



**MINISTRY OF HOUSING AND THE ENVIRONMENT
OFFICE OF THE PERMANENT SECRETARY**

#44-46 South Quay, Port-of-Spain, Trinidad, West Indies
P.O. Box 834

Telephone: (868) 623 4663 ext. 2017

Fax: (868) 625 2793

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October ¹⁴ 14, 2011

Ms. Jacqui Sampson-Meiguel,
Clerk of the House
Office of the Parliament
Tower D
Wrightson Road
Port of Spain

Dear Mrs. Sampson-Meiguel,

**Re: Second Report of Joint Select Committee of Parliament on Ministries (Group I), and on the
Statutory Authorities and State Enterprises on the Administration of the Green Fund**

Your correspondence dated June 15, 2011 and attached Report at subject, refer. Please accept my apology for this delayed response.

I have noted, with appreciation, the several Observations/Findings and Recommendations documented in the Report of the Joint Select Committee. In this regard, kindly note the attached responses to the Observations/Findings and Recommendations.

For your consideration please.

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Veronica Belgrave
Permanent Secretary

**MHE Response to the Joint Select Committee's Recommendations
on the Administration of the Green Fund**

Subject	JSC Observation/Finding	JSC Recommendation	MHE Response
Memorandum of Agreement	The draft memorandum of agreement between the Ministry of Housing and the Environment and the funded organization is not the best form of documentation to bind the kind of obligations that exist between the parties. There is need (i) to clarify certain interpretation aspects of the current draft, (ii) to examine further the roles of the Ministry of Housing and the Environment and the Ministry of Finance since the latter is being bound by a document to which it is not a signatory and (iii) to include provisions to ensure enforceability.	It is urgent that legal counsel be sought in preparing a document which clearly outlines the contractual responsibilities among all the parties involved.	The use of a Memorandum of Agreement (MOA) is dictated by Sections 8(c) and 9(1), Green Fund Regulations 2007. Even if it is felt that a MOA is not the adequate instrument, the use of any other instrument would require amendment to the said Regulations. The JSC needs to identify the specific interpretation aspects of the current draft which require clarification. Legal Counsel has advised the MHE that Sections 1 and 2 of the Memorandum of Agreement (MOA) adequately address the contractual responsibilities of all the parties involved. Further, the wording of Sections 7(2) and 7(3), Green Fund Regulations 2007, implies that the Ministry of Finance is NOT bound by the MOA since the authorization of the withdrawal of funds from the Green Fund by the Ministry of Finance, inter alia, is NOT mandatory but discretionary.

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Capacity of the Green Fund Executing Unit	While the capacity of the Green Fund Executing Unit has been adequate during the last seven years of low activity, with the predicted increase in the number of projects to be funded, both in Trinidad and in Tobago, the present staff complement may prove insufficient.	Immediate attention should be given to assessing the present manpower capacity of the Unit, with a view to filling the vacancies and increasing the number of positions where necessary, e.g Project Officer and Community Liaison Officer, in anticipation of augmented activity.	The recommendation is accepted. The MHE has submitted a Cabinet Note that requests Cabinet approval for new positions in the Unit, increasing the number of some current positions and revision of the duties and responsibilities of some current positions, for a 3 year period 2012-2014 in the first instance to strengthen the capacity of the Unit.
Inter-Ministerial Coordination	Issues in respect of access to State and other privately owned lands will be ongoing, as new projects are embarked upon in both Trinidad and Tobago. Without inter-ministerial mechanisms in place many projects may be stymied.	Obtaining land access approvals for grant applicants is vital to the success of many environmental projects. The Ministry of Housing and the Environment, through the office of the Permanent Secretary, should take the lead in the coordination of efforts among the key players in establishing a fast track mechanism to ensure this.	The recommendation is accepted. Three major approval areas of direct relevance to the successful implementation of projects funded by the Green Fund where the MHE has advanced collaboration to fast track responses are: a) Collaboration with the Commissioner of State Lands re access to state lands for specific activities, eg. reforestation; b) Collaboration with the Conservator of Forests re access to forest reserves for specific activities, eg. reforestation; c) Collaboration with the EMA re CEC requirements for activities that fall under designated activities.

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Application Process and Accountability Activities	Both the application process and accountability activities appear to be extremely complex and time-consuming. The Committee appreciates the need for adherence to financial regulations and codes of transparency in public expenditure, but is also of the view that bureaucratic procedures can be fatal to many promising initiatives.	Consideration should be given to whether the application process and the accountability activities can be further simplified. The Green Fund Executing Unit may need to strengthen its capacity in this area to provide the extent of support required by potential beneficiaries and already funded organizations.	The recommendation is accepted. The Minister has recently approved revisions to the application form . The MHE has submitted a Cabinet Note that requests Cabinet approval for new positions in the Unit, increasing the number of some current positions and revision of the duties and responsibilities of some current positions, for a 3 year period 2012-2014 in the first instance to strengthen the capacity of the Unit.
Security over Assets	Further, the Committee is concerned about the lack of appropriate security over assets purchased from the proceeds of disbursements under the Fund.	Appropriate mechanisms should be utilized to securitize assets purchased from the proceeds of the Green Fund to cater for situations which require recourse.	Section 6.6 in the MOA expressly states that “equipment purchased by the Organization with funds disbursed by the Ministry shall be the property of the Ministry and shall be used for the purpose indicated in Annex A throughout the period of this Agreement.”