

SENATE

Tuesday, December 05, 2017

The Senate met at 1.30 p.m.

PRAYERS

[MR. VICE-PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Mr. Vice-President: Hon. Senators, I wish to advise that the President of the Senate, Sen. the Hon. Christine Kangaloo is currently acting as President of the Republic of Trinidad and Tobago. Hon. Senators, I have granted leave of absence to Sen. Dr. Lester Henry, who is out of the country and to Sen. Sophia Chote SC, who is ill.

SENATORS' APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received the following correspondence from Her Excellency the Acting President, Christine Kangaloo:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency CHRISTINE KANGALOO,
Acting President of the Republic of Trinidad
and Tobago and Commander-in-Chief of the
Armed Forces.

/s/ Christine Kangaloo
Acting President.

TO: MS. ALISHA ROMANO

WHEREAS the President of the Senate has temporarily vacated her Office of Senator to act as President of the Republic of Trinidad and Tobago:

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NOW, THEREFORE, I, CHRISTINE KANGALOO, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, ALISHA ROMANO, to be temporarily a member of the Senate with effect from 5th December, 2017 and continuing during the acting appointment of Senator the Honourable Christine Kangaloo as President of the Republic of Trinidad and Tobago.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 4th day of December, 2017."

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency CHRISTINE KANGALOO, Acting President of the Republic of Trinidad and Tobago and Commander-in-Chief of the Armed Forces.

/s/ Christine Kangaloo

Acting President.

TO: MS. AYANNA LEEBA LEWIS

WHEREAS Senator Dr. Lester Henry is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, CHRISTINE KANGALOO, Acting President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and section 44(4)(a) of the Constitution of the Republic of

Trinidad and Tobago, do hereby appoint you, AYANNA LEEBA LEWIS, to be temporarily a member of the Senate, with effect from 5th December, 2017 and continuing during the absence from Trinidad and Tobago of the said Senator Dr. Lester Henry.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 4th day of December, 2017."

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND
TOBAGO

By Her Excellency CHRISTINE KANGALOO, Acting President of the Republic of Trinidad and Tobago and Commander-in-Chief of the Armed Forces.

/s/ Christine Kangaloo
Acting President.

TO: PASTOR CLIVE DOTTIN

WHEREAS Senator Sophia Chote, S.C. is incapable of performing her duties as a Senator by reason of illness:

I, CHRISTINE KANGALOO, Acting President as aforesaid, in exercise of the power vested in me by section 44(1)(b) and section 44(4)(c) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, PASTOR CLIVE DOTTIN, to be temporarily a member of the Senate with effect from 5th December, 2017 and continuing during the absence by reason of illness of the said Senator Sophia Chote, S.C.

Given under my Hand and the Seal of the
President of the Republic of Trinidad and
Tobago at the Office of the President, St.
Ann's, this 5th day of December, 2017.”

OATH OF ALLEGIANCE

The following Senators took and subscribed the Oath of Allegiance as required by law:

Alisha Romano, Ayanna Lewis and Clive Dottin.

JOINT SELECT COMMITTEES (APPOINTMENT TO)

Mr. Vice-President: Hon. Senators, I have received the following correspondence from the Deputy Speaker of the House of Representatives:

“December 4, 2017

Re: Appointment of Joint Select Committees

At a Sitting held on Friday December 1, 2017 the House of Representatives agreed to the following resolutions –

- 1) *Be it resolved* that the House agree to the following appointments to Joint Select Committees:
 - Mr. Randall Mitchell in lieu of Mr. Faris Al-Rawi on the Joint Select Committee on National Security;
 - Mr. Esmond Forde in lieu of Mr. Randall Mitchell on the Joint Select Committee on Human Rights, Equality and Diversity;
 - Mrs. Cherrie-Ann Crichlow-Cockburn in lieu of Mr. Randall Mitchell on the Joint Select Committee on Finance and Legal Affairs;
 - Mr. Terrence Deyalsingh in lieu of Ms. Marlene Mc Donald on the Joint Select Committee on Finance and Legal Affairs;

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Dr. Lovell Francis in lieu of Mr. Stuart Young on the Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities including the Tobago House of Assembly;

Mr. Esmond Forde in lieu of Mr. Faris Al-Rawi on the Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities including the Tobago House of Assembly;

Mr. Adrian Leonce in lieu of Ms. Marlene Mc Donald on the Public Accounts Committee;

Dr. Nyan Gadsby-Dolly in lieu of. Shamfa Cudjoe on the Public Accounts (Enterprises) Committee; and

Brig. Gen. (Retired) Ancil Antoine in lieu of Mr. Maxie Cuffie on the Public Administration and Appropriations Committee.

- 2) *Resolved* that this House appoint the following six members to sit with an equal number from the Senate on the Joint Select Committee established to consider and report on the Cyber Crime Bill, 2017:

Mr. Faris Al-Rawi, MP;

Maj. Gen. (Retired) Edmund Dillon, MP;

Mr. Fitzgerald Hinds, MP;

Shamfa Cudjoe, MP;

Dr. Roodal Moonilal, MP; and

Mr. Barry Padarath, MP.

- 3) *Resolved* that this House appoint the following six Members to sit with an equal number from the Senate on the Joint Select Committee established to consider and report on the Gambling (Gaming and Betting) Control Bill, 2016:

Mr. Colm Imbert, MP;

Mr. Faris Al-Rawi, MP;
 Mr. Stuart Young, MP;
 Miss Nicole Olivierre, MP;
 Mr. Ganga Singh, MP; and
 Mr. Rudranath Indarsingh, MP.

I respectfully request that the Senate be informed of these decisions at the earliest convenience please.”

**SESSIONAL SELECT COMMITTEES
(APPOINTMENT OF)**

Mr. Vice-President: Hon. Senators, in accordance with Standing Order 79(2), I wish to make the following appointments to the Sessional Select Committees for the Third Session (2017/2018) of the Eleventh Parliament:

Standing Orders Committee

Ms. Christine Kangaloo	Chairman
Mr. Nigel De Freitas	Member
Mr. Clarence Rambharat	Member
Mr. Wade Mark	Member
Dr. Dhanayshar Mahabir	Member

Sen. Dr. Mahabir: Just a clarification, on the Standing Orders Committee, the Independent Bench had appointed Sen. Roach and I am supposed to be on the Business Committee, so I do not know if we can correct that, but that is an error.

Mr. Vice-President: All right, we will have it checked and verified if such is the case. Continuing.

House Committee

Mr. Franklin Khan	Chairman
Mr. Foster Cummings	Member

Sessional Select Committees
(Appointment of) (cont'd)

2017.12.05

Mr. Daniel Dookie	Member
Ms. Khadijah Ameen	Member
Mr. Paul Richards	Member

Sen. Dr. Mahabir: Is that the House Committee?

Mr. Vice-President: That is the House Committee.

Sen. Dr. Mahabir: Okay, very well.

Committee of Privileges

Ms. Christine Kangaloo	Chairman
Mr. Nigel De Freitas	Member
Mrs. Jennifer Baptiste-Primus	Member
Mr. Wade Mark	Member
Ms. Sophia Chote SC	Member

Statutory Instruments Committee

Ms. Christine Kangaloo	Chairman
Mr. Clarence Rambharat	Member
Mr. Rohan Sinanan	Member
Mr. Gerald Ramdeen	Member
Mr. David Small	Member

Business Committee

Ms. Christine Kangaloo	Chairman
Mr. Franklin Khan	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Wade Mark	Member
Dr. Dhanayshar Mahabir	Member

PAPERS LAID

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1. Audited Financial Statements of National Schools Dietary Services Limited (NSDSL) for the financial year ended September 30, 2016.
[*The Minister in the Ministry of Finance (Sen. The Hon. Allyson West)*]
2. Audited Financial Statements of the Sports Company of Trinidad and Tobago Limited (SPORTT) for the financial year ended September 30, 2016. [*Sen. The Hon. A. West*] Annual Audited Financial Statements of the National Maintenance Training and Security Company Limited for the year ended December 31, 2016. [*Sen. The Hon. A. West*]
3. Motor Vehicles and Road Traffic (Amendment) Regulations, 2017. [*The Minister of Works and Transport (Sen. The Hon. Rohan Sinanan)*]
4. Response of the Statutory Authorities Service Commission Department to the Fourth Report of the Public Administration and Appropriations Committee, Second Session (2016/2017), Eleventh Parliament, on an Examination of the System of Internal Audit within the Public Service. [*The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan)*]
5. Response of the Service Commissions Department to the Fourth Report of the Public Administration and Appropriations Committee, Second Session (2016/2017), Eleventh Parliament, on an Examination of the System of Internal Audit within the Public Service. [*Sen. The Hon. F. Khan*]
6. Ministerial Response of the Ministry of Health to the Fourth Report of the Public Administration and Appropriations Committee, Second Session (2016/2017), Eleventh Parliament, on an Examination of the System of Internal Audit within the Public Service. [*Sen. The Hon. F. Khan*]
7. Dental Profession (Amendment to the Schedule) Order, 2017. [*Sen. The Hon F. Khan*]

8. Ministerial Response to the Ministry of Energy and Energy Industries to the Eighth Report of the Public Accounts (Enterprises) Committee, Second Session (2016/2017), Eleventh Parliament, on the Examination of the Audited Financial Statements of the National Gas Company of Trinidad and Tobago Limited (NGC) for the financial years 2009—2015. [*Sen. The Hon. F. Khan*]

1.45 p.m.

JOINT SELECT COMMITTEE

**Finance and Legal Affairs
Inquiry into Commercial Banking Fees
(Presentation)**

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): Mr. Vice-President, I have the honour to present the following report as listed on the Supplemental Order Paper in the name of Sen. Sophia Chote SC:

The Third Report of the Joint Select Committee on Finance and Legal Affairs, Third Session (2017/2018), Eleventh Parliament on an Inquiry into Commercial Banking Fees in Trinidad and Tobago.

URGENT QUESTIONS

**Child Abuse
(Urgent Strategies to Alleviate)**

Sen. Wade Mark: Thank you, Mr. Vice-President. To the Prime Minister: Given that the Children's Authority's 2016 report confirmed that 5,522 reports of child abuse were received in 2016 and approximately 6,000 reports are anticipated for 2017, what urgent strategies are being implemented to alleviate child abuse in this country?

The Acting Minister of National Security and Minister in the Office of the

Attorney General and Legal Affairs and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Mr. Vice-President. Mr. Vice-President, this administration takes the abuse of any citizen very seriously, and we will do everything within our power to protect both women and, in this particular case, children. The first thing we would like to put on record is the Senator has suggested there would be approximately 6,000 reports anticipated. We do not know where he gets that information from. But, in any event, we are working very closely and providing the maximum amount of resources to the Children's Authority and the Trinidad and Tobago Police Service where there is a special unit to deal with children and child abuse, and this administration will do everything within its power to ensure it is properly resourced, and to work towards the proper implementation of the law that the other side left completely unimplemented.

Sen. Mark: Mr. Vice-President, could the hon. Minister indicate to this House whether the Government is concerned about the rise, or the rate, or the number of cases as it relates to reports of child abuse in Trinidad and Tobago? Is the Government concerned about that level?

Hon. S. Young: Thank you very much, Sen. Mark, for the opportunity to repeat, once again, that this Government is very concerned and will do everything within its power unlike the former administration where you have a former Attorney General who did not implement the law, and is now taking cases to court to try and make God alone knows what on the Treasury, and to our expense. But yes, this Government is very concerned and is doing everything within its power to protect the children of Trinidad and Tobago. [*Desk thumping*]

Sen. Mark: Mr. Vice-President, could the hon. Minister indicate what appropriate resources—as you have indicated in your opening statement—would the

Government be focusing on allocating to the Children's Authority with a view to reducing the number of reported cases in 2018 given what we have seen in 2017?

Hon. S. Young: The Government has not limited its resources to the Children's Authority. The country will soon see the launch of specific courts to deal with children and, of course, to deal with child abuse. We have been working with the Trinidad and Tobago Police Service with protocols to deal with how to specifically deal with questions with respect to child abuse. The Children's Authority, for the first time, is working very properly and consistently with the Office of the Prime Minister to ensure that all attempts are made to reduce the number of cases of child abuse. [*Interruption*]

Mr. Vice-President: Go ahead.

Hon. S. Young: Thank you very much, Mr. Vice-President. Mr. Vice-President, so as I said, they are being provided with the necessary resources, for example, money, but also working closely with the Office of the Attorney General to ensure they get proper assistance to deal with these cases.

Mr. Vice-President: Sen. Mark, next question. No more supplementary questions. Next question, Sen. Mark.

**Escalating Murder Rate
(Urgent Mechanisms for)**

Sen. Wade Mark: Thank you, Mr. Vice-President. To the hon. Minister of National Security: Given that for the month of December there have been 16 murders—and Mr. Vice-President I understand four took place in the last 24 hours—in four days, can the Minister indicate the urgent mechanisms being put in place to stem the escalating murder rate?

The Acting Minister of National Security and Minister in the Office of the Attorney General and Legal Affairs and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Mr. Vice-President. I

answer as the Acting Minister of National Security. Mr. Vice-President, citizens of Trinidad and Tobago, just yesterday we had a meeting out of the Ministry of National Security with all of the heads of our various law enforcement agencies. The Government remains very concerned about the loss of any life in Trinidad and Tobago. The Trinidad and Tobago Police Service—that is the Acting Commissioner of Police and the Deputy Commissioner of Police, along with the Chief of Defence staff, other heads of police divisions, as well as our prison services and our intelligence services—are working assiduously on trying to reduce the number of murders. This includes trying to reduce the number of guns in Trinidad and Tobago.

And despite what Sen. Mark said a short while ago, the first report I received this morning from the Deputy Commissioner of Police, is that last night they were able to prevent a number of individuals who were going out to commit crimes with firearms and suspected murders. So the police service is working, and between now and Carnival we can expect to see a rise in the police presence in Trinidad and Tobago. And we in the Government, unlike the Opposition, continue to encourage the police service and the Trinidad and Tobago Defence Force and other law enforcement agencies in carrying out their duties and we thank them for the duties they carry out. [*Desk thumping*]

Sen. Mark: Thank you, Mr. Vice-President. May I also pose to the Acting Minister of National Security the following question: In view of the fact that firearms, based on what you have submitted, appears to be the weapon of choice in the committing of such heinous crimes, could the hon. Minister indicate to this House what new initiatives are being taken by the police and the security services, through the Government, to stem this rising tide in terms of access to firearms in Trinidad and Tobago?

Hon. S. Young: Thank you very much. Mr. Vice-President, I would like to remind the citizens of Trinidad and Tobago that when we came in as an administration, one of the first things we found was that those who were formerly in power—those who are now in Opposition—had actually dismantled the security apparatus in Trinidad and Tobago and left very porous borders, left a very porous Piarco and other places—[*Crosstalk*]

Mr. Vice-President: Could you just please allow the Acting Minister of National Security to answer the question. Urgent Questions do not have very much time in relation to the Order Paper, so all interruptions sort of extends that time and defeats the purpose of urgent questions in this House. Minister of National Security, continue.

Hon. S. Young: Thank you very much, Mr. Vice-President. I am a little disappointed at the type of behaviour we are experiencing in this House here today. Mr. Vice-President, what we as the Government are doing, and what the national security service apparatus are doing is not only have we rebuilt what they dismantled—and they dismantled intentionally—but we have also provided them with further resources, especially in the intelligence gathering area of national security, and it is working because we have actually seen a rise in the amount of illegal firearms that have been taken off the streets under this administration unlike those who provided contracts to the criminal element on the other side previously.

Sen. Ramdeen: Given that for the month of December there have been 16 murders in four days, can the Minister indicate the urgent mechanisms being put in place to stem the escalating murder rate? [*Desk thumping*]

Mr. Vice-President: Sen. Ramdeen, are you re-asking the urgent question that Sen. Mark just asked?

Sen. Ramdeen: I was trying to get the answer, Mr. Vice-President. [*Crosstalk*]

Mr. Vice-President: Take a seat, please. Sen. Mark asked the question, an answer was given and a supplementary question came to the hon. Minister based on the answer that he was given. Therefore, I will not allow you to re-ask the question as a second supplementary question. We now move on as the urgent question time has ended. [*Desk thumping*]

ANSWERS TO QUESTIONS

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Mr. Vice-President, I am pleased to announce that the Government will be answering all the questions listed on the Order Paper here under “Oral Answer” and we ask for a deferral on Written Answer to question no. 33 for two weeks.

Mr. Vice-President: Sorry, question no. 30?

Sen. The Hon. F. Khan: No. 33.

Mr. Vice-President: 33? Okay.

Sen. Mark: Mr. Vice-President, may I with your leave seek your indulgence through the Leader of Government Business to enquire what is happening to written responses to question no. 13 and question no. 21 which as you know were due?

Sen. The Hon. F. Khan: Question no. 13 and question no. 21—you were absent last week—these were deferred for two weeks.

Mr. Vice-President: Right. Sen. Mark, question no. 4.

Sen. Mark: Well, no problem.

ORAL ANSWERS TO QUESTIONS

Gratuity and Pension Payments (Measures to Address)

4. **Sen. Wade Mark** asked the hon. Minister of Finance: Given reports on the delay in disbursement of gratuity and pension payments to retired public officers, what measures are being implemented to address this

problem?

The Minister in the Ministry of Finance (Sen. The Hon. Allyson West): Mr. Vice-President, the delay in disbursement of gratuity and pension payments to retired public servants is due to administrative issues in the Treasury Division, and not due to the financial constraints currently facing us. To improve the efficiency of processing gratuity and pension payments at the Treasury Division, several solutions have been identified. Six retired officers were hired on short-term contract to assist in the computation of checking of pension files. These officers previously worked with the Treasury Division and have extensive experience in pension matters.

The organizational structure of the Pensions Management Branch has also been reviewed with the aim of addressing the issue of inadequate staffing. Recommendations for additional staff will soon be submitted to Cabinet. In order to strengthen the capacity of the Pension and Leave Units at Ministries and Departments, the following measures were undertaken. We initiated discussions with Permanent Secretaries to emphasize the problems faced with the non-submission of documents; the submission of incorrect documents and the submission of inaccurate or inadequate information, with particular emphasis on pension and leave records.

We drafted a circular entitled “Payment of Retiree Benefits on Time” which addresses the preparation, maintenance and timely submission of pension and leave records. This circular is currently being finalized and will soon be distributed to all Ministries and Departments. We collaborated with the Ministry of Public Administration and Communications and the Personnel Department to deliver training to Ministries and Departments on the accurate preparation of pension and leave records.

The Pensions Management Branch is currently evaluating the possibility of decentralizing the process for the payment of contract gratuities to contract officers, including records verification and payments by the respective Ministries and Departments. In March 2017, the Pensions Management Branch also requested that accounting officers in all Ministries and Departments identify liaison officers to deal solely with pension matters including queries. Liaison officers have since been assigned to deal directly with the Pensions Branch on all pension and leave related matters.

The Treasury Division is currently undertaking a business process re-engineering exercise. Some of the internal business processes are being re-engineered with a view to improving the processing time for pensions and leave payments, as well as identifying and addressing any duplication of task.

The Ministry of Public Administration and Communications acquired a pension module which can be integrated into the IGP IHRS system and fully automates the pension process. The Treasury Division is currently developing a request for proposal which will clearly identify the functional requirements of the modern pension system as well as ensure that Government's pension rules are configured for successful implementation of the module.

Mr. Vice-President, the solutions, once fully implemented, would reduce delays in the disbursement of gratuities and pensions and improve the timeliness of gratuity and pension payments to retired public officers. The move towards the full automation of the pension and gratuity payment system over the next three to five years will solve the current issue and ensure that gratuities and pensions are paid immediately upon retirement. Thank you, Mr. Vice-President.

Sen. Mark: Thank you. Thank you very much, Mr. Vice-President. Could the hon. Minister indicate whether in the short term there could be some improvement

in retirees being able to access their pensions through the engagement of more personnel rather than the six that you have mentioned?

Sen. The Hon. A. West: Thank you, Mr. Vice-President. Mr. Vice-President, in reviewing the problems with the system, we identified that there were problems both at the Treasury Division and in the Ministries. In a lot of the cases, the issue lays with not getting the files in a timely manner from the Ministries. So merely engaging more people at the Treasury Division will not solve the problem, which is why we are taking a multi-pronged approach in order to resolve the problem.

In addition to that, engaging several people who do not have the experience in this area, we do not think will add much to improving the system. So we have decided to, at this point in time, engage the six experienced people who will review the system as they try to improve it, and as they make recommendations for additional improvements, we will take them on board and act accordingly.

Sen. Ramdeen: Thank you, Mr. Vice-President. Mr. Vice-President, through you, to the hon. Minister in the Ministry of Finance. Could the hon. Minister tell us at present what is the average time that a retiree waits in order to get access to their gratuity and pension payments presently?

Sen. The Hon. A. West: Mr. Vice-President, unfortunately I am not able to give that information. It varies from case to case.

Sen. Mark: Mr. Vice-President, is the Minister aware that there are thousands of retirees from both the public service central government as well as local government whose applications for pensions have been languishing at the Treasury for between the period of one year to four years? Are you aware of this?

Sen. The Hon. A. West: Thank you, Mr. Vice-President. Sen. Mark, I would remind you that this is not a new issue. It is an issue that has existed for quite some time. [*Desk thumping*] This administration is seeking to deal with it, and I

think we have put really robust systems and processes in place to try to deal with it as soon as possible. We are aware that people are suffering as a result of not getting their pensions on a timely basis. This administration is committed to addressing that, and we are doing that through the measures that I have outlined earlier. [*Desk thumping*]

Sen. Mark: Thank you, Mr. Vice-President. Do you think hon. Minister that an interest should be charged on the Government for late payments that are due to citizens who have served this country and are waiting for years to collect their entitlement? Do you think that the time has come for the Government to institute such a measure in order to ensure that justice is done for those who are awaiting their just entitlements?

Mr. Vice-President: Senator, I would not allow that question. Next question. Sen. Mark?

Sen. Mark: Is it the next question or next supplemental?

Mr. Vice-President: Next question.

Sen. Mark: I have exhausted my supplemental?

Mr. Vice-President: Oh yes. You have exhausted your supplemental on question no. 4.

Sen. Mark: Well, may I go on to the next question?

Mr. Vice-President: Yes, you may. **Sen. Mark:** Thank you.

Sex-Trafficking and Forced Labour (Initiatives taken to Address)

5. **Sen. Wade Mark** asked the hon. Minister of National Security:

In light of reports that Trinidad and Tobago has become a destination, transit and source country for adults and children subjected to sex-trafficking and forced labour, can the Minister indicate what initiatives are being taken by the Counter Trafficking Unit of the Ministry to address this problem?

The Acting Minister of National Security and Minister in the Office of the Attorney General and Legal Affairs and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Mr. Vice-President. Mr. Vice-President, this question is slightly misleading in that it refers to reports. We are not aware of reports. There is a singular report and the continued misconstruction of information and the unpatriotic behaviour by those on the other side is not something that we encourage—*[Interruption]*

Sen. Mark: I take objection to that kind of behaviour from this gentleman, for him to come in this House and describe us as unpatriotic. *[Crosstalk]*

Mr. Vice-President: Senator?

Sen. Mark: Let him withdraw that matter immediately, Sir. *[Crosstalk]* Withdraw. *[Desk thumping]* He has to withdraw that, Sir. Sorry about that Sir. *[Crosstalk]* Unpatriotic?

Mr. Vice-President: Sen. Ramdeen, I am on my feet. Hon. Minister, please answer the question and try to refrain from phrases or sentiments where you are accusing the other side in relation to that and how they ask questions specifically, because the questions would have been approved by a particular Presiding Officer and, therefore, if they are on the Order Paper, giving any kind of prejudgment or imputations as to what would have gone into the question, leave that for the Presiding Officer. So, please answer the question. *[Desk thumping]*

Hon. S. Young: Thank you. Thank you very much, Mr. Vice-President. I see the behaviour continues.

The Counter Trafficking Unit of the Ministry of National Security has undertaken several initiatives aimed at advancing counter human trafficking efforts within Trinidad and Tobago. These include sensitization of frontline and border personnel and officers in collaboration with the Airports Authority of Trinidad and

Tobago. The unit has embarked on a bilingual—which means you can speak more than one language—anti-trafficking campaign at airports to sensitize airport staff and officers on the indicators of human trafficking and the reporting protocols.

Also information sharing: Officers routinely compile and submit actionable information to share with relevant government agencies and source countries to assist in disrupting the activities of identified suspects overseas, recruiting of potential victims in source countries and in-adversely affecting their entry into Trinidad and Tobago.

On the issuance of relevant permits and visas, we are also working on building local partnerships. Partnerships have been entered into with Labour Inspectorate and other security agencies to proactively identify suspicious employers and potential victims.

Building of regional partnerships: The unit is in continuous pursuit of new ways to identify possible victims of sex and labour trafficking who have left Trinidad and Tobago.

Disruptive operations as we see happening continuously, priority is also given to collaborative effects with law enforcement personnel to conduct disruptive operations at reportedly known places of ill-repute to deter the demand for commercial sexual activity.

Offer of specialized services in collaboration with the Ministry of Social Development and Family Services, the Ministry of Health, the Children's Authority, NGOs and other governmental agencies. The unit is seeking to formalize special services to male, female and child victims of trafficking. Community sensitization and anti-human trafficking campaigns are continuously on the way and are being utilized.

Mr. Vice-President, the CTU, in developing responses to this situation is

guided by the deliberations of the National Task Force which comprises the Ministers of National Security, Foreign and Caricom Affairs, Labour and Small Enterprise Development, Education, and Social Development and Family Service, and this Government does not accept for a moment that Trinidad and Tobago has become a destination, transit and source country for adults and children to be subjected to sexual trafficking and forced labour.

Sen. Mark: Thank you, Mr. Vice-President. Could the hon. Minister share with this House data or any statistics that deal with the issue of trafficking of adults and children as the question asked whether the Government can provide us with any data or statistics as it relates to the numbers, Mr. Vice-President, involved in this nefarious trade?

Mr. Vice-President: I would not allow that supplementary question, Sen. Mark. Are there any other supplementary questions in relation to this question? Next question. Sen. Mark?

**US Report on Trafficking of Persons
(Measures taken to Address)**

6. Sen. Wade Mark asked the hon. Minister of National Security:

In light of the latest US Report on the trafficking of persons in which reference is made to the role played by the Trinidad and Tobago Police Service and Immigration Officers in allegedly facilitating sex-trafficking, can the Minister indicate if this information has been verified, and if so, what measures are being taken to address the problem?

The Acting Minister of National Security and Minister in the Office of the Attorney General and Legal Affairs and Minister in the Office of the Prime Minister (Hon. Stuart Young): Thank you very much, Mr. Vice-President. Information received from the Immigration Division and the Trinidad and Tobago Police Service for the reporting period of US Trafficking in Persons Report which

was for the period of April 01, 2016 to March 31, 2017, indicates that no reports were received nor any evidence presented that implicated any police officer or immigration officer in the facilitation of sex trafficking.

It is instructive to note that Trinidad and Tobago has shown noticeable improvements in its ranking with respect to the Trafficking Victims Protection Act, moving from a watch-list country in 2016 to a tier-two country in 2017. Mr. Vice-President, this administration, once again, through the hard work of the Ministry of National Security and the Office of the Attorney General took us from a position pre-September 2015 that was very, very deleterious and very, very unfortunate under the previous administration, and we have been moving up the ranks in what we have been doing. This country's current rank demonstrates that although the Government does not fully meet the TVPA's minimum standards, it is making significant efforts in this regard. In furtherance of these efforts, a number of measures are in place to deter persons, including public officials, from facilitating sex trafficking. The Trafficking in Persons Act, Chap. 12:10, section 3, imposes penalties on persons for the commission of offences under the Act. Further, Mr. Vice-President, for officials or public officers who commit offences under this Act, strict liability is prescribed in the form of imprisonment for 25 years upon conviction on an indictment.

In addition, the Counter Trafficking Unit of the Ministry of National Security is continuously involved in proactive investigations based on intelligence and information received. Sex trafficking is a subset of human trafficking. The unit is actively engaged in educating the public on the human trafficking phenomenon—what constitutes this crime, who can be offenders, what signs to look for in persons who may be victims of the crime, and where reports on this crime can be made. The unit's philosophy holds that the more sensitized persons

there are, the less likely there are for opportunities to arise for would-be perpetrators including public officials to facilitate human trafficking and, by extension, sex trafficking.

2.15 p.m.

Sen. Mark: Mr. Vice-President, could the hon. Minister indicate whether there are any immigration or police officers who are under investigation for this particular type of behaviour described in that particular report that I mentioned, the US latest report?

Mr. Vice-President: Acting Minister of National Security.

Hon. S. Young: Thank you very much. Once again, I repeat myself, that information received from the Immigration Division and the Trinidad and Tobago Police Service for the reporting period indicated that no reports were received nor any evidence presented that implicated any police officer or immigration officer in the facilitating of sex trafficking.

Mr. Vice-President: Sen. Mark.

Sen. Mark: Mr. Vice-President, could the hon. Minister indicate to this House, whether as acting Minister of National Security on behalf of the Government, would he be taking appropriate steps to have this report that is now public and it is worldwide, that serious allegations are being made, and given what he has indicated to us, whether he is prepared to rectify this matter by writing the US authorities because they have this in their report? So, whether the Minister is prepared to write to the United States denouncing this falsity in the report that they have been spreading, and it is worldwide, on Trinidad and Tobago.

Mr. Vice-President: Acting Minister of National Security.

Hon. S. Young: Thank you very much. I am happy to report, Mr. Vice-President, that this Government and this administration, under the substantive Minister of

National Security, the Minister of Foreign and Caricom Affairs, the Attorney General and myself have been in communication with the US authorities, and we have been working with them to see what can be done.

Sen. Ramkissoon: Thank you, Mr. Vice-President. During this time this year, 2017, in social media there was circulating an incident involving an immigration officer and a foreigner. This social media went on to say exactly what Sen. Mark's question is alluding to. Now, given that the Minister has responded and said there are no reports or no persons under investigation, and he listed a number of measures that are in place, can he advise us if any persons have been charged or investigated under the measures that you have listed that are existing presently?

Hon. S. Young: Thank you very much, Mr. Vice-President. Mr. Vice-President, I am not aware of the social media video, but what I can do is I can ask the Trinidad and Tobago Police Service and the immigration unit to speak to Sen. Ramkissoon after the Sitting. I will ask them to make contact with her and she can provide them with the information.

HDC's Housing Stock (Details of)

27. Sen. Paul Richards asked the hon. Minister of Housing and Urban Development:

Having regard to the HDC's housing stock, can the Minister indicate:

- i. the number of completed housing units that remained unoccupied during the period October 01, 2015—September 30, 2017;
- ii. the number of completed units illegally occupied during the period October 01, 2015—September 30, 2017?

The Minister of Housing and Urban Development (Hon. Randall Mitchell):

Thank you very much, Mr. Vice-President, and thank you Sen. Richards for the question and the opportunity to put it on the parliamentary record. With respect to

part one, the question cannot be answered simply by providing a number. The number of units unoccupied at any time varies based on units completed and units distributed. On October 01, 2015, the new administration met 1,200 houses that were unoccupied for reasons of vandalism, general disrepair, abandonment, and for reasons where the development would have been left in abeyance.

Over the period October 01, 2015 to September 30, 2017, the corporation began a programme to speed up the completion and the repair where necessary, and the distribution of housing units. So as at September 30, 2017, the number of available unoccupied units stood at less than 200. These units will be distributed by the end of 2017.

With respect to part two, this again cannot be answered simply with a number. Cumulatively, over the period October 2015, to September 2017, a total of 181 units were reported and confirmed as being illegally occupied.

Mr. Vice-President: Sen. Richards.

Sen. Richards: Thank you, Mr. Vice-President. Through you, can the Minister indicate the measures being taken by the Government to remove the persons who are illegally occupying these units and what time frame that would be done in?

Mr. Vice-President: Hon. Minister of Housing and Urban Development.

Hon. R. Mitchell: Thank you, Mr. Vice-President, and thank you again. At the HDC there is a programme carried out by the security unit where they go to all the various developments and they conduct audits, and where illegal occupiers are found, along with the police service, they conduct eviction exercises. So that is an ongoing process.

Mr. Vice-President: Sen. Richards.

Sen. Richards: Thank you, Mr. Vice-President. Given the challenges we have seen for many years in terms of eviction of those units, particularly those that have

children involved, is there a particular protocol that advises that eviction process in addition to what you have outlined?

Mr. Vice-President: The Minister of Housing and Urban Development.

Hon. R. Mitchell: Thank you, again. The HDC has within its organization a social department, and along with the Ministry of Social Development and Family Services, they treat the cases and make decisions or recommendations going forward.

Sen. Dottin: I would like to applaud and perhaps congratulate this present Minister of Housing and Urban Development for the courage he is showing in dealing with what I think is a very high-risk activity. I just want to ask, through you, Mr. Vice-President—I mean, we spoke privately, but if there is a plan in terms of gangs occupying unoccupied areas and the potential, you know, threat to those after the gangs are removed to people who occupy them legally. God bless.

Mr. Vice-President: Hon. Minister of Housing and Urban Development.

Hon. R. Mitchell: Thank you, Sen. Dottin. The HDC and its security department work with the joint protective services in these matters. There would come a time where gang-related activities are concerned, where the HDC removes itself and it then becomes a police matter.

Vandalism of HDC's Housing Units (Details of)

28. Sen. Paul Richards asked the hon. Minister of Housing and Urban Development:

Having regard to the HDC's housing stock, can the Minister indicate the number of housing units that have been vandalized during the period October 01, 2015—September 30, 2017 and the cost to repair same?

The Minister of Housing and Urban Development (Hon. Randall Mitchell): Thank you, again, Sen. Richards. Cumulatively, a total of 190 units, inclusive of

illegally occupied units, were reported vandalized during the period October 01, 2015, to September 30, 2017. These units appeared to have been vandalized as a result of remaining unoccupied for extended periods of time. The cost to repair the reported vandalized units amounted to \$18 million, VAT inclusive. The HDC and the Ministry continue to ensure that these units are occupied as soon as they become available to reduce the incidents of vandalism.

Mr. Vice-President: Sen. Richards.

Sen. Richards: Mr. Vice-President, can the Minister indicate the types of damage that have been done, and if these units are, in any particular area, more profoundly?

Mr. Vice-President: Hon. Minister of Housing and Urban Development.

Hon. R. Mitchell: Thank you, Mr. Vice-President. To answer the last question first, no; it is all across Trinidad. And, secondly, there are varying levels of vandalism, from the removal of doors, the removal of windows, the removal of plumbing, or a combination of all of the above.

Mr. Vice-President: Sen. Richards.

Sen. Richards: Can the Minister indicate, through you, Mr. Vice-President, if some of these vandalized units also are within the realm of units that are occupied and may have been vandalized by the occupants themselves, legal or illegal?

Mr. Vice-President: Hon. Minister of Housing and Urban Development.

Hon. R. Mitchell: Yes, in the case of illegally occupied units, we would have found that there would have been some vandalism on eviction.

National Land Use Policy (Status of)

30. Sen. Paul Richards asked the hon. Minister of Planning and Development:

What is the status of the development of a National Land Use Policy?

The Minister of Planning and Development (Hon. Camille Robinson-Regis):

Thank you very much, Sen. Richards. Mr. Vice-President, the Town and Country

Planning Division as the agency with responsibility for the administration of physical planning prepared the first and only statutory national physical development plan for Trinidad and Tobago which was approved by Parliament in 1984. In an effort to update the plan which had a 20-year horizon, Cabinet, by Minute No. 3556, dated December 19, 2013, approved the National Spatial Development Strategy, which is a broad strategic policy framework within which more detailed regional and local planning could be undertaken. The NSDS is to be reviewed every five years and is expected to be revised by the Town and Country Planning Division during 2018.

Notwithstanding the above, regional and local area plans, policies and standards are continuously being reviewed and revised by the Town and Country Planning Division in collaboration with key stakeholders. Policies such as the increased residential density policy, the development of standards to guide urban design, and the revision of the hillside policy will be used in the updating of the National Land Use Policy.

Mr. Vice-President, Sen. Richards, the only approved national physical development plan is the 1984 plan, and it is anticipated that when the NSDS is reviewed that the plan would be brought to the Parliament to be debated and determined as the new national physical development plan.

Mr. Vice-President: Sen. Richards.

Sen. Richards: Thank you, again, Mr. Vice President. Can the Minister indicate if, while that process is ongoing, and the 2018 iteration is completed, there is research being done on illegal expansions, illegal—because at one instance you indicated that there is a challenge with curtailing that sort of activity in terms of land space and population density in Trinidad and Tobago, resulting in flooding in some instances, and the State not having access, in some instances, to lands for

development.

Mr. Vice-President: Hon. Minister of Planning and Development?

Hon. C. Robinson-Regis: At present the Town and Country Planning Division is in the process of reviewing the mechanism that it uses for enforcement in order to ensure that enforcement takes place with regard to illegal construction that has been taking place. We have also established a committee that is chaired by the Minister of Planning and Development to examine large-scale development in Trinidad and Tobago, and to ensure that we ensure that the developers progress in such a way that is in keeping with the developmental standards. Not necessarily the standards that are set here, but standards that look at the future, and also within the remit of the law and to prevent the kind of flooding that has been taking place.

Mr. Vice-President: Sen. Richards.

Sen. Richards: Minister, can you indicate, at one instance in your response in this very House, that one of the operationalizing mechanisms is the local Government agencies where the resources are quite stretched thin? Is part of the remit of your Ministry, and, by extension, the Government, strengthening the capability of those local government agencies to monitor and bring illegal development to your attention so that remedies can be in place?

Hon. C. Robinson-Regis: Mr. Vice-President, one of the issues is in fact the fact that there are not very many land-use planners in Trinidad and Tobago. One of the things as the Ministry of Planning and Development, we have the remit for manpower planning, and that is one of the areas that the Ministry has put forward to the Cabinet as an area for increasing the number of persons who get scholarships for that particular area, but it also means that young people and scholarship winners want to go and do land-use planning, and it has not been an area that people necessarily want to go and study.

**DEFINITE URGENT MATTER
(LEAVE)**

**Escalating and Uncontrollable Murders
(Failure of Government to address)**

Sen. Wade Mark: Thank you, Mr. Vice-President. Mr. Vice-President, I hereby seek leave to move the adjournment of the House today, under Standing Order 17, for the purpose of discussing a definite matter of urgent public importance, namely, the failure of the Government to address the escalating and uncontrollable wave of murders in Trinidad and Tobago.

The matter is definite because it pertains specifically to the failure of the Minister of National Security, and, by extension, the Government, to address the rapid escalation and the unprecedented increase in the number of murders in Trinidad and Tobago.

The matter is urgent because over the last four days there have been 16 murders, totalling 460 confirmed murders for the year. The matter is urgent because the total number of murders for 2016 was 462, which clearly indicates the Government's continuous failure to address the rampant violent crimes throughout the country.

The matter is of public importance because the increasing number of murders is engendering widespread fear and distress in our country. As a result of the spiralling crime, our citizens are not only subject to physical harm, but also psychological harm, where they continue to feel unsafe, insecure, vulnerable, helpless, and powerless to the criminal powers. The matter is of public importance because the United States Government continues to warn travellers about the escalating crime, and this damage to our economy, inevitably, trickles down and places an additional burden on our citizens. I so move, Mr. Vice-President.

Mr. Vice President: Hon. Senators, I have considered the Motion of the Senator

and I am not satisfied that this matter, as presented, qualified under the Standing Order.

**JOINT SELECT COMMITTEES
(APPOINTMENT TO)**

Cybercrime Bill, 2017

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you, Mr. Vice-President. Mr. Vice-President, having regard to the correspondence from the Deputy Speaker of the House in relation to the appointment to the Joint Select Committee established to consider and report on the Cybercrime Bill, 2017, I beg to move that the following six Senators be appointed to serve on the Committee:

Mr. Clarence Rambharat

Mrs. Paula Gopee-Scoon

Mr. Ronald Huggins

Mr. Wade Mark

Ms. Melissa Ramkissoon

Mr. Paul Richards

Question put and agreed to.

Gambling(Gaming and Betting)Control Bill, 2016

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Mr. Vice-President, having regard to the correspondence from the Deputy Speaker of the House in relation to the appointment to the Joint Select Committee established to consider and report on the Gambling (Gaming and Betting) Control Bill, 2016, I beg to move that the following six Senators be appointed to serve on the Committee:

Mr. Foster Cummings

Mr. Robert Le Hunte

Ms. Allyson West

Mr. Wade Mark

Ms. Melissa Ramkissoon

Mr. Paul Richards

Question put and agreed to.

**SESSIONAL SELECT COMMITTEE
(APPOINTMENT OF)**

Mr. Vice-President: Hon. Members, permit me to revert to item No. 3 on the Order Paper in relation to Announcements by the Vice-President where an error was pointed out by Sen. Mahabir in relation to the appointment of a Senator to a Sessional Select Committee. I repeat:

Standing Orders Committee

Ms. Christine Kangaloo	Chairman
Mr. Nigel De Freitas	Member
Mr. Clarence Rambharat	Member
Mr. Wade Mark	Member
Mr. H.R. Ian Roach	Member

**A&V OIL AND GAS LIMITED
(OVERSTATED LEVEL OF PRODUCTION)**

Sen. Wade Mark: Thank you very much. [*Desk thumping*] Mr. Vice-President, I beg to move the following Motion standing in my name:

Whereas the state owned company Petrotrin is responsible for petroleum operations including the exploration for, development of and production of hydrocarbons, and the manufacturing and marketing of petroleum products; *And whereas* over the last ten years there has been a steady decline in the revenue generated from the energy sector due to the decline in the price of oil and gas and also a reduction in oil production;

A&V Oil and Gas Limited
(Overstated Level of Production)
Sen. Mark (cont'd)

2017.12.05

And whereas it was reported in the media that one of Petrotrin's operators, A&V Oil and Gas Limited overstated its level of production during the period of January 2017 to 11th July 2017 resulting in Petrotrin having paid royalties for crude oil that was not received;

And whereas recommendations were made by Petrotrin's Audit Committee that payments to A&V Oil and Gas Limited be withheld and the contract terminated due to the alleged misrepresentation of the operator;

Be it resolved that immediate action be taken by the Ministry of Finance, as Corporation Sole, to suspend this operator's contract while investigations into the Audit Committee's Report are ongoing;

And be it further resolved that the matter of the overstating of oil production be referred to the Joint Select Committee on State Enterprises for inquiry and report.

Mr. Vice-President, this ugly and very horrible situation was made public and brought to the attention of the national community by the hon. Leader of the Opposition, and Political Leader of the United National Congress, and the next Prime Minister [*Desk thumping*] at a United National Congress national congress which was held on Sunday, the 9th of September, 2017. It was at that particular congress, Mr. Vice-President, that the internal audit report was put into the public domain surrounding what was now, or what has now been popularly referred to as the "fake oil" scandal, [*Desk thumping*] or the "ghost oil" debacle. Mr. Vice-President, this situation arose as a result of developments that may have been occurring long before January to July of 2017. I believe it is the chairman of Petrotrin that has now ordered the audit committee to extend its investigation back into the entire 2016 period, Mr. Vice-President.

UNREVISED

I think it is important, Mr. Vice-President, for us to understand the very significance of Petrotrin as a state-owned entity and as a flagship company in the Republic of Trinidad and Tobago. Petrotrin is responsible for petroleum operations, inclusive of exploration and production of hydrocarbons, and manufacturing and marketing of petroleum products. This company, Mr. Vice-President, has been experiencing severe financial losses over the past 10 years. Petrotrin is a legacy company and is charged with the responsibility of paying dividends to the Government by efficiently producing, manufacturing and marketing hydrocarbon products. The management and board have the responsibility and accountability to organize and run the company efficiently to obtain this objective.

But, Mr. Vice-President, what is the current scenario or situation at this flagship company known as Petrotrin? The company has a severe cash flow problem. The company is a loss-making operation as we speak. The company is in deep debt, Mr. Vice-President. There is a major bullet payment of US \$850 million due at the end of 2019 that Petrotrin must meet. No initiatives to increase oil production have taken place despite highly trained personnel and 3D data. We have an outdated refining process and an inefficient use of energy and power to make products. The company is stuck to traditional markets as we speak.

There is a non-application of new technology in exploration and production and refinery. There has been no board of directors direction to reorganize and point the company into a new product mix for the emerging fuel and transportation business. In other words, there has been no serious restructuring plan at this particular company. Mr. Vice-President, I bring this to your attention so that you can understand the background of this entity and the challenges that it is faced. It

was in 1986 that Petrotrin commenced an initiative to boost oil production through farm-out and lease operatorship programme, both internally and externally.

2.45 p.m.

That was a great idea, to boost production, because the company as structured had some 3,000 idle wells which were uneconomic for Petrotrin to produce, and they were scattered over its producing fields. External operators were selected by a vigorous process and included a work programme and a multi-tiered level of overriding royalty for oil as produced based on volume and price.

Mr. Vice-President, even in those early years, operators took the opportunity to seek personal benefits by stealing fiscalized oil that was recycled into production tanks. Back then, three such operators were found and they were investigated by Petrotrin, but they did not have sufficient evidence, as they got with A&V Oil and Gas. [*Desk thumping*]

The first one that was discovered “tiefing”, stealing, pilfering, siphoning oil from Petrotrin illegally was one called Lease Operators Limited, LOL—not enough evidence. There is another one called Card Way; not enough evidence to convict them or to take them to prisons. And there is one called Venture Production that was also involved in the stealing of oil from Petrotrin, but again not enough evidence to track them down and to take them down. This Venture Production has now been morphed into something called Trinity Oil and Gas today.

Mr. Vice-President, the process has tightened since those incidents. The lease operatorship and farm-out programme was morphed into something called “production sharing contracts”, in which operators met certain levels of production and were paid for increased levels over a declining rate.

Mr. Vice-President, the company in question, A&V Oil and Gas, was awarded what is called the Catshill Field by Petrotrin in 2009, and they got a licence for 10 years. They were allowed to drill within the prescribed area. This company drilled some 30-odd wells in less than two years and brought them into production. It amounted to some \$45 million. The question that has to be asked from the outset: Where did a small operator, within a two-year period, was able to source funds to drill in such a quick period? Which banks would have underwritten such operations, or was it an arrangement involving Petrotrin and this small and virtually insignificant operator? We need to know, Mr. Vice-President.

The Catshill Field was developed first by Shell in the early fifties, later on it was done by Trintoc, then later on by Petrotrin. What happened is that it was confirmed by a reputable auditing firm called Gaffney, Cline and Associates, which is a fiercely independent petroleum group of auditors, and they are ranked very high in the world today, Mr. Vice-President. They were able to show that the volumes that were being claimed by A&V could not have been actually true. They have confirmed that. It is a historical fact, and people in the oil business will tell you that new fields experience a decline of over 60 per cent after initial production in the first year.

But the question that has to be raised very early, Mr. Vice-President: when we look at what is called the report, which I have a copy of, it is entitled “Investigation into the volume discrepancies between crude oil produced by E&P”—and that is exploration and production—“and the crude oil pumped to R&M”.

Mr. Vice-President, you know, in the literature, there is a concept which I want to share with you, that has emerged, and that concept is called “tunnelling”. I

want you to remember that term, “tunnelling”. It is a process by which the stakeholders of a state-owned enterprise siphon resources out for their own personal gain. And hypothetically, the fake oil or ghost oil is a form of tunnelling. The question that has to be raised is whether it might have been a possible delayed reimbursement for campaign finance? [*Desk thumping*] That is the question that is on the minds and lips of the citizenry—whether this situation that has taken place was all part of an instalment plan. You pay me for the campaign, \$20 million to \$30 million, so I could win the election, and I will turn a blind eye to allow you to siphon oil in order to recover your investment. [*Desk thumping*] Was that part of the money laundering plan? These are questions that people are asking; they are asking, they are posing.

What is even more frightening is this: we have to ask the question how a gentleman, by the name of Vydia Deokiesingh, who was a hospitality officer, got promoted from a hospitality officer—making sure your drinks are measured properly at functions—how come this gentleman was moved from the hospitality area into the exploration and production area? And you know when that took place? The PNM won the election in September of 2015, and on February 29, 2016, a leap year, the gentleman leaped; he leaped into this area called “E&P”, and he was now responsible for determining how much money you pay for the oil that you say you are going to send to Petrotrin. That is a “fella” called Vydia Deokiesingh.

Mr. Vice-President, he was not only an alderman in the Siparia Corporation, he was also a candidate screened by the PNM under the chairmanship of the Ministry of Energy and Energy Industries in 2015 for the Siparia constituency. [*Desk thumping*]

So, Mr. Vice-President, hear what is going on: these people promoted this man, he had no experience, as a hospitality officer, into the E&P section in February of 2016. And when you read the internal audit report, Mr. Vice-President, about this gentleman and his fraudulent activities, this man should be facing jail sentence right now as we speak. [*Desk thumping*] But I want to ask the following question. There is a gentleman called Mr. Neil Derrick. He is the Vice-President of Human Resources, Petrotrin. I would like answers to questions that I am about to pose. What was the role of Mr. Neil Derrick in this bizarre transfer? [*Desk thumping*] And he is still the Vice-President. Why was this gentleman, Deokiesingh, transferred in February of 2016, when he had no experience or knowledge of E&P? What were the reasons for this transfer? Whether the position of hospitality officer existed on the approved organizational structure of Petrotrin within that particular section, the E&P?

What is even more interesting is that not only this scandal that has emerged seen one resignation, you know—Prof. Andrew Jupiter has gone back to UWI or UTT—but we recently had the disappearance or the resignation of the President of Petrotrin. [*Desk thumping*] And the question that people are asking is whether there is a link between the fake oil scandal and the resignations of both Prof. Andrew Jupiter as well as Mr. Fitzroy Harewood who is the President of Petrotrin? That is what is being asked. But I can tell you one thing about Andrew Jupiter, he is a very decent person and he would not allow anybody to corrupt him. I know that about Andrew Jupiter, a very decent individual.

So, Mr. Vice-President, the question that therefore must be asked and Petrotrin must answer is: Where did the instruction come from to move Mr. Deokiesingh, from the position of hospitality officer, to put him into the custody—

transfer—section of the E&P section? Did it come from the political stratosphere? Where did it come from? This reeks of a giant conspiracy that implicates high-office holders in the Government of Trinidad and Tobago. [*Desk thumping*] And we have to connect the dots.

This is not no easy situation that has occurred overnight, because some of the players who are involved in this exercise have been operating together for a number of years. And they know about fake oil, and they know about stealing oil, and we need to get to the bottom of it.

Mr. Vice-President, I want to go to the report, just to give you a little idea of what this report indicated, and I am referring to this report, as I said the audit report of August 17, 2017. The report says on page 2:

“The impact of this fraud is far-reaching...

Petrotrin has been paying the Operator for oil it has not produced. Based on past and current production data, an optimistic estimate of the production from the Catshill field is somewhere between 1,400 and 1,600 barrels a day. Fiscalised sales as per Sales Tickets have averaged 5,000 barrels a day in the month of 2017 June alone and we estimate that production for this month would have been overstated by”—some—“90,000 barrels which works out to an overpayment of USD 2.97 million. Internal Audit estimates that for the period 2017 January to June, Catshill overstated its production by over 350,000 barrels and Petrotrin would have overpaid”—this company A&V, over—“USD 11.5 million.”

Sen. Ramdeen: “Read dat again, read dat again; let the public hear.”

Sen. W. Mark: It was overstated. It is stated here that the Catshill operation of A&V Oil and Gas overstated their production by over 350,000 barrels of oil, and

Petrotrin had to pay that company US \$11.5million.

Petrotrin also, on fake oil, which turned out to be snake oil, which turned out to be ghost oil, you know what happened, Mr. Vice-President? Petrotrin in dire straits had to pay royalties to the Government of Trinidad and Tobago amounting to US \$1.86 million for crude oil never received during the 2017 January to June period. So Petrotrin in dire economic straits had to pay royalties to the Government of Trinidad and Tobago for oil that Petrotrin never received—*[Interruption]*—in US.

Mr. Vice-President, it is worse than this. Petrotrin has been overstating its crude oil production as a result of this scandal. The data in the well information system for the Catshill Field is inaccurate and, therefore, Petrotrin has been sending inaccurate well tests and production information to the Ministry of Energy and Energy Industries. Mr. Vice-President, this was an elaborate conspiracy to defraud the people of T&T of hundreds of millions of dollars, whilst people are being retrenched.

And you know what is even more alarming? When this scandal broke out, the Prime Minister of this country was in California, and rather than call the Minister of Energy and Energy Industries—who is also in trouble—instead of calling the Chairman of Petrotrin, you know who he called? He called a fellow called Haniff Nazim Baksh. *[Desk thumping]* And when he was asked whether that organization is a financier of the PNM, he said, “I would be very disappointed if Mr. Haniff Nazim Baksh does not finance the PNM or does not contribute to the financing of the PNM.” So what the Prime Minister was indicating to the country and to the world is that that man called Haniff Baksh is a leading financier of the People’s National Movement. *[Desk thumping]*

Mr. Vice-President, the Government has to come clean. The Minister of Energy and Energy Industries has to come clean on this matter. Because I want to tell you, Mr. Vice-President, there are some dots that we have to connect. And I want to ask the Minister, you kept on a “fella” called Selwyn Lashley. You say he is a big Permanent Secretary, you keep him on, but what the Auditor General said about that Ministry? The Ministry of Energy and Energy Industries is in total chaos—total chaos.

I want to ask the Minister of Energy and Energy Industries, if he is not aware, there is a “fella” called Kenneth Oliver, he was a former advisor to the Minister of Energy and Energy Industries, Nicole Olivierre. I want the Minister to tell this Parliament whether he is aware that there was a breach of the Ministry’s server, and that particular individual may have been associated with that breach. [*Desk thumping*] I want the Minister to tell us whether the server is the repository of all the Ministry’s vital information, including the confidential data of bp, Shell, EOG and BHP Billiton, among very important energy companies in T&T, and whether this gentleman was in possession of that particular arrangement?

I also want him to tell us whether his current PS is in possession of a report on this entire fiasco, and why has the police in Trinidad and Tobago not been alerted to this crime that was committed by this advisor to Nicole Olivierre? [*Desk thumping*] What it tells us is that there are dots that we have to connect.

Sen. Ramdeen: Jail!

Sen. W. Mark: And why, for instance, the Government has refused to terminate the contract of this particular company? Why? Because the Prime Minister called them and say, “Boy, how things going?” I am not casting any aspersions against the Prime Minister, I am just saying what he said in public. All I am asking is why

is the Government of Trinidad and Tobago not getting involved in this matter? Why? Why they are not getting involved?

This “fella” called Deokiesingh, there is evidence in this report to show you, first of all there was no testing done whatsoever whilst this man was involved in this action. No individual well testing was done under this gentleman who was responsible for overseeing this matter. What is even more alarming is that when they reviewed the record of this gentleman—and that is on page 16 of this report—it shows that when this gentleman was supposed to be actually taking information and reporting back to Petrotrin what is going on, the Auditor General is reporting instances when Mr. Deokiesingh was not present at Catshill at the time of the fiscalization was being done. So how was he able to measure?

But you know what? “Yuh cyar pay Forestry workers?” People cannot get physical support at the hospital. “Dey cyar get Phensic and Cafenol.” Mr. Vice-President, CDAP has been literally withdrawn, the card. Schools are closing down, children and so on cannot go to school because the Government cannot pay. Box lunches have been reduced. But you know, Mr. Vice-President, while all that is going on, the Government—every one of them on that side—the Government of Trinidad and Tobago have remained silent—silent in the face of fraud and open theft against the people of this country. [*Desk thumping*] And they are the ones who are talking about they are patriotic, and that they are anti-corrupt. And, Mr. Vice-President, you are allowing this thing to go on? Why has the Minister of Energy and Energy Industries and the Government not taken action to terminate the contract of this gentleman—why?

I could tell you why? There is a gang, there is a clique—I would not call them here, but I know them, four of them—four of them. “Dey does eat, dey does

drink, dey does lime and dey does plan how to tief de oil.” I would not call the names. [*Desk thumping*]

So, there are instances where Mr. Deokiesingh was present at Catshill for very short periods of time, when the high gauges were being taken and, therefore, could not have been present for the entire fiscalization process, which, if done properly, can take at least 30 minutes. This man was never there. He went for five minutes and he disappeared. How can we allow this to go on? We have to ask the Minister of Energy and Energy Industries, where is Mr. Deokiesingh now? Where is Mr. Deokiesingh now? He is not at Petrotrin, he is missing in action at Petrotrin. They removed him from the board of Lake Asphalt. The police—that is the Petrotrin police, eh—they are trying to locate him because he is a suspect and he is one of the persons that they want to investigate. They cannot even serve notice on Deokiesingh. [*Desk thumping*] He is missing. Where is he? Where is he, Mr. Vice-President? And this is the gentleman who was brought on board by Petrotrin in that period.

Mr. Vice-President, I want to quote from page 18 for you the following evidence:

“...Internal Audit”—according to page 18—“has concluded that during the period 2017 January 1 to 2017 July 11, there were instances when Mr. Deokiesingh was either not present for the fiscalisation or was not there long enough for a proper fiscalisation to be done. He would have therefore accepted the Operator’s high and low-gauge figures without verifying that these figures were in fact correct. He was therefore...”—hear what the audit says, Mr. Vice-President—“He was therefore a willing accomplice of the Operator to defraud Petrotrin by overstating fiscalised volumes.” [*Desk*

thumping]

He was a willing accomplice. It goes on:

“As a result, Petrotrin was actually paying for crude oil that was never produced.”

It goes on:

“Internal Audit is also concerned about the integrity of the sampling process used at Catshill. Three-level samples are supposed to be taken during fiscalisation. Since Mr. Deokiesingh was not present on a number of occasions for the fiscalisation, it is possible that there may have been sample tampering and Petrotrin may have been paying for higher quality crude than it was receiving.”

So, Mr. Vice-President, the conduct of this gentleman is clear. The gentleman was involved in fraud. The gentleman was the point man for A&V Oil at Petrotrin. A&V Oil was aware that they were not producing the oil that they were claiming they were sending to Petrotrin’s Pointe-a-Pierre refinery, and yet still they were collecting.

“But ah hear whenever some of these people go to south, they end up in a place call San Francique Road, and they fete them, they drink them, they feed them and, Mr. Vice-President, like a farm, is only chickens on de farm—only chickens on de farm—and dey have a frolicking good time.” All that was taking place when the Government of Trinidad and Tobago should have known, ought to have known, that this man was stealing, “tiefing” oil, and the moneys that the gentleman was spending on them was moneys that belong to the people of Trinidad and Tobago.

Mr. Vice-President, this matter is so serious that we call, not only for this

matter to be referred to the DPP, we want to know why this Minister and his Government have chosen to put a Permanent Secretary, who is supposed to be regulating the industry and overseeing the industry, why have you replaced Lashley on the board of Petrotrin? So that he could be your agent to report to you what is going on there? It is wrong to have Lashley on that board.

We want to advance this evening that the Government of Trinidad and Tobago—this hypocritical Government—talks about transparency, talks about governance, talks about accountability—and they do nothing about it. They are silent.

3.15 p.m.

We are calling on the Government, if they are serious, to have this matter be referred to the DPP immediately. [*Desk thumping*] We are saying that this matter is so serious that the police should be involved immediately in this matter. We are saying, Mr. Vice-President, that those people were so bold, they were so strong and they were so sure of the support of the Government of Trinidad and Tobago that when ordinary newspaper people went to that place they beat them, they brutalized them, they did it because—you know why?—they had the support and backing of the Government of the Republic of Trinidad and Tobago. [*Desk thumping*] That is what they did and say they are going and sue. Sue who? How could you sue when “yuh tief”? You should be in jail, that is what you should be doing, serving time in jail.

So, Mr. Vice-President, this matter is very, very serious, and I want to table a copy of this report, the audit report because I think every Member of this Senate ought to have a copy of this report, and through you, I will ask the Clerk to make copies of this report available to every Member of the Senate so that they can

understand the implication.

Mr. Vice-President, you know what the Government wanted to do and they did it? They said, let us try to verify this report because they want to cover it up, eh. So they said we are going to bring in a group called Kroll from Canada, “Cacafney” and Cline.

Hon. Senator: Gaffney.

Sen. W. Mark: Is Daphne?—Gaffney. Thank you. Gaffney and Cline and Kroll. They have both confirmed that there is fraud at this place called Petrotrin involving A&V. Why has the Government not acted to either suspend the contract or terminate the contract?

Mr. Vice-President, you know what we understand is taking place right now? It is being rumoured that the Government has given the green light to Petrotrin to allow A&V to continue producing oil and they are producing oil and supplying oil to Petrotrin. We are not too sure they are being paid, but we understand from rumours that are circulating that the Government of Trinidad and Tobago has refused to suspend or terminate the contract of A&V Oil and Gas and is facilitating the continued operations of A&V Oil and they are supplying oil to Petrotrin.

Mr. Vice-President, I know that my time is up, but this is a very, very serious matter. We have called on this Parliament and we are calling on the Government of this country, we want immediate action to be taken by the Ministry of Finance to suspend this operator’s contract [*Desk thumping*] whilst investigations into the audit committee reports are ongoing, and we also would have liked not to bring this matter here. We would have liked the JSC on State Enterprises to be responsible for conducting a proper enquiry into this matter. This

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was not to be and hence we are debating this thing openly and publicly. We were hoping and it is still not too late for the Government to have this matter referred to the JSC for a thorough investigation and enquiry into this entire scenario.

So, Mr. Vice-President, this fake oil, ghost oil scenario, we want the Government to deal with the fraudster who has stolen the nation's oil and we want the Government to take action by suspending this operator. The Minister of Energy and Energy Industries in an article in the newspapers said that he was deeply troubled by this development, and I can understand why the Minister is deeply troubled, because I believe the Minister is in trouble—

Hon. Senator: No more financing for the PNM.

Sen. W. Mark:—because this is a situation, Mr. Vice-President, in which we are not saying everything here today.

Mr. Vice-President: Senator, you have five more minutes.

Sen. W. Mark: Mr. Vice-President, we not saying everything here today. This Government is not going to be around for much longer. [*Desk thumping*] They cannot run the country. They cannot run the country, they cannot deliver the goods and services, and when they are supposed to take action against thieves and crooks and fraudsters, they turn a blind eye. How can the people tolerate that? How can the people continue to support a Government that turns a blind eye to open theft whilst our children cannot eat, they cannot get food, workers are being retrenched in this country, all over the place total chaos and anarchy, 18 murders in five days or less. Where are we going? The Government of Trinidad and Tobago should pack up and leave. [*Desk thumping*] You must call elections. “Yuh” brave? “Yuh” brave?—call election. [*Desk thumping*] “Yuh brave, yuh want to test your popularity?” Call elections, Mr. Vice-President, and they will all be wiped out.

The people are only waiting.

Mr. Vice-President, right now the PNM is a walking dead. [*Laughter*] This is a dead Government. The funeral is about to take place. It is a dead Government and people are only waiting to bury them. [*Desk thumping*] That is all they are waiting on. All they are doing is fooling the country, fooling the people and they are not doing anything to uplift the nation of this society, they are not uplifting the nation.

So, Mr. Vice-President, we serve notice on them, on the Government of Trinidad and Tobago that you could continue to fool yourself, you can continue to tell the country that you are the best thing after sliced bread, but the proof of the pudding is in the eating, and people are completely tired, frustrated and fed-up of the PNM. And what is going to cause the problem to worsen is not by trying to impose anti-gang laws on the country—that they are going to work? You have to deal with the reality. The reality is justice. Peter Tosh said in his famous words, all over, everybody crying for peace, but nobody crying out for justice, and that is what people are crying out for. Go and talk to the Beetham residents; go and talk to the poor and the ordinary people; they are crying out for justice in this country. The PNM has betrayed the poor. [*Desk thumping*] Roget and the trade union movement has out the PNM light. [*Desk thumping*] When Roget and “dem” can out the PNM light, Franklin Khan, sorry, sorry, Sen. the Hon. Franklin Khan—all I am telling you is that “oxygent” has run out, [*Laughter*] you are stretched out and you are just waiting to take your last breath.

The people have had enough of you and if you do not take action, Mr. Vice-President, if they do not take action to deal with this matter, the people we are not only going to deal with it, but together with the people we will deal the PNM.

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[*Desk thumping*] I beg to move.

Sen. Khadijah Ameen: [*Desk thumping*] Mr. Vice-President, I stand to second this Motion and reserve my right to speak later in the debate.

Mr. Vice-President: The Motion has been seconded by hon. Senator Ameen.

Question proposed.

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you very much, Mr. Vice-President. Mr. Vice-President, this morning at a JSC when I saw Sen. Mark in his new jacket I knew he was coming to spit fire here today, and in some regards, rightfully so. But, Mr. Vice-President, thank you for the opportunity to join this debate on the private Motion on the issue of the alleged overstatement of production of crude oil by A&V Oil and Gas and matters pertaining thereto.

Mr. Vice-President, the chronology to this issue is that an internal audit report, confidential and privileged report, was leaked by the Leader of the Opposition at a political UNC meeting. However, the fact that there was a leak, the report still remains in the context of Petrotrin, privileged and confidential. I speak in legal language here.

In January 2017, the head of Petrotrin's exploration and production department, custody transfer department, informed internal audit that there had been increasingly monthly shortage of crude transferred from E&P, compared to the volumes received at Pointe-a-Pierre, and that this had been occurring since 2016, August. Internal audit proceeded with an investigation and this was completed and sent to Petrotrin's President dated August 17, 2017. That is the report. It remains privileged and it remains confidential.

Under normal circumstances, Petrotrin would have acted on the report. The

report was circulated widely on social media and it is *de facto* a public document because Sen. Mark says he is laying it in Parliament, but it remains privileged as far as Petrotrin is concerned.

In an effort to remain transparent and most importantly to protect Petrotrin's commercial interest in this matter, because everybody is ranting and raving, but paramount in this matter is the protection of Petrotrin's commercial interest as a company, the board of directors commissioned an independent forensic external auditor to conduct an independent evaluation. The company as was mentioned is Kroll Consulting Canada Limited who has vast experience in conducting exercises of this type.

The company further, Petrotrin, also commissioned the global oil and gas consultant, Gaffney, Cline and Associates to conduct reservoir tests to see the capability of the delivery of the wells. So there is no issue of a cover-up, there is an issue of due process. And let me quote from Petrotrin's press release dated November 17, 2017 in reference to the company's internal audit department and I quote:

“The Company's initial findings was confirmed in a report submitted by external consultants Kroll Consulting Canada Co. (Kroll), following the completion of the forensic audit commissioned by the Company's Board into the reported discrepancies. An additional report, commissioned by global oil and gas consultants Gaffney Cline last week, also found that the reservoir was not capable of producing the volumes in question.”

That is Petrotrin's official press release. Where is the cover up?

“In addition to auditing the period January to July 2017, the Board has since commissioned Petrotrin's Internal Audit Department to widen the scope of

its investigation into matters...”—going—“...back to 2016.”

Where is the cover up?

“Following the Board’s receipt and review of Kroll and Gaffney Cline reports, Petrotrin’s Chairman, Wilfred Espinet has confirmed that the Company would now be moving to take the appropriate actions internally and to bring the matter to the attention of the relevant authorities.”

Where is the cover up?

“The Chairman cautioned, however, that while the reports confirmed the discrepancy found by the internal audit, it was critical for the Board to continue to exercise due care and deliberation in how it proceeded.”

Where is the cover up? At this point in time you need counsel. Am I right, counsel? All right, let us go on.

“He added,...”—that is, Chairman Espinet, and I quote:

““While we plan to take decisive action, we need to ensure that any claim or action we take is not impeded by a misstep. In this case, doing it right is more important than doing it quickly...””

Let me repeat that, this is maturity in handling matters like these. This is not a matter to play the fool with. Sorry for the language, Mr. Vice-President.

““While we plan to take decisive action, we need to ensure that any claim or action we take is not impeded by a misstep. In this case, doing it right is more important than doing it quickly, and so it would be premature to articulate any specific actions at this time.””

They are working on it.

I now quote from an article on the 28th of November, Rosemary Sant in the *Trinidad Guardian*. And I quote Chairman Espinet again. He said.

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“While there is public sentiment that the matter is taking too long, Espinet said Petrotrin has moved with urgency to bring in the forensic audit team. He said...”—again and I quote:

“As soon as we were able to determine that in there was consistency in their findings and the findings of the internal audit...”—report—“...we went to the public.”

That is the press release I just read. But well thought out press release, you know, you are not jeopardizing your position in law. The chairman continued say:

“The Kroll and Gaffney Cline and Associates reports have been passed to ‘people with specific competencies to deal with how we should go forward.’”

In a matter like this, the Minister of Energy and Energy Industries is not qualified to tell Petrotrin how to act.

“It is still with them.”—he says. “We have no response from our people yet as to how we should move forward.”

But trust me they are working on it.

I got a brief from Petrotrin this morning and let me just read it, it is called Petrotrin legal position and I quote.

This matter is at a very sensitive stage and at present Petrotrin is taking Senior Counsel’s advice. Premature disclosures could derail Petrotrin’s legal position.

We on this side would not be loose with what we say because it has far-reaching commercial impact on Petrotrin’s operations. Mr. Vice-President, this is a country where we recognize and we honour due process, that is, our jurisprudence. So, sometimes in our haste to make issues public, I know ultimately the public has to

be informed, but sometimes in our haste to make issues public, we could very well be jeopardizing our position to get the very outcome that we want and that is the outcome of protecting Petrotrin and, by extension, the State's interests. That is the Government's position, and that will continue to be our position, due process, take it one step at a time and we will be guided along a legal path as to what the remedies are and where we will take it further. I remain that the report is a privileged and confidential report, and by it being leaked to the public, does not diminish the fact that in Petrotrin's context, it remains privileged and confidential.

I just want to go on record to say that as the line Minister for Petrotrin I am particularly happy and pleased with how the board has been handling this matter, with prudence, with judgment, with fairness and I think the ultimate conclusions will be reached in due course and I hope sooner rather than later. That is all I have to say on this matter because it is a serious matter.

But seeing that I am on my feet, the whole issue of custody and oil transfers in Trinidad and Tobago, I just want to say a couple things on it. Trinidad and Tobago produces around 73,000 barrels of oil per day, our crude could be categorized in three categories for sale. There is Galeota crude that is shipped out and exported through the Galeota terminal. The Galeota crude includes 12,000 barrels of oil per day from bp, which is condensate production; and approximately 12,000 barrels per day from Perenco, which is the old TSP field Teak, Samaan and Poui, that amounts to around 25,000 barrels of high-quality crude that is exported through the terminal in Galeota and which comes under Ministry of Energy and Energy Industries' supervision. The Ministry of Energy and Energy Industries' staff which is the petroleum inspector, to inspect and monitor and sanction the sale of crude because that is crude that is leaving the country and is being exported to a

foreign land. Those figures are critical in terms of how we calculate our royalties and our taxes and including transparent disclosure by the multinationals. Incidentally, that is a high-quality crude, it fetches Brent plus \$1, sometimes Brent plus \$2, and Brent is the highest referenced crude in the world, so it is good business out there.

The second batch of crude is approximately 4,500 barrels per day of BHP crude which is called Calypso crude that is also exported out of Galeota at a different tank farm. That comes from the Angostura field and, again, is inspected by the Ministry of Energy and Energy Industries whenever there is a shipment. The rest of the crude that makes up the 73,000 barrels is approximately 43,000 to 45,000 barrels of crude that is produced by a series of operators and largely Petrotrin, and all, that 43,000 to 45,000 of crude, that is not exported ends up at the Pointe-a-Pierre refinery.

So crude is not like “zaboca; yuh cyar tief” crude and put up a stall and go and sell it, it is a system and the system involves custody transfer for export and then all that reaches to the refinery. However, the process to take that 45,000 of crude to the refinery is a very complicated labyrinth of pipelines that ends up in two places, the Bernstein tank farm which is in Forest Reserve which collects crude from 15 fields which is called western district which is Trinmar crude and western Trinidad crude like Point Fortin, Parry Lands, Guapo, what have you, then that is fiscalized there and shipped to Pointe-a-Pierre.

And then there is the Barrackpore tank farm that fiscalizes around 18 fields coming out of some Galeota production that was formally to service production that is now Trinity, Guayaguayare, Navet, Biche, Woodrow, all these fields, Penal, Barrackpore, Catshill that goes into the Barrackpore tank farm, and that

Barrackpore tank farm eventually ships oil to Pointe-a-Pierre.

Now, throw your mind back to when Petrotrin had owned all the assets. So, a field production when Petrotrin was owning all the assets, the fiscalization of crude per field, let us say Catshill, for example, if Petrotrin owned the Catshill like when Shell owned it and when Trintoc owned it and when Petrotrin owned it, you fiscalize oil at Catshill and you pumped to Barrackpore, the reason for the fiscalization measurement was largely for production purposes and for reservoir management purposes.

However, with the introduction of the lease operatorship and the farm-out, that fiscalization process is no longer an internal process, the fiscalization process is now a point of sale where you transfer equity ownership, that is what I call custody transfer from one owner to the next. So, if it was Caesar unto Caesar, any discrepancy could have been attributed to whatever reason, but now it is a point of sale. So when you signed off on the crude that was shipped, you signed off automatically saying, I am authorizing payment for the volume of crude, that is where the issue comes in now, and that is the system that we are looking at.

And just two final technical points is the concept of overage and shortage, and that is what raised the red flag because, as I said, you “cyar” sell crude like “zaboca”. The only crude that could reach the refinery is what you produce. It “cyar” go nowhere else except there is a leak on the line and there is some pollution, but if you take that out the only crude that could reach the refinery is crude that was produced and fiscalized. So there is a system called overage and shortage.

So if exploration and production says that they produce 40,000 barrels of crude and the refinery says, I received 39,000; that is called a shortage. If

exploration and production says, I produced 40,000 barrels and Point-a-Pierre says, I received 41,000 barrels; that is an overage. The tolerance limit for overage and shortage is 0.5 per cent and what happens normally over a month it normalizes itself, so the net effect is almost zero. So that some days you will have a slight overage, some days you will have a slight shortage, but through time it normalizes itself, and this red flag was raised because of the significant shortage that was reported by the refinery in terms and that is what commissioned the audit report.

3.45 p.m.

In terms of the measurement system, because I want the facts to be known, because you could just talk, but if you do not understand what happens out there you can draw some wrong conclusions. There are two types of measurements that take place: The old manual method of tank gauging, and that is accordance with the American Petroleum Institute, the API codes and guidelines. All it does, Sen. Mark alluded to it in his quoting from the report, you do a high gauge; you start to pump, do a low gauge, when you finish pump, you take a low gauge; calculate the difference and that is the volume that you would ship. Within more recent time, there is an API approved, what they call LACT unit which is Least Automatic Custody Transfer that is really digitally measured. So, there is a record of digital measure. Obviously, the better system is the LACT system, but the LACT system is expensive and it is now being installed in Petrotrin on a phased basis. Okay. Because it does not make economic sense to place a LACT unit on every pipeline and on every transfer from one tank to a next. So these are some of the technical issues that are involved in this matter.

But, Mr. Vice-President, let me now bring some clarity to the role of the Ministry in a matter like this. The Ministry has a regulatory function under the

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Petroleum Act, and then I as Minister of Energy and Energy Industries through the Ministry has a line responsibility for Petrotrin. So, Petrotrin reporting lines are two-fold. One, to Corporation Sole, which is their shareholder, which is the Minister of Finance; and on operational matters, to the line Ministry which is the Minister of Energy and Energy Industries. But let me just deal with the regulatory function. To drill for and produce petroleum in this country you need what is called an exploration and production licence. You have to have a licence to explore and produce petroleum. That licence is granted by the Ministry of Energy and Energy Industries and it complies with the Petroleum Act, the licence and the sub-licence.

Now, under the Petroleum Act, the principal licensee, in this case is Petrotrin; they can grant a sub-licence to some other operator to operate the field on their behalf. However, it is the principal licensee who reports the production and is accountable to the Ministry. So in that sense the Ministry has no direct dealings with A&V drilling, because they are a sub-licensee of Petrotrin. The Ministry deals with the head licensee which is Petrotrin. Petrotrin reports the production and reports every other matter pertaining to the field. And I will just quote section 24C of the Act and it states:

“The issue of a sub-licence in no way relieves the licensee from the obligations and duties imposed on him by this Act or the Regulations or the Petroleum Taxes Act or the Petroleum Production Levy and Subsidy Act...”

So in other words, the granting of a sub-licence does not relieve the licensee of the responsibility to report and to comply with the terms of the licence. And I just wanted to make that point extremely clear.

Now, Mr. Vice-President, let me not conclude but deal with my final point,

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or major point and that is the concept of the Lease Operatorship/ Farm-out/IPSC model. This hitch or however you want to call it with A&V drilling, I do not want it to be interpreted that it casts serious doubt on the whole concept of lease operatorship farm-out and incremental production services contract. Because, as we speak, Petrotrin's land crude production is around 24,000 barrels per day. Half of that, 12,000 barrels, comes from this commercial model, and that is production Petrotrin would not have had had it not been implemented in this model. There are, as we speak, 24 small lease operators, 10 "farms" or farm-out operators, and seven incremental services production contracts. A lot of these are local entrepreneurs who have invested millions of dollars into the energy sector. All we hear about is bp, and Shell and EOG, but this model has made room for local entrepreneurs. Neal & Massy has gotten into operatorship.

I will call some of the names:

- Lease Operators Limited, long standing, contrary to what Sen. Mark would have said. That is the Brash family, prominent family from south Trinidad.
- East Coast Drilling and Workover Limited from Guayaguayare. I am from Mayaro, that is Ethelbert Alves. Alves was a contractor with Texaco. Mr. Alves' son is running that now. Born and bred in Guayaguayare. Local entrepreneur.
- Hydrocarb (Trinidad) Limited. Oxley Paul, Fyzabad. Sen. Creese, Oxley Paul, Fyzabad. Fyzabad man. Oil field entrepreneur. Doing well. Hydrocarb started off as a service company doing wire line work in the Fyzabad Forest Reserve area. Today, Hydrocarb is a producer of petroleum.

- Trinidad Wireline Limited. Khrisna Persad and Associates on the farm-out side. My good friend, always trying something new. Always innovative. Right now his champion cause is CO₂ injection, and it makes sense, because it will cut our carbon emission, and our greenhouse gas effect, because we are committed to Paris. And you are taking a waste product that is pumped as pollutant into the atmosphere, piping it down into the oil fields and injecting it back into the wells to enhance oil recovery concepts. Pioneering the cause.
- API Petroleum Company Limited, out of Avocat. Fyzabad entrepreneurship again.

So, there are a lot of small companies. There was Primera Oil that was owned by CL Financial. I think they have sold the interest in there now. But this whole model has revolutionized the petroleum space in onshore Trinidad. Because Petrotrin has some major challenges. This is a challenge that has reared its ugly head in recent times, but Petrotrin's challenges are more fundamental than that, and I do not want us to get carried away. I am not downplaying this at all, but Petrotrin has serious challenges, as Sen. Mark said in some of his opening remarks. Imagine, the lifting cost for a barrel of crude in Trinmar—which is Petrotrin's best field, that is just the operating cost to lift a barrel of crude, you know, that is not to drill a well, you know—is \$43.89 per barrel. You are barely getting that for the price of the crude. So, if you have to invest to drill a well, how are you paying back for your capital?

The lifting cost for Petrotrin for land operation is \$39.86 per barrel. And listen to what lease operatorship and farm-out operators have brought to the table. Under a petroleum licence you have to pay royalties to the State. So for every

barrel of crude you produce and you sell, 12.5 per cent comes out of that from the top with no deductions. Because with royalty, the concept of a royalty payment—that is why we have imposed the 12.5 per cent royalty on gas now—it is that once you are producing a depleting asset, a depleting resource, the State has a right to extract economic rent because it is not renewable, and that is the basis for the 12.5 per cent royalty.

So, these lease operators produce their 200, 300, 400, 500, some of them 1,000, some 2,000 barrels per day, the first call on their revenue is royalty, 12.5 per cent. And here is where the story gets intriguing. Because they were granted a sub-licence from Petrotrin, Petrotrin charges them an overriding royalty, and for the lease operators the average overriding royalty is 23 per cent. So, here you have a company having to invest its own capital, produce oil, and out of their gross income, the State takes 12.5 per cent. No deductions yet, eh. Petrotrin takes 23 per cent as an overriding royalty, so that is 23 and 12, that is—two and one, three—35 per cent, coming out from your gross revenue, before you start to talk deductions for your expenses and making a profit, and they still survive, and they still have money to reinject back into the business. So if this economic model is not successful, tell me what is? So, it is the intention of this administration to continue along this programme because we think it is a valid economic model, and added to which, your cost structure is important when you are going after stranded reserves or low productivity wells, because what happens in the cycle of an oilfield, is that you find an oilfield, it produces well, it is run by a big company, and then when the economics no longer suit the big multinationals, they farm it down into smaller operators. The classic example of that is the major oilfields of the east coast, which are the Teak, Poui and Samaan.

When I was a young man growing up in Mayaro, in 1977 those three oilfields were making 177,000 barrels of oil per day. You know what is their production now? Fifteen thousand barrels. But when the production started to decline over the decades and it was no longer economic for bp to operate the fields, they farmed them out to Repsol. Repsol was a smaller company with a more attractive cost structure to operate an asset like that, and Repsol operated for a decade and a half, and then it became uneconomic for Repsol, because Repsol while they are much smaller than bp, they are still a fairly large Spanish company. And as we speak, two years ago, Repsol sold the fields to a French company called Parengo, and Parengo's model is how to develop old and stranded fields and bring it back into life. Parengo went into Angola with something like 30,000 barrels a day, and right now their production is 400,000 barrels a day. Okay. I personally have high hopes for Parengo in Trinidad and Tobago. I have had a presentation from them recently, and I think they know what they are about, and I keep my fingers crossed that they will add value to the asset.

But in closing, Mr. Vice President, is that—

Mr. Vice-President: Minister, you have five more minutes.

Sen. The Hon. F. Khan: Yeah. At the end of the day the solution to Petrotrin is two-fold: They have to get indigenous crude production up and they have to do something about the refinery to retrofit it to start to produce a product mix that has a higher value.

On the exploration/production side, the only way you can increase production, the only way I know how to increase production, and the only way anybody who has been in the oil industry knows how to increase production is to drill wells. But you know how do you drill wells? You need money. Capital

injection is the only way out for Petrotrin. So, here you have a company that its only mode of survival in the short and medium term is to invest significantly into its asset base. Where does it get the capital from? They cannot borrow because they are already \$13 billion in debt, it reaching up to their nose, they have a bullet payment of US \$680 million that come first quarter 2019. They are generating no working capital on their own, and their shareholder, obviously, has no money to give them, or to inject into the business anymore. So here you have a company with an asset base that has potential. What it needs is capital, human resource and technology, most importantly. So it is in that context I recommend to this House that we continue along this programme irrespective of what is happening to A&V drilling, and workover and that will come to a conclusion in due course.

So, Mr. Vice-President, what I attempted to do most importantly, is to put this whole issue in context, and let me close by quoting chairman Espinet of Petrotrin once more, and I had that quote in the beginning, and I want to close with it.

“While we plan to take decisive action, we need to ensure that any claim or action we take is not impeded by a misstep. In this case, doing it right is more important than doing it quickly...”

I thank you very much, Mr. Vice-President. [*Desk thumping*]

Sen. Dr. Dhanayshar Mahabir: Thank you very much, Mr. Vice-President. This Motion advanced by Sen. Mark really focuses on three issues: The broad issue of Petrotrin, the suspension of a contract, and the referral of a matter to a Joint Select Committee.

Mr. Vice-President, as both Sen. Mark, the mover of the Motion, and Sen. Khan, first responder from the Government indicated, everything seems to be

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amiss with Petrotrin, perennial losses, highly indebted so much so that the debt was downgraded recently, and there are payments coming due in the first quarter of 2019, and I am not sure from where the organization will obtain the funds to make that payment. Will it be able to borrow and repay or will it have to call upon the Ministry of Finance for some assistance so that it could meet its obligations? As Sen. Khan indicated, there is the issue of an inefficient refinery. There is in the overall structure of Petrotrin, from my understanding of the business model, a labour to capital ratio in the organization, inclusive of the refinery, that is higher than international norms. I am sure the Minister of Energy and Energy Industries will be able to tell us, refineries of similar sizes in the rest of the world will have a different labour to value of capital ratio.

So that when I look at Petrotrin's organizational structure, I see similarities with another organization 20 years ago called Caroni (1975) Limited. What characterized Caroni in 2000 was what really we are seeing with Petrotrin now, and you ask yourself, as I asked myself in the year 2000, why was the sugar producer—and I am not getting off the topic, but I am looking at the similarities, and I am analyzing the points so as to come to a decision on the Motion. Why was Caroni Limited making losses year after year, heavily indebted too, unable to turn a profit from the production and the refining of sugar cane into sugar, whereas producers in Guyana, and in Fiji, and in Australia, using the same sugar cane were able to produce sugar at a much lower cost than Caroni was? And when you looked at the internal structure of Caroni then you saw that this was an organization that needed to be restructured.

I make this statement, Mr. Vice-President, because I produced perhaps what was maybe the last report on behalf of the All Trinidad Sugar and General Workers

Trade Union on how to restructure Caroni so that maybe it could become a viable enterprise. The report exists I am sure somewhere in the archives. But we know that Caroni—my recommendation at the time was that over a 10-year period we actually restructure; we do not restructure immediately, because immediate restructuring called the cold turkey approach was going to have certain dislocations. But the issue of Petrotrin is one, given the state of finances which cannot continue—the Minister of Finance as line Minister, I am sure, as the policy setting Ministry, the regulatory arm of the energy sector must be concerned currently with the structure of the entity, and the need to make it much more efficient given the fact that the finances simply do not permit much waste at this time.

So that that is one plank of the Motion. We need to be looking at Petrotrin in a serious way. But second, there is the issue of the termination of a contract for, as the Motion indicated:

“Be it resolved that immediate action be taken by the Ministry of Finance, as Corporation Sole, to suspend the operator’s contract while investigations into the Audit Committee’s Report are ongoing;”

Well, I do not know what really the terms of the contract itself are, because, can a Ministry of Finance or any other Ministry simply suspend a contract without the power to suspend being contained in the contract itself? I need to see what the contract is for these farm operators. If Petrotrin certainly has the power to terminate the contract then I think I would leave it up to the board of Petrotrin and the management of Petrotrin to make that decision to advise this Minister that we think we have the power to so do. But without information on knowing what the powers are, what is contained in the contract. I have never seen one, so I do not

know if that power exists, and whether the overcharging for products that you have delivered gives you the power to suspend or not, is a matter I think we need to look at the company, the board, and the Ministry of Energy and Energy Industries to determine.

So, I am a little bit reluctant and sceptical to recommend or to accept that while investigations are ongoing, that a contract ought to be suspended or terminated. What in fact I would like to see is that if in fact it has been determined that internal auditors and external auditors have concluded, and the company in question has agreed that there was over billing, because that is what it is, there is over billing, then we refund the amount forthwith. There should be a refund of the amount that we overcharged. And this matter of overpayment affects too—a matter arose this afternoon during question time on the termination benefits of state employees, their gratuity payments. Before these gratuity payments are made, the Comptroller of Accounts will look and see whether there were any overpayments by the State—and we have seen overpayments—for a number of reasons people were paid while they were not supposed to be paid, the Comptroller of Accounts looks at it, and deducts that amount before the final gratuity is paid.

So, I think we need to be looking at whether the amount in question is going to be refunded or not refunded. But we need further information on the terms and conditions of the contract itself. Because if we do not understand the terms, and evaluate the terms, we may really be recommending a measure that will put the company—Petrotrin—in a situation where it is subject to litigation that it cannot afford, and one has to, therefore, understand that really there is a process. A procedure need not be time consuming, but we should, in my mind, allow the internal processes to run its course. We should, because the situation as from my

reading of it, is that the internal auditors were able to pick up a problem, it was verified by the external auditors, and therefore I think there has to be an internal company procedure to rectify the situation, and to ensure it does not happen again.

That is what it is supposed to do. Because this is not peculiar to Petrotrin. Again, I come back to Caroni (1975). In Caroni (1975) there was a problem too of individuals selling sugar cane that they did not deliver to the scale. An arrangement occurred—and this was revealed to me by individuals who weighed the cane. The weigher of the cane occupied the position of trust. The farmer brought the sugar cane into the scale, and if there was an arrangement between the farmer and the scale weigher, and the farmer delivered 10 tonnes, the scale weigher will simply say, “Well, okay, I will bill 11 tonnes.” But the problem with that, that I will create some cane, is that in agriculture there is something known as a linear production function. In a linear production as in petroleum too, because to produce one tonne of sugar you require 10 tonnes of cane. So it could not be that Tate & Lyle producing 1,000 tonnes of sugar in a week and was billed—it was supposed to be billed for 10,000 tonnes of cane. So the technical operator saw 1,000 tonnes of sugar, and they know, well, okay, out of this 1,000 tonnes of sugar we ought to pay for 10,000 tonnes of cane. They see 11 tons, 12 tonnes, and so quickly the sugar cane company was able to pick it up and identify too who the culprits at the cane weighing stations were.

So that that scheme could not last very long in the cane industry. There were technical processes, because you had, again, internal auditors, individuals who were checking the output, and who knew exactly how much sugar cane would have to go into that. Again, in the field of agriculture, 2.4 pounds of feed to one pound of flesh in the production of poultry. I do not know if that ratio still exists.

But, you know that if you have supplied so many pounds of feed, you expect so many pounds of flesh at the end of an eight-week period. And these ratios exist so that in a short period of time any malfeasance by anyone is going to, of course, be picked up. Again, in agriculture you will find— So, the point I am raising is that this issue is not peculiar to the oil industry; it is characteristic of industries of which agriculture is an industry, in which inputs are purchased, they are processed, and because along the line you are going to get individuals who have some trust reposed in them, they can violate this trust hoping that they will get away with it. But if the entire production process is monitored, you will see slippages and you will be able to identify where the leakages are. Because if you do not, in a profit making enterprise you are going to find yourself out of business. Tate Lyle was able to do that very well. I do not know if Caroni (1975) was able to track that issue of overpayment for canes.

4.15 p.m.

So that what we have here is a situation where internal auditors were able to identify a particular problem and the economics of the thing is simple. Individuals who can get something for really little will grab at the opportunity. There is, of course, fraud. There is potential fraud everywhere, and companies must put internal processes to minimize and to rectify as soon as possible. So I await the outcome of the internal investigations of the company and I want to see exactly what they will be doing. I hope they are refunded for all overpayments and at the same time I would like to see that the company itself, with the assistance of external auditors, are able to ensure that this situation does not continue for a prolonged period and that the ratio identified by Sen. Khan of a half of one per cent of slippage is maintained over a normal time. Because slippages can occur for

various reasons: the gauges may be malfunctioning, something with the pipeline, whatever it is, in that each industry has its norm for what is known as shrinkage.

In the retail sector, Walmart says it builds 3 per cent of its merchandise to be shrunk, shrinkage, and then they say, well, who are the people who helped themselves to Walmart merchandise? Is it we the people? They said, no, usually it is the employees who have developed techniques of taking Walmart merchandise, putting it out in the garbage, have a relationship with the garbage truck collector who will then take it somewhere and –divvy it up. It affects Walmart. So that I am saying that this matter is not peculiar. It is not acceptable, but it is something that every agency has to look at and to ensure that it could minimize, if not eliminate completely.

So when it comes to the suspension of a contract, I think I would really leave that to the company itself. I would leave it to the terms and conditions of the contract, and we do not want under any situation for Petrotrin to be subject to undue litigation. Lawyers love to make money even though their clients may be wrong. Lawyers will make money by filing these claims saying that the rights of their clients were infringed upon. I think, let us understand the terms of contract and let us obtain whatever refund Petrotrin is due.

Again, I support the position of Sen. Khan, in that, what is happening now is this. In the budget, the Government of the Republic, the Minister of Finance, I think budgeted a price of oil of some \$52 a barrel. But when I look at WTI today, I see it is \$57.85. Brent is usually \$5 more and as Sen. Khan said, we normally get a dollar something more for Brent on some of our crude. So I think it is fair to say, we have budgeted at 52, we could easily obtain \$60 a barrel for 2018 based upon the following: Inventory levels in the world and the recent deal, Russia and OPEC

concluded to suppress production up to the end of 2018. If that deal holds, we can expect a price higher than what the Government budgeted for. I am hoping in the public interest that that happens.

Unfortunately, a good bit of that surplus is going to go into interest payments. So as it comes in petroleum revenue, it is going to go out in interest payments. That is just how unfortunately our macro economy is now structured. But in that context, the reason I will not recommend the suspension of the contract is this. I would want the errant partners to be penalized; everybody wants them to be penalized after due process. But we also want as much oil to be pumped now in Trinidad and Tobago given that the prices are getting better and it takes a while for individuals to mobilize their material for the oil sector. You just do not decide tomorrow to get into the oil business. You have to acquire a great deal of things, including your staff, and I think what we have to do is to really ensure that we can get more of these producers producing bona fide oil, not saying that they are producing—so that we could expand our output from 73,000 barrels per day to maybe 74, 75 and I think the Ministry of Energy and Energy Industries should have a target, maybe by next year if we can get up to 80,000 barrels. It seems reasonable, it seems doable and if we can get more of these operators to start to contribute, because the only way we will raise more revenue now is by producing a bit more. You see, the price is so attractive as much as we could produce with the facilities we have, we should, and if we can expand I will say, it is in the public interest to so do.

So that I will want to recommend that the issue of the suspension of a contract be something I leave up to Petrotrin, but at the same time, I want for there to be refunds but let us encourage more and more of these domestic operators in

our industry so that we can expand both inland and offshore.

The third point, you see, is an interesting one now and that is referring the matter to a JSC. Mr. Vice-President, I want to refer to the Standing Orders, with your leave, of course. And under Standing Order 91, General Functions of Departmental Joint Select Committees. Under 91(e), it said that a departmental committee of which the Joint Select Committee on State Enterprises is one:

“investigate and inquire into all matters relating to the assigned Ministries, Departments and Bodies as they...deem necessary...”

You see, as they deem necessary, that is, the members of the Joint Select Committee:

“...or as may be referred to them by the House or a Minister...”

The Standing Orders are very clear with respect to the matters which fall within the ambit of a Joint Select Committee. It is to:

“investigate and inquire into all matters relating to the assigned Ministries,... as they...deem necessary...”

Joint Select Committees regulate their own affairs.

Joint Select Committees are set up as per the Standing Orders, but once they are established and the Senate and the House both agree on the membership of these committees, the members of that committee regulate their own affairs; they decide what the work programme is. They decide what the adjustments to the work programme will be. I have had experience now in, I think six or seven of these Joint Select Committees and in every one of them the committee decides what is going to be its area of interest. The way in which the JSC is, of course, composed, is that the Government has the majority of Members on the JSC. It does not matter who the Government is, it could be the party to which Sen. Khan

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belongs or the party to which Sen. Mark belongs, whichever party is in Government, they have the majority on the Joint Select Committee.

The Joint Select Committee of course does not represent Government or Opposition. It represents the Parliament now as a legislative arm. But the composition is predetermined and what that composition then does is that, of course, it gives the Government the majority of the say. But you know in the Joint Select Committee of which I am a Chairman, Social Services and Public Administration, the composition is never a problem, in that we have adjusted; we have changed; we have regulated our procedures; we have gone on our site visits, I imagine in other cases it may or may not be. But you see, what the Standing Order says is that, as the members deem necessary or as may be referred to them by the House or a Minister. And this I think is very critical. It says that the House, and by the House I mean that to be the Government, because the Government has the majority in the House, or a Minister. So a Minister would like to have a matter referred to a Joint Select Committee, it is referred to them and the House refers, they are duty bound to consider it, but can I ask the Senate to refer a matter when the Standing Orders do not give me that power?

I go again, Mr. Vice-President, to the Committee on Foreign Affairs. Under Standing Order 95, the Committee on Foreign Affairs says, the committee of which I was once a member, I am a member again. I thank my colleague Sen. Ramkissoon for graciously allowing me to serve once again on Foreign Affairs:

“The Committee on Foreign Affairs shall have the duty of considering, from time to time, and reporting whenever necessary, on—

- (a) all matters relating to the foreign policy of the Government...”and so on.

But on (c):

“other matters relating to Foreign Affairs as may be referred to it by the House.”

So, the procedure in the Standing Orders indicate quite clearly that the House can refer a matter or a Minister can refer a matter. It specifically states the Committee on Foreign Affairs and also on the general functions. But nowhere did it state that the Senate has the power to refer a matter. That does not mean in my mind that we are prevented from so doing. I am sure there is and I will come to where I would like to see the Motion being amended. I think that if we were to amend the Standing Orders, now I cannot really prejudge, but if the Standing Orders were amended under 91(e) to say that:

“investigate and inquire into all matters relating to the assigned Ministries, Departments and Bodies as they may deem necessary, or as may be referred to them by the House”—the Senate—“or a Minister...”

You see, if the Standing Orders were amended that way to specially include the Senate then I would have absolutely no hesitation to refer the matter to the Joint Select Committee.

But I am very reluctant to interfere with the workings of a Joint Select Committee, unless we change the Standing Orders and these Standing Orders are duly debated in this Chamber and we amend it to include the Senate, I would like to think that currently the Joint Select Committee system should be continued, as is, unless we change the Standing Orders and we allow the Government and or Minister to refer matters as they see fit, specifically in foreign affairs. In foreign affairs where there is a need, where there is a need, Mr. Vice-President, for us to have a united front internationally, there was a requirement and I did in fact

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participate with the COTED, when the COTED was referred to the committee on Foreign Affairs, so that you needed to get the Parliament of Trinidad and Tobago on board with respect to this particular arrangement in the Caricom.

What, however, I would recommend, so I would not want to, as a Senate, indicate that I want to compel any Joint Select Committee to consider. I would recommend that the Joint Select Committee and it should not only include the Joint Select Committee on State Enterprises, there is a role here for the Ministry of Energy and Energy Industries and that, you see, if the last line could read:

“Be it further resolved that the matter”—of the efficiency of Petrotrin—“be referred to the Joint Select Committee on State Enterprises...”—for its consideration.

Then I think that is acceptable, because it means that Petrotrin as Sen. Mark indicated, as he moved the Motion, is wider than this issue of people over billing.

I know, Mr. Vice-President, there is a concern with white collar crime in Trinidad and Tobago. The FCB IPO has not yet made it to prosecution. We do not know what the state of the investigation is. It appears as though white collar crime is not something that we take seriously. One hopes that this matter will involve the fraud squad, it will involve the police, it will involve the Director of Public Prosecutions and that Petrotrin will of course keep the matter alive. If they do not, the Minister of Energy and Energy Industries is here in this Chamber to answer questions on to the state of the investigations and to keep the momentum alive and I think there is a recourse for the Senate. But as it stands, I will not be supporting the Motion to suspend the contract nor to refer the matter to the Joint Select Committee because I think the Standing Orders do not currently give me that power. What I will do however, is recommend to the Joint Select Committee that

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they look at Petrotrin in a serious way and once they bring Petrotrin into the public hearing, both in camera and out, I am sure all of these issues will be ventilated at the appropriate time. Mr. Vice-President, my time is up. I thank you. [*Desk thumping*]

Mr. Vice-President: Hon. Members, I think now is a very good time to take the tea break. So this Senate will now stand suspended until 5.00 p.m.

4.29 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. Vice-President: Sen. Ramdeen. [*Desk thumping*]

Sen. Gerald Ramdeen: Thank you very much, Mr. Vice-President, and thank you for the opportunity this afternoon to contribute on this Motion that has been brought by the Leader of Senate Business, Sen. Mark. Mr. Vice-President, there is a saying, "Show me who your friends are and I will tell you who you are". And I think this scenario with A&V drilling is one where that saying comes to life, "Show me who your friends are and I will tell you who you are and what you are". This A&V scenario and this conspiracy to defraud the taxpayers' of this country is one that is very disturbing to, I think, every right thinking citizen of Trinidad and Tobago. And whereas the Leader of the Opposition has been the subject of attacks by the Government, led by the Prime Minister, for bringing this matter into the public domain, I want to say on behalf of the people of Trinidad and Tobago that I thank the Leader of the Opposition [*Desk thumping*] for bringing this matter into the public domain and for acting, as she always does, in the public interest, to protect the public interest, when those who have been elected to do so, have failed miserably in that duty. [*Desk thumping*]

Mr. Vice-President, in almost every single debate that we have here in the

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Senate, we hear the hue and the cry of the Government that they do not have money; that the country is not in the financial position that we were in between 2010 and 2015. Every debate that the Minister of Finance or the Minister in the Ministry of Finance presents to us, we hear it. We hear it from the Minister in the Ministry of Energy and Energy Industries, the Minister in the Ministry of Agriculture, Land and Fisheries, in every single Ministry, we hear the mantra of the PNM, which is, "We must get more from less". And the one person who has taken that to the extreme is A&V drilling, because they have definitely gotten more for less. [*Desk thumping*] They have listened attentively, Mr. Baksh and his company has listened attentively to that: "We must get more from less." Because he has gotten \$90 million, US \$11.5 million for quite less than he was supposed to produce. And that is very disturbing to all of us, all the right thinking people of Trinidad and Tobago. And when you look at the faces of all of the Members of the Government you can see, you can see the grimace on their faces because they understand what has happened here.

What has happened here, Mr. Vice-President, every day we come here to fight for the people of this country to get more for them from less, and you know what we are told? That when this Government came into power, the Ministry of Education said they wanted \$30 million to finish the 70 schools that were left in 2015. They could not get that. There are schools today, Mr. Vice-President, that need a \$5 million to finish for our children to go to school and they cannot get that.

I was disappointed when I heard the Minister in the Office of the Prime Minister today; that is why I read the question twice. Because you know why, Mr. Vice-President, this weekend I was in Sangre Grande, and there is a home, a Children's Home in Sangre Grande with five orphaned children. I am not going to

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call their names and I am not going to call the person who is in charge of that home. But that woman went and took two children that were dropped by her home, orphans, and she needs \$1,200 to look after those children from the Government; \$1,200 to look after those five orphaned children and she cannot get that from the Office of the Prime Minister or the Children's Authority. But A&V drilling could get US \$11.5 million to take and carry down to his place, US \$11.5 million, you know. A&V drilling is being paid in US.

When you hear that the businessman who is making an honest living when the day comes, the man who wants to take his children and send them to university cannot get US to send his child to university but A&V drilling could get 11.5 million. That just cannot be right. And nothing that the Minister of Energy and Energy Industries can tell us will give us any comfort about that. It is wrong and when the facts are played out, Mr. Vice-President, when the facts are revealed you know what this amounts to, it amounts to an intentional, premeditated, malicious and calculated plan to defraud Petrotrin and the people of this country. [*Desk thumping*] And that is why it is wrong.

You see, the Minister of Energy and Energy Industries is very experienced in that field. And no matter what explanation he gives this is not a mistake, this is not about somebody giving a wrong reading. This was planned. It was premeditated. Mr. Baksh and Mr. Deokiesingh, balisier till they born, till they die, they premeditated and planned how they were going to defraud Petrotrin. That is what they did.

I stood here and listened in a budget debate to the Minister in the Ministry of Works and Transport tell us that he will give out contract, after contract, after contract, and every time he tells us which contract he gives out he says, and there

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will be no corruption, and there will be no corruption and nothing will be stolen under the PNM. You know what this is, this is corruption PNM style. [*Desk thumping*] This is thievery PNM style. This is pilfering PNM style and there is no explanation for it. This as the Minister of Agriculture, Land and Fisheries will tell you, this A&V is a ticking time bomb for the PNM and the time is running out and when it explodes they will explode out of the corridors of power in this country. [*Desk thumping*] This is the one, this A&V is the one that will bring down the PNM, because the people of this country are upset about it. They are upset that of all the companies that you could choose to do this, you will do it to Petrotrin. Every single budget debate you hear the Minister of Finance tell you about the State, the financial affairs of Petrotrin.

Mr. Vice-President, let the people of Trinidad and Tobago know today that their money was spent by the PNM to the tune of over \$3 billion. Not \$3 million, Mr. Vice-President, \$3 billion on a gas to liquid plant. It will be the legacy of the PNM and every debate we get the chance we will remind the population about it. And you know what the report that was prepared by the Government appointed committee to look into the affairs of Petrotrin tells you, that on the books of Petrotrin, today, the \$3 billion plus of taxpayers' money that belonged to the people of Trinidad and Tobago is written off on the books of Petrotrin, the GTL plant is on the books of Petrotrin. You know what the value is, Mr. Vice-President?—One dollar. One dollar after the people of this country spent \$3 billion plus, thanks to the PNM, thanks to Malcolm Jones; thanks to the board of the PNM that did that. Today, for that \$3 billion on the books of Petrotrin, the GTL plant is valued at \$1.

You see, Mr. Vice-President, the Minister of Energy and Energy Industries, I

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had to leave the Chamber for a little while because the one thing that I like to do is to correct something if it is wrong and if it is in the field of law, the one thing that we are confident about is that the United National Congress has better legal advice than the People's National Movement. [*Desk thumping and laughter*] We “doh” make any mistake about that and the population knows that. So, Mr. Vice-President, the *Law of Privilege*, Second Edition, written by none other Mr. Bankim Thanki QC, who I have had the privilege to work with. At page 5.12, if a document is made—at paragraph 5.12, sorry—

“If a document has been made available to the general public then confidence and therefore privilege is lost completely.” [*Desk thumping*]

Now, let me read the footnote to that to just explain it, to just bring it home. Let me just bring it home. So the footnote says:

“...for example, if a document is read out on television—...*per* Straughton LJ in *Gotha City v Sotheby's* [1998] 1 WLR 114,”—at paragraph—“118-19”—the confidentiality is lost.

So, I do not know who is giving Petrotrin legal advice, but what I can tell you is the law as it stands, this is the recognized practitioner's text on privilege, Mr. Vice-President. There is no confidentiality attached to that report. That confidentiality was lost the day it was put into the public domain by the Leader of the Opposition. So I put that to rest.

So let me now assuage some of the fears of Sen. Dr. Mahabir with respect to the contract, because I want to agree with Sen. Dr. Mahabir that there is a serious lack of information in the public domain about this particular transaction and I want to assist the public in clearing up some of these matters. So, the persons who would have—and before I get to that, Mr. Vice-President—Mr. Vice-President,

before I get to that, let me say today and put it on the *Hansard* for the people of Trinidad and Tobago to understand that we have hard-working, dedicated and dutiful staff at Petrotrin who look out for the interest of the people of Trinidad and Tobago in that state enterprise called Petrotrin.

So let me put it on record today, for the people of Trinidad to know that we did not need Kroll and Gaffney and Cline. We have hard-working people in the audit department of Petrotrin; [*Desk thumping*] Vidya Jaisingh, Avian Maingot, Mahendra Persadsingh and Dianne Lochan. These people, these people, Trinidad and Tobago owes them because they were the people—[*Desk thumping*] we did not need to go to Canada. They were the hard-working people who would have gotten a fraction of what Gaffney, Cline and Kroll would have been paid to do the exact same work, to see if the foreign company would have discredited what our own Trinidad and Tobago nationals produced.

Mr. Vice-President, when I read this report, when I read this report for the first time I was shocked because I was so impressed at the level of detail, at the level of analysis. The piece of work that was produced by the internal audit department of Petrotrin is something that we should all be proud of here. These people performed their duty diligently and it is because of them that we were able today to understand what was taking place at Petrotrin.

And, Mr. Vice-President, let me tell you, I get no comfort in Mr. Espinet telling us about time and we do not want to sacrifice the investigation because of quickness and all of that, you know. I get no comfort in that, you know. The Minister in the Ministry of Energy and Energy Industries wants to sell that to the population. The population is not buying that and I will tell you why. If the board of Petrotrin that owes a fiduciary duty to the people of Trinidad and Tobago—under

the Companies Act they owe a fiduciary duty— you know what is the first thing they would have done? When this was put into the public domain, they would have gone and checked every single contract that was given to every operator and see whether this was going on in Petrotrin in other places. Because I have the funny feeling, Mr. Vice-President, that this A&V is not the only instance of this, you know. And this has been going on a long time. And when the Minister of Energy and Energy Industries tells us that the board has acted in the best interest of the people because they have now widened the investigation, Mr. Vice-President, we do not buy that and I will tell you why we do not buy that. That is something that the board had to do and I will tell you why.

Initially, and I will go to the figures in a short while. Initially when the report was produced by the internal auditors of Petrotrin, the focus was on six months of this year; the first six months between January and June. But the real saga behind what has taken place here with A&V, Mr. Vice-President, is that this has been going on for a very long time.

The only difference between January and June is that the appetite of Mr. Baksh had just increased. That was all. He realized that, you know what? We have to hype it up a little bit, for whatever reason, between January and June. That was all, and that is why it was planned and premeditated. And I will show you how, Mr. Vice-President.

5.15 p.m.

The Minister of Energy and Energy Industries holds on to the fact that this report is a confidential report. Well, let me tell you this. We have an Act in Trinidad called the Freedom of Information Act, and that Act was an Act passed by a UNC administration, like all other pieces of legislation in this country that is

passed, to strengthen democracy of this country. [*Desk thumping*] And in that Act there are certain exceptions, and let me educate the people and the Parliament. The public interest always overrides any exception to confidentiality; always. [*Desk thumping*] And this is a matter that is in the public interest, undoubtedly, to the people of this country.

So let me demonstrate to you what was going on at Petrotrin, because the Minister of Energy and Energy Affairs wants us to believe that when the board tells us about they are expanding the investigation, that somehow that is the board acting in the best interest. But let me tell you what was going on. Why the board of Petrotrin had to expand the investigation was not because of any transparency or anything to hide, because the report of the internal auditors had already demonstrated that the thievery was going on long before January 2017, and the figures were already there so they could not shut their eye to it. They were compelled to do what they did. It was not any board acting in any best interest.

So let me tell you what was going on. In January of 2016—in January of 2016, you know; this is three months after the PNM came into power—5,420 barrels, gone. That is January. In February of 2016, four months after the PNM come into power, 25,000 barrels, gone. This is a year before the six months that we are talking about when we talk about the US \$11.5 million. This is a year before that. In May, 13,000 barrels gone. In August—August is a month he gets excited—28,000 barrels gone. Twenty-eight thousand barrels Petrotrin was paying for, gone. In September, 19,000 barrels, gone. In November, 10,000 barrels, gone. In December, 19,000 barrels. Between January and December of 2016—not 2017, 2016—the internal auditors of Petrotrin found that “Mr. A&V”, Mr. Nazim Baksh, the friend of the Prime Minister, he sold 90,000 barrels of oil to Petrotrin that

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Petrotrin paid for and got nothing. That is outside of the 349,000 that he took.

So, I want to agree with the Minister of Energy and Energy Industries. I want to agree with him. He knows his field. He is right. He is very right. You cannot sell oil like “zaboca”. You have to plan how “you going” to steal it. And you “cyar take it from the tank when it come out the ground”. When “you stealing” oil you have to make sure and falsify the documents when you are taking it out of the ground. So you cannot put it like by the shed and say, “I have 20,000 barrels by the road to sell like zaboca”. That is why they knew exactly what they were doing and that is why it is so wrong. They planned to steal from the people of Trinidad and Tobago and they executed well. And you know, Sen. Mark said you must connect the dots, but, you know, in law they said there is a golden thread that runs through the common law. Well, there is a red thread that runs through this A&V. It is called the PNM.

Hon. Senator: Red and ready. [*Desk thumping and laughter*]

Sen. G. Ramdeen: And Sen. Mahabir was right. He said he does not know. He does not have the documents and he cannot support something without knowing. He takes the correct position. Because you know why? Just imagine that we are here today arguing a Motion that is brought by an Opposition Senator to simply get transparency, accountability, from a state enterprise where something has gone totally wrong. I would have thought the Minister of Energy and Energy Industries would have gotten up today and lasted about two minutes because he would have said, “I agree. This needs to be investigated.” There is no due process in this, you know. There is no due process to give to A&V. Everything that has come out in the public domain deserves to come out because you cannot provide any justification for what went on there and nobody on the Government could be proud

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of it. And like I said, when the bomb explodes, A&V will be the reason why this Government will fall. [*Desk thumping*].

Mr. Vice-President, let me comfort Sen. Mahabir and read into the *Hansard* the recommendations of the audit committee. They had the privilege of seeing all the documentation and doing all the research. So let me tell you what they recommended, because they are in the best position to recommend what is to be done. They recommended:

A legal opinion is obtained on the way forward taking into account the fraudulent activity identified in the audit report. This should include, but not be limited to, the application of the termination clause in the contract.

Right? So when the Minister of Energy and Energy Industries comes and tells us that the matter is being handled well, due process. You know why the board of Petrotrin is going down a very deep and dark hole? It is because they have an audit report in their hand that triggers their fiduciary duty to Petrotrin and the people of this country, and the Minister of Energy and Energy Industries has not told us, in his whole contribution, whether the board of Petrotrin has implemented one recommendation of the audit committee, when they have the audit committee report in their hand and they have it supported by two external reports. So let me tell you what was number two:

A Lease Automatic Custody Transfer unit be installed at the Catshill Tank Farm.

Which is what the Minister of Energy and Energy Industries said is very expensive, but I think is now worth \$100 million. I am sure we could afford that. [*Laughter*]

Check Valves are installed on the discharge line of both sales tanks at the

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Catshill Field to prevent back flow of fluid.

But let me tell you the most important one, Mr. Vice-President, coming straight out of Sen. Mahabir's contribution:

Clause 14.5 of the IPSC is invoked to withhold payments to the operator for 2017, June and July, until the volumes not delivered to the Barrackpore tank farm are quantified and invoices adjusted accordingly.

Which is exactly what Sen. Mahabir has said. And that clause says:

Without prejudice to any other remedy it may have available, including termination of this agreement, if the client should discover seal tampering or any other inappropriate practice in the process of delivery of Petrotrin to the client, then during the period it considers it is in its reasonable estimation that seal tampering or other inappropriate practice has been taking place having regard to the relevant circumstances, the client may, at its discretion, treat the delivery of petroleum as not having been delivered by the contractor and the value thereof for the purpose of calculating the service fee shall be deducted from any moneys due to the contractor from the client.

So the internal audit committee recommended that the payments for A&V drilling be withheld.

Overpayments are calculated and recovered from the operator for the period 2017 January to 2017 July.

And look at this, Mr. Vice-President. On the 17th of August, 2017, the board of Petrotrin has in their possession an internal audit report that we know now, ex post facto, that has been confirmed by two independent external auditors where the internal audit committee is telling the board of Petrotrin:

Appropriate action is taken against those involved in the fraud and those

who allowed it to continue.

We are in December today—December the 5th. This was in the hands of the board of Petrotrin since August 17th. And you want to tell me that you are taking your time? Taking your time with this?

Appropriate action is taken against management personnel who fail to carry out their fiduciary duties in providing overall leadership and management of risk regarding the production and accounting for crude oil, crude production by exploration by E&P—Exploration and Production.

You see, Mr. Vice-President, I want to say this in the most serious manner. This Government has paraded itself through this country, through the Minister in the Office of the Prime Minister, and has gone in every post-Cabinet press conference and press conferences held on their own. And you know what they have done? They have told this country that they are prosecuting people who were involved in activities between 2010 and 2015 based on cartel behaviour, and last Saturday Mr. Ramesh Lawrence Maharaj exposed what is cartel behaviour. Well, you see this? You see A&V, Nazim Baksh and Deokiesingh? That is the cartel we want to put an end to in this country. [*Desk thumping*] That is the cartel behaviour we want to put an end to.

Hon. Senator: Follow de money.

Sen. G. Ramdeen: But this morning I read with interest that the Attorney General said, after 16 murders in four days—he said, “We are not only concerned about murders, you know. We are concerned about all crime.” Well, this is a crime; it is a big crime. And today, I am not waiting on the Attorney General because, unlike people in the Cabinet, I understand that the Trinidad and Tobago Police Service operates independently of the Government. And today I want to call on Mr.

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Totaram—let me get his name correct—Mr. Totaram Dookie who is the head of the Fraud Squad, and I want Mr. Dookie to get a warrant. We would not read it out here when he gets it, but we want him to go into Petrotrin, just like how they went into the Port Authority. Just like how the Executive went into the Port Authority, we want the Trinidad and Tobago Police Service, through Mr. Totaram Dookie and the Trinidad and Tobago Police Fraud Squad, to go into Petrotrin and secure all of the documents in relation to this matter. [*Desk thumping*] Just like how you could have gone and gotten the phone for the General Manager of the Port Authority and get all the text messages—because this is a text message Government. They prosecute people on text messages. We want to prosecute people on evidence. We do not want to prosecute “nobody” on text messages. You see this? You see this investigation into the volume of discrepancies between crude oil production by E&P and the crude oil pump to R&M? This is not text messages. This is raw, real evidence and this is what we want the Trinidad and Tobago Police Service to investigate.

You see, Mr. Vice-President, when the PNM came into power in 2015, you know what their two big advertisements were? Whistleblowing legislation and campaign finance reform. You remember—that term has become very unpopular all of a sudden with the PNM—campaign finance reform. They had another make-up session in the Hyatt on campaign finance reform. One day we will ask a question about how much they spend on the make-up, on that. But they had a big session on campaign finance reform. Two years down the road “you not” hearing anything about campaign finance reform. You know why? You know why, Mr. Vice-President? I will tell you why. Because this administration, led by the Prime Minister, is the product of ill-gotten gain. That is what they are. They got into

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power with this. This is what brought them into power and this is what will take them out of power. [*Desk thumping and laughter*] Because you know they have a saying, “yuh live by the sword, yuh die by the sword”. This is what got them into power and that is what will take them out of power.

You see this report? If the board of Petrotrin was interested in securing the best interest of the people of this country, you would have heard—the board of Petrotrin would have implemented the recommendations of the internal audit committee. There is nothing holding them back. And every day that passes that the board of Petrotrin refuses to act on this report, they are in breach of their fiduciary duty. And let them continue, Mr. Vice-President. You know why? Because when they are out of power, we will make sure that what happened here does not go the same way as everything else in the PNM. It would not go out of power. We will make sure that the people who are responsible for this—the people who are responsible for this—are held accountable for it. [*Desk thumping*] Because we cannot have children, three weeks before Christmas; you have parents who cannot get a food card; you have public servants who cannot be paid; you have people who are going to the hospitals and they cannot get medicine, and while you have businessmen complaining that they cannot go to the bank and get US \$500, you have one man walking away with \$11.5 million. Mr. Vice-President, how this Government faces the population every day, one wonders. When you come here every day and tell us you must get more from less, Mr. A&V is more from less. He is “Mr. More from Less”. [*Laughter*] That is what he is. And it is shocking, Mr. Vice-President—shocking.

Mr. Vice-President, when you hear what the reaction of the Government was to this, it is absolutely incredible, that the Leader of the Opposition places into the

public domain a scandal of immense proportion and the Prime Minister, who was out of the country at the time—the Prime Minister, the head of the Cabinet and the head of the People’s National Movement—hears that there is an insurmountable piece of corruption that goes on and has been raised in the public domain—you have Corporation Sole; you have the Minister of Energy and Energy Industries; you have the President of Petrotrin. Those are the people who are accountable to the Cabinet and to the Government and to the people of this country: Corporation Sole, the Minister of Energy and Energy Industries, the board of Petrotrin, the President of Petrotrin.

When this is raised in the public domain, what does the Prime Minister, the leader of our country, the person who leads the Cabinet do? Does he call the Minister of Energy and Energy Industries and ask him, “What is this about”? Does he call the President of Petrotrin and ask him, “I understand there is a serious matter that has to be dealt with. What is this about?” Does he ask for a report from Corporation Sole? No, he does not. You know what he does? He calls Mr. Deokiesingh and he calls Mr. Baksh. That is what he does. That is the good governance that was promised, the accountability and the transparency that was promised to the people of Trinidad and Tobago in September of 2015. That is what the people voted for. That is the leadership that they get.

So, Mr. Vice-President, this matter has been placed in the public domain and it is important for the people of this country to understand the example that is set by our leaders. We had a Prime Minister who dealt with corruption, or allegations of wrongdoing in a particular way, and the Prime Minister now, is like they say, you cannot touch the way that Prime Minister operated with a long rod. You “car” come close to it.

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Mr. Vice-President: Senator, I have been listening to your contribution in relation to the particular Motion. Could you, sort of, move forward now? Because a lot of the points that you are making, Sen. Mark would have made as well when he was moving his Motion, and you would notice when the Leader of Government Business made his contribution he went along a particular line. Sen. Mahabir also took it from a different angle. What I am trying to say to you is that you are sort of repeating the same thing that Sen. Mark would have said. I do not think you have very much more time, so if you have new points to bring in, you can go ahead and move forward now.

Sen. G. Ramdeen: I am obliged, Mr. Vice-President. And the points that I want to bring in is what the Prime Minister, when he was faced with these allegations—and I want to quote from Friday, September 15, 2017, the *Trinidad Guardian*:

“Rowley, who said he knew Baksh ‘very well’, added that he ‘did not know what all of his friends would do all the time’, but said if a person was his friend he would not ‘deny or disown’ the person on the grounds that an allegation was made.

‘Being a friend means something and we are all to be held accountable for our own individual conduct’...”Of course, we must be.

“‘And if it is I am expected that I say I don't know Mr. Baksh, then I will not do that’...

‘When I first saw the reports it was shocking news. I did call him and he denied it in very firm terms’.”

You know, today when the report of Gaffney and Cline came out, and Kroll, the words of the Prime Minister seem to be taking a different tune. And you know what is very disturbing about this, Mr. Vice-President, what is more disturbing

about this? Is that we sat here in this Senate—I sat here in this Senate—and heard the Minister of Energy and Energy Industries tell us in the budget debate:

“I want to go on record and today praise one company that has done tremendously well on a programme called the incremental Petroleum Service Contracts. It is a company called A&V drilling based in Penal. They took the Catshill Field about three years ago. It was farmed out to them by Petrotrin, making 130 barrels of oil per day. You know what is A&V drilling production in Catshill now?—4,000 barrels per day. And you know why it is 4,000 barrels per day?”—Mr. Vice-President, as per the Minister of Energy and Energy Industries—“because they have drilled 32 wells since they took over the field.”

Sen Khan: That comment was based on reported Petrotrin production as the head “Licencees to the Ministry of Energy and Energy Industries”.

Sen. G. Ramdeen: And Minister of Energy and Energy Industries, I thank you for intervening and saying that, but what that means, with the greatest of respect, is that the Ministry of Energy and Energy Industries and those that manage the energy resources and the petroleum resources of our country, are totally disconnected with what is happening on the ground. And that is why the concern is that—this is about almost \$80 million involved. But we have a responsibility because, like you said, the 12.5 per cent that is taken as the royalties is because it is not a renewable resource.

Mr. Vice-President: Senator, you have five more minutes.

Sen. G. Ramdeen: Thank you, Mr. Vice-President. And the reason why that is so important is because right now we do not have the ability to allow an operator to walk away with US \$11.5 million. We cannot. We cannot afford it, because the

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Government is trying to cut all corners to make ends meet and you have one operator—one operator—who is—I mean, this is very, very serious, because at the end of the day the Prime Minister—I know you have said you do not know what a PNM financier is. We do. If you want to know what—I mean, the Minister of Energy and Energy Industries was a former Chairman of the PNM.

Sen. Khan: Not former, current.

Sen. G. Ramdeen: Current. That makes it worse. [*Laughter*] That makes it worse, that you are Chairman of the PNM and you do not know what a PNM financier is. Well, Minister of Energy and Energy Industries, just like I did with the confidentiality, if you want to see what a PNM financier looks like, A&V drilling. [*Desk thumping and laughter*] That is what it looks like.

Mr. Vice-President, I want to say that I am very disappointed with the response of the board of Petrotrin in this matter. I am very disappointed with the way and the pace in which this investigation is going, because with the same alacrity that the PNM seems to have when they are investigating anything between 2010 and 2015—I think under the Constitution we are guaranteed equality of treatment. Mr. A&V is guaranteed the same equality of treatment in investigations. The same speed you are working with, with the cartels, well, like I said, let us give him what he is entitled to. He is entitled to equality of treatment by law enforcement. Let us go down to A&V, take up the computers, go down to Petrotrin, take up their computers, get the phones and let us preserve the evidence, so that when we come into power we will be able to prosecute these matters with a great deal of alacrity [*Desk thumping*] and bring justice to the people of Trinidad and Tobago.

This matter is one that is only going to go one place. It is going to land up, by the hook or by the crook, at the doorstep of the Director of Public Prosecutions. And if the Government wishes to discharge their duty as the elected Government of this country, the quicker they send it there, the better it is for all of the people of this country. It was this administration that promised good governance, transparency and accountability to the people of Trinidad and Tobago. They should hang their heads in collective shame at what took place at Petrotrin between January of 2016 to August of 2017, because it goes to show, you must lead by example. You cannot have someone as a financier of your party, proclaim that you are in support of campaign finance reform, and then you realize that that person has walked away with \$80 million that belongs to the taxpayers of this country.

Like I said, "Mr. A&V" has gotten a lot more for less and the only people who have suffered are the people of Trinidad and Tobago. [*Desk thumping*] That US 11.5 million should have been put to building the schools, putting drugs in the hospitals, looking after our children. Today, there are scholarship winners in this country who are in cold temperate countries and cannot get the money that the Government owes them to buy a sweater, and one man has walked away with 11.5. We are not going to support that. Whether "Mr. A&V" is prosecuted under the PNM, he will definitely be prosecuted under the UNC and justice will come to the people of Trinidad and Tobago.

I thank you, Mr. Vice-President. [*Desk thumping*]

The Minister of Agriculture, Land and Fisheries (Sen. The Hon. Clarence Rambharat): [*Desk thumping*] Mr. Vice-President, thank you for allowing me to join this debate and, really, the last minute of Sen. Ramdeen's contribution, I was shocked. And perhaps he is right. When I reflect on 2010 to 2015, perhaps Sen.

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Ramdeen is right, because he has placed on the record that whether it is by the hook or the crook, things will get down to the DPP. And perhaps that should be the tag line of the United National Congress, by the hook or by the crook.

Hon. Senator: Crooks.

Sen. The Hon. C. Rambharat: I am very surprised, because Sen. Ramdeen, I know for a fact, stands for certain principles. In fact, he has built a practice on this concept of natural justice and process, and in this process we cannot go by the hook and by the crook. There is a process to be followed, and all that is happening now is that a process is being followed. There is no cover-up. There is no fear of this Government of the joint select committees. In fact, Mr. Vice-President, the country saw something in relation to the controversial procurement of the vessel for the sea bridge. The country saw the Prime Minister appear before a joint select committee of the Parliament, and the country saw, before the Prime Minister, a Minister of Works and Transport appear before the joint select committee. It is not a question of not wanting to be transparent and not wanting to participate. It is a question of process and natural justice and things must flow in a particular way.

And, Mr. Vice-President, I respect Sen. Ramdeen's practice at the Bar and all of that, but I was astonished to hear his treatment of this issue of privilege. Because as the legal system has moved to simplify trials and make disclosure in such a way that we have moved away from ambush litigation and we have allowed parties, whether it is in criminal law and civil law, to be able to access the material necessary to put forward their case, I cannot imagine that any legal treatment or privilege could permit the waiver of privilege on a political platform by an uninterested party. I could not believe that Sen. Ramdeen was suggesting that the Opposition Leader, someone not party to any proceeding or any commercial

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transaction—a stranger to this matter—by referring to and waving a document, waive something as fundamental to trial proceedings as privilege? There is no academic—there is nothing in academia and nothing in practice to support a notion that is as foolish as that. [*Desk thumping*]

And it sets the tone for what has brought us here today. Because even in framing the Motion, Sen. Mark talks about—this is their Motion. And on the third paragraph on the Motion Sen. Mark talks about:

“*Whereas* it was reported in the media that one of Petrotrin’s operators, A&V Oil and Gas overstated its level of...”

It was not reported in the media, Mr. Vice-President. It was, as Sen. Ramdeen said, it was the Opposition Leader—

Sen. Ameen: Thank God for that.

Sen. The Hon. C. Rambharat:—the Opposition Leader, making the disclosure. And one would have thought that LifeSport and the Ashwin Creed case would have taught them a lesson, because, again, it is basic law and fundamental to natural justice, and it should, if it was not understood before, it should have been understood in the 2016 decision in the Ashwin Creed matter that the disclosure of the Central Audit Committee’s report—and in disclosure in this case by laying it in the Parliament and then posting it on the UNC website—that the disclosure went against the grain of natural justice. The persons named in the audit report and the persons to whom fingers were pointed did not have an opportunity to respond. And that is fundamental, Mr. Vice-President.

That is fundamental, and while they may wish to see justice run on the basis of the hook or the crook, we on this side do not have that luxury and do not have that intention either. [*Desk thumping*]

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5.45 p.m.

Mr. Vice-President, I listened to Sen. Mark, I listened to Sen. Mahabir, I listened to Sen. Ramdeen, of course, and I want to say that this Motion is very clear. This is not a debate on Petrotrin's operations, its profitability, or its debt. This is not a debate on that. This is a Motion on the narrow issue. It is a very narrow issue of Sen. Mark wishing to force premature action in a manner that is not underpinned in law. What he wants us to do—the two things he asked of us in the Motion, this House is unable to do. He is asking us to call upon the Minister of Finance to do something.

And, Mr. Vice-President, even if we were foolish enough to support this Motion, it is not even the tenets of good governance, it is nowhere in the law, it is underpinned by nothing in the law which says to this House that we can compel a Minister of Finance to terminate a commercial transaction in which he is not a party. So what we are asked to do is impossible to do.

The second limb of what Sen. Mark asked of us in this Motion is also nearly an impossibility, which is to refer it to a joint select committee to be dealt with, but an attempt was made to do that before and this House, even if we were to amend the Standing Order to give us that power, we cannot bind a joint select committee. We cannot ask them to do something that when they meet in committee—because it was said before, they regulate their own affairs; and in regulating their own affairs the committee refused to deal with this matter before. And even if it was sent to that joint select committee, we cannot instruct and we cannot bind the committee when they set themselves together in committee to do what he has asked us to do. We are wasting our time because the committee has already resolved on the matter and the committee did not decide that it would never deal

with the matter.

The committee used three simple but powerful words. They said “at this time”. That is all, and when the opportunity comes in—and Sen. Mahabir, higher up in the Standing Order you suggested an amendment to (e). Higher up at (c) you would see that the committees have very wide powers over Ministries, Departments and enterprises. They have very wide powers, and if the committee, the departmental committee, wishes to consider this matter they could do so. The committee resolved that they would not do so at the time.

And Sen. Mark, Sen. Mahabir, it is not that the Joint Select Committee on State Enterprises did not wish to consider Petrotrin. In fact, in this House, the Joint Select Committee on State Enterprises laid a report on Petrotrin. In June 2016, laid in the House, is a report which was a report, the First Report of the Joint Select Committee on State Enterprises on an Inquiry into the Administration and Operations of the Petrotrin. So that has been done. And if the committee at the appropriate time wished to go back into its work, or to ask Petrotrin for an update on its work, or ask Petrotrin specifically on the matter involving the subject matter of this Motion, the committee is entitled to do that, and that is not news to Sen. Mark. Sen. Mark sits on that committee.

As a matter of fact, the way our Parliament is structured, there are three committees that could deal with this matter: the committee on state enterprises, the PA(E)C which I believe is chaired by Sen. Mark, and the committee on energy affairs. They are all entitled if they wish to and they felt that the time was right and the timing was right and it was appropriate to do so, they are all entitled to do it. But the key issue is that the one committee to which the question was posed determined that it was not the time to do that, and I say to you that the committee

was absolutely right in deciding that it was not the right time, and if they wish, or any of the three wish to go back to the issue and the time they believe is right, then they are entitled to do so.

Mr. Vice-President, I have listened and I think that there are five words which summarize the Motion and the debate, and those five words are hypocritical, convoluted, premature, unnecessary and dangerous. Let me start with hypocritical. You see, this Motion, this type of Motion and this Petrotrin issue is not new, and I always have to remind my friends—the same way Sen. Ramdeen reminds me of gas to liquids and the late Malcolm Jones, I always have to remind them. Because, Mr. Vice-President, it was my colleague, Sen. Gopee-Scoon, when she sat in the other place as the Member of Parliament for Point Fortin, May 22, 2015, was a very important day in the life of Petrotrin and Motions of this nature because on May 22, 2015, then Member Paula Gopee-Scoon was able to introduce a Motion relating to a transaction involving Petrotrin, known and reported in the media at the time as the South West Soldado transaction, and that Motion had been laid weeks before and it dealt with a series of articles written by Camini Marajh in the *Trinidad Express*.

The articles, by the time the Motion was debated on May 22, 2015, Mrs. Marajh had written 13 articles on South West Soldado. And what that Motion, Mr. Vice-President, asked of the other place, the Motion spoke about recent allegations of impropriety with Petrotrin's South West Soldado project involving the illegal advance payment of US \$1.2 million and it also referred to the failure of Petrotrin to deal with the issue of a transfer of US \$750,000 to two private accounts at Scotiabank in Maraval, and asked that the Government immediately order investigation into the contractual arrangements relating to South West Soldado,

and also asked that the matter be referred to the Joint Select Committee on Energy Affairs for investigation and report, but let me tell you what makes that Motion different from today's.

You see, Mr. Vice-President, after MP, as she then was, Gopee-Scoon, put forward her Motion, the response from the other side came from then Minister of Energy and Energy Affairs, Kevin Ramnarine, Sen. Kevin Ramnarine as he was then. And, as Sen. Ramdeen talked about this urgency by the hook or the crook to get somebody down to the DPP, and he also—I was astonished—Mr. Vice-President, you know I have a lot of respect for Sen. Ramdeen—that he could make a promise for criminal prosecution against people he deemed PNM financiers, that he could make a promise that when he gets into Government he would prosecute. He made that promise today. It is on the *Hansard*.

I was astonished because I am not in the hook and crook business, Mr. Vice-President. I am not, but what was interesting, this Soldado matter came up before the Petrotrin board in 2012. This Motion is being debated on May 22, 2015, three years later, and Mr. Ramnarine, Sen. Ramnarine as he was then, in the first few minutes of his contribution says, “The matter was reported to the police on April 17, 2015”. After MP Gopee-Scoon filed the Motion, three years after the matter came up before the board of Petrotrin, it was reported to the police.

There was no urgency or hook or crook then, and I am not going to waste my time going into who finance who and who holding the two private accounts at Scotiabank. Compare that, Mr. Vice-President, three years later and Mr. Ramnarine says—no shame—“The issues related to this particular Motion have been well ventilated in the media for...three months”, and on the basis of that, Camini Marajh, having started her series in March 2015, and upon the well-

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ventilated Motion, media reports, the 13 articles, the Motion by the then Member for Point Fortin, he finds himself with a report to the police, April. Compare that, Mr. Vice-President, with what has happened in this matter; it has been 11 weeks since the Opposition Leader made her declaration on a political platform, what Sen. Ramdeen calls a waiver of privilege, of our privilege.

It has been 11 weeks. Since that time we have had two audits. The two audits that were referred to by external parties, two independent audits. We have had an expanded audit into what happened; the original covering the period January to June 2017, the extended covering the period 2016, the 12 months. We have had legal advice taken by Petrotrin to which Sen. Khan referred earlier, and I am sure we have had legal advice taken by the Ministry of Energy and Energy Industries itself. We have had media statements put out by Petrotrin. We have had several Urgent Questions in both Houses, Mr. Vice-President, to which there were responses, and we have had questions on the Order Paper to which there were responses. Compare that, Mr. Vice-President. Compare three years—
[Interruption]

ADJOURNMENT

The Minister of Energy and Energy Industries (Sen. The Hon. Franklin Khan): Thank you. Mr. Vice-President, I beg to move that this Senate do now adjourn to Tuesday, the 12th of December, 2017, at 1.30 p.m. At that point in time, we will debate—the Anti-Gang Bill is being debated in the House tomorrow. If that is successful, we will be doing the Anti-Gang Bill. If not, the Bill No. 1 under Second Reading under Government Business, “An Act to amend the Motor Vehicles and Road Traffic Act, Chap. 48:50 to provide for the implementation of spot speed camera devices for the purpose of detecting speeding violations”.

Sen. Mark: Before we adjourn, Mr. Vice-President, I do not know if the Leader of Government Business is aware that there is a Finance Bill that is being debated on Friday in the House of Representatives arising out of the budget, and I would imagine there is a timeline for it. So I am wondering if you wanted to—

Sen. The Hon. F. Khan: Yes, we will also want to include that. It depends on what happens in the House on Friday and, as a matter of fact, I thank Sen. Mark for reminding me of that. That will take precedence of all.

Mr. Vice-President: Hon. Senators, before I put the question on the adjournment, leave has been granted for three matters to be raised on the Motion of the adjournment of the Senate. Sen. Mark.

**Central Bank of Trinidad and Tobago
(Issuance of a Bureau de Change Licence)**

Sen. Wade Mark: Thank you very much, Mr. Vice-President. This matter on the Motion for the adjournment deals with the need for the Government to inform the country of the rationale used by the Central Bank of Trinidad and Tobago for the issuance of a bureau de change licence—[*Interruption*—not “charged”.

Sen. Gopee-Scoon: I never said “charged”.

Sen. W. Mark: Okay—to the Massy Group. Now, the question that we want to raise at this particular moment simply has to do with the following. I want to make it very clear that we have no objection to any conglomerate having access to a licence to buy and sell foreign exchange, whether it is coins, US dollars, traveller’s cheques. The concern of our side has to do with favouritism, nepotism and cronyism.

I would like the Minister in the Ministry of Finance to explain to this House how many companies were lined up awaiting a licence to conduct the same kind of business that was granted to Massy Group, or the Massy conglomerate. And, Mr. Vice-President, what is even more alarming, to show you the disrespect and the

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control that Massy has over the PNM, they were able to have a situation where this Massy company, which is a financier of the PNM—

Hon. Senator: A conglomerate.

Sen. W. Mark: Yeah, he is a financier of the PNM. We know that. We know that.

Hon. Senator: A public shareholding.

Sen. W. Mark: Yeah, we know that. We know it is public shareholding, but we know “dey does geh money below the table”. Talk with the MP. [*Desk thumping*]

[*Mr. Vice-President stands*]

Sen. W. Mark: All right, but let me withdraw it. [*Laughter*]

Mr. Vice-President: Sen. Mark, I just want you to focus on the contribution because you are turning that way and then I cannot hear you properly. So focus this way when you are talking. [*Interruption*]

Sen. W. Mark: You feel that you are in charge of me.

Mr. Vice-President: Sen. Mark.

Sen. W. Mark: Okay. I know she would like to be on my side, walking like Obama. [*Laughter*] Mr. Vice-President, may I continue please?

Mr. Vice-President, the key point that I would like to make here is this. We believe that it is unfair to have one organization already having the power of a licence, a non-bank licence, which comes under what is called—Mr. Vice-President, I will give you the name of the organization. Massy has a non-bank financial institution called Massy Finance GFC, which is 100 per cent owned by the Massy Group. This is equivalent to a non-bank institution. They sell and they buy foreign exchange already, like ANSA McAL finance group, and there are a number of others I can point out to you—ANSA Merchant Bank, the Development

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Finance Limited, NCB Global Finance Limited, as examples. Okay? These are what you would call non-finance, or non-bank rather, financial institutions. They almost have equivalent power to that of a bank.

Then you have a few what is called the bureau de change, that my friend corrected me on a short while ago, where we have six licensed organizations. We have the Eastern Credit Union, the Co-operative Societies Limited, Global Exchange Trinidad and Tobago Limited, GraceKennedy Trinidad and Tobago Limited, Massy Remittance Services Limited which is the one I am dealing with now, Millennium Finance and Leasing Company Limited, and Trinidad and Tobago Unit Trust Corporation. These are what you call the bureau de change institutions. They deal with just selling and buying of foreign exchange, and coins, and traveller's cheques.

Mr. Vice-President, why would the Government want to give this extra, or this new licence to an institution that already has a licence to buy and sell foreign exchange like a bank? I could only assume that maybe that was part of the deal that took place when TSTT bought Massy Communications for \$250 million, [*Desk thumping*] and then when we made a noise about the matter, they were able to quickly renegotiate that deal and it went from TT \$250 million to 215, a 45 or \$35 million difference. So what we want to find out from the hon. Minister this evening: First of all, how many companies were standing in line waiting to get a bureau de change licence, and why did this particular company, or conglomerate, able to break the queue?

We understand that they broke the queue, and the Governor of the Central Bank and the Ministry of Finance have to account to this Parliament and to the country why Massy conglomerate was able to break the queue when many other

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organizations were in line and they were waiting? And that is why I have asked the hon. Minister if she can give us a detailed appreciation of how many organizations applied to the Central Bank for such a licence, and when did they apply, and how come Massy was able to get this licence in front of so many other organizations? That is our concern.

We believe that we have a Constitution, deficient as it may be, weak as it may be, the fact of the matter there is something called equality of treatment under the Constitution—

Mr. Vice-President: Senator, you have one more minute.

Sen. W. Mark:—and therefore, Mr. Vice-President, we are seeking to ensure that the Government of Trinidad and Tobago, and the Governor of the Central Bank, do not, for instance, undermine or subvert the Constitution. So we seek clarification on the rationale for this licence, and if the hon. Minister could clear the air on how many organizations were lined up before.

Thank you, Mr. Vice-President.

The Minister in the Ministry of Finance (Sen. The Hon. Allyson West): Thank you, Mr. Vice-President. The Central Bank of Trinidad and Tobago issues licences to qualified persons to act as authorized dealers in gold or foreign exchange pursuant to the Exchange Control Act, Chap. 79:50. Pursuant to an Order made by the Minister of Finance under section 3(1) of that Act, the Central Bank is the designated authority in charge of exchange control. Section 5 of the Exchange Control Act is the authority upon which the Central Bank grants licences to persons to conduct bureau de change businesses.

The section states as follows:

“(1) The Bank may, by instrument, authorise a person in Trinidad and

Tobago to be an authorised dealer in gold or foreign”—exchange—“and may entrust to the person such duties, functions, powers and obligations as the Bank may consider necessary for the purposes of this Act and any Regulations and other instruments under this Act.”

An application for a bureau de change licence must be accompanied by the documentation outlined in schedule two, Part A, of the terms and conditions for the operations of the bureau de change. These include, inter alia, a business plan articulating the rationale for establishing the bureau de change, certified copies of incorporation documents for the company, documents for the fit for purpose assessment of key personnel, and financial statements.

Massy Remittance Services Limited, or MRSL, which is a money remittance service provider, was granted a bureau de change licence by the Central Bank on April 05, 2017. This licence, which must be renewed annually, authorizes MRSL to buy foreign currency notes, coins and traveller’s cheques, and to sell foreign currency—notes and coins only. Bureaux de change—that is the plural—do not receive foreign exchange allocations from the Central Bank. Pursuant to section 44(1) of the Exchange Control Act, and section 56 of the Central Bank Act, Chap. 79:02, the Central Bank is not authorized to disclose any further information with respect to the granting of MRSL’s bureau de change licence under section 5 of the Exchange Control Act.

In closing, Mr. Vice-President, I would like to state clearly for the record that the Ministry of Finance is not involved in the granting of licences for dealers in foreign exchange such as bureaux de change. That function has been the responsibility of the Central Bank for the last 40 years. I would also like to emphasize that a bureau de change does not receive foreign exchange from the

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Sen. The Hon. A. West (cont'd)

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Central Bank of Trinidad and Tobago, and pursuant to the privacy provisions of the legislation under which Central Bank operates, I am unable to provide Sen. Mark with the follow-up question relating to how many applications were pending when the Massy application was put in.

Thank you, Mr. Vice-President. [*Desk thumping*]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 6.14 p.m.