on the IT sector. The last figure I saw was 400 IT graduates a year, and 400 IT graduates a year, most companies would identify that as not being sufficient to really feed any type of software industry in any major way. If you look at some of the activities being done abroad, the educators and the companies that are doing software development, are brought to the same table and it gives the companies an opportunity to tell their educators exactly what they need. These are the areas that we are developing. We need X amount of people and they have to be proficient in these areas. So I think there has been some dialogue and I think there is a lot more dialogue to come.

Everybody wants to be in the IT space. It is a great space, and we all agree that is the future. But at some point Trinidad and Tobago has to ramp up the graduates—the graduate level mini workshops. Sometimes it is not going to school for four years, getting a tertiary degree in software development. Sometimes just a six or an eight-month programme that is very, very intensive that can gear up people very, very quickly in a particular area. So that is the way the world is going, away from these formal four and five-year degrees, and I think we need to really study and ramp up in the education area around IT to be able to compete one, two, three, four, five years from now.

**Ms. Deonarine:** I could not agree more with you. I am looking at the Corporate Performance

Report, 2018/2019. This is for fiscal 2018/2019, right?

**Mr. Lewis:** Yes.

**Ms. Deonarine:** I see one deliverable you have here is Monthly Investor Satisfaction with InvesTT. Perhaps that is an—is that a questionnaire?

**Mr. Lewis:** That is a survey that is done at the end of the fiscal.

**Ms. Deonarine:** Perhaps you all have questions related to skills and employment opportunities, and so on, pertaining to the skills gap?

**Mr. Lewis:** Yes. Very valid point Member.

**Ms. Deonarine:** Okay. Consideration should be given to including that. And I also see that—it is highlighted in red, and it says: “Schedule for quarter one, 2019.”

**Mr. Lewis:** Correct.

**Ms. Deonarine:** Are we up to date with it?

**Mr. Lewis:** Well, quarter one 2019 is October this year, so—

**Ms. Deonarine:** Oh, right.

**Mr. Lewis:** So it would be premature because what we do we try to see what the level of satisfaction at the end of each fiscal is.

**Ms. Deonarine:** Okay. All right, great. The other area, now I know you all are also involved in the creative sector. How many firms do we have involved in the creative sector right now?

**Mr. Lewis:** In terms of closed investments—I am just scanning—we have two since 2014. So it is very limited. We have done some research so we have a sector profile. Some research was done in terms of a sound studio as being a viable option as an investment opportunity for Trinidad and Tobago, and that is one that we have been pitching through the investment theme, to international as well as diaspora investors, in particular, to try and make that happen.

**Ms. Deonarine:** Okay. Are you all familiar with Creative Industries Company Limited? Are you all collaborating with them?

**Mr. Lewis:** Yes, we work closely with them.

**Ms. Deonarine:** All right. I just needed to be sure, because they came before us in this same committee before, so I just had to make sure. My final question, Mr. Chair, is to the Ministry of Trade and Industry. Could you enlighten us on how far we are with the single electronic window? Because I believe this would bridge the gap with these foreign direct investment firms that are coming in through InvesTT.

**Ms. Signoret:** Thank you very much, Member. I would ask Mr. Karim, who has specific responsibility for the SEW to provide some details on that.

**Mr. Karim:** It is nice to get a second bite of the cherry. So we do have 46 e-services currently online on the single electronic window. The Ministry of Trade and Industry is currently implementing an IDB US \$25 million loan which the Member would be very familiar, since you were instrumental at the bank in helping with the administrative aspects. We are going to roll out new e-services which will directly assist InvesTT in doing that very important investment facilitation role. One major one would be Develop TT under the Ministry of Planning and Development, which would, for the first time, automate all of the requirements for construction-permitting in the country. Because one of the major investor-related services any foreign investor requires is a building permit.

So in collaboration with the Ministry of Planning and Development, before the end of this

fiscal, that is September the 30<sup>th</sup>, the Ministry of Planning and Development will be rolling out that national platform so that we would have construction-permitting online, the Water and Sewerage Authority, plumbing and online approval for WASA approvals, T&TEC online and EMA processes online. But in addition, we are implementing— I know we mentioned Customs, but we are trying to get Customs to continuously improve their operations through a risk-management system and, you know, collaborating with the Port Authority to make the logistics process, which is a very difficult one to re-engineer. But we continue to do the automation of the services at the ports with Customs, et cetera. The loan is going to be fully implemented by April 2021.

**Ms. Deonarine:** One more question. Now you alluded to some challenges with Customs and the port of Port of Spain, or the Port Authority. Is that it?

**Mr. Karim:** Well, I think the Vice-Chair alluded to, you know, port operations and Customs efficiency in Trinidad and Tobago has always been a very difficult one. So while the Ministry of Trade and Industry has been leading the efforts to automate e-services, Members would appreciate that a lot of these issues are people-related issues and to get that change management culture in some of our regulatory border agencies is a very challenging one. We can only do our best at the Ministry of Trade and Industry. InvestTT, unfortunately, is the recipient of how efficient we are, because to the extent that the Ministry and the other line Ministries are efficient, they can offer a superior investor facilitation service to their investor clientele. But we continue at the Ministry to work with the respective agencies and ministries to do better.

**Mr. Chairman:** Thank you very much, Mr. Karim. Well, Members of investTT and the Ministry of Trade and Industry, we have come to the end of today's examination of investTT. I would afford you the opportunity, if you so desire, to give a short concluding statement. First, we would start with the Permanent Secretary and then to the Chairman and the President of investTT.

**Ms. Signoret:** Thank you very much, Mr. Vice-Chair, and simply to say that the Ministry of Trade and Industry really appreciates the discussions this morning, the deliberations, the very useful recommendations, suggestions, coming out, ranging from having a consultant's report sent to the Members on the branding operations that we are looking at. Minister Hinds stressed the importance of oversight. There was also the need to look at the labour and skills—transfer skills, no skills, mismatches, as the Senator specified, and we do take on board the value of having handbooks at our respective overseas missions that could move forward the work of investTT and the internal audit, Mr. Chairman, is not lost at all on the Ministry of Trade and Industry. It is something that we continue to pursue. And so, for all the very many useful recommendations we are appreciative and we look forward to continue to work with our colleagues at the agency, investTT and, of course, our colleagues in the Ministry of Finance, in moving forward. I thank you for the opportunity this morning.

**12.40 p.m.**

**Mr. Chairman:** And thank you. Chairman.

**Mr. Knaggs:** Thank you Chairman. I would just like to thank the Chairman and the Committee for this event today. I think the suggestions are fantastic suggestions. It is always good to get a prospective as to your activities and how they are perceived, and suggestions in how you can really do your job better. And I really believe at the end of the day we are all aligned. We all have the same goal as citizens of this country to improve our economic status, grow our GDP outside of

the petrochemical area and I really would like to thank you for today and we would take on board all of your suggestions and do an introspective look to see what we can do to be better. Thank you.

**Mr. Chairman:** Thank you. Investments Division of Ministry of Finance.

**Mrs. Durham-Kissoon:** Thank you, Chairman, for giving me the opportunity for concluding remarks. The conversation is very interesting, it brought to light some issues, one or two issues that we probably need to clarify with the Ministry and invesTT a little deeper. And we thank you for inviting us and we look forward to working with the Committee in future consultations. Thank you.

**Mr. Chairman:** Thank you. It left for me now to thank each and every one of you for being an active participant of today's examination into invesTT. The Investments Division, Ministry of Finance, invesTT, the chairman, the president and the team members, and of course the Permanent Secretary, Ministry of Trade and Industry and her team. And of course my Committee members or our Committee members and members of the media. Thank you very much. The meeting is now suspended. Thank you.

**12.41 p.m.:** *Meeting adjourned.*