

Ministry of Trade and Industry

**Responses to the Recommendations and
Comments of the**

**Fourth Report
of the Public Accounts Committee**

**Examination of the Audited Financial Statements of
the Trinidad and Tobago Fair Trading Commission
(TTFTC) for the financial years 2014 to 2018**

July 28, 2022

1. Partial Proclamation of the Fair Trading Act Chap 81:13

Recommendation:

- ***The MTI and the TTFTC should report to Parliament by July 31, 2022 on the following:***
 - ***its assessment of the effectiveness of the procedure followed for official complaints of anti-competitive practices; and***
 - ***the number of applications received for mergers and the numbers of approvals granted.***

Response:

The TTFTC has not received a formal complaint since the full proclamation of the Fair Trading Act in 2020. Accordingly, no assessment of the effectiveness of the procedure followed for official complaints of anti-competitive practices was done. The TTFTC has received queries with respect to certain market activities and practices which upon review, were found not to be in contravention of the Fair Trading Act.

To date the TTFTC has received twenty (20) merger applications of which eighteen (18) were granted approval, one (1) was referred to the requisite Sector Regulator and one (1) is currently under review.

2. Incomplete Guidelines to the Fair Trading Act

Recommendation:

- i. ***The TTFTC should report to Parliament on the progress of the completion and publication of the Guidelines by July 31, 2022.***

Response:

The Guide to the Fair Trading Act was drafted by a consultant under the Inter-American Development Bank (IDB), Component 3: Strengthening of the Competition Policy Framework of the Trinidad and Tobago Technical Cooperation TT-T1097: Fiscal Policy and Public Investment. The Draft Guide was approved by the TTFTC's Board of Commissioners and the Foreword to the Guide is presently being finalized by the IDB after which the TTFTC will publish same.

3. The TTFTC's lack of its own independent premises

Recommendation:

- i. ***The TTFTC should submit to Parliament by July 31, 2022 a report on the***

benefits of having their own premises, outline its specific requirements as well as indicating the extent to which the two premises viewed were aligned with their specifications.

Response:

The Report stating the benefits of the TTFTC having their own premises is attached as an **Appendix**.

4. The absence of Risk Management Policy

Recommendation:

- i. The TTFTC should provide to Parliament by July 31, 2022 a status update on the finalization and implementation of Risk Management Policy by July 31, 2022;*
- ii. The TTFTC should provide an account of factors hindering progress of the development of the Risk Management policy if it has not yet been completed by July 31, 2022 to Parliament.*

Response:

The TTFTC's Risk Management Policy was completed and implemented in July, 2022.

5. The Absence of a Fraud Policy at the TTFTC

Recommendation:

- i. The TTFTC should provide a status update to Parliament on the development and implementation of the Fraud Policy by July 31, 2022.*

Response:

The TTFTC's Anti-Fraud Policy was developed and implemented in July, 2022.

6. The Absence of Whistle-Blowing Policy

Recommendation:

- i. The TTFTC should provide to Parliament on the status of the development, completion and implementation of Whistle-Blowing Policy by July 31, 2022.*

Response:

The TTFTC's Whistle-Blowing Policy was developed, completed and implemented in July, 2022.

7. The Absence of an Internal Auditor

Recommendation:

- i. The TTFTC should provide a status updated to Parliament on the recruitment of an Internal Auditor by July 31, 2022;***

Response:

The TTFTC selected and contracted an Internal Auditor to perform the TTFTC's Internal Audit function.

8. Collaboration with Consumer Protection Authorities

Recommendation:

- i. The TTFTC should report to Parliament on plans to establish collaboration with the Consumer Affairs Unit of the THA by July 31, 2022.***

Response:

The TTFTC has at the direction of the Manager of the Consumer Affairs Unit, THA, written to the Administrator of the Division of Finance, Trade and the Economy on the TTFTC's plans for future inter-agency cooperation and co-ordination with the Consumer Division, THA in order to achieve the following objectives:

- Strengthen the relationship between the TTFTC and the Consumer Affairs Unit, THA;
- Develop formal and informal arrangements and agreements between the TTFTC and the Consumer Affairs Unit, THA with respect to competition principles and matters affecting the interest of consumers;
- Engage in co-operative dialogues at various fora with there being a consideration of competition principles as it relates to consumer protection; and
- Develop a network of sharing experiences and information regarding matters affecting the interest of consumers.

It is anticipated that the Consumer Affairs Unit, THA will assist the TTFTC in organizing a session to meet with private sector stakeholders in Tobago in the near future.

9. Public Awareness of the TTFTC's Work

Recommendation:

- i. *The Committee welcomes the TTFTC's engagement with the youth as part of its public education initiatives. This contributes raising awareness of the benefits of competition, which is one of the Commission's objectives. Inviting the youth perspective could also help to promote and exchange ideas and the development of a healthy competition culture among future participants in Trinidad and Tobago's economy.*

Response:

The TTFTC recognises the importance of engaging the youth and will continue to do so through its public education initiatives.

Report on the Benefits of the TTFTC having its own premises

BACKGROUND

The Trinidad and Tobago Fair Trading Commission (TTFTC) is an independent Statutory Body tasked with the responsibility to promote and maintain fair competition in Trinidad and Tobago.

The Objectives of the TTFTC are to:

- prevent anti-competitive conduct thereby encouraging and ensuring competition and efficiency while at the same time complementing other policies that promote competition
- ensure that all legitimate business enterprises have an equal opportunity to participate in the economy
- maintain free and fair competition in business
- raise awareness of the benefits of competition
- take action against abuse of dominance, restraint of trade and other anti-competitive agreements and practices.

The TTFTC currently does not have any independent office accommodation and is housed within the premises of the Ministry of Trade and Industry situate at 63-65 Independence Square, Port of Spain. There are currently no opportunities for any change in this position other than through recommendations made by the Property and Real Estate Services Division (PRES), Ministry of Public Administration.

Projected changes that may impact accommodation:

The following changes if made in the next few years, may potentially affect accommodation for the TTFTC:

- (a) Increased hiring of staff in accordance with the TTFTC's Cabinet approved organizational chart which given the TTFTC's increasing workload since the full proclamation of the Fair Trading Act is probable; thereby necessitating more office space.
- (b) Further streamlining of the TTFTC's operations particularly with respect to its ability to receive and investigate complaints by ensuring that there is appropriate accommodation to deal with key stakeholders as well as the general public.

THE BENEFITS OF TTFTC HAVING ITS OWN PREMISES

The benefits of the TTFTC having its own premises will predominately address the following issues:

- **Independence**

The TTFTC having its own premises will ensure that the independence of the TTFTC is preserved with the TTFTC being seen as an organization that is autonomous from the Government and will reemphasize its ability to exercise its functions independently pursuant to the Fair Trading Act.

Moreover, the TTFTC is open to sharing accommodation facilities and/or co-locating with other regulatory agencies provided that the TTFTC at all times remains an independent statutory body with the relevant office space/accommodation being used to better facilitate its ability to carry out its statutory mandate in furtherance to the Fair Trading Act.

- **Strategic Direction and business needs**

The TTFTC will benefit from having its own premises as this will enable the TTFTC to provide full office accommodation and a safe working environment for its staff and it is expected that this will enable staff to work together in a centralized location that can help contribute towards achieving the overall objectives of the organization which includes to protect, promote and maintain free and fair competition in the conduct of business in Trinidad and Tobago.

- **Key Accommodation issues and needs**

The TTFTC will benefit from having its own premises as this will enable key accommodation issues presently facing the TTFTC including the lack of current offices /workstations for staff to be addressed in order to enable the TTFTC to properly carry out its statutory mandate while at the same time boosting staff morale.

- **Overall demand for office space**

The TTFTC will benefit from having its own premises as this will address the overall high need for office space in light of the full proclamation of the Fair Trading Act which has led to a substantial increase in the TTFTC's volume of work which reinforces the need for an environment where Management and Staff of the TTFTC can operate in an area that is within its control with there being the ability to maximize internal effectiveness as a result.

SPECIFIC REQUIREMENTS

The current location of the TTFTC is 63-65 Independence Square, Port of Spain. The preferred geographical location of the TTFTC is in the Port of Spain area within close proximity of the

Ministry of Trade and Industry so as to facilitate ease of communication and faster decision-making.

In terms of the amount of accommodation that is required by the TTFTC, the total area requested is within a range of 6,000 square feet to 8,000 square feet. The total accommodation area will also provide for special use spaces required by the TTFTC which includes but is not limited to a Conference room, Library, Equipment room, Filing room, Stationery room, Utility room, Kitchenette, Lunch room and other special utility requirements (electrical, water, internet) and Parking bay.

The two (2) spaces previously viewed by PRES D were aligned with the specifications outlined in the abovementioned paragraph.

END