



MINISTRY OF WORKS AND TRANSPORT

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August 27, 2021

Jacque Sampson-Meiguel
Clerk of the House
Office of the Parliament
Parliamentary Complex
Cabildo Building
St. Vincent Street
Port of Spain

Dear Ms. Sampson-Meiguel,

Re: First Report of the Joint Select Committee on Finance and Legal Affairs on an inquiry into the Ease of Doing Business in Trinidad and Tobago, First Session (2020/2021), Twelfth Parliament

Your correspondence *Parl.: 14/3/69-Vol. V* dated July 12, 2021 refers.

In this regard, the Ministry of Works and Transport's response is attached at **Appendix I** for your attention please.

Sincerely,


Permanent Secretary (Ag.)
Ministry of Works & Transport

Attach. **PERMANENT SECRETARY**

Responses to the Recommendations made in the First Report of the Joint Select Committee on Finance and Legal Affairs on an Inquiry into the Ease of Doing Business in Trinidad and Tobago



Findings	Recommendations	Responses of the Ministry of Works and Transport
<p><u>Page 35-38</u></p> <p>22. Based on the foregoing evidence, the Committee has made the following findings:</p> <p>i.) The primary gaps relevant to improving the Ease of Doing Business (EODB) indicators are outlined in Table 1 but can be broadly summarised as follows:</p> <ul style="list-style-type: none"> ▪ Lack of stakeholder buy in and support to implement the relevant changes; ▪ Inefficient operations or systems (redundancy of operations, limitations in operating systems, systems lacking in accountability and oversight, inappropriate or insufficient use of new technology or alternative approaches); 	<p><u>Page 38-40</u></p> <p>23. Based on the foregoing, the Committee submits the following recommendations:</p> <p>A. The Committee advises that the Ministry of Public Administration and Digital Transformation (MPADT) more intensely drive the digital transformation of critical business processes which are essential for boosting the e-government and e-commerce capacity of relevant Ministries, Departments and Agencies (MDAs). It is anticipated that this transformational process may involve the following:</p> <p>i.) Development of a standardised and measurable definition of digital literacy;</p> <p>ii.) Disaggregation of digital literacy skill indicators into a composite index;</p> <p>iii.) Alignment of demand and supply of digital skills.</p> <p>Ultimately the aim of this Ministry must be to aggressively attain the objective of enhancing “How</p>	<p>Recommendation 23-A is relevant to the MPADT</p>

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<ul style="list-style-type: none"> ▪ Lack of automated, digitised, digitalised (interoperable) systems; and ▪ Need for harmonised or enabling legislation to support reform efforts. <p>ii.) The analysis of the Ministry of Public Administration and Digital Transformation (MPADT) does not sufficiently recognise and address the lack of digital literacy¹⁰ in Trinidad and Tobago. The attempt to promote the ubiquitous adoption of digital technologies is laudable but the pathways to achieving a digitally literate population are not well-defined. Given that the latter informs the extent to which the Ministry's agenda will be appropriately and effectively achieved, a more strategic approach must be outlined by the Ministry to bring targets</p>	<p>government does business, utilizing available technologies to maximise efficiency and accountability.</p> <p>B. Complementary to the creation of an Inter-Ministerial Committee (See Objective 1 recommendation C) for the prioritisation of EODB reforms, the Committee suggests that there must be a renewed thrust toward stakeholder management (to bring into alignment the prioritisation of EODB reforms) and engagement (to rectify underlying stakeholder concerns). The MTI must report to the Parliament efforts to effect stakeholder management and engagement.</p> <p>C. The Committee recommends that an Inter-Ministerial Committee comprising the five substantive Ministries in addition to the Port Authority of Trinidad and Tobago (PATT) identified in Table 1, responsible for the various indicators under the EODB, be created with a view to enforce oversight of implementation agencies and drive service level agreement timeframes. In order to build and sustain momentum for</p>	<p>Recommendation 23-B is relevant to the MTI</p> <p>As the Line Ministry to the PATT, the MOWT has no objections to the Committee's recommendation that an Inter-Ministerial Committee comprising the five substantive Ministries in addition to the PATT be created as recommended in 23-C.</p>

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<p>and goals into alignment. It was unclear whether the required strategic direction would be guided by the National ICT Plan ICT Blueprint 2018 – 2022;</p> <p>iii.) The Ministry of Trade and Industry (MTI) identified lack of stakeholder buy-in as being a major impediment to achieving EODB reform. However, the MTI’s long term strategy to sustain the continued collaboration of both public and private sector entities, relevant to the EODB, have not been expressly defined;</p> <p>iv.) The failure to attain interoperability between border agencies through the creation of a Port Community System continues to stymie the efficiency of entities (MTI, CED, PATT) engaged in cross border trade operations which augurs negatively for the</p>	<p>EODB reforms via a public/private partnership the following strategies should be incorporated:</p> <p>i.) Stakeholder identification and analysis exercise with a view to pinpointing the core agencies relevant to each EODB indicator;</p> <p>ii.) The creation of agreed upon strategies for information disclosure, stakeholder reporting and feedback mechanisms for the incorporation of stakeholder input;</p> <p>iii.) The creation of dedicated agency/implementation units to support the monitoring and evaluation of key projects;</p> <p>iv.) The adoption of negotiation and partnership building techniques supported by grievance management techniques; and</p> <p>v.) The continued engagement of stakeholders through their inclusion in project monitoring via consultation with the private sector to solicit their views on EODB reform.</p>	

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<p>GoRTT's renewed thrust to diversify trade;</p> <p>v.) The Committee notes and exhorts the implementation of the undertakings given by the MTI in its Ministerial Response to the Twenty-First Report of the Public Accounts Committee on an Examination of the Audited Financial Statements of the Trinidad and Tobago Free Zones Company Ltd (TTFZ) for the years ended September 30, 2012 to 2017 and the MTI's commitment to implement the requisite reforms;</p> <p>vi.) Although the issue of Industrial Parks was not closely examined during this inquiry, it would be useful to evaluate how the management of this country's industrial parks has impacted this country's performance in relation to the EODB;</p>	<p>D. The Response of the Ministries concerned must provide the Parliament with a status update on the execution of the following plans and projects:</p> <p>i.) implementation of the Port Community System; and</p> <p>ii.) implementation of the Electronic Transactions Act, Chapter 22:05</p> <p>E.) The response of the MoF must provide a status update on the following:</p> <p>i.) the implementation of online payment systems at the IRD and CED respectively,</p> <p>ii.) the redrafting and resubmission of the Trinidad and Tobago Revenue Authority to Parliament for consideration and debate; and</p> <p>iii.) the proposed amendments to Bankruptcy and Insolvency Act, Chapter 9:70;</p> <p>F.) The Committee endorses that the CED consider the integration of the tools and techniques identified by the World Customs</p>	<p>Recommendation 23-D is relevant to the five substantive Ministries i.e. Ministry of Finance, Ministry of Trade and Industry, Ministry of Planning and Development, Ministry of Public Administration and Digital Transformation, Ministry of the Attorney General and Legal Affairs as outlined at 'Table 1: EODB areas of responsibility by Ministries, Departments and Agencies' on page 24 of the report.</p> <p>Recommendation 23-E is relevant to the MOF.</p> <p>Recommendation 23-F is relevant to the CED.</p>

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<p>vii.) The absence of high level decision making driven by the primary MDAs involved in the EODB reform process influences the commitment to and prioritisation of reform efforts within individual agencies;</p> <p>viii.) The lack of full proclamation of the Electronic Transactions Act, Chapter 22:05 has had a ripple effect on the streamlining of operations of several Ministries inclusive of the Ministry of Planning and Development, Ministry of Trade and Ministry of Finance-Inland Revenue and Customs and Excise Divisions;</p> <p>ix.) Irrespective of the Ministry of Finance's endeavours to improve E-filing and E-payment of taxes, in the absence of a unified revenue</p>	<p>Organisation for the realisation of a systematic application of risk management approaches. This would encompass a selective approach to physical inspections with a view to attenuating backlogs and opportunities for informal payments based on a process flow of establishing context and identifying, analysing, assessing and prioritising and addressing risks.</p> <p>G. The response of the MTI must provide the Parliament with a status update on the specific measures to be undertaken to improve the EODB in respect of the administration of industrial parks.</p>	<p>Recommendation 23-G is relevant to the MTI.</p>

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<p>administration for tax collection, the potential for tax evasion and leakage remains a necessary concern;</p> <p>x.) The retroactive approach to the implementation of legislation to treat with international insolvencies may have had a negative impact on foreign direct investment in Trinidad and Tobago;</p> <p>xi.) The Committee noted that the current means utilised by the MoF in the collection of arrears, the issuance of garnishee orders as well as first and final demand notices, were not achieving the desired ends with respect to the payment of taxes; and</p> <p>xii.) The risk based approaches currently utilised by the CED appears arbitrary and lacks a credible and valid base from which the</p>		

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<p>choice of specific risk management approaches is justified.</p>		
<p><u>Pages 56-58</u></p> <p>60.) Based on the forgoing evidence, the Committee has made the following findings:</p> <p>i.) The Committee considered the possible impact of the COVID-19 pandemic on the fulfilment of the proposed timeline of June 2021 for the realisation of the MPADT's flagship G2B service projects with the Ministries of Finance and Office of the Attorney General and subsequent extension to other Ministries;</p> <p>ii.) The Committee noted that whilst there are avenues to assess the service delivery of</p>	<p><u>Pages 58-60</u></p> <p>61.) The Committee recommends that:</p> <p>A. The response of the MPADT must provide the Parliament with a status update on the completion of the following:</p> <p>i.) The G2B service projects with the Ministries of Finance and Attorney General; and</p> <p>ii.) Rollout of G2B service projects to other Ministries, Departments and Agencies.</p> <p>B. The Committee advises that the MPADT consider the introduction of mandatory reporting on the progress of internal reform measures by key agencies within the EODB framework to enable greater oversight by the MPADT of the various measures to improve service delivery by partner</p>	<p>Recommendation 61-A is under the purview of the MPADT.</p> <p>Recommendation 61-B is under the purview of the MPADT.</p>

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<p>ministries, departments and agencies there are no requirements for mandatory reporting by these entities to provide status updates on the implementation of internal EODB reforms;</p> <p>iii.) The Committee commends the MTI for its various attempts to ensure that all EODB projects are governed by principles of transparency and accountability but observes that such oversight measures may be thwarted by stakeholder resistance;</p> <p>iv.) The Committee acknowledges the value of the MTI's diversification and EODB reform efforts through the development of FilmTT's Film Permit system;</p>	<p>agencies;</p> <p>C. In furtherance of recommendation (B) above, a template should be urgently created that can be used by Ministries/ entities to demonstrate in real time how their operational processes and performance are contributing to the improvement of specific EODB indicators.</p> <p>D. The Committee sees merit in the adoption of metrics and other target indicators by respective Ministries not only to measure agency performance but also the impact and effectiveness of EODB reforms. These would be specific to the various Government to Business initiatives currently being operationalised (MoAGLA, MTI and MoWT) and may include but not be limited to the following:</p> <p>i.) Average resolution time to track the average time it takes to solve customer</p>	<p>Recommendation 61-C is under the purview of the MPADT.</p> <p>The MOWT has no objection to the Committee's recommendation at 61-D.</p>

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<p>v.) The MoAGLA had successfully implemented a number of reforms to improve customer experience and access to their services in the Civil, Company and Land Registries, however the Committee would have appreciated receiving evidence of the existence of an appropriate measurement system to gauge the overall utility and impact of these changes;</p> <p>vi.) The introduction of DevelopTT presents the MPD with an opportunity to execute a leadership role in coordinating the efforts of relevant state actors with a view to ensuring that this new digitalised construction permitting system operates in an efficient and effective manner.</p>	<p>issues; and</p> <p>ii.) Customer satisfaction surveys to solicit customer feedback either in person or via online platforms.</p> <p>E.) Given that privacy concerns may be one of the potential issues that citizens have with respect to the furtherance of an E-identity system, the MPADT may consider the incorporation of the following measures as a corollary to the E-identity initiative to engender greater support:</p> <p>i.) Users should maintain control over the information that is shared when they access services;</p> <p>ii.) Control measures should be instituted to separate the sectors/domains of activity in which the user is active;</p> <p>iii.) The MPADT may consider a stewardship model to guide the use of consumers' digital information.</p>	<p>Recommendation 61-E is under the purview of the MPADT.</p>

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<p>vii.) Notwithstanding the various reform efforts being piloted by various Ministries the lack of public sensitisation on the progress being made, limits the potential for reform efforts to take tangential effect.</p>	<p>F. The Committee is cognisant that change management must involve proactive decision making and leadership in order to produce effective results and therefore endorses an inclusive approach being adopted by the MTI's Steering Committee to build trust, awareness and support among its key stakeholders.</p> <p>G. The response of the MoAGLA must provide the Parliament with a status update on the following deliverables:</p> <p>i.) The draft of the legislation for the implementation of a Secured Transactions Regime; and The implementation of the Business Property Registration System at the Registrar General's Department.</p> <p>H. The response of the MPD must provide the Parliament with a status update on the following:</p> <p>i.) The number of Municipal Corporations that can process online applications; and</p>	<p>The MOWT is in agreement with the Committee's recommendation 61-F.</p> <p>Recommendation 61-G is under the purview of the MoAGLA.</p> <p>Recommendation 61-H is under the purview of the MPD.</p>

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	<p>ii.) The number of Municipal Corporations capable of processing applications for simple development as outlined in the Miscellaneous Provisions (Local Government Reform) Bill, 2020.</p> <p>I. The Committee advises that the MPD create a strategic plan that would characterise the partnership between themselves and the fourteen (14) Municipal Corporations to seek coordinated solutions, leverage expertise and enhance communication across agencies. These enhanced ties will have positive repercussions both on the automation of the workflow and construction permitting processes. This recommendation must be pursued in connection with the now elusive yet anticipated reforms to the Local Government System.</p>	<p>Recommendation 61-I is under the purview of the MPD.</p>

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	<p>J. The response of the Port Authority of Trinidad and Tobago must provide to Parliament a status update on the following:</p> <p>i.) The implementation of the online payment system for container cargo fees; and</p> <p>ii.) The implementation of the purchase to pay model.</p> <p>K. The Committee supports the implementation of a comprehensive public education campaign that builds awareness of the various EODB reform initiatives being piloted in various Ministries, Departments and Agencies.</p>	<p>The PATT has provided the following status update with regards to recommendation 61-J to the MOWT:</p> <p>i.) This phase is to be undertaken at the completion of the current NAVIS to SAGE Accounting integration initiative. This project is currently in progress and has been scheduled for completion in September 2021.</p> <p>ii.) The testing phase is being finalized with the software provider-ADSS Global. Once completed, training will commence immediately with the relevant User Departments. Shortly thereafter, implementation shall be initiated.</p> <p>The MOWT, has no objection to the Committee's recommendation at 61-K.</p>
<p><u>Pages 69-71</u></p> <p>87. Based on the forgoing evidence, the Committee has made the following findings:</p>	<p><u>Pages 71-72</u></p> <p>88. The Committee recommends as follows:</p> <p>A. The Committee acknowledges the benefits of interoperability</p>	<p>The MOWT, has no objection to the Committee's recommendation at 88-A.</p>

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<p>i.) The MPADT made specific reference to provisions for enhanced data protection through adequate power supplies and storage. However, the more pertinent issue of privacy protection and measures to treat with the inappropriate use and sharing of consumers' personal data appears to have received little attention;</p> <p>ii.) Individual agencies within the construction permitting process will be stymied from assuming their full responsibilities until there is full proclamation of the Planning and Facilitation of Development Act,</p>	<p>and suggests that in order for such systems to work effectively there must be stringent privacy and security safeguards, which are supported by strong oversight. The Committee thus sees merit in the development of an accompanying privacy policy to be adopted by all interoperable systems that takes into consideration cultural practices, the need to provide transparency in the processes effected by all invested parties as well as cultural views of privacy.</p> <p>B. The Committee endorses the efforts of the Chief State Solicitor and Solicitor General's Department to augment the total number and expertise of staff as well as accompanying remuneration packages in order to improve employees' work flow process and technical expertise to apply the appropriate judicial principles with respect to the resolution of litigious matters involving the State.</p>	

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<p>2014. These delays will continue to position the MPD as the principal actor in the construction permitting process and may have an influence on the willingness of stakeholder agencies, namely, Municipal Corporations embrace their new roles;</p> <p>iii.) The Committee recognised the potential that negative values, attitudes and behaviours within the public service, as identified by the MPD, can have on achieving EODB reform.</p> <p>iv.) Notwithstanding staffing constraints, the Committee noted that in spite of</p>	<p>C. The Committee exhorts its recommendation (see Objective 2, recommendation F) regarding the implementation of sound change management initiatives for the facilitation of stakeholder awareness and support of reform initiatives.</p> <p>D. The response of the Ministry of Finance must provide to the Parliament clarification on the scope of duties of the Monitors employed at the IRD and that due consideration be given to the deployment of ‘Monitors’ to assist in the reconciliation of the tax payer database through the conduct of physical inspections to check that all persons or establishments in a taxable business are indeed properly registered.</p> <p>E. In respect of the agencies involved in cross border trade, the Committee underscores Recommendation J under Objective 2 which exhorts the need for a strong collaborative</p>	<p>Recommendation 88-D is under the purview of the MOF.</p> <p>Recommendation 88-E is under the purview of the MOF.</p>

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<p>the technological changes advanced by the Ministry of Finance, the inability to regulate employee misconduct inclusive of criminally liable acts, would hinder overall efforts to improve performance and service delivery;</p> <p>v.) The Committee noted that the approach taken by the Ministry of Finance to reconcile the taxpayers' database is heavily reliant on secondary as opposed to primary data, which may limit the validity and reliability of information;</p> <p>vi.) The Committee detected some</p>	<p>partnership between linked agencies.</p> <p>The response of the Ministry of Finance must also provide to Parliament a status update on the following:</p> <p>i.) The implementation of the Port Community System;</p> <p>ii.) The UNCTAD training for the technical staff retained to effect the upgrades to ASYCUDA 4.2.2;</p> <p>iii.) The upgrades to ASYCUDA 4.2.2;</p> <p>iv.) The measures to facilitate online payments at the Inland Revenue and Customs and Excise Divisions; and</p> <p>v.) The measures taken to address the human resource constraints at the Customs and Excise as well as Inland Revenue Divisions.</p>	

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<p>ambiguity in the information presented to the Committee by Ministry of Finance with respect to the role and function of Monitors employed at the IRD to conduct physical inspections of registered businesses;</p> <p>vii.) The Committee surmised that there was some degree of miscommunication between the border agencies with reference to the alignment of operating systems. These were evident in the differing version of events narrated by the CED and the PATT respectively, with each entity ascribing responsibility to the</p>		

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<p>other for causes in delayed operations. These inclinations were also noted in the lack of awareness of the PATT relevant to the status of the tender for the Port Community System and is indicative of a schism in the collaborative approach that necessitates this type of inter-agency dependence;</p> <p>viii.) The Committee observed that human resource constraints appeared to be a general deficiency among the border agencies which has had negative consequences on their productivity;</p>		