

**HOUSE OF REPRESENTATIVES***Friday, September 19, 2014*

The House met at 10.00 a.m.

**PRAYERS**[MR. SPEAKER *in the Chair*]**PAPERS LAID**

**Mr. Speaker:** Hon. Members, I just want to remind us as we proceed, in accordance with Standing Order 45 the Minister has three minutes to make a short explanatory statement if he or she so requires or requests.

1. Audited Financial Statements of Trinidad and Tobago Free Zones Company Limited for the financial year ended December 31, 2012. [*The Minister of Finance and the Economy (Sen. The Hon. Larry Howai)*]
2. Annual Audited Financial Statements of First Citizens Holdings Limited for the financial year ended September 30, 2013. [*Sen. The Hon. L. Howai*]
3. Annual Audited Financial Statements of Trinidad and Tobago Mortgage Finance Company Limited for the year ended December 31, 2013. [*Sen. The Hon. L. Howai*]
4. Annual Financial Statements of the Government Human Resource Services Company Limited for the year ended September 30, 2013. [*Sen. The Hon. L. Howai*]
5. Audited Financial Statements of the Urban Development Corporation of Trinidad and Tobago Limited (UDeCoTT) for the year ended September 30, 2007. [*Sen. The Hon. L. Howai*]
6. Annual Audited Financial Statements of Trinidad and Tobago National Petroleum Marketing Company Limited for the year ended March 31, 2012. [*Sen. The Hon. L. Howai*]
7. Annual Audited Financial Statements of Trinidad and Tobago National Petroleum Marketing Company Limited for the year ended March 31, 2013. [*Sen. The Hon. L. Howai*]

*Papers 1 to 7 be referred to the Public Accounts (Enterprises) Committee.*

8. Ministerial Response to the Third Report of the Joint Select Committee of Parliament on Ministries (Group I) and Statutory Authorities and State Enterprises on the Administration of the Legal Aid and Advisory Authority. [*The Minister of Legal Affairs (Hon. Prakash Ramadhar)*]
9. Ministerial Response to the Thirteenth Report of the Joint Select Committee appointed to inquire into and report to Parliament on Municipal Corporations and Service Commissions on a Review of the Administration of the Point Fortin Borough Corporation. [*The Minister of Housing and Urban Development (Hon. Dr. Roodal Moonilal)*]
10. Ministerial Response to the Ninth Report of the Joint Select Committee of Parliament on Ministries (Group 1) and on Statutory Authorities and State Enterprises on the Administration and Operations of the Housing Development Corporation (HDC). [*Hon. Dr. R. Moonilal*]
11. 36th Annual Report of the Ombudsman of Trinidad and Tobago for the period January to December, 2013. [*The Deputy Speaker (Mrs. Nela Khan)*]

#### MISCELLANEOUS PROVISIONS

#### (PROCEEDS OF CRIME, ANTI-TERRORISM, FINANCIAL INTELLIGENCE UNIT OF TRINIDAD AND TOBAGO) (NO. 2) BILL, 2014

*Order for second reading read.*

**The Minister of Finance and the Economy (Sen. The Hon. Larry Howai):**  
[*Desk thumping*] Mr. Speaker, I beg to move:

That a Bill to amend the Proceeds of Crime Act, Chap. 11:27, the Anti-Terrorism Act, Chap. 12:07 and the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01, be now read a second time.

With your leave, Mr. Speaker, I wish to first thank you and the hon. Members for your willingness to sit today to treat with this very significant piece of legislation, which seeks to strengthen this country's anti-money laundering and combating the financing of terrorism regime.

This legislation was passed unanimously in the other place with certain amendments. Mr. Speaker, the amendments before this House today amend our current Proceed of Crime Act or what we refer to as POCA, our Anti-terrorism Act and the FIU Act, thereby strengthening our anti-money laundering and combatting

the financing of terrorism legislative regime, and making the jurisdiction less attractive to criminal elements seeking to launder their illicit gains or to transmit funds to terrorist organizations.

Money laundering and the financing of terrorism stem from underlying profit-making crimes such as drug trafficking, robbery, kidnapping for ransom, fraud and tax evasion. Coupled with the intent to conceal the proceeds of predicate offence, criminals abuse the financial, as well as other business sectors in furtherance of their criminal conduct. These activities generate financial flows that involve the diversion of resources away from economically and socially productive uses. The corrosive and corruptive effect of these forms of financial abuses on the economic system and the society as a whole, has led to national, regional and international cooperation in the development of policies to combat the undesirable spread of financial crime.

As we all know, the Financial Action Task Force or FATF, which is an intergovernmental body established by the then G7 in 1989, has developed standards and recommendations to combat the scourge of money laundering and terrorist financing. But FATF goes further by seeking to promote effective implementation of legal and operational measures which will give effect to its recommendations.

So, Mr. Speaker, as a policy-making body, the FATF works to generate the necessary political will that will bring about legislative and regulatory reforms in countries throughout the world.

Mr. Speaker, among other things, these amendments seek to first widen the pool of criminal activity for which the State can confiscate the assets, as well as seize, detain and forfeit cash where there is cogent evidence to suggest that the assets were derived from criminal activity.

Secondly, it seems to make money laundering a stand-alone offence, so that the prosecution does not have to wait for a conviction in relation to the predicate offence from which the proceeds are derived.

Thirdly, to refine the existing provision which relates to the seized asset fund and its management. This is the fund to which all assets confiscated from convicted persons are to be placed, and thereafter, utilize for law enforcement and social programmes aimed at reducing crimes, such as narcotic rehabilitation and drug demand reduction.

Just as importantly, we are seeking to make amendments this morning that will impact upon the operational efficiency of our law enforcement, financial intelligence, and regulatory agencies and bring us into greater compliance with the recommendations of the FATF.

In May 2010, Trinidad and Tobago was on the radar of the FATF named on what we call the “grey list” which is part of FATF’s public statement which speaks to countries that have significant deficiencies that require urgent attention. In its public statement of October 22, 2010, the FATF said, and I quote:

“In February 2010, Trinidad and Tobago made a high-level political commitment to work with the FATF and the CFATF to address its strategic AML/CTF deficiencies... However, FATF has determined that certain strategic AML/CFT deficiencies remain.”

A mere two years later, Mr. Speaker, this is what the FATF had to say:

“The FATF welcomes Trinidad and Tobago’s significant progress in improving its AML/CFT regime and notes that Trinidad and Tobago has established the legal and regulatory framework to meet its commitments in its Action Plan regarding the strategic deficiencies that the FATF had identified in February 2010. Trinidad and Tobago is therefore no longer subject to FATF’s monitoring process under its on-going global AML/CFT compliance process. Trinidad and Tobago will work with CFATF as it continues to address the full range of AML/CFT issues identified in its Mutual Evaluation Report...” End of quote.

It will be recalled, Mr. Speaker, that in 2011 and 2012 considerable amendments were brought to this honourable House and the FIU was given regulatory powers in relation to the non-financial businesses and certain financial sectors which needed greater oversight such as credit unions and money remitters. These amendments brought the aforementioned sectors within the supervisory remit of the FIU. These sectors are identified as being at high risk of abuse for money laundering purposes, and around the world they are regulated for AML/CFT compliance.

Mr. Speaker, the pace at which criminal activities are evolving and adapting, led to the FATF revising its recommendations in 2012 to address new risks, new threats and new typologies that had been identified to the work of FATF and regional bodies such as a Caribbean Action Financial Action Task Force or CFATF of which Trinidad and Tobago is a member.

The FATF has begun the fourth round of mutual evaluations which is based on the revised 2012 recommendations. The regional body, the CFATF, will be assessing Trinidad and Tobago in January 2015. Additionally, as the fourth round progresses, the third round is being brought to an end. As the third round process winds up, Trinidad and Tobago must show that we have achieved compliance with the 16 recommendations which are considered key and core. These are basically the most important ones.

Mr. Speaker, since 2012, we have continued our efforts to ensure that Trinidad and Tobago remains compliant, and to strengthen our AML/CFT regime. After the November 2013 meeting of the CFATF plenary, a decision was taken by Cabinet to appoint an inter-ministerial committee chaired by the Attorney General and also comprising the Minister of National Security and me, the Minister of Finance and the Economy. The committee is vested with the responsibility for taking all measures needed to ensure that Trinidad and Tobago successfully exits the third round process, and achieves a high level of compliance in the fourth round. To this end, Mr. Speaker, the committee meets regularly with the various stakeholder agencies and provides strategic direction to the ongoing national compliance efforts.

In meeting with a team of technical persons from different law enforcement, as well as the policy development and regulatory agencies which play a role in anti-money laundering, we became aware of some of the challenges faced with the existing law. As more issues emerged, it became clear that amendments were needed if we were to effectively tackle the problem of money laundering and achieve a greater level of compliance with the international standards.

It is no secret, Mr. Speaker, that to date only four persons have been charged with the offence of money laundering under the existing POCA or Proceeds of Crime Act. Part of the difficulty is that the current formulation of the law requires the prosecution to prove that the laundered funds were derived from a specific criminal offence, and that there must be parallel charges laid for that offence or even a conviction for that predicate offence before the money-laundering charge can succeed. This has proven quite difficult.

We are therefore seeking in these amendments, Mr. Speaker, to address this particular issue of the predicate offence. Coming out of the third round evaluation, it was agreed that Trinidad and Tobago should create what is called a stand-alone money laundering offence, whereby property can be proven to be the proceeds of criminal conduct, and a person can be charged and convicted of money laundering, notwithstanding the lack of a conviction for a specific crime that gave

rise to the proceeds. It is not necessary in a stand-alone money laundering case for the prosecution to wait for conviction in relation to the criminal conduct, that is, the underlying or predicate offence giving rise to the criminal property which was laundered. Prosecutors are not required to prove that the property in question is the benefit of a particular type or a specific act of criminal conduct. And this was actually made abundantly clear by the English Court of Appeal in the leading case of *Regina v Anwoir*. However, the prosecution must at a minimum be able to produce sufficient evidence from which the jury can draw the inference that the property in question has a criminal origin, and this must be done to the required criminal standard, that is, beyond a reasonable doubt.

**10.15 a.m.**

So, even though we are introducing this particular change, Mr. Speaker, what we are doing also is ensuring that we do not trample on the rights of the individuals and that the acquisition of the criminal property must meet the required standard.

In fact, the term used in *Anwoir* which was approved by the Court of Appeal in the subsequent case of *R vs F and B* is what they called “the irresistible inference”. So, Mr. Speaker, it would now be opened to the prosecution to prove that the property which was laundered was derived from criminal conduct, either by showing that it is derived from conduct of a specific kind or, and I quote from the judgment:

“by (deducing) evidence of the circumstances in which the property is handled which are such as to give rise to the irresistible inference that it can only be derived from crime.”

Now, Mr. Speaker, the question may arise as to why we would want to prosecute someone for money laundering if we cannot pinpoint what offence specifically generated the proceeds. And the reason for that is basically because we see people who live what is referred to, in the parlance “as a criminal lifestyle”; they have no legitimate source of income but they own the best cars, the best houses, the best jewellery, et cetera. And unlike the average hard-working citizen of this country who takes out a loan for a mortgage, or to travel or to buy a car, they leave no paper trail or trace of evidence to show what legitimate activity would have given rise to these particular proceeds.

Prior to 2002, the United Kingdom faced a similar challenge when they were attempting to prosecute money laundering cases. So they introduced the concept of criminal property in the UK Proceeds of Crime Act 2002, and as a result they

have successfully prosecuted hundreds of cases where persons deal with criminal property having knowledge or reasonable grounds to suspect that the property is, in fact, criminal property. Of course, Mr. Speaker, there are safeguards built into the law to protect innocent parties who are unknowingly entering into transactions which involve criminal property, and I will deal with that as I go along.

Mr. Speaker, as a result of the low number of charges laid for money laundering, locally, the CFATF has expressed concerns to us, and we have therefore sought to make the amendment to the legislation in keeping with what the UK Government has done, to allow us to make our legislation much more effective.

Apart from the proposed amendments to treat with the prosecution of the money laundering offence, this Bill also seeks to address another identified problem which is, what we referred to as the “specified offence”. And the “specified offence” in POCA captures two things: first of all, all indictable offences, and secondly, offences which are specified in the Second Schedule.

The existing POCA contains provisions under Part I which allow the court to make four types of orders: the first is restraint and charging orders in relation to realisable property in order to ensure that assets are not hidden or transferred by persons who are before the courts.

The second is confiscation orders whereby assets are taken away by the court; thirdly, would be the detention of cash orders made pursuant to section 38, whereby a customs or police officer above a certain rank, can seize cash over a prescribed sum and detain it for a period of 96 hours if there is reason to believe that the sum of cash represents the proceeds of a specified offence. And I will come back to that after.

And finally, Mr. Speaker, there are forfeiture orders where a magistrate can order that the sum of cash previously seized is forfeited, where the magistrate, of course, is satisfied that the cash, directly or indirectly, represents the proceeds of a specified offence or is intended to be used for the commission of a specified offence.

Now, there are two issues with the current law as it stands, Mr. Speaker. First, the FATF recommendations require countries to adopt legislative measures that will allow them to restrain and confiscate assets which are laundered, which are derived from predicate offences or which are used to fund terrorism.

Now, what Trinidad and Tobago did in the previous, in the existing legislation is that we adopted a blended approach where we tried to capture all serious

offences by reference to indictable offences and then we included some summary offences in the Second Schedule which are primarily tax related offences.

The reference to the designated categories of offences is the categories of predicate offences which the FATF has named as the type of offences in relation to which countries should be allowed to confiscate property once a conviction is obtained.

So, Mr. Speaker, what we have found is that there are offences which are summary offences on the statute books of Trinidad and Tobago, which may fall into these categories and, therefore, in order to be FATF compliant, we must capture these within the definition of “specified offence”. The very nature of some of these offences makes it possible for them to give rise to substantial financial gain. And some of these summary offences would include things such as environmental crime, which includes mining without a licence—*[Interruption]*

**Hon. Member:** Illegal quarrying.

**Sen. The Hon. L. Howai:**—yeah, which is commonly known as illegal quarrying, an offence created by section 45 of the Minerals Act. From the commission of this offence, the perpetrator can acquire substantial enrichment, but it is a summary offence under the existing law and as such, the State cannot confiscate any of the assets which a perpetrator may have acquired with the proceeds of this crime.

So the amendments which we are proposing today will allow the State to restrain and confiscate the ill-gotten gains of persons who offend against any law which falls into one of the categories of the specified offences where the State can prove a nexus between the commission of the offence and the acquisition of the asset. However, to ensure that we do not burden the courts with a significant amount of pieces of abuse, we thought that what we should do is set a limit and relate this piece of legislation that we are introducing now and the amendment to crimes which attract a penalty of over \$5,000 or one year in prison, in order to ensure that we do not put too many trivial cases before the courts.

Furthermore, Mr. Speaker, petty crimes generally do not give rise to criminal proceeds. So to launch a financial investigation into these matters in order to determine if there exists any nexus between the crime and the assets would again be overburdening the law enforcement agencies and more likely than not be an exercise in futility. So apart from that change which deals with some of the offences which were previously summary offences.



The second issue we have found, Mr. Speaker, is that by making reference to indictable offences there is a lack of clarity in the law. It was felt that the law should go into detail and say that if you commit a certain offence, and there is a nexus between the profits you have made from the commission of that offence and the property or other assets which you own, then the State can approach a court and ask for an order to restrain your assets and if you are convicted the State can ask for an order to confiscate these assets which we can show are derived from the commission of the offence.

So, Mr. Speaker, we have amended the definition of “specified offence” to refer to serious offences from which persons can derive a financial benefit and which fall within the FATF categories of designated offences, and in the process we have clarified for the benefit of the public at large what are types of offences to which this Act will apply. And that would now be included in the schedule.

In relation to both these substantial amendments, the amendments to the money laundering offence and the definition of “specified offence”, we have taken heed of what was done in the neighbouring Caribbean countries which are subject to the same assessment process as Trinidad and Tobago. Grenada, St. Lucia, the Cayman Islands, Jamaica, The Bahamas and St. Vincent and the Grenadines, have all modelled their law in relation to the offence of money laundering after the United Kingdom and have incorporated the concepts of criminal property derived from criminal conduct into their legislation.

Barbados, which we considered in great detail, uses slightly different terminology, but having regard to the extensive body of case law to aid in interpretation when these matters are before the courts, we thought it more appropriate to go with the UK formulation which has been widely adopted in the region, and successfully so, with neighbouring St. Vincent and the Grenadines adopting a conviction for a stand-alone money laundering offence in the case of Antonio Gellizeau and others, where the coastguard boarded a vessel and discovered US \$1.6 million concealed in vacuum sealed bags and they then proceeded to balance their budget.

With respect to the “specified offence” definition, similarly, countries in the region have listed in schedules to their respective Acts, relevant offences which can result in restraint and confiscation orders. Jamaica, the Cayman Islands, The Bahamas, have all, in some form or the other, listed the offences or categories of offences. Grenada has opted to schedule each of the FATF categories of offences and leave it to the courts to decide whether a specific offence under the domestic law fell into any of these categories.

*Misc. Provisions (No. 2) Bill*  
[SEN. THE HON. L. HOWAI]

*Friday, September 19, 2014*

We agree with this approach as its scope will not only capture the widest possible range of offences to meet the FATF recommendations, but will also give greater clarity to the man in the street so that he can know that these are the types of offences that can result in the State restraining or confiscating your assets.

Mr. Speaker, you have to recognize that this is a fundamental piece of legislation which touches, again, on fundamental rights of the individuals and we need to ensure that we take appropriate action to ensure that there is no abuse but at the same time that the law enforcement agencies can successfully prosecute instances of breaches of the law.

Mr. Speaker, I would now like to highlight some of the amendments which we are proposing and I would go through some of the clauses very briefly.

At clause 3(b), we are seeking to amend section 19(2) of the Proceeds of Crime Act to expand upon the current safeguard provision as it relates to restraint orders. While the current law states that the court can make provision as it sees fit for living and legal expenses, we are seeking to repeal and replace this section with a provision that itemizes the various factors which the court can consider when carving out exceptions in a restraint order and provide for access to funds.

Mr. Speaker, the law has to be fair and balanced. It is of particular importance that we do not trample upon the rights of those who are still considered innocent until proven guilty. Therefore, with a provision such as this one, that can deprive persons of their constitutionally protected right to the enjoyment of property before conviction, we felt that it was imperative to make clear what are some of the allowances the court can make when granting the order. You see, while we want to ensure that assets are not dissipated during the course of a trial, we also do not want an accused person, not yet convicted of any crime, to lose his house because he cannot make his mortgage payment, or derail his children's future, because he cannot pay school fees. We do not want to deprive persons of medical care and we most certainly do not want to deprive them of a fair trial by making it impossible for them to retain legal counsel because they have no access to funds.

So we have looked at the provisions in the UK, Dominica and Barbados, as well as the UN Resolution 1452 of 2002 that speaks to the freezing of the terrorist assets and what exceptions can be made, and we crafted this section to state explicitly, what are some of the expenses the court can make provision for.

Turning to clause 3(d) of the Bill, Mr. Speaker, apart from correcting a typographical error in section 32(3), this section also seeks to amend subsection

(10) by inserting a new subclause and what this does is it gives the court the power to specify in an order for the production of material to a police officer—to give the court the power to provide that the material to be provided can be done in electronic format.

In the course of the financial investigations, sometimes an investigator may obtain an order, which we will call a “production order” which allows him to obtain financial records. And sometimes these financial records go back, five to 10 years and then you may have this in four or five different financial institutions, and what you could find happening is that the officer is buried under a pile of paper which slows the pace of the investigation actually in terms of collating and sifting through all of this.

**10.30 a.m.**

We also must recognize that in this digital age, computers and software can do, in 10 minutes, what a human would take 10 months to do. So, again, we are proposing to amend the law explicitly to give the court the power to order that material could be produced in an electronic format. We do not make it mandatory to do so because we would like to give the court the flexibility to determine the method of collation and collection of the data at its own discretion. So we have introduced the amendment but we are leaving it to the discretion of the court.

Another section which we are amending in clause 3(e) of the Bill is section 38 of the Act which removes the requirement for a customs officer who seizes and detains cash suspected to be the proceeds of a specified offence, to be on duty at a port of entry, and in the case of a police officer the requirement that he be on duty. Those are some changes that are being made to reflect particular experiences that we have had, where persons were arrested but they were not arrested by a person who was on duty and seizures were made but not by the customs at the port of entry, and therefore, on a technicality people were able to evade the law. Therefore, what we are seeking to do is to amend this so that we can allow any particular officer—because an officer can make an arrest in any case, at any time and in any place. Therefore, we are removing those restrictions to allow the law enforcement agencies to be able to carry out their duties much more effectively.

Section 38 is further amended in subsection (4) by allowing for the use of prescribed forms by police and customs officers who go before a magistrate to obtain orders to detain cash beyond the initial 96 hours, for a period of up to three months. This ensures that there is consistency in application before the courts.

The new subsections (4A) and (4B) are added, which state that the initial application for a detention order will be heard *ex parte* but once an order is obtained the interested parties must be served with notice as soon as reasonably practicable. The reason for this is to ensure that there is no lapse of the 96-hour detention period which may ensue should there be an *inter partes* hearing. Again, this change came out of a specific instance that occurred recently as far as enforcement of this particular section is concerned. Secondly, the interested party is informed that a detention order has been made against the sum of cash.

In the case of *CoP and Others v Judge Smith and Others*, there was an application for judicial review of a district court's decision to grant an *ex parte* application for a detention order. The case involved the detention of 38,000 euros at Dublin Airport. It was held that the granting of a detention order, *ex parte*, does not infringe the principles of *audi alteram partem*, natural justice fairness or the European Convention on Human Rights.

So we are allowing this but we are saying that, clearly, there is legal precedent which allows for it in the courts. The court recognized that the detention order was not a final order that involved any finding of wrongdoing and was akin to interim relief, which allowed for the status quo to be maintained whilst authorities investigated the origin of the seized cash and whether criminal proceedings were justified.

So this is the context in which we are making this particular change. I want to say, though, that the rights of the interested party—the persons whose cash was seized—are further protected since:

- (1) such a person may apply to a magistrate for the release of the sum of cash at any time;
- (2) the detention order must be renewed before the courts every three months; and
- (3) no cumulative period of detention can exceed two years.

Therefore, with these new subsections, the courts can hear the matter *ex parte*, determine whether there are sufficient grounds to grant the order and, if granted, the interested parties are served and can approach the court at any time and be heard. Most importantly, police and customs officers are given time to investigate whether the cash detained, directly or indirectly represents any person's proceeds of a specified offence or is intended by any person for use in the commission of such an offence. Such investigations may also consider the institution of criminal

proceedings against any person, whether in Trinidad and Tobago or another jurisdiction with which there is connection to the detained cash. Mr. Speaker, I wish to point out that in practice, the courts can hear matters such as these, *ex parte*, and this amendment simply codifies an existing practice.

Clauses 3(f) to 3(k) deal with the changes I have already outlined to the offence of money laundering and connected, or consequential amendments. So I would like to move to clause 3(l) which amends section 55 of the Act. The substantial changes made here are that financial institutions and listed businesses would be required to pay special attention to all complex, large, unusual transactions, but only report those that are suspicious.

Additionally, the threshold for a large transaction is lowered from \$95,000 to \$90,000, which allows us to capture a little bit more—a larger number of transactions. Now, the reason why we are removing the requirement to report all large transactions is because there are many transactions over the \$90,000 threshold which are legitimate and are done in the normal course of business. The FIU is only concerned about those transactions which do not seem to be above board and therefore raise a red flag, which appear irregular and not part of the normal course of business and which are deemed suspicious by the financial institution or listed business after it conducts its due diligence exercise.

If every transaction over \$90,000 had to be reported, some businesses, like car dealers and real estate agents, would have to report every single transaction that they do, to the FIU, which in turn now would then be inundated with a number of reports to analyse. The intention of our law was never to create a reporting regime tied to threshold. It is really intended to deal with suspicion more so than with the threshold *per se*, and therefore, we are focusing on those that are suspicious transactions.

Mr. Speaker, clause 3(m) inserts sections 55A to 55F into the legislation, and most of these clauses are renumbered clauses. There are, however, a few important changes, and I just want to quickly touch on these important changes. The first is to be found in proposed section 55A which encompasses the old 55(3), (3A) and (3B), but it replaces the requirement to report suspicious activity in a form prescribed in the third schedule, with a requirement report in a form approved by the FIU. So there is a slight change there, and this affords the FIU more flexibility to make the form available in an electronic format and even allow for reporting via a secure web-based platform which, I understand, is done in other jurisdictions, such as Bermuda.

Another amendment which we are proposing to enhance the operational efficiency of the FIU is to be found in section 55C. The existing law requires the FIU to approve compliance programmes developed by financial institutions and listed businesses. The compliance programme is a document which outlines what policies, procedures and controls the financial institution or other business has adopted to detect and report suspicious activity and thereby prevent criminals from laundering their funds. The compliance programme must be specific to the organizations and the risks which they face. There is no one-size-fits-all programme, and therefore, what we are seeking to do is to ensure that the organization has policies that are adaptive to the business environment, but which allows them to report flexibly, to the FIU. Having the FIU review every single programme and approving it is not only unduly burdensome, with some 1,800 entities currently being captured by this provision, but it does not accomplish the intended goal of ensuring that all these institutions have implemented proper measures to combat money laundering and terrorist financing.

Anyone can develop and submit a document saying, “These are the measures taken and they are in line with the risk that we face”. However, what is more important is to demonstrate that we have in place a regime which allows us to effectively police what is actually happening in the business, as opposed to just a form-filling exercise. So what we are proposing to do is have the senior management of the organization be responsible for approving the programme, and that when that is completed, that they submit that to the FIU, but that the approval process is with the senior management of the organization. So we are devolving that from the FIU into the organization itself.

This proposed amendment will not leave the regulated sectors to their own devices because the FIU’s mandate will still include outreach and training, providing of guidance on risk, trends and topologies and continue to be oversight and monitoring. So we will continue to do that, and it will be supplemented by what the supervisory authority, be it the Central Bank, the SEC or the FIU, will be doing as far as continuing to police the activities of these specific organizations.

So what we are doing is, we are making a change. We are asking the company now to approve the form rather than the FIU. So we are taking some of the work away from the FIU and we are enlisting the support of supporting institutions such as the Central Bank and the SEC, to assist the FIU in the policing of these arrangements. Therefore, what we are also doing is we are asking to give certain powers of entry to the Central Bank and the SEC to ensure that they can go on site and do some of the inspections that they are required to do.

There are a few other areas that we have made some changes to. What we are seeking to do also is to focus the FIU itself on doing more on-site examinations rather than sitting in their offices and just reviewing forms. They will have that as a continuing exercise that they will have to do. They will have to review what is happening in the—review their forms to determine if there are any suspicious activities, but very much more importantly, is to allow the FIU also to be able to selectively determine which particular institutions, based on the submissions that they are getting, which they themselves would also like to pay particular attention to. So some of these changes, what they are intended to achieve and what we are looking for them to achieve, is a greater degree of efficiency and effectiveness of the FIU in terms of the use of their human resources in going after and identifying breaches of the Act.

The last major amendment, which we are seeking to make to this POCA, Mr. Speaker, deals with the Seized Assets Fund and the Seized Assets Advisory Committee. I would not go through some of the details of the best practices paper and so on, that the FATF has done but, basically, there are three areas I would just like to focus on as far as the Seized Assets Fund is concerned.

The first relates to the—given the fact that the Seized Assets Fund, moneys which are paid into it, the proceeds of crime normally, or assets which are confiscated, are normally paid into the Seized Assets Fund, one of the things that we saw in the legislation is that when payments had to be made, the payments were coming out of the Consolidated Fund and not out of the Seized Assets Fund, and we thought that, perhaps, what we should do is ensure that if funds are being placed in the Seized Assets Fund, if there is a need to pay moneys back to the persons from whom it was seized, that the proceeds be taken out of the Seized Assets Fund rather than out of the Government's Consolidated Fund. Therefore, what we have sought to do is to make an amendment to allow for this.

Another point that we noted, too, is that from a practical and financial perspective, if a fund is established, it does not follow that moneys or cash or property seized should be placed with, necessarily, the Seized Assets Advisory Committee, as directed, and we thought that what we should try to do is to make it very explicit in the change that we are making. In addition, the final change that we wanted to make is that there was previously no guidance on what moneys should comprise the fund, so therefore we have addressed this deficiency in the proposed section 58 of the legislation.

**10.45 a.m.**

So what we have, Mr. Speaker, now is a much more comprehensive regime for the management of seized assets where:

1. The Seized Assets Fund is established with identified accounts and audit rules for the Comptroller of Accounts;
2. There will be a Seized Assets Advisory Committee, the members of which would be appointed by the Minister of National Security. The Seized Assets Advisory Committee would provide advice on disbursement of moneys from the fund;
3. It is clear that the Minister of Finance and the Economy will be responsible for disbursing funds for prescribed projects;
4. There is now an expanded list of prescribed projects for uses of the fund;
5. The moneys which will comprise the fund are clearly identified; and
6. There is guidance on how the committee must deal with different types of property.

By this new framework, we have attempted to update and enhance the structure of the Seized Assets Fund.

As I indicated earlier, this Bill amends three key pieces of legislation which are concerned with anti-money laundering and combating the financing of terrorism. The vast majority of these amendments have been made to the Proceeds of Crime Act. And I would just want to touch briefly on the Anti-Terrorism Act and the FIU Act. At clause 4 of the Bill, we are putting forward an amendment to the definition of “terrorist property” to include:

“(d) property belonging to a terrorist or terrorist organization;”

The United Nations Security Council Resolution 1373, calls upon States to prevent and suppress the financing of terrorism by, among other things, freezing any property belonging to a terrorist or terrorist organization. The resolution is, therefore, applicable to any property belonging to the terrorist and not just a property used in furtherance of the criminal enterprise. This was a deficiency flagged by the assessors in the CFATF follow-up reports as recently as May 2014. Another deficiency flagged by the assessors is the low and possibly dissuasive fines in the Anti-Terrorism Act and we are looking to increase these fines.



At clause 5, we have made amendments to the FIU Act and at subclause (a), we have an amendment to the interpretation section to correct a discrepancy between the Act and the subsidiary legislation. And further, we have included a proposed section 18C which allows for the FIU to publish, via its website, a list of all supervised entities which are registered pursuant to the FIU Act, and to make this list available to financial institutions which are required to verify the registration status of their clients who are listed businesses as part of their due diligence process. This information will also benefit the public at large.

And finally, at subclause (d), we have addressed another operational issue by including a provision that would allow an FIU officer to accompany a police officer who obtains a warrant to inspect premises. So, when you are going to—a police officer is going to inspect a premise to conduct an inspection, the FIU would accompany them.

There are a couple of things which were approved in the Senate. I just want to draw attention—or amendments which were made by the Senate and I just want to draw attention to those particular pieces of amendments that were made to the original Bill. The first one deals with what—the definition of “criminal conduct”, and that is to include offences which occurred prior to the commencement of this Act. There was an inclusion in section 2(3) which we have now moved to section 43(2)(c) of the new piece of legislation. We have also made another amendment to the Act to include intellectual property offences and trafficking in body parts and migrant smuggling. So those are two changes that we have made consequent on the debate in the Senate. There were changes which were made or recommended by Members of the Senate. So those are the two changes.

Mr. Speaker, in the remaining 30 seconds, I just want to say that this piece of legislation is indeed an important piece of legislation. It is very far-reaching. It touches the fundamental rights of individuals but it is a piece of legislation that is in keeping with changes that have been made in other jurisdictions in other parts of the world. It certainly will allow us to enforce the money laundering crimes a lot easier than we have had—we have been able to do in the past, and therefore it allows us to demonstrate to the world at large that Trinidad and Tobago, and certainly to the FATF, that we are able to comply with the most stringent international requirements, and of course, we will make Trinidad and Tobago a safer place as far as these particular matters are concerned.

With these few words, Mr Speaker, I beg to move. [*Desk thumping*]

*Question proposed.*

**Mr. Speaker:** Before I invite the hon. Member for Diego Martin North/East, may I just remind Members, we are reverting to ordinary debates on Bills and therefore, there is a total time frame of 45 minutes: 30 original, 15 extension.

**Mr. Colm Imbert** (*Diego Martin North/East*): Thank you, Mr. Speaker. We have just spent—how many days in this place? Five? And you know, the approach of this Government to serious matters is just bordering on the irresponsible. They have stopped the budget exercise in midstream—we should be looking at the estimates today, they stopped it in midstream to do this. It requires a three-fifths majority, they do not have 26 people here in the House. So unless some people mysteriously appear out of the ether, they will require Opposition votes. They have had no consultation with the Opposition, not even asked the Opposition whether we would support the legislation or not.

**Dr. Moonilal:** I will materialize them.

**Mr. C. Imbert:** Mr. Speaker, this Government just borders on the irresponsible. The Minister has not explained: why have you interrupted the budget exercise to do this? What is so important about it? Is there a deadline that you have missed? Is it that you have failed again to comply with the FATF and the CFATF recommendations? What are we doing here today debating this? “Hmmm.” And you know when you ask the Government these questions, you get no answers, you know. You will never get answers out of them because they cannot deal with serious issues.

As an example, and this goes directly to money laundering and the proceeds of crime and financial intelligence and the reporting of suspicious transactions, I filed a question in this Parliament. It appeared on the Order Paper on June 25, 2014. This Government boasts about answering questions but there are some questions they do not answer them, you know. They come and tell “yuh they want ah week, they want ah two weeks, they want ah three weeks”, and they pretend, you know, “the Minister not here, the Minister out of the country”, you know, “we need to gather information.” And this is the question I asked in June 2014; we are now in September, eh, they let it lapse. “They doh want to answer, they run, they duck, they hide.” This is the question to the Minister of Finance and the Economy—this Minister of Finance and the Economy:

“148. With respect to the property located at the corner of Cadiz Road and Queen’s Park East currently occupied by the Apsara and Tamnak Thai Restaurants, could the hon. Minister...state:”

**Dr. Browne:** Friends and family!

**Mr. C. Imbert:** [*Crosstalk*] We are dealing with proceeds of crime, criminal conduct, whether property has been acquired using illegal means, Mr. Speaker.

**Dr. Browne:** Talk about real estate.

**Mr. C. Imbert:** We are talking about real estate acquisitions, we are talking about money laundering, and I will show you where the money laundering has occurred, because the Minister would not answer the question so I will deal with the money laundering. [*Continuous crosstalk*]

- “A. Whether the NIBTT or NIPDEC has purchased, or...agreed to purchase this property and for what purpose?
- B. If the answer to”—this—“part...is in the affirmative:
  - i. What was the agreed purchase price?”

Mr. Speaker, they are disturbing me, “yuh know, they cyah take talk, yuh know”. Could you get them to hush?

**Mr. Speaker:** Please, allow the Member to—[*Inaudible*]

**Mr. C. Imbert:** You know, I was told that in my response to the budget, I “ent buss no mark” as if that is all we do inside of here, “we buss mark”. I dealt with the budget figures. “Dey wah me to buss mark, ah go buss mark today. Ah go buss mark today.” So:

- “ii. Whether an independent valuation was obtained by either NIBTT or NIPDEC prior to the agreement to purchase;
- iii. What was the amount of the valuation for the property...who conducted the valuation; +
- iv. What is the land area...what is the floor area of the building on the property?”

“Dey eh answer it at all. Minister duck, he run, he hide, he bob, he weave, he not here, he gone, lapse!”

Now, Mr. Speaker, let us go to the issue. There is an article in the *Express* that is at the core of what we are discussing today which is suspicious property acquisitions and money laundering. National Insurance Board:

“NIB buys \$37m restaurants”

[*Crosstalk*] *Express*, nah, it is not *The Voice* or the *Sunshine*.

“The National Insurance Board (NIB) has spent \$37 million to acquire the property housing Apsara and Thamnak Thai restaurants in Port of Spain and has promptly leased it back to the owners at \$96,000 a month for ten years.

NIB is spending \$5 million on repairs to the building.

The Sunday Express understands the property was valued at”—\$16—“million in January”—16.5 actually—“by a named company (on behalf of NIB). This compared unfavourably to a valuation by the property owners, which...pegged”—it—“at \$29 million.

NIB paid \$37 million, more than twice the amount the property was valued at, to R&M Property Holdings”

And he would not answer the question. “Ahhhh.”

“The sale was finalised in October and \$3.7 million (ten per cent) was paid to WM Investments...”

This is what I want the Minister to—is that what you found, that is why you cannot answer? Who is WM Investments? What was that money paid for, that \$3.7 million? Was that money laundering? Was that a kickback? Was that a commission? You know, you will have to answer sooner or later who WM Investments is and why the NIPDEC paid them \$3.7 million in this transaction.

**Dr. Browne:** Call a commission of enquiry.

**Mr. C. Imbert:** Because I am satisfied, based on the information I have, that it is illicit transfer of funds that falls within the core of—oh, you are raising your eyebrow. The NIPDEC, which reports to you, purchased a building for twice the valuation amount and paid some third party, who does not own the building, \$3.7 million in commission or kickback or whatever you want to call it. You will have to explain that in due course, Mr. Speaker. They will have to explain that.

When you ask them why they did this, why did you purchase a building for twice the valuation?—“all kind ah nonsense they telling you, yuh know: is ah good buy, good return on investment”. “They buy the building from somebody, then spending \$5 million of taxpayers’ money to renovate the building for the same people to run ah restaurant in.” You know, this Government has spoilt—you have spoilt so many things in this country; spoilt so many things in this country.

So, I would like, in all this revision to the law and all these amendments the Minister spoke about that you do not have to prove that it is from a specific

offence, see if you could attach that to this transaction—“yuh laughing, eh”. But let us go to something more serious.

**Dr. Browne:** More than that?

**Mr. C. Imbert:** Yeah. The Minister spoke, in his presentation, about dealing with illegal quarrying, so let us look at the Government’s record on illegal quarrying.

**11.00 a.m.**

Mr. Speaker, again, I go to some information in the *Express*, starting with an article on May 31, 2014:

“Highway Robbery

Tonnes of stolen aggregate have been used in the construction of the \$7.5 billion Sir Solomon Hochoy Highway extension to Point Fortin.”

And it goes on to speak about the investigation:

“...truck-loads—” [*Interruption*]

**Mr. Deyalsingh:** Proceeds of crime.

**Mr. C. Imbert:** Yeah, proceeds of crime, but are they going after anybody? This is the point. Talk, talk, talk, talk but have you gone after anybody? Have you convicted anybody:

“A special Sunday Express investigation has uncovered truck-loads of the aggregate...from an illegal quarrying site...were delivered for use on the Debe-to-Mon Desir segment of the highway extension from October 2013 to February this year.

Investigations showed that on a daily basis, between 16 and 20 loads of the aggregate were delivered to the construction site in 20-tonne trucks.”

And it just goes on to talk about the number of reports that had been made to the Ministry of Energy and Energy Affairs about this matter, and the fact that the Ministry of Energy and Energy Affairs and the Government is doing absolutely nothing, in fact, the Ministry denied. I asked a question in this Parliament as to whether the Minister of Energy and Energy Affairs was aware that aggregate was being illegally mined in north-east Trinidad, and used on the Point Fortin highway, and he said he did not know.

Mr. Speaker, the persons associated with the matter have confirmed that this is taking place.

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Again, in another article June 07, 2014, the operator of a company that goes by the acronym CMA, Mr. Howard John—listen to this:

“And while the Ministry in response to questions sent by the Sunday Express said it was not aware aggregate mined from the illegal quarry...was used in the construction of the highway...investigations indicated otherwise.

In fact, Howard John, co-owner of Caribbean Minerals Agency (CMA)—the company officially contracted to supply aggregate for the highway—said in an interview on May 22 that he purchased aggregate from a businessman operating at Matura from October 2013 to February of this year.

John said the aggregate was delivered to the construction site of the highway.”

So I heard the Minister talk about, you know, the wonderful things that will happen with this legislation, but here we have information, that illegal quarrying is taking place in north-east Trinidad, the Ministry has been told about it, the Ministry of Energy and Energy Affairs pretends not to know, the Minister of Energy and Energy Affairs tells us he does not know. All this information in the system, you know, police involved, Ministry of National Security, the Minister who is here, “ah doh know what he doing here”. The Minister of National Security knows all about it, knows all about the people involved in illegal quarrying in north-east and their connection to a gang of murderers in this country, and I am going to—if the Minister does not want to tell the country, I will tell the country of the connection between this illegal quarrying, to a gang of murderers in this country that the Minister knows all about, and this Government just talks, and talks and talks, they just talk.

If we go to the 10<sup>th</sup> follow-up report, Trinidad and Tobago, May 29, 2014, that is this year, Caribbean Financial Action Task Force, and that is the entity that Trinidad and Tobago is a member of, because you have the Financial Action Task Force, and then you have a number of organizations around the world that deal with regional matters, and our organization is the Caribbean Financial Action Task Force. What do they have to say? On page four of this report which one would assume prompted this legislation:

“With regard to Rec 1, the...deficiency is the fact that the implementation of money laundering legislation does not appear to be effective as there have been no convictions.”

That is what they are telling them, you know. No convictions, Mr. Speaker, no convictions. And they speak about the need to reform the criminal justice system

to enhance the speed and efficiency of criminal trials, and they said since their last report the situation has remained unchanged resulting in Trinidad and Tobago not being compliant.

So all this talking and carrying on about what they did when they came in and what they met—They have been in Government for four years, for four years they have been in Government, and during those four years, there have been numerous—*[Interruption]*—Mr. Speaker, the usual suspects over there are trying to disturb me. Could you deal with them, please?

**Mr. Speaker:** Yes, you have my protection. Allow the Member to speak in silence.

**Mr. C. Imbert:** I may have your protection, but they do not take you on, you know. *[Laughter]* But, anyway, let us look and see what went on—especially the Member for Lopinot/Bon Air West, “he doh bother wid you”.

**Mr. Speaker:** Please! Please!

**Mr. C. Imbert:** But let us look and see what was done with respect to money laundering, proceeds of crime and anti-terrorism financing, Mr. Speaker. If you go to the Bill essentials produced by the Parliament, the Parliament has given a history of what took place, and all of the legislation that was brought to Parliament and dealt with.

When you go into the document, you will see all of the amendments that were made to legislation over the period 2010 to now. We amended the Proceeds of Crime, Anti-Terrorism in 2010, Anti-Terrorism in 2011, Financial Intelligence Unit in 2011, Financial Intelligence again in 2011, Miscellaneous Provisions in 2012, dealing with financial intelligence and anti-terrorism.

So this Parliament has done a lot of work over the last four years to comply with the requirements of the Financial Action Task Force. And while all of that has been done, not a single conviction has been acquired under this administration. And you have to wonder what is going on, because there is another article here, June 14:

“Ministry officials, cop fingered in quarrying racket”

**Mr. Deyalsingh:** What?

**Mr. C. Imbert:** Yes, and what they are saying, Ministry officials, cop—police—fingered in quarrying racket.

**Mr. Deyalsingh:** I thought was Phillip Alexander. *[Laughter]*

**Mr. C. Imbert:** And, Mr. Speaker, what this article says is that every time they go to deal with this illegal quarrying where aggregate is being mined in north-east Trinidad illegally, forest is being destroyed, 400 acres of land. I am sure the Minister of Lands and Marine Resources knows all about this. Four hundred acres of forest completely decimated, Mr. Speaker, while all of that is going on, officials in the Ministry of Energy and Energy Affairs have been tipping off the criminals who are engaged in this illegal quarrying.

**Mr. Deyalsingh:** What?

**Mr. C. Imbert:** Yes, that is what the article said, police has them under investigation, officials in the Ministry of Energy and Energy Affairs under this administration, Mr. Speaker. But let me deal with the—*[Interruption]* “Yuh want meh to buss mark”—*[Interruption]* you know, forget, you know that is newspaper reports. You know, you did not like my contribution because I “eh buss no mark. Well, leh me buss some mark now.”

Mr. Speaker, there is a parcel of land and I would hope that the Minister of National Security at some point in time—it “doh hah to be today”. I would not expect the Minister of Energy and Energy Affairs to do anything, because he came here and said he “doh know nothing”; put on *Hansard* he knows nothing. His officials are being investigated by the police for tipping off illegal quarry operators, he knows that, eh, but he said he does not know anything about this aggregate business.

But, Mr. Speaker, let me just read into the record some letters, a letter dated May 22, 2014, that is this year, from the Commissioner of State Lands to the Permanent Secretary in the Ministry of Energy and Energy Affairs:

Status of a parcel of land situate at Ravine Sable Trace

Reference is made to the captioned matter.

The division’s investigations have revealed that the subject parcel of land comprising 15 acres, 0 roods and 20 perches, was surveyed in November 1905 for Gopiechun Nulia and as such is privately owned.

In light of this, the Land Management Division has requested a title search for the parcel of land in order to verify that it is, in fact, privately owned.

So that is May 2014. June 2014, Commissioner of State Lands writing to the Permanent Secretary:



Status of a parcel of land situate at Ravine Sable Trace

Reference is made to our letter dated May 22.

Further investigations have revealed that while the subject parcel of land was surveyed in November 1905 for Gopiechun Nulia, a warrant of forfeiture dated January 16, 1933 was executed in February 1933, for the forfeiture of same to His Majesty the King. In light of the aforementioned, the Land Management Division wishes to advise that the parcel of land is, in fact, State owned.

So it is not privately owned; state land, Mr. Speaker. Then a letter dated July 2014, from the Ministry of Energy and Energy Affairs to Mr. Fletcher, Commissioner of State Lands:

Status of a parcel of land situate on state lands in Vega de Oropouche. And those of you who know north-east Trinidad, will know that Vega de Oropouche is not the same place as Oropouche West. Vega de Oropouche is right in the centre of the north-east region of Trinidad.

The Minister of Energy and Energy Affairs wishes to advise that necessary action be taken by your office to protect the State lands in question and to evict the illegal occupier—July.

Well, of course, in his budget contribution the Minister of Lands and Marine Resources did not tell us about this. Now, what is so interesting about this piece of land, this is where national security comes in, and this is where Proceeds of Crime comes in, this is where money laundering comes in, and this is where terrorist financing comes in, Mr. Speaker, because all of that is associated with this parcel of land, terrorist financing, money laundering, proceeds of crime. What is the Minister doing about this, the Minister of Finance and the Economy?

Let us look at the historical antecedents of this parcel of land, Mr. Speaker. I shall now read from a memo from the Director of Minerals, Mr. Monty Beharry, to the Director of Minerals from the Quarry Management Officer, Mr. Vishal Persad. March 18, 2014:

Illegal mining at Vega de Oropouche

An investigation was conducted by a Ministry of Energy and Energy Affairs team on March 17 to investigate the reports of illegal mining in Vega de Oropouche.

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And they go on to talk about a visit, and they met a particular individual on the property and asked him to explain what was happening, there were no receipts present to validate his purchases of pitron. He was unable to locate the receipts, the documents. He will submit them in a weeks' time. It goes on and the individual is very evasive. It says:

It is recommended that title checks be conducted by the Ministry of Legal Affairs to verify the validity of the title documents produced.

Well, I have the title, Mr. Speaker, and here we have:

2000, Real Property Ordinance, memorandum of a gift.

I, Ishmael Shah, aged 49 years of wherever—Roystonia, Couva do hereby relinquish and bequeath this parcel of land—the same parcel that they are talking about, the 15 acres, the 0 roods and the 20 perches previously owned by the—*[Interruption]*

**Mr. Deyalsingh:** The State land?

**Mr. C. Imbert:**—gentleman, what is his name, previously owned by Mr. Gopiechun Nulia—you hit the nail on the head. They are bequeathing State lands, Gopiechun Nulia who had that land, it was forfeited in 1933:

In consideration of the natural love and affection which I have and bear towards Hassan Ali—“yuh know dat name?”—of 328 Melodians Crescent, Phase 2, Malabar,—

**Hon. Member:** “Da’ is not de terrorist organization?”

**Mr. C. Imbert:** Yes.

I do hereby transfer unto the said Hassan Ali all my share interest right now.

What is happening here? A criminal is transferring State land to another criminal, which the Minister of National Security has said is involved in most of the murders in Maloney and La Horquetta. The gentleman’s name keeps coming up.

So the guys from Carapo, your Government knows, the Ministry of Energy and Energy Affairs knows that the gentleman from Carapo has fabricated a false deed and has acquired State land in his name, and is illegally mining material and selling it to the Point Fortin highway. *[Crosstalk]*

Now, I do not mind passing on these documents to the Minister of National Security; he seems oblivious. *[Interruption]* So what is all this talk about you are dealing with money laundering. Right under your nose terrorist organizations,

illegally mining land in north-east Trinidad which they have acquired fraudulently with a false deed, and all the documentation is here, you know. Let me repeat, Mr. Speaker.

**Mr. Deyalsingh:** That is the same LifeSport people?

**Mr. C. Imbert:** Yes, the same LifeSport people. [*Crosstalk*] The same people from Carapo, LifeSport. And we will go to LifeSport in a short while. I will show you more money laundering, Mr. Speaker.

And, Mr. Speaker, it is the same parcel of land where the Commissioner of State Lands has confirmed the parcel is State owned, and the Ministry of Energy and Energy Affairs has asked the Ministry of Land and Marine Resources to evict the person.

**11.15 a.m.**

All of this is going on in Trinidad and Tobago—they are oblivious—and they come here this morning, and the Minister is beating his chest about all the innovative and fantastic things he is doing about money laundering, proceeds of crime and terrorist financing, when terrorists in Trinidad are financing themselves with the knowledge of the State; with knowledge of the Ministry of Energy and Energy Affairs; and, what are they doing about it? Nothing! Absolutely nothing! Just for good measure, let us revisit LifeSport.

**Mr. Deyalsingh:** And the Government buying the aggregate to put in Point Fortin.

**Mr. C. Imbert:** The contractor that the Government has engaged is purchasing the aggregate. [*Crosstalk*]

**Miss Mc Donald:** Disgrace!

**Mr. C. Imbert:** Oh yes! That is what this said. Mr. Howard John—and that name should be familiar because I think—my memory tells me that person had some association with the Ministry of Energy and Energy Affairs previously—has confirmed that he is buying material from somebody in north-east Trinidad and selling it to the highway. What are you all doing about this? What are you doing about this?

You come here with this Bill, you talk a set of talk, and when I opened the Caribbean Financial Action Task Force follow-up report, the first page says that your infrastructure, your judicial system, your legislation, your whole enforcement mechanism, are totally ineffective because you have not got a single

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conviction in four years. That is the first page they are saying that. What does the Minister have to tell us about that? What are you doing about that? What are you doing about all of this taking place under your nose and what is happening?

Now, let us move on. Let us read an article from LifeSport, *Express* August 2014: “How the LifeSport contract went from \$12m to \$34m” and this is so interesting. This has to be something that must be investigated by the authorities with respect to the proceeds of crime, because this is a criminal offence, Mr. Speaker. Look at the facts!

“On September 4, 2012, Adolphus Daniell, a director of eBeam Interact, submitted a proposal to...teach math and English throughout Trinidad as part of the LifeSport programme.

The cost of that two-year programme was \$7.5 million for the first year and \$4.5 million for the second year—a total of \$12 million. Two months later, on November 4, 2012, Daniell again submitted the proposal to the ministry. This time, the cost of the two-year programme was revised to \$11 million for the first year and \$11 million for the second year—a total of \$22 million.”

So in two months, the package went from \$12 million to \$22 million.

“There were no material changes to the two proposals titled ‘Proposals for Mathematics and English Language...’—except the cost.

They went through the whole thing. Everything remained the same. It is only the cost changed from \$11 million to \$22 million in two months. [*Crosstalk*]

“On December 6”—which is a month later—so this is all taking place in three months. It started in September, \$11 million, \$12 million whatever, it then goes to \$22 million in November and then in December—check this out:

“On December 6, 2012, a contract was signed by Daniell...and the Sport Company of Trinidad and Tobago”—for \$34 million.

**Hon. Member:** What!

**Mr. C. Imbert:** “The total on the contract was \$34 million. The scope of services...was copied straight from Daniell’s proposal...”

They did not even change a full stop, a semicolon or a comma.

**Hon. Member:** What was his first cost?

**Mr. C. Imbert:** \$12 million! So in September 2012, the gentleman submits a proposal, two months later he revised the proposal. All he changed was the cost, he did not change anything else—\$22 million—and then the Sports Company, one month after that, signs a contract for \$34 million.

I am aware that the internal audit department of the Ministry of Finance and the Economy in its report on LifeSport had said this matter should be investigated with particular reference to the proceeds of crime. Because it has to be a crime that somebody submits a proposal, it starts off at \$12 million in September, two months later, it goes to \$22 million and they have changed nothing in terms of scope, and then one month later a state entity signs a contract for \$34 million. So in December they paid \$22 million more than what was asked for in September.

Then when you go through the whole thing, they say that:

“Daniell received his second payment”—of \$17 million—“without once having taught a lesson at LifeSport.”

Not once. They also went on to say that for its \$34 million, the Ministry of Sport or LifeSport or whoever it is, did not receive a single piece of equipment; not a single piece of equipment:

“After a \$34 million contract...no work was done and the SportTT company does not have any of the equipment which it would have expended sums to cover. According to eBeam...Daniell’s Educational Community Ltd is its sole...distributor. The Express understands each eBeam device costs under US\$1,000.”

Apparently, they did further investigation and discovered that the total cost of all equipment for all LifeSport centres was \$797,496. They get that from the invoice; the import documents.

**Dr. Browne:** And the rest is labour. [*Laughter*]

**Mr. C. Imbert:** A \$34 million contract and the cost of equipment is \$700,000. Mr. Speaker, you know, when I read what the Caribbean Action Task Force is saying, what they are saying is that, you know, we have all kinds of laws on our books, but we are not dealing with these things effectively.

When you go to the FIU, they have made the point that because of the changes in legislation over the last six or seven years, the FIU is now responsible for

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supervising over 1,500 listed businesses; 1,500 financial institution listed businesses. They have made that point, but the FIU is so woefully under-resourced that it has barely been able to monitor maybe 200 or 300 of these 1,500 businesses. So 1,200 businesses in Trinidad and Tobago that should be monitored by the Financial Intelligence Unit are not being monitored because they have no staff; they have no capability; they have no resources.

I would expect rather than coming here and telling us about all the wonderful things this legislation would do, the Minister would tell us: what are you doing about the resource constraints that bedevil and cripple the capability of the Financial Intelligence Unit?

**Mr. Speaker:** Hon. Members, the speaking time of the hon. Member for Diego Martin North/East has expired. I am sure he is interested in his extension of 15 minutes. The question is that the speaking time of the hon. Member for Diego Martin North/East be extended by 15 minutes.

*Question put and agreed to.*

**Mr. C. Imbert:** You see, Mr. Speaker, you know, what I would expect the Minister to do when he comes here is to explain to us what did FATF have to say about Tobago and Tobago's compliance. What did they say? And what they said, which the Minister would not tell us, at a meeting attended by the Minister of National Security—you see, when you send fellows who are more interested in expensive toys and dealing with these things, this is what happens. I mean, I do not blame the Minister of National Security. It is up to the Minister of Finance and the Economy to deal with these issues. [*Crosstalk*] Toys? Armed vehicles. Drones. I think you better buy some drones quick and send them up to Valencia, Oropouche and Matura. Buy some drones quick and let them photograph what is going on there, because the *Express* took a helicopter and did a video recording of illegal quarrying taking place in that forest up there, Mr. Speaker. "Ah tell you."

But, Mr. Speaker, when we go into the reports of the Financial Action Task Force, they make the point that during the period that this Government has been here, the Central Bank has sanctioned one institution—that 1,500 businesses under the radar or on the radar; 1,500 real estate dealers, motor car dealers, jewellers, financial institutions, banks et cetera; 1,500 plus—and they have sanctioned one: members' clubs, casinos. One! They sanctioned one, Mr. Speaker. [*Crosstalk*] This is the point they are making. They are saying that our FIU is so weak, Mr. Speaker.

And you know, if we are to be serious about money laundering in this country, because what is the FIU doing about this when the bank reported these two cheques of \$17 million? Was that reported to the FIU? Was it? Did the FIU trace the money? Because the Government has been in possession of this information for months. You have known for months! Well actually, somebody has known since 2012; December 2012, somebody has known that Mr. Daniell's company got \$34 million for doing nothing and providing nothing. Somebody in the Ministry of Sport, somebody in the Sports Company, somebody in the Ministry of Finance and the Economy has known that since 2012. Has the FIU been asked to trace where that \$34 million went? Because, you see, Mr. Speaker—let me just digress.

As the Member of Parliament for Diego Martin North/East—I cannot talk about it too much because it is a court matter ongoing today. In fact, I give notice that I would not be dealing with the matter on the adjournment because the hearing comes up before a judge in about an hour and a half with respect to these unauthorized schools on Long Circular Road in Maraval. But those schools, Mr. Speaker, were previously housed at a building on the corner of Hayes Street and Alexandra Street within—I do not want to use the word—throwing distance of the Minister of Education. I was going to say something else—within throwing distance of the Ministry of Education. And the gentleman, Mr. Daniell, I guess—not guess—he was the recipient of tremendous largesse from the State. He got \$34 million. He started to construct an illegal building on this property. [*Crosstalk*] Yes, right there in Port of Spain on the corner of Hayes Street and Alexandra Street, and one of the reasons why those particular schools had to beat a hasty retreat is because they were housed on the same compound as this gentleman who was now interacting—according to the Ministry of Sport—with all of the coordinators, the coaches, the caterers. In other words, all of the criminals in LifeSport are now visiting the property, and then he was also constructing an unauthorized building on the site.

So you see what you have caused? You see what this Government has caused? You give this fellow \$34 million that he did not deserve and what does he use it for? He puts up an illegal structure in St. Clair causing this school to move and to find itself in my constituency where it has not followed the regulations; it does not have various planning approvals and so on.

Look at what happens when you encourage people to get involved in crime! Look at the repercussions! Look at what you have done. So you give an individual

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\$34 million—he never saw \$3 million in his life before—he gets \$34 million in his hands for doing nothing. Look what he does! He proceeds to put up an illegal structure in Port of Spain causing the authorities to get involved.

When I go through these recommendations, I want to ask the Minister—they say we are not compliant with recommendation 5. Now, recommendation 5 was produced at a meeting of CFATF in 2007, when they set out all the various recommendations. What is recommendation 5? It deals with politically exposed persons. And, you know what we are not compliant with? Whereas our banks and so on have procedures in place to deal with politically exposed persons like any of us inside of here, and want to open an account in a bank, there are procedures in place in Trinidad and Tobago to deal with that. There are no procedures in place or inadequate procedures to deal with persons who have bank accounts from the past and who become politically exposed persons.

Now, let me tell you what the relevance of that is. Most of these people in here are new. They would have had bank accounts before they became politically exposed persons. In other words, they have a continuing relationship with the bank. It is not that they are opening new accounts. They have existing accounts in banks—[*Crosstalk*]*—whatever, wherever it is—and what FATF has said is, what are we doing about persons whose status changes from being private citizens to politicians and politically exposed persons who have a continuing relationship with a bank. It has said our procedures are not tight. What is the Minister of Finance and the Economy doing about that? Because if I believe what the Member for Chaguanas West had said in another place, there are certain politically exposed persons who have become filthy rich over the last four years. If I believe.*

**Mr. Warner:** That is an understatement.

**Mr. C. Imbert:** I say if I believe.

**11.30 a.m.**

You see, it is a serious matter, Mr. Speaker. FATF has said and CFATF has made the point that Trinidad and Tobago is defective where that is concerned. I want the Minister—I mean, this particular Minister does not answer anything. You ask him about Apsara, “he duck de question”. You ask him about another thing, “he not here”; yuh ask him about financial matters, no answer. I am asking the Minister, for once in your life, you are being asked what the Government is



doing with respect to this deficiency that was highlighted by CFATF, with respect to the weaknesses of the procedures in our financial institutions, with respect to persons who become politically exposed persons.

There are people like myself—and I am not seeing the Member for Fyzabad—who have been in this system now since 1991. So even before there was a CFATF and even before there was an FIU, we have been in the system and, therefore, we have been subject to all of these regulations for all of our political lives. But there are persons who have just come into the system, and the Financial Action Task Force is telling us that Trinidad and Tobago is deficient and weak with respect to dealing with persons who become politically exposed and have a continuing relationship with a bank.

The other thing that they have told us, which the Minister did not tell us, is that we are weak in terms of dealing with large, one-off, questionable transactions. That is another matter that CFATF has highlighted. They have highlighted the fact—there are three things that they have pointed to, apart from all sorts of other things; apart from the fact that the Financial Intelligence Unit does not have the capacity to deal with the 1,500 organizations that it is required to monitor and supervise. It does not have the capacity to deal with all these private members clubs and casinos. They have made that point, and they have urged the Government to strengthen the FIU, but apart from that, they have made three fundamental points.

They have said, one, no conviction, so you are just mamaguying us. Two, you are not dealing with politically exposed persons who come from the private sector into public life. There are no proper procedures, or inadequate procedures to deal with that. The third point they have made is that there are no proper systems in place to deal with large, one-off transactions. So like this LifeSport transaction of \$34 million, there are inadequate procedures in place to deal with that.

I would like the Minister, instead of telling me nothing, tell me how you are dealing with that, and give this Parliament an undertaking that the matters I have brought to the attention of the Government, with respect to persons who are on state lands unlawfully in north-east Trinidad, are mining aggregate and selling it to state entities, that you intend to do something about it. Give this Parliament an assurance that the recommendations of the Audit Committee of the Ministry of Finance and the Economy, with respect to pursuing a prosecution under the Proceeds of Crime Act, which you are amending here today, with respect to that \$34 million scandalous payment to Adolphus Daniell, give us an undertaking that this Government is going to pursue it vigorously, aggressively.

Yesterday I had to hear something about a commission of enquiry. A commission of enquiry is a situation where you can bring witnesses and they are cross-examined, so it is similar to a court. It does not have the compulsive powers of a court to compel witnesses to come; that is one of the weaknesses of a commission of enquiry. But, in the main, most people who are summoned by a commission of enquiry come forward, give evidence and are cross-examined so that the commissioners can determine the truth.

Why is it, with all of these scandalous goings on in the Ministry of Sport, the Sports Company, all of these things where an audit committee of the Ministry of Finance and the Economy has recommended prosecution under the Proceeds of Crime Act—

**Mr. Deyalsingh:** That led to a murder.

**Mr. C. Imbert:** Yes, that where it is suspected that persons involved in LifeSport have killed one of our prominent citizens, and I have now brought evidence that those same people who are suspected of having killed one of our prominent citizens and many others, and apparently have weapons. I am told that the Minister of National Security is aware that those characters in Carapo have sophisticated, high-powered weapons—I am sure he has even seen photographs of them—that are not in the possession of the police service. They have weapons up there that are more high-powered and more sophisticated than the weapons of the protective services of Trinidad and Tobago. I am sure you have seen that. I am sure, Mr. Speaker.

**Hon. Griffith:** But you do not want toys.

**Mr. C. Imbert:** You know, I am dealing with a serious matter here. I have brought to the Parliament's attention that the criminal element that the Minister has said kills people at will, is mining illegally in north-east Trinidad. I have brought this to your attention, and I am hoping that the Minister, with all his talk, is going to work with the Minister of National Security and root out this evil from our land. If the Minister says they kill people, and they have high-powered weapons, well, it is only by the grace of God that I am still around, because apparently these people kill people at will.

**Mr. Speaker:** One more minute.

**Mr. C. Imbert:** No problem, Mr. Speaker.

I am asking the Minister, to tell us the significant FATF recommendations, CFATF points, one, you have no convictions; two, you are not dealing properly with politically exposed persons who come out of private life into the politics and, three, you are not dealing properly with questionable, large transactions. Tell us what you are doing about that, and tell us what you are doing about Mr. Daniell and the \$34 million payment that was recommended for investigation by the police. Tell us what you are going to do now about illegal quarrying by criminal elements in the north-east region of Trinidad, and the reports that the aggregate that is being stolen from state lands by these murderers, is being sold to state entities for use on public projects. Tell us, instead of just getting up in your usual way and giving us a non-reply.

I thank you, Mr. Speaker. [*Desk thumping*]

**Mr. Speaker:** Hon. Members, I understand based on agreement, there will be one speaker each, and I now call on the Minister of Finance and the Economy.

**The Minister of Finance and the Economy (Sen. The Hon. Larry Howai):** Thank you, Mr. Speaker. I must say, much sound and fury, but I do not know if it signified anything or said anything, but perhaps notwithstanding that, I will still try to put some facts around some of the issues which have been raised. [*Interruption*]

I want to say though that, of course, a lot of the points made were really quotations from newspapers and so on, allegations. [*Interruption*] We have not had any significant, serious issue for us to—thank you, Mr. Speaker. I made no attempt to disturb you.

**Mr. Speaker:** Yes, hon. Minister. I want to ask hon. Members to allow the Minister of Finance and the Economy to respond, so that everyone can follow, including members of the Hansard staff that is taking record. So could you cooperate. Continue, hon. Member.

**Sen. The Hon. L. Howai:** Thank you, Mr. Speaker, and thank you for your protection and assistance. It is extremely difficult to keep one's composure while you listen to the continuing disturbances from the other side, but I will try to do so.

First of all, there were some issues around why the deadline; what kind of deadline it is that we are working with as far as this particular matter is concerned. It is true the fourth round evaluation starts in January. We are currently in the

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third round, and Trinidad and Tobago is very keen to show that we are progressing, as far as the things that are required to be done in the third round evaluation, one of which is to strengthen the existing framework for AML/CFT regulations and legislation. Therefore, we are very keen to show that this is so, and also so that we can move ahead with other very important pieces of legislation which will be following hard on the budget, once that is approved. Of course, the hon. Minister of Planning and Sustainable Development has to bring the Procurement Bill, which is an extremely important Bill, for dealing with some of the issues which the hon. Member raised, and which will help us in terms of being able to certainly prevent, first of all, issues arising which give rise to some of the comments which the hon. Member has made.

So it is very important. There are issues that we have that are coming up that we need to address. It is important that we get this piece of legislation, move it forward as quickly as possible, particularly because of the importance, as the hon. Member mentioned, of us taking appropriate action to deal with some of the alleged irregularities to which he had referred. A lot of newspaper reports, but no hard evidence being produced.

Nevertheless, let me start with the NIB issue. First of all, let me just clarify. The Member may have mentioned in passing, it may have just been a slip there where he said it was NIPDEC somewhere in terms of what he was saying. The transaction involves NIPDEC in no way; it is an NIB transaction.

**Mr. Imbert:** I said NIB.

**Sen. The Hon. L. Howai:** No, you also mentioned NIPDEC somewhere in your—

**Mr. Imbert:** I said NIB.

**Sen. The Hon. L. Howai:** Okay, it is NIB. First of all, it represents an investment which was made by NIB, and the NIB does not come to the Ministry of Finance and the Economy for approvals before they make investments. They make investments on a normal course, and one of the decisions they had made is that given the low rate of return on deposits and so on in the banking system, given the high level of liquidity, what the NIB was seeking to do was to invest in properties which would perhaps give them a better rate of return, than the rate of return they are currently getting on their fixed deposits and their investment in Government bonds and T-bills, and which would, in a sense, appreciate in value over time.

The NIB in doing this evaluation, used very reputable consultants to assist them with the overall evaluation, so that they could determine whether, in fact, this was an investment that they should make. I would like to also indicate that what they did was that they also obtained two valuations, which were obtained prior to the purchase being made. The two valuations came in, in the region of approximately \$30 million. *[Interruption]* The one for \$16 million came in subsequent to actually the purchase being done. *[Laughter]* The \$16 million valuation came in when they were about to make their payments for stamp duty and so on. They did ask for another valuation, and the valuation did not take into account the buildings that were on the property and may have used a different approach to the valuation. So at the end of the day, they ended up with a valuation which was different to the valuation that would have been effected prior to them actually going ahead with the transaction.

It was a transaction which was reviewed, and I want to say it was a transaction that was reviewed, not just by the Government's appointments on the board of the NIB, but as you know the NIB's board includes labour, it includes business, and all of these particular bodies were a part of that evaluation process, and would have been involved in the overall evaluation of that particular investment.

They did make an investment, where they understood that they were paying slightly more than the original valuations that they had received, but nevertheless they were valuations that they felt made sense for them, based on the expected appreciation in value of those buildings over time, and given also the environment in which they were operating, where the rates of interest and the return on the money that they invested was way below what they would like to receive, and what they need in order to ensure that the fund continues to grow over time.

**11.45 a.m.**

One of the things that the hon. Member mentioned, was the question of illegal quarrying and so on, and I want to say that we continue to take action as far as the illegal quarrying is concerned. I know the hon. Minister of Energy and Energy Affairs has been able to arrest—not the Minister of Energy and Energy Affairs, but certainly the police have been able to arrest a number of people associated

with that. The process of conviction takes time and that is a process that is ongoing.

The hon. Member made mention of an article in the *Trinidad Express*, which was dated May 31, entitled, “Highway robbery”, and, you know, while there were a lot of very speculative statements made there, I just want to make reference to a press release which was put out by OAS in reference to that, and I would just like to quote from the press release which they sent out on June 3, in response to this article on May 31:

With respect to the acquisition of aggregates for the Sir Solomon Hochoy Highway extension to Point Fortin, OAS would like to state as follows—

OAS does not hold any commercial or informal relationship with Caribbean Minerals Agency (CMA) quoted in the article. Notwithstanding, it must be noted that one of the companies that supplies aggregate to the project is headed by Mr. Howard John mentioned in the newspaper article. The commercial agreement with the suppliers engaged in the project is subject to strict contract clauses concerning technical specifications and legislation applicable to each type of material, especially as to quality standards and respect for the environment.

And they go on to quote the clauses within their contracts which deal with the relationship between themselves and the suppliers of the contract. But, in addition, what they are saying, is additionally the supplier should hold OAS harmless from any legal liability or consequences arising from any failure in their compliance with their contractual obligations. OAS did not go on to say, of course, that they could confirm where the aggregate came from, they were not in a position to do that, but they did say that they would proceed with their investigation of the information in case any non-compliance is detected, and to ensure that due penalties are brought against the supplier as per the contract, should those be proven.

So, I know that they are seeking to deal with that particular issue. Certainly, they were not aware and they would not engage in any activity which they believe, in their respectful view, is something which is illegal in any way, or assisting persons who are involved in any illegal trade. So, OAS has made that statement, and we continue the investigative process, as you know, hon. Member, does take time.

A number of issues has been raised with respect to the LifeSport matter. Again, as you know, hon. Member, all of these matters have been referred by the hon.

Prime Minister to the Commissioner of Police, to the Integrity Commission, to the DPP and to the Attorney General's office in order for them to take whatever action is required. I will need to confirm whether it was actually sent to the FIU, but, as I know, all of these issues would have been picked up by one agency or the other as we move forward.

The issue of the staffing of the FIU is something that has had a lot of attention paid to it over the past few months. We have increased the staff of the FIU, and, in fact, one of the things that the inter-ministerial team has done is that—the inter-ministerial team chaired by the Attorney General, but including the Minister of Finance and the Economy and the Minister of National Security—on a weekly basis the committee meets with the relevant agencies to track progress that is taking place in this particular matter.

And, one of the things that we are introducing in this legislation is a new arrangement which will allow us to make the FIU much more effective, and what we are doing is that, first of all, as we said, the compliance programmes will be approved by the senior management of the company, so the FIU is not required—and right now it has gone to about 1,800—[*Interruption*]  
—I will come back to it, yes.

They have actually increased the numbers to 1,800 organizations, which they continue to monitor on an ongoing basis, up from the original number as you had indicated of 1,500, and what they are doing is, we are now in this legislation, putting an arrangement in place which will allow the Central Bank and the TTSEC to be part of the process of investigation and part of the process of monitoring what is happening.

In addition, because we are putting the compliance programme approval in the hands of the senior management, again we are freeing up staff within the FIU and allowing those staff members to actually work on compliance issues and audit issues for the FIU. So, by making these changes, what we are doing is, we are strengthening the process, because we are bringing institutions such as the Central Bank and the SEC into the arrangement for monitoring what is happening and we are strengthening the FIU at the same time.

One of the areas that we have noted that we have had some challenges with is the FIB. As you know, the FIU is the one that does the investigation and the FIB is the one that you transfer the thing to. And we have also taken up action to deal with—to strengthen that particular part of the enforcement agency, but very

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importantly, because we have an inter-ministerial approach and a cross-ministry approach as far as this particular exercise is concerned, what is happening is more and more, we are breaking down the silos that exist between the different agencies and allowing a greater deal of cooperation, while at the same time, respecting the boundaries as defined in the law.

So, Mr. Speaker, we are taking action to ensure that the FIU itself and the process is made much more effective. Because it is a process and it is a process that involves not just one institution or one individual, but it involves a cross-functional jurisdiction that brings a number of parties together to work towards the process of trying to make the legislation much more effective.

The hon. Member did bring two issues forward—sort of related—one is that, of course, there were no procedures to deal with large one-off transactions and, he also raised the issue of the new PEPs, which he is saying, we are not well structured to address. In fact, what happened is that, coming out of the recommendations of the last FATF report, all of these recommendations would have been communicated to the financial institutions that are responsible for taking action to deal with these things. We have been monitoring these. We have not had any convictions arising out this particular matter, as the hon. Member identified, but certainly the procedures that are required to be put in place are being effected across, certainly, the major financial institutions and we will be in a position, with the additional changes we are making to this legislation, to be more effective in policing to what extent this is happening across the board in all of the 1,800 institutions which the FIU is required now to manage.

Finally, Mr. Speaker, the issue of no convictions, and this is a matter which the Member came back to on an ongoing basis—no convictions—and we are aware of that, we have had four arrests, or two specific; one involved three and one involved one particular person, and those are winding their way through the courts. But the reason we are bringing this particular piece of legislation is for a specific reason, because precisely of that. We recognized the fact that we have had extreme difficulty in moving this piece of legislation forward, and the last thing we want to do is to remain in that kind of arrangement. In fact, the CFATF has raised that as a specific issue, and the reason we are bringing this piece of legislation which creates the stand-alone offence, is that we want to be in a position to be able to move much more effectively to implement the legislation and to get to the stage of conviction a lot sooner than we have been doing in the past, and not only that, to be in a position to freeze assets and to seize assets in a much more effective way.



The implications of that are, of course, Mr. Speaker, that, in a sense, by bringing this legislation into being, we will be threatening some of the fundamental rights and freedoms enshrined in the Constitution, and that is something that we have to be very careful about how we tamper with, and therefore, we have to be very, very careful and ensure that we proceed in a way that builds in all of the controls that are necessary, and that is part of what we have also done as part of this process. But very, very importantly, what this piece of legislation will do for us, is give us the authority and give us the legislative capability to be able to become more effective as far as this particular matter is concerned.

So, Mr. Speaker, the thing is, there has been a lot of talk about illegal quarrying and the people who have been convicted for illegal quarrying. In fact, the thing is, while we have not—we are in the process of getting the convictions, there are quite a number of persons who have been arrested as a result of this, for illegal quarrying, and, in fact, they are before the courts. We have something like 31 names here who are currently before the courts. A number of them are probably names that would be known to members and, therefore, I do not want to go through all of these names. It is not necessary for us to go through all of these names, but I do want to say that there are quite a number of persons who have been arrested and against whom action is being taken, and therefore, you know, we have to leave it to the courts, the Executive has to leave it up to the courts in order to make some of the decisions, but we are certainly taking the appropriate action to deal with those things.

Mr. Speaker, there are quite a number of other things which have been passed to me, which deal with the quarry policy for Trinidad and Tobago and the things that we have done about that. Of course, this question of illegal quarrying has been going on and on for a number of years. It is not something new, and certainly it is something that we need to address. In fact, going back to 2004, I see an article here, “Government moving on illegal quarrying, attack with full force”, and so on, and a whole lot of new things that were being done to deal with the tightening of illegal quarrying, including the quarrying policy and the interim licences and so on, and all of these things have come to nought, because, the thing is, we needed a comprehensive framework which would allow us to be able to deal with this particular matter in a way that would certainly allow us to be more effective as far as obtaining convictions are concerned.

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And actually I do not need to go through all of this. I mean, “Rowley tells Quarries: Obey the law”. “Blasting charge falls save geologists”—going back a number of years and so on. So, there is no need for me to, perhaps, go through all of these. The thing is that it is an issue, it continues to be a challenge for all of us. Successive administrations have struggled with it but I think at the end of the day putting these changes that we are proposing to put in place would certainly advance us much further along the road of implementation and effecting the convictions that everyone here would like to see as a result of the implementation of this new policy.

So, Mr. Speaker, with those few short words, I beg to move. [*Desk thumping*]

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

**12.00 noon**

*House in committee.*

**Mr. Chairman:** All right. Members, Leader of the House, Minister of Finance and the Economy, are you all ready?

*Clause 1 ordered to stand part of the Bill.*

**Mr. Chairman:** It is just a question of formatting. So we will handle that. Okay. [*Crosstalk*] No. No, we do not need. No.

*Clauses 2 to 5 ordered to stand part of the Bill.*

*Preamble approved.*

*Question put and agreed to:* That the Bill be reported to the House.

*House resumed.*

*Bill reported, without amendment.*

*Question put:* That the Bill be now read a third time.

**Mr. Speaker:** This Bill requires a special majority, three-fifths, so a division is required. Division, please.

*The House voted: Ayes 36*

AYES

Moonilal, Hon. Dr. R.  
Persad-Bissessar SC, Hon. K.  
Mc Leod, Hon. E.  
Dookeran, Hon. W.  
Ramadhar, Hon. P.  
Gopeesingh, Hon. Dr. T.  
Peters, Hon. W.  
Rambachan, Hon. Dr. S.  
Seepersad-Bachan, Hon. C.  
Seemungal, Hon. J.  
Khan, Mrs. N.  
De Coteau, Hon. C.  
Cadiz, Hon. S.  
Baksh, Hon. N.  
Griffith, Hon. Dr. R.  
Baker, Hon. Dr. D.  
Khan, Hon. Dr. F.  
Douglas, Hon. Dr. L.  
Samuel, Hon. R.  
Indarsingh, Hon. R.  
Roopnarine, Hon. S.  
Ramdial, Hon. R.  
Alleyne-Toppin, Hon. V.  
Partap, C.  
Sharma, C.  
Ramadharsingh, Dr. G.  
Mc Donald, Miss M.

Imbert, C.

Hypolite, N.

Mc Intosh, Mrs. P.

Deyalsingh, T.

Browne, Dr. A.

Thomas, Mrs. J.

Hospedales, Miss A.

Warner, J.

Jeffrey, F.

*Question agreed to.*

*Bill accordingly read the third time and passed.*

#### ADJOURNMENT

**The Minister of Housing and Urban Development (Hon. Dr. Roodal Moonilal):** Mr. Speaker, I beg to move that this House do now adjourn to September 22 at 10.00 a.m. when we will continue proceedings in the Finance Committee of the House. Mr. Speaker, I beg to move.

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 12.12 p.m.*