

HOUSE OF REPRESENTATIVES

Wednesday, March 06, 2024

The House met at 1.30 p.m.

PRAYERS

[MADAM SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

Madam Speaker: Hon. Members, I have received communication from the hon. Penelope Beckles, MP, Member for Arima, who has requested leave of absence for the period March 5-11, 2024, and from Dr. Rai Ragbir, MP, Member for Cumuto/Manzanilla, who has requested leave of absence from today's sitting of the House. The leave which the Members seek is granted.

PAPERS LAID

1. One Hundred and Eighteenth Report of the Salaries Review Commission of the Republic of Trinidad and Tobago. [*The Minister of Finance (Hon. Colm Imbert)*]
2. Administrative Report of the San Fernando City Corporation for the year 2017/2018 [*The Minister of Rural Development and Local Government (Hon. Faris Al-Rawi)*]
3. Ministerial Response of the Ministry of Youth Development and National Service to the Fifth Report of the Joint Select Committee on Human Rights, Equality and Diversity on an examination of the Implementation of the Recommendations of the Report by the Independent Investigation Team appointed by the Cabinet of the Republic of Trinidad and Tobago to Investigate Reports of Child Abuse at Children's Homes. [*The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis)*]
4. Response of the Office of the Prime Minister-Gender and Child Affairs to the

UNREVISED

5. Fifth Report of the Joint Select Committee on Human Rights, Equality and Diversity on an examination of the Implementation of the Recommendations of the Report by the Independent Investigation Team appointed by the Cabinet of the Republic of Trinidad and Tobago to Investigate Reports of Child Abuse at Children's Homes. [*Hon. C. Robinson-Regis*]
6. Ministerial Response of the Ministry of Education to the Fifth Report of the Joint Select Committee on Human Rights, Equality and Diversity on an examination of the Implementation of the Recommendations of the Report by the Independent Investigation Team appointed by the Cabinet of the Republic of Trinidad and Tobago to Investigate Reports of Child Abuse at Children's Homes. [*Hon. C. Robinson-Regis*]
7. Ministerial Response of the Ministry of Social Development and Family Services to the Sixteenth Report of the Public Administration and Appropriations Committee on an examination of Food Security in Trinidad and Tobago in alignment with Sustainable Development Goal 2: Zero Hunger. [*Hon. C. Robinson-Regis*]

PRIME MINISTER'S QUESTIONS

Head of Strategic Services Agency (Removal of)

Dr. Roodal Moonilal (*Oropouche East*): Thank you. Thank you very much, Madam Speaker. To the hon Prime Minister: Will the Prime Minister confirm whether the "threat to national security", that led to the swift removal of the Head of the Strategic Services Agency (SSA) by the Cabinet, originated from information and or advice from the TTPS?

Madam Speaker: Prime Minister.

Hon. Members: [*Desk thumping*]**The Prime Minister (Hon. Dr. Keith Rowley):** Madam Speaker, the Cabinet received no advice from the Trinidad and Tobago

Police Service. The Cabinet received information from the Trinidad and Tobago Police Service and without more the Cabinet acted.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Could the Prime Minister, in light of his answer, indicate whether this information came from the Commissioner of Police?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I am not prepared to engage in any debate on this matter. As a responsible Prime Minister of a responsible government, these matters will take their course and eventually end up where they are supposed to.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very much. Madam Speaker, could the Prime Minister indicate to his knowledge whether Ret. Maj. Peter Best is the subject of any Trinidad and Tobago police investigation at this time?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I am not aware of any person called Peter Best.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Ret. Maj. Peter Best.

Mr. Hosein: Maj. Best.

Madam Speaker: The question?

Dr. Moonilal: Yeah, another question. In light of the responses, Madam Speaker,

could the Prime Minister indicate whether the police involvement in this matter beginning at 4.00 a.m. on Sunday morning has compromised the integrity of surveillance and intelligence gathering by the Strategic Services Agency?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

Mr. Hosein: Roger Best.

Hon. Dr. K. Rowley: Is that question 2?

Madam Speaker: Question 1. Question 2. Yes, question 2.

Dr. Moonilal: No, I did not ask—supplemental. Ma'am, it was a supplemental.

Hon. Dr. K. Rowley: Get your act together “nah”, man.

Madam Speaker: So, it is a supplemental question, yes? Prime Minister.

Hon. Dr. K. Rowley: Could the question be asked again, please?

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Supplemental, Madam Speaker. Could the Prime Minister indicate whether he is aware or has knowledge that Ret. Maj. Roger Best is the subject of any police investigation?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: That is not the question he just asked me.

Madam Speaker: The question is a supplemental question arising under question 1.

Hon. Dr. K. Rowley: Oh. I have to be confused, so I could answer in a confused way.

Dr. Moonilal: [*Inaudible*]

Madam Speaker: No, one minute.

Mr. Hosein: Answer the question. It was a clear question.

Madam Speaker: I take it that the question that is being asked is the latter

question?

Dr. Moonilal: It is the last question, Ma'am, on question 1.

Madam Speaker: Yes.

Dr. Moonilal: A supplemental.

Madam Speaker: Yes.

Dr. Moonilal: Should I repeat it? The Prime Minister may not have grasped my earlier question.

Madam Speaker: Well, there may be a little confusion because of how the questions were asked.

Dr. Moonilal: Could I repeat?

Madam Speaker: Please.

Dr. Moonilal: Yeah. Prime Minister, are you aware or do you have knowledge that Ret. Maj. Roger Best, head of the Strategic Services Agency, is the subject of any police investigation or enquiry? Is that clear enough?

Hon. Dr. K. Rowley: It is very clear, Madam Speaker. Now he is very clear. I am not prepared to discuss confidential police work with you or anybody. That is called "tipping off".

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Supplemental, yes? Prime Minister, could you confirm whether or not the Strategic Services Agency has been undertaking surveillance and intelligence gathering on two senior Cabinet Ministers in this country that led to the dismissal of the head of the SSA?

Madam Speaker: Member, that question is out of order in accordance with the Standing Orders. Okay. Question 2. Member for—

Mrs. Robinson-Regis: Sorry, Madam Speaker, before you proceed. Can I get

clarity? Are you not allowed three supplementals?

Mr. Indarsingh: Four.

Dr. Moonilal: Four.

Madam Speaker: You are allowed four for Prime Minister's.

Mrs. Robinson-Regis: Four supplementals? All right.

Madam Speaker: Question 2.

**SSA Surveillance and Intelligence Gathering
(Suspension of)**

Dr. Roodal Moonilal (*Oropouche East*): Madam Speaker, it appears there is some confusion on the other side. To the hon Prime Minister: Will the Prime Minister indicate whether any of the critical surveillance and intelligence gathering work of the SSA have been suspended by the recent removal of the head of the SSA?

Madam Speaker: Prime Minister.

Hon. Members: [*Desk thumping*]

The Prime Minister (Hon. Dr. Keith Rowley): No.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very much, Madam Speaker. Could the Prime Minister indicate whether the findings of the probe being undertaken by Brig. Gen. Ret. Anthony Phillips-Spencer, the findings of that probe will be laid in the Parliament?

Madam Speaker: Member for Oropouche East, based on your original question asked and the response given by the Prime Minister, that does not arise, so it is out of order in accordance with the Standing Orders.

Dr. Moonilal: Thank you.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Yes. Madam Speaker, could the Prime Minister indicate, pursuant to question No. 2, as a supplemental now, whether the police involvement in the

pre-dawn exercise at the SSA headquarters would have compromised the integrity of intelligence and reports undertaken by the SSA?

Madam Speaker: Again, Member, on the same basis, this supplemental is also out of order. Member for Oropouche East.

Dr. Moonilal: Thank you very much. Supplemental, to the hon. Prime Minister. Prime Minister, could you indicate and confirm whether or not the new acting head of the SSA is authorized in law to undertake interception of communication?

Madam Speaker: Again, Member, based on question No. 2 and the questions and answers given thus far, I rule that supplemental question three is out of order.

Dr. Moonilal: Okay. Madam Speaker, pursuant to question 2 another supplemental comes. With regard to the recent activity at the offices of the SSA, would the Prime Minister indicate whether there is a concern by the Government that critical surveillance and intelligence work could be disrupted?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: No.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East, question No. 3.

Conversations with the Prime Minister
(Hosting and Broadcasting Costs)

Dr. Moonilal (Oropouche East): Question No. 3. Will the Prime Minister provide the House with the cost to taxpayers for hosting and broadcasting on all media, the Prime Minister's Conversations held on Tuesday 5th March 2024?—Maybe the answer is “no” as well?

Madam Speaker: Member, could you please let me know what the question is so I will know if to allow it, please? Read it according to what is approved here.

Dr. Moonilal: Sure. Well, I will do so again: Will the Prime Minister provide the House with the cost to taxpayers for hosting and broadcasting on all media, the Prime Minister's Conversations held on Tuesday 5th March, 2024?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, this is Wednesday the 6th, a few hours since this meeting was held. The ink on the invoices might not yet be dry, and I am in no position now to answer that. But if the appropriate notice is given, appropriate time will be had, and the answer will be given.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Couva South.

**Divers of Paria Tragedy
(PM's Meeting with Families)**

Mr. Rudranath Indarsingh (Couva South): Thank you very much, Madam Speaker. To the hon Prime Minister: Given the Prime Minister's public indication that he is willing to meet the families of the four divers of the Paria tragedy, will the Prime Minister state whether he has reached out to these families with the intent of holding said meeting?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Madam Speaker, I made no commitment to reach out to any family to hold any meeting. I did indicate when I was told that members of the family or a member of the family wanted to meet with me, and whether I would meet, and I indicated that if such a request came I would meet with. I have seen no such request.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Couva South.

Mr. Indarsingh: Thank you, Madam Speaker. Prime Minister, given the

financial status of the families and taking into consideration recommendation 39 of the Commission of Enquiry has pointed the Government in a direction of assisting the families without admitting any liability from a Paria point of view, has the Cabinet given approval or consideration to implementing recommendation 39 of the Commission of Enquiry?

Madam Speaker: Member, I rule that question out of order. Member for Couva South.

Mr. Indarsingh: Thank you very much, Madam Speaker. Prime Minister, given if there is any meeting of both sides from your office and the families, as it relates to making a meeting a reality, will the Cabinet consider or has the Cabinet considered that taking into consideration recommendation 41 of the Commission of Enquiry states that the Paria Board be charged with “Corporate Manslaughter”, will the Cabinet consider the removal of the board before there is any meeting with the families?

Hon. Members: [*Desk thumping*]

1.45 p.m.

Hon. Dr. K. Rowley: Madam Speaker, notwithstanding the best effort at cherry-picking, as Prime Minister of Trinidad and Tobago facing this legal conundrum and liabilities wherever they may lie, I will take very good care to ensure that I do not involve the Office of the Prime Minister in any legal exposure for the taxpayer.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Naparima.

Trinidad and Tobago Coast Guard (Maritime Security Patrols)

Mr. Rodney Charles (*Naparima*): Thank you, Madam Speaker. To the Prime Minister: Given that five fishermen recently went missing, is the Prime Minister satisfied that the Trinidad and Tobago Coast Guard is fulfilling its mandate of

providing border security and search and rescue services through the conduct of maritime security patrols?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Thank you, Madam Speaker. Madam Speaker, the answer is yes. The Trinidad and Tobago Coast Guard has been engaged in a search and rescue mission for these missing persons from the first call it received from the police on Sunday, 25 February, 2024, at 6.35 p.m. That mission continues, Madam Speaker.

However, it is believed that these citizens may have gone into Venezuelan territory, which is outside the jurisdiction of the Trinidad and Tobago Coast Guard. Yet, the Trinidad and Tobago Coast Guard is in contact with the Venezuelan authorities as they seek to find them. A body was found on a beach in Venezuela, believed by family members to be that of their loved one, but this is still being verified. The coast guard is still in contact.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Naparima.

Mr. Charles: Thank you. Prime Minister, as head of the National Security Council, could you give an update on the coast guard vessels that are not operational at this time?

Madam Speaker: Member, that question is considered out of order in accordance with the Standing Orders. Member for Naparima.

Mr. Charles: Could the Prime Minister state—given the Prime Minister's response that he is satisfied with the performance of the coast guard, could the Prime Minister state why an oil barge and a tug could enter our territorial waters and not be noted and tracked to have information on when it enters and leaves our waters?

Madam Speaker: Member, again, I rule that question out of order in accordance with the original question and the responses so far. Member for Naparima.

Mr. Charles: Could the Prime Minister give an update on the shooting by the Trinidad and Tobago Coast Guard in February 22nd of the Venezuelan child on board a vessel headed to Trinidad and Tobago?

Madam Speaker: Member, I rule that supplemental question out of order. Member for Oropouche East.

**Owners of the Gulfstream Barge
(Update on)**

Dr. Roodal Moonilal (*Oropouche East*): Thank you very much. Question No. 6, Ma'am. Question No. 6, please—

Mr. Hinds: [*Inaudible*]

Dr. Moonilal: The Member for Laventille West is disturbing me.

Madam Speaker: Members, please let us just get on with the business. Member for Oropouche East.

Dr. Moonilal: Thank you very much, Madam Speaker. Question No. 6 to the Prime Minister: With regard to the oil spill off the coast of Tobago on February 7, 2024, will the Prime Minister update the House on all measures to trace the missing tug and identify the owners of the Gulfstream barge?

Madam Speaker: Prime Minister.

The Prime Minister (Hon. Dr. Keith Rowley): Thank you, Madam Speaker. Madam Speaker, the Government of Trinidad and Tobago has to ensure a certain degree of accuracy in identifying the owners of the *Gulfstream* barge and has been using all official channels at its disposal to do so. The Government of Trinidad and Tobago, through the Ministry of Foreign and CARICOM Affairs, has sent out a number of pneumatic notes to various countries, including Panama, Guyana and

Aruba, seeking information with respect to the said vessel and documentation of evidence of ownership.

Additionally, the Government via the Maritime Division has been using its official network to trace and verify ownership. This has included enquiries of the International Maritime Organization and the other maritime divisions, including Guyana, Aruba and certain West African countries where the vessels may have been registered.

The Government is also seeking assistance from foreign and regional agencies in tracking the ownership of the vessel. The Maritime Division has also engaged a private satellite company to assist in satellite imagery of where the vessel originated and travelled from on its journey before the vessel tragically ended up on a reef in Tobago.

To date, whilst there have been documents and information that indicate connections with the vessel, the confirmation of ownership has so far not been had to the satisfaction of the Government. If legal action has to be taken, the Government must be satisfied that we have pertinent and credible information as to who the perpetrators are and where liability lies. That exercise continues.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Madam Speaker, thank you very much. In light of the words uttered by the Prime Minister, is the Prime Minister saying that one day short of one month after this disaster, the Government knows absolutely nothing as to the owners of the tug or the badge?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Well, since the Member has problems with words, I will try to assist him again. I did say, Madam Speaker, that we had some documents—

Hon. Members: [*Interruption*]

Hon. Dr. K. Rowley: There have been documents and information. That is all the Government can work with, documents and information. I do not know what he is working with, but this Government will work with documents and pertinent information.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Thank you very much, Prime Minister. Now we know there are documents and information. What did the documents say?

Hon. Members: [*Desk thumping*]

Dr. Moonilal: Who is the owner of the *Gulfstream*? Who is the owner of the tug?

Madam Speaker: Which—

Dr. Moonilal: What do the documents say?

Madam Speaker: Member, which question are you asking?

Dr. Moonilal: What do the documents say?

Hon. Members: [*Desk thumping*]

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I do not have the documents in front of me.

Hon. Members: [*Laughter*]

Hon. Dr. K. Rowley: I do not have the documents in front of me but these are documents pertaining to the issue of who owns the vessels, at what time where the vessels might have been and what they might have been doing. I simply want to say, Madam Speaker, contrary to the misinformation, this—whatever happened

could have happened in open international waters when a barge disconnected from its hauler and drifted into our waters. If the others know differently, they can act upon it. The Government cannot act upon hearsay and how you feel. We have to act on evidence that is justiciable in a court of law.

Hon. Members: [*Desk thumping*]

Dr. Moonilal: Madam Speaker, supplemental.

Madam Speaker: Member for Oropouche East, yes.

Dr. Moonilal: In light of the complete lack of preparedness of the Prime Minister to respond to this question, could I ask the Prime Minister, since the documents—you are aware of documents you have, but you did not walk with it in preparation for this question, can you give an undertaking that you will release information as to the owners of the tugboat and the barge involved in this act of environmental terrorism, since you have documents but you did not walk with it—

Madam Speaker: Member—

Dr. Moonilal: —because you were not aware of the question?

Madam Speaker: Member, you have 15 seconds to ask a question, so all the preamble—so what is the question?

Dr. Moonilal: Could the Prime Minister give an undertaking to disclose the ownership of both vessels since you have the documents?

Madam Speaker: Prime Minister.

Hon. Dr. K. Rowley: Madam Speaker, I am not going to allow this Member to put any words in my mouth. I did not say I have documents about the ownership of both vessels, Madam Speaker. I never said that.

Mr. Indarsingh: So you still do not know who the owner is? You have fake documents.

Madam Speaker: Member for—

Hon. Dr. K. Rowley: And I am not in a position here to say that, and I did not say that. In pursuit of the ownership of that vessel, Madam Speaker, I said, we do have some documents, we have some information, we are seeking confirmation as to the ownership, and I will go no further. And he is not to put any words in my mouth.

Madam Speaker: Member for Oropouche East.

Dr. Moonilal: Madam Speaker, I do not want to put words or take out words from the Prime Minister's mouth.

Madam Speaker: Member, just ask the question.

Dr. Moonilal: Could I ask the Prime Minister, will the Prime Minister therefore give an undertaking to read the Sunday *Guardian* of March 3rd, where there was an exposé on the ownership of these vessels? Could the Prime Minister give an undertaking that you will read the newspaper and get some information before coming to the Parliament?

Madam Speaker: Okay. So, Member, I rule that question out of order in light of earlier questions and also the responses thus far.

URGENT QUESTIONS

Bomb Threats in South-Eastern District Primary Schools (Update of Investigation)

Mr. Rushton Paray (Mayaro): Thank you very much, Madam Speaker. Question No. 1 to the hon. Minister of Education: Given reports that yesterday, several primary schools in the south-eastern district received bomb threats, will the Minister provide an update on the status of the investigation?

Madam Speaker: Minister of Education?

Hon. Members: [*Desk thumping*]

The Minister of Education (Hon. Dr. Nyan Gadsby-Dolly): Thank you, Madam Speaker. Madam Speaker, as is routine in these situations, we give all our information to the members of the TTPS and they are the ones that really carry out

the investigation in terms of trying to find out what is the source of it. We have not had an update as of today—of course, that was given yesterday, so we do not have an update as of today of what is happening but we know that they are investigating. Both the bomb squad as well as the cybersecurity unit we would have been interacting with.

Madam Speaker: Member for Mayaro.

Mr. Paray: Thank you, Madam Speaker. Minister, based on the fact that this is the second event that we have had in the last 12 months of that nature, are you aware of any contingencies that may have been put in place by the Ministry, in terms of dealing with these types of events that may have been enacted this time around?

Madam Speaker: Minister of Education.

Hon. Dr. N. Gadsby-Dolly: Thank you, Madam Speaker. And as I strongly condemn what is happening here—and I indicated that it is not the second in 12 months, it is more than that, that has been happening and it really is a serious disruptor to our children's education—I want to appeal to anyone that has any information about this, please pass it on to the police because you are endangering our children, their mental health and their anxiety, our students, our parents, our teachers.

We have, at the level of the Ministry, taken a look at what exactly is the form of the threats are coming in and we have been working with the cybercrime unit to take some measures. I mean, I cannot explain exactly what they are, but we have been doing that and what we have noticed is that in some cases, it seems as though the persons who are perpetrating are aware of some of the things that are happening and so we have to continually keep adjusting what has been done. But yes, we have been.

Madam Speaker: Member for Mayaro.

Mr. Paray: So, Minister, you are confirming that some form of cybersecurity resilience has been put in place in terms of the Ministry going forward?

Madam Speaker: Minister of Education.

Hon. Dr. N. Gadsby-Dolly: Thank you, Madam Speaker. Yes, it has.

Madam Speaker: Member for Princes Town.

**Lack of Pipe Borne Water Supply
(Steps Taken to Assist Citizens)**

Mr. Barry Padarath (*Princes Town*): Thank you, Madam Speaker. Question No. 2 to the hon. Minister of Public Utilities: In light of parts of South and Central Trinidad having been without a pipe borne supply of water for over six weeks in some instances, will the Minister of Public Utilities indicate what urgent steps are being taken to render assistance to affected citizens?

Hon. Members: [*Desk thumping*]

Madam Speaker: Minister of Public Utilities.

The Minister of Public Utilities (Hon. Marvin Gonzales): Thank you very much, Madam Speaker. Thanks very much to the hon. Member for posing the question. Madam Speaker, with evidence of a harsh dry season commencing earlier than anticipated in previous years, the 2024 dry season began with high evaporation rates, minimal rainfall in January and February, and a consistent decline in river levels throughout WASA's surface water facilities. I can also add, Madam Speaker, that because of declining reservoirs in Hollis, in the Caroni-Arena Dam, in Navet, in Hillsborough, WASA currently is experiencing a decline of 18 million gallons of water less compared to previous years, especially in 2023; 18 million gallons of water.

The dry season condition is also impacting on Desalcott's ability to provide its contracted values of 40 million gallons of water per day. I am advised that over

the last couple of weeks, Desalcott's production has declined by 4 million gallons of water per day because of the dry conditions.

As a result of that, Madam Speaker, I do acknowledge that there are communities, especially on the extremities of WASA's distribution system, that are experiencing challenges in their supply of water. And as a result of that, WASA's executives have taken a decision to increase water production at the Caroni-Arena Dam by 65 million gallons of water over the last 24 to 48 hours to meet the shortfalls and the impact in communities in central and south Trinidad.

So we have also imposed water scheduling, Madam Speaker, which will have water redistributed from areas that have a consistent supply of water, to have waters distributed to communities that are unserved and underserved, especially in the extremities of WASA's distribution system.

We have also ramped up our—

Madam Speaker: Minister, your time is now spent. Member for Princes Town.

2:00 p.m.

Mr. Padarath: Thank you. Madam Speaker, through you to the hon. Minister: Minister, can you give the House the assurance that you will review the water schedules put out by WASA, seeing that parts of Penal, Siparia, Debe, Oropouche East, Oropouche West, Princes Town, Fyzabad, Couva North, Couva South—

Madam Speaker: Member. Member for Princes Town, your time is up. Minister of Public Utilities.

Hon. M. Gonzales: Thank you very much, Madam Speaker. As I have indicated, that we have already taken a decision to increase production at the Caroni-Arena Dam by 65 million gallons of water on a daily basis, as well as Navet, and therefore, the communities as mentioned by the hon. Member, those

communities on the extremities will experience an improvement in their supply of water.

In addition to that, I have already given WASA the instructions to ramp up water trucking activities to target those communities that you have mentioned, those communities in the extremities of WASA's distribution system. In addition to that, Madam Speaker, a number of production wells have been drilled and we expect those wells to come into production in the next two months, before the end of the dry season. So, Madam Speaker, it is a multipronged approach. We are existing in difficult conditions and the authority is doing its best to manage in these difficult circumstances.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Princes Town.

Mr. Padarath: Thank you, Madam Speaker. Hon. Minister: In light of the issue that you raised of water trucking services, can you indicate whether or not you have given WASA the mandate to consider using private contractors as well, seeing that the demand is so heavy at this time, and several communities are without water after 42 days.

Hon. Members: [*Desk thumping*] Shame!

Madam Speaker: Minister of Public Utilities.

Hon. M. Gonzales: Thank you, Madam Speaker. Yes, WASA's water trucking fleet and resources comprises of private water truck operators, as well as, WASA's own internal fleet. So yes, over the next two months a number of private water truck operators will be brought into WASA's operations to target those communities that are unserved and underserved, over the next two months.

Madam Speaker: Member for Tabaquite.

Mr. Tancoo: Thank you Madam. I have the honour to ask question number four,

to the Minister of Education on behalf of the Member for Tabaquite.

Hon. Member: [*Crosstalk*]

Mr. Tancoo: Madam?

Madam Speaker: We are under the item Urgent Questions, so you have asked two supplemental questions. I will take four, and then I will take three.

**Bomb Scare at 49 schools
(Safety protocol for)**

Mr. Davendranath Tancoo (*Oropouche West*): Thank you. Madam Speaker, question number 4 on behalf of the Member for Tabaquite to the Minister of Education: In light of the recent bomb scare at 49 schools, is the Ministry considering any changes to the safety protocol to empower principals to make critical decisions?

Madam Speaker: Minister of Education.

The Minister of Education (Hon. Dr. Nyan Gadsby-Dolly): Madam Speaker, as a part of the safety protocols, principals are empowered to make critical decisions and they do.

Madam Speaker: Member for Oropouche West.

Mr. Tancoo: Thank you Madam Speaker. Is the Minister aware that the policy which was described by the principals is that principals are prevented from dismissing schools under these circumstances without ministerial approval, and that has resulted in students, teachers and staff being forced to remain without shelter in the blazing heat, based on yesterday's bomb threats.

Madam Speaker: Minister of Education.

Hon. Dr. N. Gadsby-Dolly: Thank you Madam Speaker, what caused our students and our teachers to be outside in their muster points as per the critical decision made by principals to remove them from the school compound, where

they were dropped their children in the morning, it is the dastardly act of some person, who decided it was a good idea to send to a district office and make a threat to the lives and safety of all of our children. That is what resulted and the safety protocols that were in place allowed our principals to make their decisions to remove our children to the muster point for safety, while we at the back end ensured that everything was in place, and in order to deal with the situation. And once that was determined, and the way forward was determined, our principals were informed and so they were able to make a decision at that point, to release our children to their parents.

Hon. Members: [*Desk thumping*]

Mr. Tancoo: Madam Speaker, in light of the Minister's response, can the Minister confirm whether this situation where students, staff and teachers—including teachers—being forced to stand in the blazing heat in the midday sun, is not a violation of OSHA requirements?

Madam Speaker: Minister of Education.

Hon. Dr. N. Gadsby-Dolly: Thank you, Madam Speaker. All of our principals made the correct decision at the time according to the protocols which is to remove their students to the muster point as per OSHA regulations.

Hon. Members: [*Desk thumping*]

Mr. Gonzales: Well done, well done.

Madam Speaker: Member for Princes Town, question No. 3.

2.05 p.m.

**Depleted Capacity in Reservoirs and Dams
(DESALCOTT to Increase Production)**

Mr. Barry Padarath (*Princes Town*): Thank you, Madam Speaker. To the Minister of Public Utilities: In light of the water challenges in several parts of the country owing to depleted capacity at the nation's reservoirs and dams, will the

Minister indicate whether Desalcott has been mandated to increase production to bring immediate relief to citizens?

Madam Speaker: Minister of Public Utilities.

The Minister of Public Utilities (Hon. Marvin Gonzales): Madam Speaker, as I have just indicated, Desalcott is having its own challenges in producing the contracted volumes of 40 million gallons of water per day on a daily basis at this point in time as a result of the dry conditions. However, we have started engagement with Desalcott and they have indicated that as soon as they are in a position to meet their contracted volume of 40 million gallons of water per day they will increase production beyond 40 million gallons of water to provide to those communities in central and south Trinidad.

We have also engaged, the Seven Seas desalination company in the Point Fortin area and they have indicated that they are willing to increase their production by 300,000 gallons of water per day and we expect that to happen over the next 48 hours, Madam Speaker, to treat with the challenges that we face at this point in time.

Madam Speaker: Member for Princes Town.

Mr. Padarath: Thank you, Madam. Hon. Minister, in light of the discussions ongoing with Desalcott, can you indicate whether or not the issue of routine maintenance at Desalcott was raised in light of several of these maintenance issues arising during the dry season which further exacerbate the water challenges. Could you say whether or not you have engaged Desalcott for that routine maintenance to occur in the wet season as opposed to in these months where we have an already existing challenge with respect to our water supply?

Madam Speaker: Minister of Public Utilities.

Hon. M. Gonzales: Madam Speaker, the issue of Desalcott not being able to

produce its contracted volumes has nothing to do with maintenance issues, it is as I have said, seasonal conditions that are contributing to this challenge.

On the issue of maintenance, there is always ongoing discussion between the Water and Sewerage Authority. There is an independent committee that will meet with Desalcott on a regular basis as per the terms of their contract to deal with issues of maintenance and over the last six months I have no reason to believe that those issues are not being treated with.

Madam Speaker: Member for Princes Town.

Mr. Padarath: Madam Speaker, in light of the Minister's answer, could the Minister give the assurance then in negotiations with Desalcott that we will not see Desalcott shutting down during the dry season, therefore, further exacerbating the water challenges that exist in the country?

Madam Speaker: Member, I will not allow that as a supplemental question. I rule that out of order in light of the questions asked and the answers given.

Before we go any further, I will ask all Members to please put their devices on silent. I have heard two interruptions.

STATEMENT BY MINISTER

Madam Speaker: Leader of the House.

The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis): Madam Speaker, pursuant to Standing Order 126, and with your leave, there has been an agreement to allow the Minister of Finance to speak until the conclusion of his statement. Thank you, Madam Speaker.

Madam Speaker: Whip, you confirm that there has been agreement, right? So hon. Members there having been agreement on this matter, the Minister of Finance will be allowed to speak until the conclusion of his statement. Minister of Finance.

117th Report of the Salaries Review Commission

Hon. Members: [*Desk thumping*]

The Minister of Finance (Hon. Colm Imbert): Thank you very much, Madam Speaker. Thanks to all Members for allowing me that privilege, I may not need it, but I just wanted to be sure. Madam Speaker, the Cabinet has authorized me to make this statement on the 117th Report of the Salaries Review Commission.

Hon. Member: *[Interruption]*

Hon. C. Imbert: Madam Speaker, could I make this statement without interruption from Oropouche?

Madam Speaker: Okay. So Members, again I will ask us all to observe Standing Order 53. There is to be no constant conversations, no crosstalk, and if Members are so intent they are entitled to leave the room and come back and abide by the Standing Orders, their choice. Minister of Finance.

Hon. C. Imbert: Thank you, Madam Speaker. The Cabinet has authorized me to make this statement on the 117th Report of the Salaries Review Commission or SRC as it is also called. It must be stressed that the SRC is a creature of the Constitution of the Republic of Trinidad and Tobago, since not everyone knows this. In fact, the

Commission is established by section 140 of our Constitution. It consists of a chairman and four other members all of whom shall be appointed by the President after consultation with the Prime Minister and the Leader of the Opposition. Its members hold office in accordance with section 126 of the Constitution in a similar fashion to Service Commissions.

Under section 141 of the Constitution, the SRC is required from time to time, with the approval of the President, to review the salaries and other conditions of service of the offices under its purview which include, the President, judges of the Supreme Court of Trinidad and Tobago, Members of Parliament including Ministers of Government, Permanent Secretaries and other senior managers in the

public service and statutory authorities, legal officers and the holders of such other offices as may be prescribed.

The report of the Salaries Review Commission concerning any review of salaries or other conditions of service, or both, is required to be submitted to the President, who shall forward a copy thereof to the Prime Minister for presentation to the Cabinet and for laying as soon as possible thereafter on the Table of each House of Parliament.

The role of the SRC is advisory since it makes recommendations which can be accepted or rejected by the Cabinet and/or the Parliament, either partially or wholly or amended as occurred with the 98th Report of the SRC, some of the recommendations of which were not accepted by the Government or the Parliament in 2014.

It must be clarified at the outset that the 117th Report of the SRC is not a general review of the terms and conditions of employment of persons under the purview of the SRC. That matter was addressed by the 113th Report of the SRC in which the SRC recommended a 0 percent general increase for the six-year period April 2014 to March 2020. It is noteworthy that public officers have been offered and received a 4 per cent general increase for the period January 2014 to December 2019 which is more or less the same period.

Instead, the 117th Report of the SRC, which was completed in May 2023 is the SRC's recommendations following a job evaluation exercise and compensation survey for approximately 300 positions involving approximately 900 persons. This job evaluation exercise took over 14 years to complete from the time that the Cabinet agreed in July 2009 to accept the recommendations of the SRC for the conduct of a job and evaluation exercise and compensation survey for offices under the purview of the SRC.

It should be noted that job evaluation exercises are commonplace in the public sector. For example, a job evaluation exercise for all civil servants represented by the Public Services Association is in its final stages and the Chief Personnel Officer has advised me that the results of that job evaluation exercise will be finalized by the end of this year 2024. In addition, another job evaluation exercise is about to commence for the Prison Service.

For the avoidance of doubt, job evaluation exercises and compensation surveys are rational and scientific methods used to determine the value or worth of a job in relation to other jobs within an organization or service as well as their relativity to similar jobs in similar organizations or areas of work. During the job evaluation process, criteria or weightings are applied to each distinct job to assess the relative worth and to establish internal and external equity.

In the past, job evaluation exercises have been conducted for public officers employed in the police service, prison service, fire service, judicial and legal service, and teaching service. In a 2002 job evaluation exercise for the prison service, prison officers received increases in salary as high as 26 per cent. Similarly, a job evaluation exercise conducted for the teaching service in 2000 resulted in increases for teachers as high as 23 per cent. Job evaluation exercises for the police service, fire service, and judicial and legal service also in 2002 resulted in increases as high as 31 per cent, 25 per cent and 41 per cent respectively.

It is unfortunate, therefore, that commentators have not seen it fit to recognize that a job evaluation exercise is not a general review of terms and conditions of employment or a negotiated settlement as occurs in the collective bargaining process but rather, it is an examination of the relative value or worth of a particular job relative to other similar jobs. It is indeed regrettable that

spokesmen from those trade unions whose members have already benefited from previous job evaluation exercises and stand to benefit in the future from ongoing job evaluation exercises have contributed publically to this egregious misconception.

Regarding the 117th Report of the SRC itself, there are several obvious anomalies that have arisen out of this job evaluation exercise and compensation survey. For example, for 16 key positions, their salaries have been reduced by as much as 15 per cent. These positions include members of the Industrial Court, also called Industrial Court judges, the Executive Director of the Occupational Health and Safety Agency, the Director of Maritime Services, members of the Tax Appeal Board and the Chief State Solicitor among others. Further, for another 41 positions, their relative position or ranking within the civil service or legal service has been lowered. These include key positions such as the Director of Budgets, the Cabinet Secretary, the Chief Education Officer, the Comptroller of Customs and Excise, and the Chief Immigration Officer among others.

Another curious result of the job evaluation exercise and compensation survey is that the salaries of High Court judges and judges of the Court of Appeal have remained unchanged with a 0 per cent increase. In this regard, the Honourable Chief Justice wrote to the hon. Prime Minister on February 27th, 2024 expressing the following views inter alia and I quote:

“Our consideration of the 117th SRC Report reveals that the report is:

- a. Opaque in its methodology,
- b. Replete with internal inconsistencies,
- c. Devoid of justifications for its recommendations for the Higher Judiciary and other Judicial Offices,
- d. Premised on flawed, misleading and, in some cases plainly wrong

assumptions,

- e. Formulated based on the application of irrelevant, unreliable and/or unexplained considerations, and
- f. The product of a fundamentally flawed process that fails to adhere to the basic principles of natural justice.”

2.20 p.m.

In this letter the hon. Chief Justice also stated as follows and I quote again:

The SRC’s approach is in direct contradiction to the Latimer House guidelines to which this country has publicly subscribed. Those guidelines mandate that, as a matter of principle, the judicial salaries and benefits should be set by an independent body and their value should be maintained. Therefore, once set by an appropriate independent and objective body the value of judicial compensation packages should not be allowed to be eroded whether by the effects of inflation with the passage of time or otherwise.

Other anomalies include that the salary of the Registrar of the Industrial Court, an administrative position, is now higher than that of an Industrial Court judge which is a quasi-judicial decision-making position.

Further, some positions have enjoyed surprising increases such as: the Leader of the Opposition whose salary has been increased by 60 per cent, the Court Executive Administrator whose salary has increased by 30 per cent, and the Registrar of the Industrial Court whose salary has increased by 29 per cent, the chairman of a regional corporation whose salary has increased by 49 per cent, and the Chairman of the Public Service Commission whose part-time salary has increased by 41 per cent. This is in addition to increased allowances that have pushed the increase in the total compensation package associated with these particular positions to as much as 42 per cent as is the case with the Court

Executive Administrator and several state counsels whose packages have increased by 46 per cent.

Additionally, some positions have been given new allowances such as the Chief Personnel Officer, the Chief of Defence Staff, the Commissioner of Police and the Commissioner of Prisons who now enjoy either a professional allowance or service allowance, and the Permanent Secretary to the Prime Minister who would now get a service allowance if the recommendations of the SRC are accepted. Other officers such as the Clerk of the Tobago House of Assembly and the Clerk of the Senate will now get a housing allowance. Duty allowances have also been abolished and incorporated into salary which could adversely affect the approach to duty or on-call hours associated with several senior and important positions which were presumed to be 24/7 in the past. Therefore, it is unclear how the SRC and its consultants and focus groups or committees arrived at these results. In some instances the recommendations appear to be irrational on the face of it.

It appears that the foreign consultants employed by the SRC were not au courant with the full range of the duties, responsibilities, challenges, decision-making and impact in Trinidad and Tobago of several persons under the purview of the SRC. In some cases there was insufficient consultation with stakeholders. It is unclear whether that is a fault of the process, the SRC or the consultants themselves. However, the result is that the 117th Report of the SRC is unacceptable because of the serious and inexplicable anomalies that have emerged in the recommendations in the report.

The Cabinet believes it is necessary to alert the SRC to the existence of these anomalies. Therefore, the Cabinet intends to refer the 117th Report of the SRC back to the Commission with a list of anomalies so that it can revisit, review and

revise its recommendations and return a revised report to the Cabinet via the President for its consideration. It is expected that this exercise can be completed within two months. However, if within two months serious anomalies still exist in the revised recommendations of the SRC, the Cabinet will make appropriate and reasonable adjustments to the recommendations in this 117th Report. Thank you.

Hon. Members: [*Desk thumping*]

**BASE EROSION AND PROFIT SHIFTING INCLUSIVE
FRAMEWORK (COUNTRY-BY-COUNTRY) REPORTING BILL, 2023**

Madam Speaker: Minister of Finance.

The Minister of Finance (Hon. Colm Imbert): Thank you very much, Madam Speaker.

Hon. Members: [*Desk thumping*]

Hon. C. Imbert: Madam Speaker, just let me make sure I have my procedure. Just one second. I have it here. I beg to move:

That a Bill to provide for the Country-by-Country Reporting (CBCR) by Multinational entities relative to the Base Erosion and Profit Shifting Inclusive Framework and to provide for matters related thereto, be now read a second time.

I would like to emphasise that the passage of this Bill is part of a substantial initiative to remove Trinidad and Tobago from the European Union list of non-cooperative tax jurisdictions, namely the implementation of the base erosion and profit-shifting or BEPS as it is called minimum standard on country-by-country reporting or CBCR as it called.

Allow me to explain the context of why this Bill is needed, followed by an examination of the Bill clause by clause. The OECD defines base erosion and profit-shifting as:

“...tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations where there is little or no economic activity or to erode tax bases through deductible payments such as interest or royalties.”

This creates unfair advantages for businesses operating internationally over those at a domestic level, undermines the fairness of tax systems, resulting in little or no corporate tax being paid and can also reduce voluntary tax compliance.

Let me put it in simpler terms. Base erosion and profit-shifting simply means that a company shifts its profits from one country to another with a lower tax rate. For example, a company operating in Trinidad and Tobago with a notional profit of \$100,000 and a tax rate of 30 per cent will pay \$30,000 in tax. However, that company may have found that another Caribbean territory has a lower tax rate of 9 per cent and therefore, the tax paid on the profit would be \$9,000 and not \$30,000 and therefore the company will shift its profits from the country with the higher tax rate to the lower tax rate and the tax revenue in Trinidad and Tobago would be eroded.

Country-by-country reporting is simply a tool used to collate all financial information for a group of companies, and the benchmark set by the OECD is consolidated revenue of more than US \$850 million or its equivalent, approximately TT \$5.7 billion. So if a company has 20 companies operating worldwide and the revenue of these 20 companies is more than TT \$5.7 billion, they must now report this information to the tax administration agency in Trinidad and Tobago, the Board of Inland Revenue, in a specific format outlined in the legislation before the House so that the BIR can identify possible tax avoidance

strategies and ensure that profits are taxed where the economic activities actually take place.

Now, we became a member of the Organization for Economic Co-operation and Development Base Erosion Profit Shifting Inclusive Framework in November 2017. This is also called BEPS (IF). As a member of the BEPS (IF) Trinidad and Tobago has committed to the implementation of four minimum standards which are:

- Countering harmful practices more effectively taking into account transparency and substance
- Preventing the granting of double taxation treaty benefits in appropriate circumstances
- Making dispute resolution mechanisms more effective; and
- Country-by-country reporting.

The inclusive framework on base erosion and profit-shifting actively monitors the implementation of all BEPS actions and report annually to the G-20 on its progress. The framework members have permitted to report aggregate and anonymized data in respect of the country-by-country reporting that they receive. This data is vital to the work on measuring the impact of BEPS. As more data becomes available a broader perspective can be shown of the true cost of tax avoidance and the benefit of the BEPS project.

As part of the minimum standard, jurisdictions have committed to promoting tax transparency by requiring the largest multinational enterprise groups also called MNE groups to disclose the global breakdown of their income, taxes and other indicators of the location of their economic activity.

This information on the global activities of MNE groups has improved the ability of tax authorities to access risks. The minimum standard has been translated into specific terms and reference and a methodology for the peer review process. I can announce, Madam Speaker, as I indicated in the other place, that we have commenced the initial stages of our peer review process with the Global Forum with a view to becoming compliant by the end of this year, 2024. The peer review covers three key areas: domestic, legal and administrative framework; the exchange of information framework; and the confidentiality and appropriate use of country-by-country reporting.

The sixth annual peer review report reflects the outcome of the review which covered all aspects of its implementation, to date. It contains the review of 136 countries that have submitted legislation or information on the implementation of country-by-country reporting. Fifty-eight countries have mandated or permitted the filing of country-by-country reports for 2016, and 110 countries have enacted legislation to impose a country-by-country reporting requirement. In addition, as of October 2022, there are more than 3,300 relationships for the exchange of country-by-country reporting between jurisdictions. This means that virtually every single multinational company with a consolidated group turnover of, at least, US \$850 million annually already has to submit a country-by-country report, and as we move forward we will close any remaining gaps.

This legislation before the House requires all large multinational enterprises or MNE groups with a group revenue above the agreed threshold, €750 million or US \$850 million to file a country-by-country report. These large multinationals are now required to report annually or will be required when this legislation is

operational, and for each tax jurisdiction in which they operate, the amount of revenue, profit before income tax, income tax paid and accrued, as well as the number of employees, stated capital, retained earnings and tangible assets. Once our exchange of information framework is in place, we will receive all country-by-country reports on all MNEs that are located in Trinidad and Tobago and its subsidiaries.

MNE groups are also required to identify each entity within the group that operates in a particular country, and provide an indication of the business activities that each entity within the group is engaged in. As a result, tax administrations around the world will receive information on large foreign-headed multinational groups that was previously unavailable.

2.35 p.m.

This will allow them to better understand the structure of a group's operations and improve their ability to assess risk, tax avoidance and tax evasion.

We have undergone peer reviews in all four minimum standards. The recommendations in the reports from those peer reviews have brought us here today. The OECD has conducted an assessment of Trinidad and Tobago's country-by-country reporting framework and this has led to the legislation that we are debating today which will enable us to implement country-by-country reporting and meet our commitments to the OECD.

With respect to the EU—now, as I have said before, the EU tends to piggyback on the OECD. Once you become compliant with the OECD, it is fairly simple—it is a fairly simple process to come off of the non-compliant list with the OECD. So once you get compliances with Global Forum, OECD, you can move

towards getting off the EU non-compliant list.

Now, the EU objectives are designed to improve tax transparency, good governance by ensuring priority in keeping with standards set by EU member countries. As such, the EU's list of non-cooperative jurisdictions for tax purposes was created as a tool which seeks to tackle tax fraud, tax evasion, tax avoidance and money laundering. The EU's criteria falls under three pillars: transparency, fair competition, and base erosion and profiting shifting.

We have, in the last couple of months, made significant progress towards becoming a signatory to the Multilateral Convention, which will activate exchange relationships through the Multilateral Competent Authority Agreement for jurisdictions exchanging country-by-country reports under the multilateral conventional or bilateral competent authority agreement for a jurisdictions exchanging such reports under tax conventions or treaties.

These agreements will cover the areas of confidentiality, consistency and appropriate use required for automatic exchange of information. The OECD's BEPS initiatives aims to provide governments with clear international solutions to combat corporate tax planning strategies that exploit gaps and loopholes in the current global tax system, will help to preserve the national tax base which, of course, is of paramount importance. The purpose of country-by-country reporting is to eliminate any gap in information between taxpayers and the Board of Inland Revenue with regard to the information on where the actual economic value is generated within the group, and whether it corresponds to the place where the profits are allocated and taxes are paid at a global level.

Again, to simplify. A company may claim that it has economic activity in a

particular country which has a zero tax base. So we know these places around the world, Cayman Islands and so on. A company may claim that a lot of its economic activities are taking place in that place where there is no tax when, in fact, it is not so. And in that way, by claiming expenses in a country with a zero tax base, they avoid having to pay taxes. All of what we are about today is to catch them when they do that sort of thing, to plug all the loopholes, to plug the gaps. And the whole point—of it is a matrix, it is a collective, it is an arrangement between countries where we will share information with each other, so we can detect whether multinationals are trying to cheat on taxes.

If I go to the Bill now, the Bill has 22 clauses. Clause 1 is the usual short title. Clause 2 is a commencement clause, which allows for proclamation by the President once all the operational requirements are in place. Clause 3 is the interpretation. This helps to define the entities that are either captured or not captured by the reporting requirements. Some notable entities are in the definitions: “Constituent Entity”, “Excluded MNE Group”, “MNE Group”, “Reporting Entity”, “Surrogate Parent Entity”, and “Ultimate Parent Entity”.

2.40 p.m.

In relation to the definition of “excluded MNE group”, the advice we have received is that a jurisdiction can implement the Trinidad dollar equivalent of the threshold, Euro 750 million, using the rate of exchange in 2015 or a more recent rate of exchange. We have decided that we are going to use a threshold of \$850 million US because we are pegged to the US dollar, and that will give us, in 2015, about \$5.4 billion, or in today’s dollars about \$5.8 billion, \$5.7 billion.

In the Senate, or in the other place, sorry, an amendment was made to the

definition of “excluded MNE group” to address the issue that arises within the fluctuation of the local currency conversion rate. An amendment proposed by the Opposition Bench in the other place for the inclusion of a definition, International Accounting Principles was also approved. So that the Bill before us does have some amendments approved unanimously in the other place with input from both the Independent and the Opposition Benches in other place.

Clause 4 is a filing obligation. It places the obligation for filing a country-by-country report on an ultimate parent entity, and also on a constituent entity. There were amendments to this clause in the Senate, in the other place, which make the clause more consistent with the OECD model legislation. Clause 5 is a notification requirement. It requires a constituent entity of a multinational group that is resident for tax purposes in Trinidad and Tobago to notify the Board of Inland Revenue as to whether it is the ultimate parent entity or a surrogate parent entity, or the identity and tax residence of the reporting entity. All of this is designed to catch any multinational who as I said is trying to evade or avoid taxes.

Clause 6 refers to the country-by-country report. It establishes that the Board of Inland Revenue by guidelines under section 22 will issue guidelines in relation to the content and format of a country-by-country report and the method by filing. The advice we have received from the OECD on this, there is a requirement to exchange country-by-country reports using the OECD XML schema, which includes additional information on the tax information numbers and address of the constituent entities in the report. Some countries require the reports to be filed by multinational entities on the schema_in which the information is included. We, in Trinidad and Tobago, need to make sure that whatever is filed

will include taxpayer identification numbers and addresses, otherwise we will not have all the information required to exchange.

While it does not need to be included in the primary legislation there is a requirement to publish the details of the full content and format requirements of the country-by-country report. This will be included in the guidance from the Inland Revenue Division, the BIR, or in a secondary regulation. Consistent with the OECD model legislation an amendment was made in the other place to include in the Bill some basic information about what a country-by-country report must contain. This information includes:

Aggregate information relating to the amount of revenue; profit or loss before income tax; income tax paid; income tax accrued; stated capital; accumulated earnings; number of employees; tangible assets other than cash with regard to each country in which the multination group operates; also an identification of each Constituent Entity of the multinational group setting out the jurisdiction of residence of each of such Constituent Entity; and where different from such jurisdiction of tax residence the jurisdiction under the laws of which such Constituent Entity is organized; the nature of their main business activity and in the form set out in the guidelines.

Clause 7 gives the time for filing, and states that the country-by-country report should be filed with the board no later than 12 months after the last day of the reporting fiscal year of the multinational group. Clause 8 establishes what we can do with a country-by-country report, how we can use it. As one can see from the clause, access to country-by-country reporting is largely dependent on international cooperation through qualifying competent authority agreements. In

the OECD model legislation, there is permissible usage for assessing high level transfer pricing risk and assessing the risk of non-compliance by members of the multinational group. A companion to all of this is comprehensive transfer pricing framework and legislation which we are currently in the process of drafting

Clause 9 speaks to confidentiality. It guarantees the preservation of confidentiality in relation to information contained in our country-by-country report, on the basis of the standard under the multilateral Convention on Mutual Administrative Assistance in Tax Matters. Clause 10 speaks to records. It establishes that records must be kept for a minimum of six years.

Clause 11 speaks to the information to be forwarded to the Board of Inland Revenue by the Registrar General, and this requires the Registrar General to forward on a six-month frequency basis a list of all companies or enterprises registered under the Companies Act, the Registration of Business Names Act, and the Non-Profit Organization Act. This is to enable the Board of Inland Revenue to verify whether a constituent entity, a part of a multinational group, or a subsidiary, or whatever is resident in Trinidad and Tobago for tax purposes. All designed to plug any loophole or gap and to minimize the opportunity for a multinational company to avoid taxation.

Clause 12 speaks to provision of information to the Board. It mandates constituent entities to provide the Board of Inland Revenue with information necessary to determine whether they are in compliance with the Act. Clauses 13, quite interesting, 15, 16 and 17 deal with errors in country-by-country reporting. It is a multinational entity, has mistakes in its reports, fake country-by-country reporting, fraud, altering, destroying, mutilating or obliterating country-by-country

reports, or hindering or obstructing the Board of Inland Revenue. This gives the country-by-country reporting regime teeth by establishing penalties for the failure to correct errors in a country-by-country report, leading to a fine of \$250,000 or imprisonment for 10 years; knowingly making or submitting a false country-by-country report, fine of \$500,000 and imprisonment for 10 years; altering, destroying, mutilating, obliterating, hiding or removing country-by-country reports, fine of \$250,000 and imprisonment for 10 years; hindering or obstructing the Board of Inland Revenue from performing its functions under the Act, a fine of \$250,000, imprisonment for 10 years.

With respect to clause 13(c) an amendment was approved in the other place that a relation to the criminal liability of a director or officer, some defences can be mounted, such as, not being aware, or knowingly engaging in fraud. Clause 14 deals with avoidance of obligation. It is meant to ensure that obligations under the Act still persists even when entities enter into agreements—I dare say secret agreements—in an attempt to avoid the obligations under the legislation. Clause 18 gives a right of appeal—only fair—so that the actions of the Board as it relates to country-by-country reporting are subject to the supervision of the High Court. Absolutely necessary to provide balance. Clause 19 gives the Board the ability to administer administrative fines. That is a feature that is creeping in to all of the international oversight, FATF, et cetera, with respect to money laundering, and reporting, and so on, and it will give the Board of Inland Revenue the power to impose administrative fines, as are alternative to criminal action.

Clause 20, penalties, creates a criminal offence where a reporting entity fails to comply with the reporting requirements for a country-by-country reporting.

Clause 21 speaks to regulations, gives the Minister of Finance the power to make regulations under the Act, permits administrative fines in those regulations to be up to \$100,000 and fines for offences up to \$250,000. I agreed in the other place, based on a proposal by the Opposition, to amend this particular clause so that these regulations would be subject to the negative resolution of Parliament, so the Parliament would be fully appraised and briefed on what the regulations contain. Clause 22 permits the Board of Inland Revenue to issue guidelines for the purpose of assisting with compliance, and these guidelines must be published in the *Gazette*.

During the Senate debate, a number of issues were raised and we were able to clear up all of them. We were able to deal with misconceptions with respect to the role of the Registrar General's Department. It became clear that that Registrar General's Department must forward a list of all enterprises that are registered with the Companies Registry and other registries to the Board of Inland Revenue. And in addition, all multinationals with a gross income of over \$850 million US are required to prepare a country-by-country report with aggregate data on the global allocations of income profit taxes paid, et cetera. And this is shared with tax administrations in these jurisdictions, and this is used to detect transfer pricing and to assist the Board of Inland Revenue to do risk assessments.

With regard to Mutual Administrative Assistance in Tax Matters, the recently passed Miscellaneous Provisions (Trustees, Exchequer and Audit) Act, Minister of Finance Incorporation Act, Proceeds of Crime, Income Companies, Partners, Partnerships, Securities Tax Information Exchange Agreements, Non-Profit Organizations and Mutual Administrative Assistance in Tax Matters,

Act, 2024, will address a number of the issues identified by the coordinating body, at which time we will request to sign on to the convention. And I do believe, if time permits, we are going to do another piece of legislation today, which is part of the compendium of laws that are required by both the OECD, FATF and the EU.

To achieve our objective of signing on to the Mutual Administrative Assistance in Tax Matters Treaty, we are going to submit a questionnaire, a confidentiality questionnaire, to the coordinating body by the end of this month for accession to the Mutual Administrative Assistance in Tax Matters, also called MAAT. We will also follow instructions of the Global Forum in relation to the process of signature and the ratification of the MAAT, following which Trinidad and Tobago will deposit the instrument of ratification of the MAAT, which we expect to do in May of this year, in a couple months.

In August 2024, we plan to sign the common reporting standard and the multilateral competent authority agreement. This will now allow for the activation of these instruments and permit for the establishment of a domestic reporting system for financial institutions. We hope to have this completed by the third quarter of this year, 2024.

As one can see, Madam Speaker, these are very complex international matters. Another of our objectives in November 2024, is to connect Trinidad and Tobago to the common transmission system, which is an IT system in which the automatic exchange of information with all of these other jurisdictions who have signed on to this framework will take place. So this is all very complex, it will require specific software, processes, legal frameworks that must meet the international standards of both the Global Forum and the OECD. And I thought it

was best to just go through some of the technical details so that Members would understand the complexity. We are very hopeful. We have a timeline for getting off the non-compliant list by the end of this year, 2024, and we are confident that we will achieve this. That we will change our non-compliant rating and move to either largely compliant or compliant.

2.55 p.m.

We are confident we will be able to sign the multilateral convention on Mutual Administrative Assistance, the forum, and enter into the forum on harmful tax practices and engage in the inclusive framework on base erosion and profit shifting. This legislation is part of this matrix. It will address some of the recommendations received through the BEPS Action 13 pay review process. It will enable Trinidad and Tobago to implement a domestic legal and regulatory framework to impose and enforce country-by-country reporting obligations. It will allow us to take the necessary steps to bring into force a qualified competent authority agreement which jurisdictions of the inclusive framework that meet the conditions of confidentiality, consistency and appropriate use conditions with which Trinidad and Tobago will have an international exchange of information agreement in force which allows for the automatic exchange of information.

This Bill will further enable the competent authority, the Board of Inland Revenue, to take the appropriate steps and put in place the necessary processes and procedures to ensure that the exchange of information takes place in a way that is consistent with the terms of reference of the exchange of information framework. Country-by-country reporting is an important tool for a tax administration and it gives tax authorities the opportunity to view multinational companies in their

jurisdiction from a global perspective. It is part of an international approach to transfer pricing and part of the international approach to information sharing.

We believe that the passage of this legislation today is going to take us very far along the way towards compliance with these international bodies. We do intend—there are some additional amendments to some bits of legislation that we have to make and therefore we do intend to return to this place before May or June of this year to get that out of the way. But once we pass this Bill today we would have done the vast majority of the legislative work that we are required to do. After the legislation has been sorted out, there is of course the operationalization of all these complex frameworks and also the enforcement of country-by-country reporting and information sharing by the Board of Inland Revenue. And therefore we in the Ministry of Finance are working with the Board of Inland Revenue to ensure that after we complete the legislative work we will do what is necessary to implement and enforce the exchange of information, tax transparency, fair competition, updating of our network of tax treaties, and the timely exchange of information to address our removal from the EU's list of non-cooperative tax jurisdictions. With those words, Madam Speaker, I beg to move.

Hon. Members: [*Desk thumping*]

Question proposed.

Madam Speaker: Member for Oropouche West.

Hon. Members: [*Desk thumping*]

Mr. Davendranath Tancoo (*Oropouche West*): Thank you, Madam Speaker, for the opportunity to contribute in this debate on a Bill entitled:

A Bill to provide for the Country-by-Country Reporting (CBCR) by

Multinational entities relative to the Base Erosion and Profit Shifting Inclusive Framework, and to provide for matters related thereto.

Madam Speaker, this Bill is 23 clauses long over 14 pages, but it is a substantial and a critically important piece of legislation especially bearing in mind the values of the transactions that it plans to target. The OECD and the G20 countries in their reporting have advised that somewhat upward of US \$240 billion is lost in tax evasion by countries who should benefit. So I want to begin, Madam Speaker, by treating with a little bit of a background as to where we are, how we got here and therefore I will then treat with where we should be going in the future, Madam Speaker.

The world crisis, the world financial crisis 2008/2009 revealed a significant amount of transactions by multilateral entities, by multilateral enterprises using creative tax planning strategies to engage in tax avoidance using their international network of subsidiaries, associated and affiliated companies. It was discovered, Madam Speaker, that it was fairly common practice for some MNEs, that is, multinational enterprises or multinational companies, it was a common practice for MNEs to engage in transfer pricing, base erosion activities and shifting profits away from the countries in which the real profit would have been generated to other countries where taxes were significantly lower or zero.

By 2015, the G20 countries joined forces with the OECD, the Organization for Economic Co-operation and Development, and they created BEPS, that is, the Base Erosion and Profit Shifting 1.0, and one year established what the Minister referred to earlier, the inclusive framework on base erosion and profit shifting. The Minister advised, he provided some explanation as to what exactly BEPS is

and why it was important, Madam Speaker. Just to refer to the OECD's own definition: BEPS, Base Erosion and Profit Shifting:

BEPS refers to tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low tax occasions where there is little or no economic activity or to erode tax basis through deductible payments such as interests or royalties.

That is directly from the OECD's documentation, Madam Speaker.

The Minister I think gave a good example of how this works. The BEPS framework identifies 15 actions overall which is designed to equip governments with domestic and international rules, guidance and instruments to address tax avoidance, ensuring that profits are taxed where the economic activity which created them has taken place and has actually performed and where value is actually created. In addition, and the methodology for doing so is that this framework establishes a system of country-to-country reporting which shares information about MNEs so that countries can be better informed about the possibility of risks, of base erosion and profit sharing, and therefore this country can then take the relevant action.

It should be noted that the legislation being proposed by the Minister here today, which we will be debating, establishes only the minimum standard with regard to action 13 whereby large multinational enterprises are required to submit country-by-country reports with aggregate data on the global allocation of income, profit, taxes paid and the economic activity among tax jurisdictions in which it operates. The CbC report then is shared with tax administrations in these jurisdictions for use in high-level transfer pricing and BEPS risk assessment.

Madam Speaker, the Minister referred to this activity as extremely complex and indeed there is some consideration for that. It seems to be a very complex matter, but I will treat with some clarification earlier. Madam Speaker, is BEPS important?—because sometimes I think when we discuss these matters in this Chamber, the listening public does not necessarily understand how these pieces of legislation impact them. And, I think today this critical piece of legislation, which directly impacts every single citizen, should be a focal point for citizens listening, tuning in on television, on the world wide web and even for the media because they may not have understood the narrative provided by the Minister and how it directly impacts them.

BEPS, that is, Madam Speaker, Base Erosion and Profit Shifting, undermines the fairness and integrity of tax systems resulting in little or no corporate tax being paid in the country in which the value is created. When a company engages in profit shifting like this, Madam Speaker, it means that they keep the lion's share of the profits rather than pay the relevant taxes. They keep the lion's share of the profit by shifting it to another country rather than pay the relevant taxes, and this gives them a substantial competitive advantage compared to other domestically-owned and operative companies in the same business or against MNEs which are not engaged in profit shifting. So therefore, Madam Speaker, it provides an unethical competitive advantage.

This MNE, which is engaged in BEPS, by retaining a greater share of the profit than their legitimately operating competitor, they then have greater funds to invest to upgrade, et cetera, and can attract better terms for loans and investment decisions and pay greater dividends to their shareholders. BEPS, Base Erosion and

Profit Shifting companies which engage in that, undermines the voluntary compliance by all taxpayers, because when other MNEs, when other entities see that companies, large multinational companies, are able to avoid tax they become unwilling to themselves engage in tax compliance and therefore they may also be attracted to the possibility of alternate activity which falls under BEPS itself.

Critically, Madam Speaker, for today's debate, BEPS, the practice of BEPS, the practice of base erosion and profit shifting, deprives the country in which the profit is generated of corporation tax revenue, effectively robbing the Government of revenue, which could have been used for national priorities of health, education, physical infrastructure, national security, et cetera. And particularly, the legislation is very important, it is in fact a major significance to developing countries such as ours with our heavy reliance on corporation tax as a revenue stream, particularly from multinational enterprises. And in an energy-based economy like Trinidad and Tobago, Madam Speaker, which is heavily reliant on foreign MNEs production of energy products, in particular, but also including a few domestic base conglomerates who will meet the consolidated group revenue threshold established by clause 3 in the legislation of US \$850 million. So, this provision, the provisions of this Bill, Madam Speaker, affects everyone. Every citizen, every business in Trinidad and Tobago is directly affected.

Madam Speaker, the Minister spent all of his presentation trying to convince the Parliament of the importance of this piece of legislation to the economy of Trinidad and Tobago and to the welfare of our citizens. I am convinced. I wonder though when he became convinced, because, Madam Speaker, I have in my possession a letter written by the hon. Minister himself dated November 21st, 2017.

The heading:

“Letter for the attention of the authorities of the Republic of Trinidad and Tobago Taxation: follow up to the screening process”

Madam Speaker, I quote part of the letter. This letter was done in response to another letter which would have come from the Chair of the Code of Conduct Group that deals directly with this BEPS legislation. I quote:

“Reference is made to your letter dated October 23, 2017 on the subject at caption.”

That is, follow-up on the screening process. Item 2:

“In this connection, I acknowledge that the Code of Conduct Group will not recommend Trinidad and Tobago to be listed as a non-cooperative tax jurisdiction by the Council of the EU, provided that Trinidad and Tobago commits to address its deficiencies by December 31, 2018...”

The Minister in his letter advises and I quote:

“The Government of Trinidad and Tobago is committed to taking the necessary steps to ensure Trinidad and Tobago’s full compliance with the Council of the EU’s criteria...”

Committed.

3:10 p.m.

Madam Speaker, there are other parts of the letter but I want to go straight into what they listed as clause 6 of this letter and I quote again:

“As it relates to Trinidad and Tobago’s joining the OECD BEPS Inclusive Framework and adopting the four (4) OECD BEPS Minimum Standards, Trinidad and Tobago expressed its intention earlier this month...”

That would have been in November 2017.

“...Trinidad and Tobago expressed its intention earlier this month to join the Organization for Economic Co-operation and Development (OECD) BEPS Inclusive Framework and adopt the OECD BEPS Minimum Standards. This would require drafting new legislation and putting the necessary operational infrastructure in place.”

Madam Speaker, the Minister—this letter is signed by the Minister and the Minister committed:

“The proposed timeline for the passage of the Bills outlined is as follows:”

And he listed several Bills, but what is important for us Madam Speaker:

“The proposed timeline for the passage of the Bills...”

—proposed by the Minister:

“...BEPS Inclusive Framework legislation June 30, 2019.”

The Minister signed off:

“Please accept the assurances of my highest esteem.”

Madam Speaker, this letter dated 2017 with a commitment to introduce the BEPS Inclusive Framework legislation, the law for that, by June 30, 2019, was premised on the Minister’s desire not to be put on the non-compliance list. For the Minister to get to this point where he is now writing to clarify, he must have done some substantial investigations, some personal assessments, some assessments of the state of readiness, what is going to be required for the actual creation of the legislation. He must have done some basic research to get to this point Madam Speaker. Unfortunately, 2018 passed after this letter, it seems that nothing was done, the Minister has the freedom to clarify it later on. 2019, the deadline date

that the Minister gave to himself and provided to the EU, the deadline date of June 30, 2019 passed, 2020 passed, 2021 passed, 2022 passed, 2023 passed and Madam Speaker, 2024 is passing.

In another place, the Minister and his colleagues claimed that the reason that there was no implementation, the reason that there was no bringing of the legislation to the Parliament is because there is no implementation agency, Madam Speaker. They argued in the other place, and I assume that they would come today to make the same argument. I expect that those who will follow will claim that the need for the TTRA to be established for the purpose of implementing this piece of legislation is the reason why, Madam Speaker, that they were unable to.

However, there is nothing then and there is nothing now stopping the Minister from establishing an entity within the very same Board of Inland Revenue identified in clause 3 of the Bill, and which by clause 4 is established as the entity to which each ultimate parent entity or constituent entities of an MNE group, that is resident for tax purposes must file a C-to-C report. This is the same Board, Madam Speaker, which is responsible for under clause 6 and clause 22 of Bill for establishing the guidelines of a country-by-country report.

So the Minister, Madam Speaker, having recognized the importance of this piece of legislation to prevent tax erosion, to prevent the abuse of the Treasury, to prevent the loss of substantial earnings to the country of Trinidad and Tobago, having recognized that as far back—by his own admission—as 2017, facilitated no action until we are here today. And Madam Speaker, I posit it that the only reason that we are here today is because we are now once again being shamed by international reports.

What is the effect of ministerial delay, this delay of several years, Madam Speaker, seven years? What is the effect of ministerial delay? While the Minister sleeps, our economy, the value of our nation's output is today substantially smaller than it was nine years ago when he took office.

3.15 p.m.

Our tax base has been sabotaged by incompetence, with SMEs being sacrificed as the economic actors have now become polarized with big businesses getting bigger and small businesses, SMEs, being condemned to oblivion. Today, the mega corporations, the foreign MNEs and the large local conglomerates have eclipsed and buried our SMEs. Our revenue streams have been undermined by this Government's obsession with Dragon gas and nothing else. Why, Madam Speaker? Nine years ago, this was low-hanging fruit. Eight years ago, seven years ago, six years ago, for many years, this was low-hanging fruit, 22 clauses—sorry, six clauses, 22 pages.

Madam Speaker, the Base Erosion and Profit Shifting Inclusive Framework (Country-by-Country) Reporting Bill, 2023, that we are debating here today, closely follows the guidelines in the “Transfer Pricing Documentation and Country-by-Country Reporting, Action 13- 2015 Final Report”. So that there is already a base document from which the Minister, if he was so inclined, could have generated legislation for our consideration at any point in the last nine, eight, seven, six, five, four, three, two, one year; at any point. There was a template that the Minister could have followed. Instead, he has not done so. Not just there was a template provided by the OECD, Madam Speaker, but there are several other countries which have, in fact, introduced this legislation, including Caribbean

countries, and the Minister could have even used those to tailor our requirements accordingly. What has this tardiness—Madam Speaker, what has this tardiness cost this country? I repeat that there was a template in existence.

According to the final report, which is dated 2015, which this Minister ignored for several years—for nine years of his tenure:

“This report contains revised standards for transfer pricing documentation”—including and incorporating a master file, a local file—“and a template for Country-by-Country Reporting of...”—revenue, profits—“...taxes paid and certain measures of economic activity.”

The revised standardized approach will require taxpayers to articulate consistent—Madam Speaker, there was a detailed template provided and available to the Minister, to his Attorney General, to the Government of Trinidad and Tobago for the last nine years. Nine years, Madam Speaker, but nothing; nothing. Nothing was done and it costs this country substantial revenue streams and substantial damage to our international reputation because of the Minister’s failure, his slothfulness in treating with this critical issue.

Madam Speaker, the Minister in his presentation recognized that there was a problem; recognized that. I wonder when he realized that there was a problem. I wonder when he realized that there was a possibility that companies in this country were evading taxes to the tune of millions and millions and billions of dollars. I wonder when he recognized that, when he woke up and decided that something should finally be done.

Because, Madam Speaker, there is a document prepared by the OECD. It is entitled the *2023 Global Forum Annual Report*. The headline is “Pioneering

Global Progress in Tax Transparency: A Journey of Transformation and Development”. It is safe to say—this is a 2023 document, this is the most recent update, and I believe it is safe to say that under this Government, anyone looking at this report, Madam Speaker, would be convinced that there has not been any transformation and certainly, no development.

Madam Speaker, I refer to “Annex A”, exchange of information on request, the “Results of the EOIR peer reviews”. The Minister spoke about peer reviews coming up. This is the report as of November, I believe it was, in 2023, when this report was circulated. That is just a few months ago. Allow me to share where we are. This is the world context, this is an evaluation of 140 countries. Let me tell where we are as at 08 November, 2023, under this Government after nine years in office.

By comparison:

“Anguilla

Round 1 Overall Rating

Partially Compliant

Round 2 Overall Rating

Partially Compliant”.

Anguilla, very small country.

“Antigua and Barbuda

Provisionally Largely Compliant”—in Round 1.

And:

“Partially Compliant”—in Round 2.

“Barbados”—which they do not like to hear:

“Round 1...

Largely Compliant

Round 2...

Largely Compliant”.

A country that is a fraction the size of Trinidad and Tobago.

Mr. Charles: Barbados?

Mr. D. Tancoo: Barbados, my friend; Barbados. A fraction. You know why, Madam Speaker? Because they do not have the PNM in their midst.

“Grenada

Round 1...

Largely Compliant”.

Grenada, a country that—the population of which is one of the small towns in Trinidad and Tobago, but they are largely compliant because their Government is more interested in the development of their country.

“Jamaica”—large country:

“Round 1...

Largely Compliant

Round 2...

Largely Compliant

Saint Kitts and Nevis”—same thing:

“Largely Compliant”—in both Rounds.

“Saint Lucia”—also:

“Largely Compliant

Saint Vincent and the Grenadines

Largely Compliant”.

And then we get to Trinidad and Tobago, Madam Speaker, and there is a big red mark across it. It says:

“Trinidad and Tobago

Round 1...

Non-Compliant”.

All these smaller countries—the Minister would come and claim that, you know, there are all these hoops and so on that the countries have to jump through in order to meet their obligations. All of these other countries could have done their part, could have become compliant or largely compliant, well on their way to compliance, Madam Speaker, but not Trinidad and Tobago. We had to wait until we are held over the barrel by the shame—

Hon. Members: [*Desk thumping*]

Mr. D. Tancoo: —before this Minister can get off his high chair and do some work in the interest of Trinidad and Tobago. But that is not all, Madam Speaker. That is not all.

I turn to “Annex B” of this same *2023 Global Forum Annual Report*, this same report, “Results of the AEOI peer reviews”, automatic exchange of information. The same countries, Madam Speaker—I could go through all the details in this but the very same countries, the very small Caribbean countries. I know the Minister likes to refer to the international countries, et cetera, the very large European countries, et cetera, but he will find that they are compliant, we are not. But I want to hold him down to the Caribbean regions. And in those regions, all of those countries are in some stage of proceeding towards compliance. In

some of them:

“Saint Vincent and the Grenadines
 CORE REQUIREMENT 1”—that is—“(domestic legal framework)”—is:
 “In Place But Needs Improvement”.

An assessment was done, it was in place and needs some legal improvement. In
 Trinidad and Tobago, Madam Speaker:

“Not In Place”.

“CORE REQUIREMENT 2 (international legal framework)”—in Saint
 Vincent and the Grenadines:

“In Place”.

In:

“Trinidad and Tobago

Not In Place

OVERALL DETERMINATION”—Trinidad and Tobago:

“Not In Place”.

The requirement under “Initial review of effectiveness in practice of AEOI”,
 Madam Speaker, other countries—other Caribbean countries:

“On Track”, “On Track”, “Partially Compliant”, “In Place But Needs
 Improvement”.

Trinidad and Tobago, red across the board. It is ironic that it is red, Madam
 Speaker, because it is red across the board. Trinidad and Tobago, nothing has been
 put in place to date. This should be a source of absolute shame—

Hon. Members: [*Desk thumping*]

Mr. D. Tancoo:—and I will tell you why in a few minutes, Madam Speaker. But

this should be a source of absolute shame because all that was required from the Minister is for him to follow the basic guidelines that have existed for the last nine years in his office, in his hands.

Hon. Member: He is obsessed with the SRC report.

Mr. D. Tancoo: He is.

Madam Speaker, the “Year of commitment to first exchanges” was listed in the very same document on page 59. Other countries, 2017, 2016, 2019; other countries. Trinidad and Tobago, since 2018, established the year of commitment to first exchanges. That is the commitment that the Minister gave, 2018, committed to first exchanges.

Under “Number of partners to which data was sent”, Madam Speaker, it is obvious, dash, dash, dash, dash, dash, nothing was sent. Nothing was sent. This Minister by his very action has put Trinidad and Tobago at a substantial disadvantage to the rest of the world because of its absolute incompetence.

So whereas the Minister himself indicated earlier in his presentation that thousands of entities, thousands of multinational agencies, thousands of multinational enterprises were already in the process of supplying the very same information we are hoping to get here today, they are already in the process of supplying that to other countries, including our Caribbean neighbours, including Barbados, they are already in the process of supplying the information to them, it is only us, we have no clue what is going on, none, because of the incompetence of this Minister. Today, he comes with a straight face to describe all the benefits that will be derived if this legislation is put in place.

He wants you, Madam Speaker, to forget that it has been available to him for

the last nine years and he chose to do nothing with it, Madam Speaker; nothing. It is not enough to come—and they will do that in a few minutes. I could predict the responses from the very Members opposite. They will blame two things. They will say, “Yes, my friend.” They will say, “The goalpost keeps shifting because there are continuous amendments.” Well, I think that is a commendable thing since the OECD continues to upgrade and update and if they had caught on at some point in time, we would have been updating too. Instead, we are now trying to play catch-up with the rest of the world. That is the first thing. So they will come to say, “Goalpost is changing, things different, difficult to do it.” That is the first thing. The rest of the world could do it but not this Minister, not this incompetent Minister.

The second thing they will come to say is, “You know, it is the Opposition to blame. It is the Opposition to blame.” That is what they are going to come to say. He has had said nine years, nine years in office, nine years totally with the authority—this does not need a special majority, Madam Speaker—to bring this Bill to the Parliament for the benefit of the citizens of this country and has failed to do so. For years, this Minister has been aware of the impending assessments; for years, but they kept deferring and deferring and deferring.

This particular Bill has been on the Order Paper since November 2023, in the other place, Madam Speaker, in the Senate. It has now been brought here but even with this, there seems to be no—

Madam Speaker: Hon. Member, you have one minute left of ordinary speaking time. You are entitled to 15 more minutes extended time if you wish.

Mr. D. Tancoo: Yes, thank you, Madam Speaker.

Madam Speaker: Please proceed.

Mr. D. Tancoo: Thank you, Madam Speaker. Even with this, with this full knowledge, the Minister has refused to act. There is a list of non-cooperative jurisdictions. Trinidad and Tobago—12 out of 140 of those jurisdictions, 140 reporting jurisdictions and countries; 140. Trinidad and Tobago—there are only 12 who have failed to be compliant with good legislation, which is what is required here; 12. Trinidad and Tobago is one of them. What a shame. What an absolute shame, Madam Speaker.

Madam Speaker, the core purpose of the 22 clauses in this Bill is to develop information collection and information sharing for the purpose of protecting the tax revenues, and significantly as well and simultaneously, to fight against tax fraud, tax evasion and tax abuse. Why then—and only the Minister and his colleagues could identify that. Why then has this Government and this Minister refused to pursue this critical piece of legislation up to today?

Madam Speaker, as an economist, we—economists often speak about the opportunity cost of a benefit for one, that is, what was given up when we undertake or fail to undertake a particular action.

3:30 p.m.

This law, Madam Speaker, proposed in this Bill here today is intended to specifically identify tax evasion which should result in an increase in the tax base, as companies which previously were avoiding taxes will now be brought into the tax basket. So, if this legislation is implemented, passing it here today does not guarantee implementation given this Government's history about implementation legislation passed through this House. If this law, if implemented, will therefore

increase the revenue stream—the tax base—accessible to the Government. I wonder if this Government has used the last nine years to, themselves, assess what revenue it has lost by refusing to introduce this BEPS legislation.

As I indicated, Madam Speaker, the OECD has estimated US \$240 billion every year is lost to tax avoidance via BEPS—via Base Erosion and Profit Shifting, Madam Speaker. Clearly, some level of assessment should have been done by the hon. Minister and his entire Ministry. He has a whole bunch of people at his disposal, some assessment should have been done to determine how much money we have lost. What was the opportunity cost to this country by the Minister's failure to act, Madam Speaker? Something must have been done, some assessment must have been done, and I hope that the Minister in fairness and in transparency will come to the Parliament in his response, in his final—in his wrap-up, to provide that information, some level of assessment, some level of estimation.

But what my own research found, Madam Speaker, is staggering. Somebody should be held complicit, somebody should be held liable for economic treason, Madam Speaker. Because what we have found, what the research has shown is that this country has been denied billions of dollars in potential revenue because the Minister of Finance has been asleep at the wheel, Madam Speaker. I want to thank my colleague Sen. Mark, for directing me to this publication, freely available on the Internet, which is where I was able to find it. It is copyrighted 2021, it is entitled:

“Navigating transfer pricing risk in the oil and gas sector: Essential elements of a policy framework for Trinidad and Tobago and Guyana.”

Copyrighted 2021, published. And why found I found this particularly interesting, Madam Speaker, why I find this particularly interesting, is because one of the—

Hon. Member: *[Interruption]*

Mr. D. Tancoo: Madam Speaker, what I find very interesting about this, which has not been questioned at all by the Government or by any representative from the Government, so I take it—and the Minister is free to question its veracity now. One of the headlines, one of the chapters here is entitled:

“Estimated revenue loss for Trinidad and Tobago.”

Because of the absence of substantial data in the rest of the energy sector, Madam Speaker, this estimate done in 2018 only focus on the natural gas sector. But we accept that a similar calculation could have been done for other sectors where information may or may not be available in terms of all goods and services traded by multinational corporations, multinational entities, multinational enterprises across the world, Madam Speaker. And I want to quote, from page 42 to page 43 of this report under the chapter:

“Estimated revenue loss for Trinidad and Tobago.”

And I quote, Madam Speaker:

“In 2018, while prices were low, the government could have received revenue that was approximately six times higher than actual receipts - amounting to an estimated US\$2.6 billion in revenue loss from the natural gas sector alone.”

Madam Speaker, let me repeat that:

“...an estimated US\$2.6 billion in revenue loss from the natural gas sector alone.”

One year, one sector, US \$2.6 billion, Madam Speaker. That is more than \$17 billion in TT currency. In 2018, revenue lost to this country, revenue lost to taxpayers of this country, Madam Speaker, because of a Minister who simply does not see the protection of a country's purse as his priority. Well, let me put that into perspective.

The total government revenue for fiscal year 2018 was \$43 billion. That was their total revenue. This estimate, Madam Speaker, suggests that in one sector, only in one, natural gas sector, and there are multiple other sectors—in one sector, Madam Speaker, the revenue lost was \$17 billion. Can you imagine that? So, therefore total government revenue in 2018 alone would have been upwards of \$60 billion, not the \$43 billion that they like to cry about, Madam Speaker. And I have sat in this House for many years, three years as an MP and many more years doing research. And it is a normal thing for the Government to come in and cry that their revenue streams have collapsed. This is why the revenue streams collapsed, Madam Speaker, because of the incompetence of the Minister of Finance.

Hon. Members: [*Desk thumping*]

Mr. Charles: “He rather do property tax for 400 million.”

Mr. D. Tancoo: This is why. Government revenue should have been 40 per cent higher than it was. All he had to do was follow, Madam Speaker, the base documentation than implementing here. That is all he was required to do. Instead, the Minister of Finance chose to ignore \$17 billion plus refusing to collect it, Madam Speaker. And chose instead to borrow billions indebting future generations, cut social spending and spend less than what was required and

requested by the police service, the prison service, the Ministries of education, health, transportation, Madam Speaker, infrastructure. Between 2016 to date, an estimated \$140 billion, if we are to extrapolate this figure, TT \$140 billion from natural gas alone should have been in the pockets of The treasury, Madam Speaker. It should have been in the Treasury, in the pockets of taxpaying citizens of this country to be used for their benefit.

But that could not have happened because, Madam Speaker, we have a Minister of Finance who simply did not see the priority in executing this legislation. This is negligence, maybe even criminal negligence, and somebody should be held accountable. I posit to you, I put it to you, Madam Speaker, that the person who should be held responsible is the very mover of this Motion today, the very mover of this Bill today, the person who had the authority from day one to today to put this legislation in place, Madam Speaker. So, when a Minister announces in clause 14 of the Bill that errors in reporting and I quote, Madam Speaker, in clause 14:

“Every director or...”—manager—“...in the management of the Reporting Entity...”—and—“...summary conviction...two hundred and fifty thousand dollars unless he proves that the breach was committed without his knowledge or connivance or that he exercised reasonable diligence to prevent the breach.”

This is a penalty listed in clause 14 of the Bill for persons who committed an illegal act, \$250,000, Madam Speaker. I wonder who will hold this Minister liable for \$140 billion thrown away to corruption under his watch and whether he should not be held to the same standards, Madam Speaker. Clause 17, Madam Speaker,

also provides another:

“...fine of two hundred and fifty thousand dollars and to imprisonment for 10 years...”—for a—“...person who hinders or obstructs the board”—that is the Board of Inland Revenue—“from performing functions under this Act.”

Madam Speaker, \$250,000 and imprisonment for ten years. What about a person who knowingly and willingly does not act to prevent a crime even when he knows and he has full knowledge of it, and the ability and the resources to prevent it, costing this country upwards of \$140 billion in nine years.

This could have fully funded every single expenditure of a government for three years, Madam Speaker, for three years outside and above every other source of income. This was twice the budget of the Government for the—more than twice—for the last two years. Two years, Madam Speaker. Instead, this Minister took a conscious decision to borrow and to give these MNEs a ‘blich’. Strangely enough at the expense of the tax paying citizens of Trinidad and Tobago, who now have serious crises in every sector of this country, every sector, Madam Speaker. And what has been the result of that? What has been the result? This Minister instead of running down low hanging fruit, Madam Speaker, of \$140 billion has chosen instead to go after property tax.

It has become a priority of this Government not to pursue lawbreakers, not to pursue tax evaders, not to pursue persons and entities avoiding taxation, entities include persons, companies, MNEs and individuals, avoiding paying taxes that are due. He is not focused on that, which is why, Madam Speaker, every year they would come here and ask for an amnesty for persons who have not paid their own income tax and their corporation tax, Madam Speaker. This has been a habit of the

Minister because they do not believe in penalizing individuals who deliberately break the law, who deliberately bypass, avoid tax requirements. So, instead of pursuing \$140 billion, Madam Speaker, instead of doing that, the Minister chooses instead to shift down the burden of his incompetence to the tax paying citizens of this country. He ignored \$140 billion to run down \$400 million in property tax on the backs of citizens who already “ketching dey tail”, Madam Speaker. That is an indication of a Minister who does not care—

Hon. Members: [*Desk thumping*]

Mr. D. Tancoo:—about the people of this country. And we in the Opposition, Madam Speaker, are obligated to call out the Minister, provide a justification as to why you chose to ignore \$140 billion and chose instead to ride on the backs of taxpayers, to exploit taxpayers at a point in time when they simply cannot afford it. I am aware, Madam Speaker, I am aware.

So, it is not just taxpayers, citizens that they are going after the property tax my friend, it is not just that. They have sacrificed VAT refunds. There are have businesses in this country that are going bankrupt because the Minister is holding their VAT refunds at ransom, Madam Speaker. That is the way that this Government—that have been the policy of this Government, tax compliance in this country, entities, persons and MNEs and there will be some that are tax compliant. Persons and MNEs that are tax compliant are put at a deliberate disadvantage by the incompetence of this Minister. Whether it be by the failure to implement back the BEPS legislation here, whether it is the failure to implement the BEPS legislation, or it is the failure to persecute and prosecute individuals in this country who are breaching their own tax laws, Madam Speaker.

Madam Speaker, there is another version of this thing. There is a foreign exchange loss here as well. There is the potential for foreign exchange loss, a substantial amount of money that leaves these shores, a substantial potential for revenue generation that leaves these shores, and that is why we are in the crisis we are in. In fact, Madam Speaker, every crisis that this country is facing today is on the basis of on crisis, the one cause. That cause, Madam Speaker, is that the People's National Movement is on that side. They sit in the government and they are have been discriminating against the population of Trinidad and Tobago. Madam Speaker, it is my view—

Madam Speaker: I think—if you could withdraw the word discriminating.

Mr. D. Tancoo: Sure, Madam Speaker, thank you. Every crisis that we face in this country is on the basis of the incompetence, deliberate or otherwise, of this Government.

Hon. Members: [*Desk thumping*]

Mr. D. Tancoo: And I think it needs to be said.

Madam Speaker: Your time is now spent.

Mr. Hinds: The Speaker is on her legs.

Madam Speaker: Thank you very much, but please let us do not—

Mr. D. Tancoo: Thank you very much. I am sure she is appreciative of your help.

Madam Speaker: Time is now spent. Attorney General.

Hon. Members: [*Desk thumping*]

3.45 p.m.

The Attorney General and Minister of Legal Affairs (Sen. The Hon. Reginald Armour SC): Thank you very much, Madam Speaker, for the opportunity to

contribute to this important debate this afternoon.

Madam Speaker, the Bill before us today is the Base Erosion and Profit-Shifting Inclusive Framework Country-by-Country Reporting, Bill 2023; 22 clauses in length. The Bill was debated in the other place on February 20, 2024, and passed with amendments. As the hon. Minister of Finance who has piloted today's Bill has already accomplished a commendable task of outlining the significance of the Bill, its detail, and the need for the Bill to be passed today in this House, I do not propose to go into the clause-by-clause evaluation.

Indeed, as I said in the other place, Madam Speaker, the hon. Minister of Finance has established the technical expertise from the Tax Treaty Unit, the Board of Inland Revenue, and the Office of the Attorney General and Ministry of Legal Affairs by a high-level committee to address Trinidad and Tobago's placement on the EU list of non-cooperative tax jurisdictions. That was done in January 2022.

As a matter of fact, as I stand here today, Madam Speaker, Trinidad and Tobago is currently participating in a five-day on-site mock peer-review by the Global Forum Secretariat at the Ministry of Finance, Tax Treaty Unit. The point to be emphasized there is that compliance with the legislative framework, which we are here for today, is an ongoing continuing engagement which we will require the expertise and hard work of our public servants to work with the international community.

Following the on-site mock peer-review, which is currently ongoing, Madam Speaker, a report would be prepared by the Global Forum Secretariat. This will provide an assessment of our compliance with the Global Forum's

Exchange of Information Standards and recognize our achievements to date, and further it gives us the opportunity to address shortcomings which we anticipate will be completed by May 2024. That high-level committee continues to work in tandem with the European Commission and the Global Forum Secretariat by intensive technical assistance towards a common goal of preparing the necessary legislative, administrative, and operational improvements to undergo the phase two review in order to protect the integrity of the Global Financial System, inclusive of the EU financial system.

Madam Speaker, this commitment is evident in the very reason we are here today. The emphasis on international compliance reflects a recognition of shared values, mutual respect, and a commitment to addressing global challenges collectively. The Government's approach reinforces its commitment to foster transparency, fairness, and integrity in the Global Financial System and supports economic growth and social equity. By aligning our tax rules with economic substance and preventing the artificial shifting of profits, Trinidad and Tobago can safeguard our tax bases and promote sustainable development.

In today's global economy, Madam Speaker, multinational corporations operate across borders, leveraging various jurisdictions to minimize their tax liabilities. While tax planning is a legitimate business practice, concerns have emerged regarding the erosion of tax bases and the shifting of profits to low-tax jurisdictions, depriving governments of essential revenue. In response to these challenges, Trinidad and Tobago has recognized the need for concerted action to address the BEPS, Base Erosion Profit-Sharing System.

Madam Speaker, I wish to place emphasis on the fact that the Global Forum

Bill was debated—and this is part of a package—and passed in the other place on November 24, 2023. This Bill sought to address Trinidad and Tobago's placement on the EU list of non-cooperative jurisdictions for tax purposes. By the Global Forum Bill, I refer to the Miscellaneous Provisions (Trustees, Exchequer and Audit Act, the Minister of Finance (Incorporation) Act, Proceeds of Crime, Income Tax Act, Companies, Partnerships, Securities, Tax Information Exchange Agreements, the Non-Profit Organisations, and Mutual Administrative Assistance in Tax Matters) Act, 2023; a compendium of significant legislation, all requiring to be kept up-to-date and in compliance with our international financial obligations.

Trinidad and Tobago's placement, Madam Speaker, on the EU's list of non-cooperative tax jurisdictions for tax purposes, as this House will be aware, is as a result of three criteria, namely, one, the noncompliant rating by the Global Forum, under the Exchange of Information on Request (EOIR); the Automatic Exchange of Information (AEOI); and the Common Reports Standard (CRS). Secondly, the Forum on Harmful Tax Practices, and thirdly, the inclusive framework on base erosion and profit shifting, that is to say, anti-BEPS measures, the very Bill which is today before us and which is seeking to address that third criteria.

I refer, Madam Speaker, for the record, to *Hansard* of the 24th November, 2023, when the hon. Minister of Finance delivered a statement on the European Union requirements and stated, among other things, that which I have today acknowledged, that is to say that the Government, led by a team from the Ministry of Finance, the Tax Treaty Unit, the Board of Inland Revenue, the Office of the Attorney General, has established a high-level committee to deal with this problem, the placement by the European Union of Trinidad and Tobago on a list of

non-cooperative tax jurisdictions. The committee continues to work with the Global Forum Secretariat through intense technical assistance towards a common goal of preparing the necessary legislative, administrative, and operational improvements to undergo the peer review to protect the integrity of the global financial system and to comply with the EU's requirement, the very process which is currently underway in the mock peer-review that is taking place as we speak in the Ministry of Finance.

Madam Speaker, the first standard agreed and implemented:

"...provides for the international exchange of information on request" by which a tax authority, for example, the Board of Inland Revenue, may request a particular piece of information to progress a tax investigation.

The second provides for the international Automatic Exchange of Information, where:

"..a predefined set of information on financial accounts held by non-residents"—is automatically exchanged each year.

This exchange is underpinned by ensuring that the information is kept confidential and can properly be safeguarded and particular requirements are placed on jurisdictions to ensure this.

"The Global Forum monitors the worldwide implementation of these standards and conducts peer reviews to ensure the standards are implemented effectively."

It also serves as a forum for its members to discuss these issues and delivers capacity-building and technical assistance to members to support them in implementing the standards. And, again, I stress the ongoing exercise that is

taking place as I address this august House today.

Madam Speaker, the third pillar, base erosion and profit shifting (BEPS) pillar, provides for the introduction of a country-by-country reporting requirement in line with BEPS Action 13. A country-by-country report:

“...provides local tax authorities visibility to revenue, income, tax paid and accrued, employment, capital, retained earnings, tangible assets and activities.”

It:

“...provides tax authorities information to assist them” in assessing “transfer pricing with “pricing risks and makes determinations on how they allocate tax audit resources.”

The country-by-country reporting requirements will apply from the date to be fixed by Presidential Proclamation for multinational enterprises (MNEs), multinational enterprises groups meeting an annual consolidated revenue threshold of at least the equivalent of US \$850 million in TT dollars in the preceding year.

The Bill is not targeting SMEs, small or medium organizations, but rather those above the threshold revenue of less than the equivalent, as I have said.

Some “examples of multinational corporations” Madam Speaker, include Coca-Cola, Unilever, Pepsi, Starbucks, McDonald’s, BMW, Suzuki, Samsung, “...Apple, Amazon, Microsoft, Volkswagen. These companies are headquartered in one nation, but operate divisions in other countries in order to expand their business and reach more customers.”

This pillar is also inclusive of Action 14, the Mutual Agreement Procedure (MAP), which indicates that Trinidad and Tobago needs to amend and update a significant

number of tax treaties, all underway through the Ministry of Finance and the Office of the Attorney General. Trinidad and Tobago reported that it intends to update all its tax treaties by bilateral negotiations to be compliant with the requirements under Action 14 MAPS, but does not have in place a specific plan for such negotiations, is what was reported in the last report. That is underway at the moment and is being improved.

“The MAP is included in Article 25 of the OECD Model Tax Convention and indeed commits countries to endeavour to resolve disputes related to the interpretation and application of tax treaties.”

The peer review process is conducted in two stages.

“Stage 1 assesses countries against the terms of reference of the minimum standard, according to an agreed schedule of review. Stage 2 focuses on monitoring the follow-up of any recommendations, resulting from jurisdictions’ Stage 1 peer review report.”

BEPS undermines, Madam Speaker, the very foundation of our tax systems, eroding the tax base of nations and shifting profits to low tax jurisdictions. This not only deprives governments of essential revenue needed for public services and infrastructure, but also creates an unfair advantage for multinational corporations over small businesses that cannot engage in such aggressive tax planning. It is therefore imperative that we tackle base erosion and profit-shifting through international cooperation and collective action. One proposed solution is the implementation of measures to ensure greater transparency and information exchange between tax authorities. By sharing information about the economic activities of multinational corporations, we can identify and address instances of

profit-shifting much more effectively.

On the 23rd of November 2017, Madam Speaker, the inclusive framework of BEPS welcomed Trinidad and Tobago, bringing to 108 the total number of countries and jurisdictions participating on an equal footing in the project and that date. And what are the results so far? The BEPS framework demonstrates that:

“58 jurisdictions are required or permitted the filing of” country-by-country “reports for 2016 and more than 110 jurisdictions have law in place introducing a” country-by-country “reporting obligation. In addition, as of October 2022, over 3,300 relationships are in place for the exchange of” country-by-country “reports between jurisdictions. This means that substantially every MNE with consolidated group revenue of at least Euro 750 million is already required to file a” country-by-country “report and the gaps that do remain are closing.”

Madam Speaker, the first exchanges of country-by-country reports took place in June 2018 and with the OECD’s support, tax administrators are incorporating country-by-country reports into their tax risk assessment and insurance processes to better understand the risk posed to our jurisdictions.

Very recently, Madam Speaker, we had the further publication, 20 February, 2024, which removed certain countries from the EU list of non-corporative tax jurisdictions for tax purposes: the Bahamas, Belize, Seychelles, Turks and Caicos Islands. Trinidad and Tobago remains on the EU list, along with 12 other jurisdictions: Anguilla, Antigua and Bermuda, Fiji, Guam, Panama, Russia, Samoa, US Virgin Islands, Vanuatu. And in relation to Trinidad and Tobago, we are continuing to work on our next revision on the list, which is scheduled for

October 2024.

In light of the above, Madam Speaker, this Bill presently before this House is a critical piece of proposed legislation, so as to enable and position Trinidad and Tobago to comply with its obligations with respect to the European Union requirements. And it is particularly significant that we are engaging in the debate that we are about today, as the mock peer review of the Global Forum is taking place in Trinidad and Tobago as we speak.

I can assure this House that the Government is taking every step possible to attend to its remaining deficiencies by implementing comprehensive measures to address BEPS to combat tax avoidance, with a fair and transparent global tax system. The Government continues to take a cohesive multipronged approach, including administrative and operational measures as well as the introduction of a number of laws to ensure Trinidad and Tobago's removal from the EU list. Among those laws are:

1. The Base Erosion and Profit-Shifting Inclusive Framework (Country-by-Country) Reporting Bill, 2023, this very Bill that we are debating today.
2. The Global Forum Act, which I have already spoken of, No. 1 of 2024, which was debated in the Senate on the 24th of November 2023 and passed in the House of Representatives, this House, on the 19th of January 2024.
3. The Company Registration Online System Bill, the long title being the Miscellaneous Provisions (Registrar General, Companies, Registration of Business Names, and Non-Profit Organisations) Bill, 2023, which was debated in the Senate on the 12th of December 2023 and is on the Order

Paper today to be debated later today in this very House for its passage into law. This Bill seeks to make amendments to several pieces of legislation to allow for an electronic system established by the Registrar General to be used.

4.00 p.m.

4. The Trinidad and Tobago Special Economic Zones Act No. 1 of 2022, was assented to, on January 31, 2022.

This Act provides for the designation, development, operation and management of Special Economic Zones, and the establishment of the Special Economic Zones Authority. So that, we have a composite suite of legislation which self-evidently the Government continues to work on, as we develop the country's international commitments and tax compliance and financial obligations. Our approach therefore, Madam Speaker, not only enhances, and is continuing to enhance the country's standing in the international arena, but reinforces this Government's role as a responsible and accountable global actor.

Madam Speaker, in implementing this legislation there are a number of significant benefits to Trinidad and Tobago namely, just examples: enhanced transfer tax transparency, helping to identify aggressive tax planning strategies and ensuring that companies pay their fair share of taxes in the jurisdictions in which they operate. Protection of the tax base, closing loopholes and addressing mismatches to ensure that governments can collect the revenue necessary to fund essential public services, infrastructure and social programmes, thereby promoting

economic stability and development. This will also prevent tax avoidance strategies which exploit gaps to artificially shift profits to low or no tax locations. This legislation will aid in the injection of more revenue into the economy through the reduction of tax evasion.

Introducing a level playing field and thereby creating such a level playing field for businesses by reducing the advantages enjoyed by multi-national corporations engaging in tax avoidance. Compliance with BEPS standards ensures all businesses regardless of size, or geographic location compete on fair terms fostering healthy competition and innovation.

Strengthened international cooperation: This encourages collaboration among countries to combat tax evasion and avoidance effectively. Through information exchange and mutual assistance, governments can detect and deter illicit financial flows promoting global financial stability and integrity.

Improved investor confidence: This enhances investor confidence by signaling a commitment to fair and transparent tax practices. This confidence attracts investment, stimulates economic growth, and contributes to the overall prosperity of countries implementing the BEPS measures.

Sustained development, Madam Speaker, driven by a collective commitment to inclusivity, Trinidad and Tobago follows the whole-of-government and the whole-of-society approach to SDG implementation. The increased revenue generated can be directed to poverty reduction, education, health care, infrastructure projects, fostering inclusive growth, and reducing inequalities.

Madam Speaker, in short, this legislation is aimed at combating tax avoidance strategies used by multinational corporations to shift profits to low-tax jurisdictions and to erode the tax base of countries where they operate, so as to close loopholes, enhance transparency, and ensure that multinational corporations pay their fair share of taxes while simultaneously addressing deficiencies in creating a fairer, more transparent and sustainable global tax environment. By addressing the challenges of base erosion and profit-shifting, countries can promote economic prosperity as I have said.

4.05 p.m.

Madam Speaker, the Government continues to work and to improve Trinidad and Tobago's current non-compliant rating, and to ensure Trinidad and Tobago's removal from the European Union's list of non-cooperative tax jurisdictions. Implementing BEPS legislation is crucial to safeguarding the integrity of our global tax system and promoting fair taxation. Tackling BEPS requires a collective effort, a continuing commitment from governments, businesses and international organizations. A steadfast commitment to implementing the BEPS measures is essential to promote tax certainty, enhance trust in the tax system and create a more equitable environment for businesses to thrive. This has underscored the importance of international cooperation in addressing the challenges posed by BEPS and ensuring a level playing field for businesses worldwide.

We must therefore, Madam Speaker, work together steadfastly and with great expedition with our parliamentary colleagues towards passing the necessary

legislation. I thank you.

Hon. Members: [*Desk thumping*]

Madam Speaker: Member for Mayaro.

Mr. Rushton Paray (Mayaro): Thank you very much, Madam Speaker. Madam Speaker, thank you very much for allowing me an opportunity to join into this debate this evening, as before us today is the Base Erosion and Profit Shifting Inclusive Framework (Country-by-Country) Reporting Bill, 2023.

Madam Speaker, I plan to continue on the heels of the Member for Oropouche West who did a fantastic job—

Mr. Gonzales: Oh no.

Mr. R. Paray:—in setting—

Mr. Gonzales: No.

Mr. R. Paray:—a good line, and length, and pace for his delivery.

Hon. Members: [*Desk thumping*]

Mr. R. Paray: And I do plan to stay very close in his line, on his heels, without colliding with him, Madam Speaker.

Madam Speaker, often coming out of the Government benches, they accuse the Opposition, this side, of not supporting them, supporting good legislation, supporting legislation from time to time. But, Madam Speaker, on the contrary, we have always made an announcement that we on this side will support good legislation—

Hon. Members: [*Desk thumping*]

Mr. R. Paray:—all the time. We will poke holes in mad ones and we will let the country know where we do not sit well and give the Government an opportunity to

fix it. But today, Madam Speaker, after listening to the Member for Oropouche West, there is very little that is objectionable in what is before us here today because we understand the importance of this piece of legislation to the well-being of the Republic, and we have a duty today to pinpoint certain aspects of this legislation, while allowing and affording the country to benefit from this piece of legislation that is before us today.

After listening to the delivery from the Member for Oropouche West, all I think that the Minister who has piloted this Bill today should have done was to give this country an apology for the sluggish manner in which he and his Government have made on this particular issue, apologize for the international embarrassment that it has caused our country, and according to the Member for Oropouche West, be ashamed for the amount of income and investment that we have lost over the years because of that molasses-type speed approach by which this Government has dealt with this matter of the EU.

Madam Speaker, amid all of the technicalities of this matter, the bare fact is that non-compliance with BEPS has cost this country an incalculable amount of taxation revenue over the years. Madam Speaker, the Government's inefficiency in dealing with this has really cheated our citizens of an improved standard of living at a time when we all needed it badly.

So, Madam Speaker, why is this piece of legislation important to us? Why is the European Union important to Trinidad and Tobago? Madam Speaker, in 2022, exports from Trinidad and Tobago to Europe were valued at US \$5.88 billion of which mostly the exports were mineral fuels, oils, chemicals, fertilizers and other commodities. Madam Speaker, we imported from the European Union

at that same time close to US\$2.2 billion, in terms of our import capacity. On that basis alone, Madam Speaker, the Government should have sought to enhance whatever that was needed to be done over the years with regard to having modern and good economic relationship with the European Union rather than being under the whip of getting this EU arrangement sorted out.

Madam Speaker, the Trinidad *Guardian*, on July 28, 2013, published speaking notes of a webinar that was conducted in July of 2023, where the EU Ambassador, Mr. Peter Cavendish, he made a comment that this country has many talents and advantages that can be put into the service of both Trinidad and Tobago's citizens and that of Europe. So clearly, the EU Ambassador has seen the importance of the relationship between Trinidad and Tobago and the European Union.

Madam Speaker, any progressive administration would have been working assiduously on boosting economic relations with a region that consists of 448 million people with major purchasing power. So there is great export potential for Trinidad and Tobago, including the non-energy services and other sectors.

Madam Speaker, the Minister indicated that amendments from the Organization of Economic Cooperation and Development were only received last December in this last sitting and the requirements were changing rapidly, as one of the excuses why we continue to be late with this. But the Minister has failed to ignore that more than 90 countries have been fully cooperating with the European Union, and the few—the 11 or 12 that have not been able to clear the list, they too have been under the same rapid assault of requirements. So how come all these other fellas could do it but yet, we are making excuses?

Madam Speaker, the reason for that is because this Government has an inefficiency problem and clearly, Trinidad and Tobago remains at the back of the class. T&T and Antigua and Barbuda are the only delinquent CARICOM countries at this time. Trinidad and Tobago has simply been tardy under this administration and they seem that they could not get it right.

[MR. DEPUTY SPEAKER *in the Chair*]

The EU has been working, Mr. Deputy Speaker, with Trinidad and Tobago and 11 other countries over the last few years in bringing appropriate BEPS tax compliance. So, Mr. Deputy Speaker, how does the European Union view Trinidad and Tobago? So there is one statement that came out of the EU on February 20, 2024, in referring to the status of Trinidad and Tobago, and I quote, Mr. Deputy Speaker:

“The Council regrets that these jurisdiction”—which Trinidad and Tobago is one of it—“are not yet cooperative on tax matters and invites them to improve their legal framework in order to resolve the identified issues.”

Mr. Deputy Speaker, what is alarming to me is the use of language when they say that we are “not yet cooperative”.

Mr. Deputy Speaker, not being cooperative is not a situation, it is a behaviour, and that is what is worrying to me. Because there is a behaviour that the European Union has identified in this comment. Mr. Deputy Speaker, on the date of that statement, the EU announced that four countries—the same day they reminded us of that statement, four countries who have been given the same rapid requirements of changes, they were able to get themselves off the list. But yet, we still could not do the same and yet again, they continue to say or continue to use

the words, “uncooperative” and “non-cooperative”. And as I said, that tells the world about a behaviour pattern, which is concerning to me, that we should not be seen in that type of light in the global stage.

So when they use the words as “non-cooperative” and “uncooperative”, how could the Minister suggest that the reason for the delay is the shifting of the requirements? I mean, I just listened to the hon. Attorney General and what stood out in one of the statements he made was that:

We are really—

And I am quoting the AG here to the best of my knowledge:

We are really an accountable and responsible global actor.

What the Attorney General said is not the reality which faces us today, because if we were an accountable and responsible global actor, we would have been in that clearance list for quite some time.

Mr. Deputy Speaker, it is of concern that the Minister has been, for years, aware of all these financial pitfalls, which the AG now referred to and which my colleague for Oropouche West identified in some great detail, and that was not sufficient to create the urgency that we would have gotten this issue of the EU sorted out and its blacklisting.

The Minister is fully aware as well, because he said it, the hon. Attorney General spoke of it as well, of the fact that multinationals are exploiting the absence of base sharing and profit shifting laws because they can pay smaller income tax, lower income tax in low tax or no tax jurisdictions, which creates a loss for us here in Trinidad and Tobago.

Mr. Deputy Speaker, if I were to refer you to a study conducted by

ECLAC—and it is a report that was done between 2010 and 2018, which they provided some information that Trinidad and Tobago may have lost upwards of \$17.5 billion between 2010 and 2018. And they also indicated in that very same report that about \$7 billion in losses for 2018 alone was due to our inability to capitalize on that higher natural gas pricing that was in the markets at that time.

The study also—that ECLAC provided—highlighted what we refer to in the energy sector as the transfer pricing risks associated with specifically those multinational companies, focusing on those operating in Trinidad and Tobago, which resulted in that issue of profit shifting between jurisdictions which, as everybody mentioned so far, is the bane of revenue leakage for our country.

So, Mr. Deputy Speaker, in my research, I tried to see what some of the international studies would have found with regard to the flouting of this BEPS arrangement. And in 2014—this is what is instructive here, Mr. Deputy Speaker. In 2014, the University of Michigan in an article that they published called:

“...How Serious is the Problem of Base Erosion and Profit Shifting?”—in 2014.

And this is what the university had to say, that they had:

“...considerable evidence that multinational firms”—they sit down and they—“arrange their affairs...”

They plan how they are going to do this shifting, in terms of the accounting, to make sure that they pay the least amount of taxes in certain jurisdictions.

So since 2014, this university study has identified that these multinational companies, they do it as a plan. They do it as a plan and it is up to the countries now to figure out a way, which they are now doing in terms of this legislation

before us, how to put a plug to it. And this is why this is so important that we get this Bill passed today in this House, but not only passed, but that the citizenry must understand why we have to pass this piece of legislation today.

4.20 p.m.

So, Mr. Deputy Speaker, I did some more research and I saw that it was similar in other studies, a lot of other jurisdictions and, you know, what it exposes to me coming on the history of the challenges with getting FATF and CFATF some of the other Bills before us, there were significant challenges in terms of the legislation getting us into compliance status. So that is something that I am concerned about. I think the Member for Oropouche West identified that today too, that we pass this Bill today, then the compliance, getting compliance, getting it moved along in order to get us off this by the end of 2024 as alluded to by the Minister of Finance. Then, that is still a big area of concern for everybody in terms of the Government's ability to execute these compliance arrangements.

Mr. Deputy Speaker, just the other day, the EU would have issued us a red card with reference to the shortcoming in combating illegal, unreported and unregulated fishing. So again, getting the description of non-cooperative or uncooperative ties in back to a behaviour pattern because here again, the EU issued us this red card. So the Government must place a lot of focus on getting these compliance issue done.

Mr. Deputy Speaker, there is the issue of hidden company ownership, which I know this Government has addressed in terms of some local legislation that we would have passed some time last year. But it is interesting to know that according to the committee of enquiry into money laundering, tax avoidance, tax evasion of

April 6th, 2017, they estimate \$1 trillion leaves developing countries, by way of tax evasion because of hidden company information, ownership and so on. I know we have done some work in this Parliament here to plug that so I suspect that is something that we look forward to, in plugging one of those holes going forward.

Mr. Deputy Speaker, all the speakers so far have spoken about clause 6, and the importance of the country-by-country reporting and I think this is something that has to augur well for us, because by getting reports from other countries where our multinationals are operating, we can get a good assessment. Our Board of Inland Revenue, our tax collection agencies can make determination of whether some sort of profit shifting tax avoidance is happening just by looking at the data and I think the Minister of Finance and the AG did indicate what specific data will be reported in that, so we have no issue with that. The importance is really making sure we get access to that data.

Mr. Deputy Speaker, I just wanted to spend a couple of minutes to explain to the national community in some very succinct points as to the impact of not having this legislation. By not having this legislation it creates an environment that speaks to all the ills that both the Member for Oropouche West, the hon. Attorney General and the Minister of Finance spoke to early on, and the biggest impact, as we all know, is the reduced tax revenue. We all spoke about without that revenue we cannot spend it on our infrastructure, our school, our healthcare, our national security so that is a hole that must be plugged. But Mr. Deputy Speaker, there are some other nuances that I want to raise. Increased inequality, profit shifting, Mr. Deputy Speaker, can create income inequality by allowing multinational

corporations, when they avoid paying their fair share of taxes, it widens the wealth gap in the societies that they operate in.

Then there is another issue of the under investment in social services. Inefficient tax revenues, Mr. Deputy Speaker, it will hamper, as we mentioned before, very quickly, investments in education, health care, social welfare programmes, and it really hinders the human development in your country.

Erosion of competitiveness, Mr. Deputy Speaker—domestic businesses, that is our local businesses. Because of profit shifting, tax avoidance, it creates an unfair competitive environment for our local businesses and that is something that we must plug immediately if we want to see our local business, our local investors remain interested in our market and they too, do not choose to go into other jurisdictions where they can operate it.

Mr. Deputy Speaker, there is also an issue of what you call the loss of control over your resources when you allow these holes to remain open and profit shifting undermines the ability of any government to control and regulate their natural resources, potentially leading to the depletion of those resources and in some cases as you would see in some jurisdictions, in Africa and so on, where you have huge environmental degradation because of the loss of control on those particular issues.

Mr. Deputy Speaker, stifled innovation. If our local businesses cannot compete effectively, then their innovative capacity becomes strangled. So we as a Parliament, the other side as the executive of government, it is critical that they pursue this issue hastily, because it could lead to the stifling of innovation and we

want our local businesses to continue being innovative, creating new job opportunities, creating new ways of investment for other businesses.

Mr. Deputy Speaker, legal uncertainty is another issue that is driven out of this issue of the noncompliance to BEPS. Complex tax avoidance, Mr. Deputy Speaker, those schemes, it creates legal uncertainty, it can lead to costly legal battles between governments and the multinational corporations and it removes or it diverts resources from other productive activities.

Mr. Deputy Speaker, from the three persons who have spoken before, I did not hear any conversation around the opportunity when these holes are not plugged, not only for multinational legal entities, but then there is this issue of transnational organized crime, and those elements that use the weaknesses in your system to engage in these nefarious acts. So you are looking at fund sourcing, illegally obtained funds being transmitted through your financial system, they become an enabler of criminal enterprises. You know, we have been burdened with this issue of crime and rising crime over the last couple years. One would want to ask, and I am sure I mean, it may be issues before the national security things that remain under national security but what is the impact of how transnational organized crime elements have been using the weaknesses in our system to enable criminal enterprises. The normal issue of corruption, it opens up your whole system, in terms of corrupting the system to get work done.

Mr. Deputy Speaker, there is the issue of destabilizing economies and all of these things are real when you see it in some other jurisdiction that is why the haste, countries have been using every opportunity to plug those holes, because they understand the importance of the destabilizing of their economies as well. So

when you find illicit funds coming into a legitimate financial system, it offsets the normal economic principles of supply and demand and the amount of cash in your system, and if you have too much cash in the system, the cost of labour goes up and then everybody wants \$500 a day to cut some grass. That is a challenge and that is something that this legislation today, we are hoping by the Government's expediency on this, we can plug those holes in the shortest time frame. Well, obviously, if all those things happen it undermines good governance, it erodes trust at the end of the day; you have the issues I spoke about, the environmental degradation and so on.

Mr. Deputy Speaker, there is also the issue of how the noncompliance and not plugging these holes, how it impacts our trade and investment capacity. And Mr. Deputy Speaker, I chose to talk about these things, because the population must understand why legislation like this is critical to the well-being of the country. And while we on this side will support—we will have very little things to object to because we understand the importance of this to the welfare of the country and the welfare of the Republic.

So Mr. Deputy Speaker, we are in a situation economically where our trade and investment capacity must improve, it must grow because we are in a situation where we have approximately, I think our unemployment rate is about 3.5 per cent according to the CSO, other reports have given the numbers well into the vicinity of about 100,000 people out of jobs in various levels of the economy and we must get our investors here, we must get new investment, we must get new investment in not only the energy sector, but the non-energy sector as well, because we need to put people to work.

So if we do not plug these holes soonest by virtue of the legislation before us here today, we will have a situation, Mr. Deputy Speaker, where markets become distorted. And when I say a distorted market, tax evasion, it distorts the market by giving an unfair advantage to some of our multinational corporations and it impedes the competitive nature of our businesses here, so that is one of the big issues.

Now, the reduction in foreign direct investment—foreign direct investment is a critical arm of our nation's development. We have to make an environment where our foreign direct investors are comfortable and secure when they invest their money in this country, Mr. Deputy Speaker. But when you have an uncertain tax environment and it happens because of this widespread tax evasion that can happen, you know, the investors who are seeking a stable environment to operate, their boards will look at that as being something risky, something risky to invest in. They will look for jurisdictions where they feel that their money, their investment—where the tax regimes can be fair, and give them a fair chance of success when they put their money in a country like Trinidad and Tobago.

Mr. Deputy Speaker, we spoke about tax loopholes and profit shifting, and how it impacts our domestic industries and that is a huge trade and investment issue, Mr. Deputy Speaker. So our domestic industries, they could struggle heavily to compete with multinational corporations, when they exploit these tax loopholes and so on because their operation costs become less. Because now they do not have to pay a huge amount of taxes while our domestic players are saddled and burdened, if that is the word we want to use, with 33 per cent or 25 per cent in corporation taxes so it makes an unfair landscape for our domestic businesses. So

when that happens, our local fellas have no choice than to perhaps lay off people or create an environment of uncertainty. And when there is an environment of uncertainty, people do not spend money. So there is a push-back in consumption in the economic space and when there is a push-back in consumption, domestic investors keep their money in the bank, and allow it to earn one and a half percent and all the cash remains in the bank and nobody wants to invest to create new jobs. So Mr. Deputy Speaker, this is why this loophole must be plugged urgently.

Mr. Deputy Speaker, stifled innovation and entrepreneurship, that is another—

Mr. Deputy Speaker: Before you go to your next point, your initial speaking time has elapsed, you have an additional 15, you care to avail yourself? Proceed.

4.35 p.m.

Mr. R. Paray: Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I was on the point of stifling innovation and entrepreneurship. So if these things are not plugged soonest, and the Government does not go post-haste in getting—and I mean I am glad to hear that the mock meetings are being held. It means that they are going to identify key areas that we need to address, going forward whether there is more legislation that has to come, because we need to get this sorted out, before the year is over. But, when you have a limited amount of tax revenue coming into the State, and then you have the disadvantage or the disadvantage to our local providers, then it stunts growth. It stunts innovation, and if I do not have the money, Mr. Deputy Speaker, to invest in version two and three of my product, well then how do we become an innovative country? How do we create jobs of the future of our children? So this becomes important in terms of not stifling

innovation and entrepreneurship.

So we have issues like a weakened supply chain, diminished export competitiveness, Mr. Deputy Speaker, those things we have spoken about, erosion of consumer confidence. Again when you have companies that are implicated in tax evasion scandals, reputational damage, consumer boycotts. Consumer boycotts are something that we cannot afford. When you have the decreased demand for goods and services—I spoke about the problems with consumption—and we create a whole system where we lose confidence in our market. So, Mr. Deputy Speaker that is another reason why we have to plug these holes soonest.

I would like to summarize basically my position before I close. I took this approach, as I mentioned in my opening statement, that the Minister will always be blamed for the lateness of the arrival of this. For whatever reasons, whatever challenges the Minister and the Government would have had, I am glad today that we are here at this point, but we must ensure, and colleagues opposite, must ensure that whatever impediments to execution, that those things that dealt with urgently, because I think in my contribution I tried to explain to the national public, why this is important to all of us here on both sides.

So, this profit shifting inclusive fFramework, this Bill 2023, it must stand as a beacon of hope for our economic future in Trinidad and Tobago. So it is not only my future or those on the other side, this is for the future of every citizen of Trinidad and Tobago. So, despite the Minister's belated presentation, as late as it was, this legislation, it carries immense significance in addressing years of sluggishness and international embarrassment caused by our nation's non-compliance with BEPS standards.

Mr. Deputy Speaker the stakes are high. Lots of studies that have emanated, talking about the losses in taxes, revenue, particularly in the critical sectors of our energy sector here in Trinidad and Tobago. The Government's inefficiency in addressing these issues over the years has really deprived citizens of essential services and economic growth. Member for Oropouche West talked about this \$140 billion over the years that we may have lost because of that.

Furthermore, our track record of non-compliance extends beyond BEPS. We have had the issue with the EU and the red cards and so on. So we need to fix those things, our ability to get compliant, we need to do better and that, in itself reduces the deficiencies, and we would restore public trust in all our institutions.

Mr. Deputy Speaker, moreover this Bill presents an opportunity to enhance our economic relationships with the European Union. I mentioned that it is a \$5.5 billion dollar export market; 433 million people in the European Union, that is a wonderful market for us. So, whatever it takes to plug those holes, to give our exporters an opportunity to get our goods into that market, we must do what it takes.

Mr. Deputy Speaker, the Base Erosion and Profit Shifting Inclusive Framework Bill is not just about a legislative procedure. It is indeed a pivotal step towards securing Trinidad and Tobago's economic future, and ensuring our nation's competitiveness on the global stage. Stakes are high and we must do what we need to do. So, Mr. Deputy Speaker, thank you very much for allowing me an opportunity to bring my views to this Bill and I thank you.

4.40 p.m.

Mr. Deputy Speaker: I recognize the Member for San Fernando West.

Hon. Members: [*Desk thumping*]

The Minister of Rural Development and Local Government (Hon. Faris Al-Rawi): Mr. Deputy Speaker, I thank you for the opportunity to enter into this debate. I would love to have been charitable in my reflections that I am about to give to the Member for Mayaro. I do confess that I like him as a person, good to chat to, but Mr. Deputy Speaker, it is offensive to what somebody just “make it up” in terms of revising the history of this country.

Let me respond to my colleague which in tandem is a response to the Member for Oropouche West. The hon. Member for Mayaro starts off by saying that the Minister of Finance ought to apologize to this country, that he ought to do so forthwith because effectively he has been slothful and slow, and apologize for the impact to this country for the failure to bring what the hon. Member says is now an important but simple Bill before the Parliament. Oropouche West had a similar sentiment.

He said that there was effectively no excuse, much like Oropouche West said, that other countries like Barbados and other jurisdictions in the CARICOM had passed law like this. If I go to Oropouche West, Oropouche West went through the timeline, importantly descending upon the year 2017 and in 2018. The hon. Member for Oropouche West said that the Minister of Finance gave undertakings and read a clause 6 from a letter that the Minister of Finance wrote to the Code of Conduct Unit at the EU saying that Trinidad and Tobago would commit by June 30, 2019, to the Base Erosion Profit-Shifting law. Mr. Deputy Speaker, both my colleagues from Oropouche West and Mayaro need urgent medical attention.

Hon. Members: [*Desk thumping and laughter*]

Hon. F. Al-Rawi: Amnesia apparently runs rampant in the Bench opposite. The Members have a severe affliction of “make-it-up as you go” and “forget everything that happened”, so permit me to put the facts on the record.

We are here today to deal with this Bill country-by-country reporting by multinational entities relative to Base Erosion and Profit-Shifting Inclusive Framework. That is the law that we are debating today. The short title at clause 1 says:

“This...”—is—“...the Base Erosion and Profit-Shifting Inclusive Framework (Country-by-Country) Reporting Act, 2023.”

Now, what is that? Where does that law come from? What context does it fit in, et cetera? So before I come to demonstrating amnesia and wilful “make it up as you go”, permit me to explain where this Bill came from, and to add and amplify to what the hon. Attorney General so capably put onto the record in the cogs that work together in performing this work.

Mr. Deputy Speaker, we are here today effectively treating with an obligation from the OECD and the European Union in particular. Base Erosion and Profit-Shifting is the law, the law that we are treating today to treat with one species of what the taxation base looks like. The species that we are treating with, if you look to this law, if you look to the definition section, if you look to what the definition of a multinational enterprise is, Mr. Deputy Speaker, you will see that we are treating with a species which is any type of company or group of companies that has a gross revenue of US \$850 million. In other words, then, we are looking at billion-dollar companies.

The example that really comes when you look at the literature as to why this is prominently required was the case of Apple Inc. In the case of Apple Inc., Apple is actually a company registered in Ireland which is part of the EU and has its operational business in the United States and elsewhere, and in the United States they do not tax you depending upon where you are resident. So the United States did not tackle the taxation for Apple Inc. because they were located in Ireland, in the EU, and in the EU they did not have any taxation of their profits of a meaningful level because their operations were in the United States and elsewhere. In other words, then, a multinational company, a billion-dollar company like that one, was able to erode the base from which taxation is paid and that caused taxpaying moneys, tax collection to governments to be radically reduced.

This law is not about transfer pricing. This law is not about local improvement in revenue collection for Trinidad and Tobago companies that are under US \$850 million in gross revenue. Do we have a couple of companies that could be Trinidad and Tobago companies with that kind of revenue? Yes, we do. The oil and gas companies that are resident in Trinidad and Tobago will have qualification under this law. But, Mr. Deputy Speaker, this law coming from the EU is really a law that we get to after we pass through other laws first, which is where I come to prove the amnesia and wilful “make it up as you go”.

Particularly, our non-compliance by the EU standard is as it relates to two limbs. One, something called the Exchange of Information on Request (EOIR) is the abbreviation, and the second limb is something called the Automatic Exchange of Information (AEOI). What is that? You will see it featuring in the law, in the

Bill that we are looking at today. We say specifically that for country-by-country reporting ultimate parent entities and constituent entities or surrogate parent entities have to, 12 months after their financial year, make declarations in accordance with guidelines and rules and regulations to be made under this law, and they must make that declaration to the Board of Inland Revenue—I am going to come back to that point in a second—the Board of Inland Revenue.

But, Mr. Deputy Speaker, what we are looking at here to get to BEPS today, to get to automatic exchange of information or exchange of information by request, you have to have passed through other laws first. Mr. Deputy Speaker, those other laws are relative to the Global Forum, the Financial Action Task Force, and if you look to this law, you look to the definition section, you look to what we are treating with—you look at the “International Agreement” definition. When we look at page 3 of the Bill:

“‘International Agreement’ means the Multilateral Convention for Mutual Administrative Assistance in Tax Matters...”

Does that sound familiar, Mr. Deputy Speaker?

“...any bilateral or multilateral Tax Convention, or any Tax Information Exchange Agreement...”

Mr. Deputy Speaker, let me repeat that last phrase:

“...Tax Information Exchange Agreement...”

Does that sound familiar, Mr. Deputy Speaker? It should, because we did the FATCA law which resulted in the 1989 Tax Information Exchange Agreement with the United States being separated from the Tax Information Exchange Agreements Act, 2017 and the Multilateral Convention on Mutual Administrative

Assistance in Tax Matters should sound familiar, Mr. Deputy Speaker, because it exists in the very area of amnesia I am about to put on the record. Let me explain that.

Mr. Deputy Speaker, the United National Congress sitting as then Government, took us into the 2010 cycle, we did a questionnaire to join the Global Forum. In 2011, we joined the Global Forum. In 2014, we committed to the implementation of common reporting standards and automatic exchange of information with Global Forum, that is Minister Larry Howai, Minister of Finance under Member for Siparia, then Prime Minister, committed in 2014 to exchange of information by 2017 and, Mr. Deputy Speaker, we were required to pass into law critical pieces of legislation:

1. the Mutual Administrative Assistance in Tax Matters Bill.
2. the Tax Information Exchange Agreements Bill.
3. the Income Tax (Amdt.) Bill.

Mr. Deputy Speaker, this Government passed the FATCA law in 2016 with the UNC kicking and screaming, took us to a joint select committee, refused to support the law, we went into a national debate. We were forced to come up with the Tax Information Exchange Act which separated us from the Tax Information Exchange law we had previously, and we had a 1989 US agreement we had to carve out. But Mr. Deputy Speaker, the same Member for Oropouche West who came today with political and actual amnesia joined by his colleague the Member for Mayaro, forgot that the Minister of Finance brought the Mutual Administrative Assistance in Tax Matters Bill, No.13 of 2018.

You heard Oropouche West today saying the Minister of Finance did

nothing in 2017, nothing in 2018, nothing in 2019. He read from the letter the Minister of Finance wrote, he focused on the word commitment because the Minister of Finance gave a commitment as he was bound to do by high-level political commitment as organizations require. They forgot—amnesia—that the Minister of Finance brought the Tax Information Exchange Agreements Bill, No. 14 of 2018. They also had amnesia, that is Mayaro and Oropouche West, with the Income Tax (Amdt.) Bill, No. 7 of 2019. And the Minister of Finance, hardworking as he is, taking blows as he always does, was compelled to be embarrassed in meeting the commitment he gave to the European Union because, Mr. Deputy Speaker, notwithstanding his commitment, the Opposition refused to support those laws because they were three-fifths majority laws, they dragged it into a joint select committee. Mr. Deputy Speaker, we had umpteen meetings, the Third, Fourth, and Fifth Sessions of Parliament.

We warned that this was FATCA on steroids.

4.55 p.m.

It was not until Wednesday, 12 February, 2020, that the UNC shamelessly came to this Parliament, kicking and screaming, to deal with a debate to adopt the report from the Joint Select Committee to pass these three laws, which are precursor laws to this law here today. Mr. Deputy Speaker, you know what the then Opposition in that Parliament had to say in a minority report? Mr. Deputy Speaker, hear the big change: change a full stop to a semicolon, add the word “and”. We spent three years in a joint select committee dancing around to pass three laws, which are precursor laws, and they have the political vulgarity to come today to say, “The Minister of Finance broke his commitment. “The Government is

Base Erosion and Profit Shifting Inclusive
 Framework (Country by Country) Reporting
 Bill, 2023
 Hon. F. Al-Rawi (cont'd)

slothful,” they allege. “The Government did nothing,” they allege. Mr. Deputy Speaker, the record of this Parliament demonstrates that the only thing that caused us to not meet that commitment is the party represented by the following letters, U-N-C.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi: Mr. Deputy Speaker, this Bill before us today only came in the form it did today because of a combination of efforts. Mr. Deputy Speaker, I want to remind you about the case of Surratt.

Hon. Members: [*Laughter*]

Hon. F. Al-Rawi: Hear Naparima—

Hon. Member: Yeah.

Hon. F. Al-Rawi:—correctly saying, proportionality.

Hon. Member: It is kryptonite.

Hon. F. Al-Rawi: Mr. Deputy Speaker, when the Government brought legislation and said, “We will pass it without your support because we are sure that the law is good because it is proportionate,” and we put our legislative and legal hat on the case of Surratt—Mr. Deputy Speaker, I was very privileged then to have a gentleman by the name of Reginald T.A. Armour SC be retained by the Government—

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi:—to go and argue a case brought in the COVID legislation called *Dominic Suraj v the AG*. Mr. Deputy Speaker, that case became the locus classicus High Court and Court of Appeal and then we went to the Privy Council—

Mr. Hinds: Yes.

Hon. F. Al-Rawi (cont'd)

Hon. F. Al-Rawi:—to uphold the fact that the Government could pass law using a simple majority, where the Constitution might otherwise suggest that a special majority is required. Mr. Deputy Speaker, this Bill today is simple majority legislation. In fact, Mr. Deputy Speaker, there is a requirement in this Bill that says—if you look at clause 12:

“The Board may, in writing and within such times as it may require, require a Board...”

—it was amended in the Senate, an “entity”, to:

“...provide or make available to it, information including—

(a) ...relevant books, records...”—et cetera.

“(b) electronically stored information,

in its possession or control...”

Normally, prior to Suraj, which upheld Surratt, that may have been argued to be a three-fifths majority requirement clause, Mr. Deputy Speaker, but because you have the ability in clause 18, where:

“A person aggrieved by a decision of the Board under this Act, may appeal that decision to the High Court...”

—the due process was added and this law has come quite properly, having passed through the other place, as a simple-majority law. Mr. Deputy Speaker, let me connect the dots now.

Political vulgarity, audacity, political amnesia by the Opposition today, forgetting that they objected for three years to three pieces of law which are precursor laws to this, compelled the Government to only get their support in 2020, when they were shamed out by the public, where the European Union had to come

and say, “What is going on in your country”, Mr. Deputy Speaker, this law has come after we had the Privy Council settle that we could bring law as simple majority law.

Mr. Deputy Speaker, the hon. Members quoted from Global Forum publications that concerned the world. They did not quote from the Global Forum reports on Trinidad and Tobago. And in the Global Forum reports on Trinidad and Tobago, the Global Forum acknowledged that Trinidad and Tobago was a victim of COVID in 2022, and that there were delays in bringing forward of legislation, Mr. Deputy Speaker. So, Mr. Deputy Speaker, I have demonstrated, by matters on the record in this Parliament, by laws which have been passed, that the Minister of Finance has prevailed, notwithstanding the sabotage of the Opposition Members in refusing to support special majority legislation and in refusing support the method by which we can make law.

Mr. Deputy Speaker, the Member for Oropouche West went so far as to say, they “doh” like to hear Barbados. We heard a chuckle from Naparima. “How Grenada could pass law? How Barbados could pass law? How Antigua could pass law and Jamaica could pass law?” he asked.

Mr. Indarsingh: St. Lucia.

Hon. F. Al-Rawi: St. Lucia.

Hon. Members: [*Laughter*]

Hon. F. Al-Rawi: You know what the answer is? They could pass it because they do not have the UNC.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi: They do not have a Constitution like the Republic of Trinidad

and Tobago, now settled, thankfully, by the Suraj decision in the Privy Council, but they do not have an Opposition that will resist everything under God's sun to make good law happen.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi: Mr. Deputy Speaker, hear Oropouche West today, "They will come and they will say that it is the Revenue Authority that is required." Mr. Deputy Speaker, nowhere in this Bill do you see the term "Revenue Authority". Mr. Deputy Speaker, this Bill, interpretation section, clause 3:

"'Board' means the Board of Inland Revenue established under section 3 of the Income Tax Act;"

Where the requirements for filing in the Bill are traversed, you will see it is to the Board of Inland Revenue.

Mr. Deputy Speaker, so far off this planet is the Member for Oropouche West that he does not understand that we are not looking at the Revenue Authority to operationalize this. The Revenue Authority, when it is fully proclaimed, will repeal section 3 of the Income Tax Act, which creates the Board of Inland Revenue. It will. But, Mr. Deputy Speaker, to get to the base erosion and profit shifting law, you have to go through Common Reporting Standards, you have to go through creating the Multinational Convention on administrative matters. If you do not have those matters, Mr. Deputy Speaker, you cannot bring this law.

Now, Mr. Deputy Speaker, the AG put on the record, as did the Minister of Finance, that we are harmonizing the law today, not in a vacuum, Mr. Deputy Speaker. This law is directly associated with the amendments we did to the Miscellaneous Provisions (Trustees, Exchequer and Audit Act, the Minister of

Base Erosion and Profit Shifting Inclusive
Framework (Country by Country) Reporting
Bill, 2023
Hon. F. Al-Rawi (cont'd)

Finance (Incorporation) Act, Proceeds of Crime, Income Tax, Companies, Partnerships, Securities, Tax Information Exchange Agreements, the Non-Profit Organisations and Mutual Administrative Assistance in Tax Matters) Act; the Mutual Assistance in Criminal Matters Act as well; the special economic zones legislation as well. The Bill that is next on the Order Paper today, which I will not go into for risk of anticipation objection, that is connected to this.

Mr. Deputy Speaker, I have just named 11, 12, 13, 14, 15, 16 laws that have been amended, a 17th miscellaneous law to come today, and the Members opposite called that “slothful legislative action”? Well, Mr. Deputy Speaker, considering that the Members opposite did absolutely nothing in the period 2010, '11, '12, '13, '14 and '15, for five years and three months, and that their actions in 2017—sorry, '16 in to relation FATCA, '17, '18, '19 and '20 on three laws I just traversed were to oppose, well then, Mr. Deputy Speaker, that is why I say it is politically their fate to be viewed as persons suffering from amnesia, persons suffering from an inability to tell the truth and, Mr. Deputy Speaker, that I classify as legislative sabotage.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi: Mr. Deputy Speaker, I want to commend the Minister of Finance and his team. I want to commend the hon. Attorney General and his team because, Mr. Deputy Speaker, that package of laws that I have just mentioned, that work carried out by the Office of the Attorney General and Ministry of Legal Affairs and by the Ministry of Finance has taken years to complete with ardent effort, with teams of experts; teams of experts who, as we speak today, are undergoing examination by the Global Forum right here in Trinidad and Tobago.

So, Mr. Deputy Speaker, we have to just do it.

Mr. Deputy Speaker, we then went on an excursion with Mayaro all over the place about the effects of this law and what not having the law would equal to, Mr. Deputy Speaker. The hon. Member could not understand the difference between double taxation, transfer pricing, social [*Inaudible*]. Mr. Deputy Speaker, all the ills the hon. Member spoke about, in not having your taxation laws managed, did they not apply to the Revenue Authority? Did they not apply to the Mutual Administrative Assistance in Taxation Matters Act? Did they not apply to the tax information laws? Is it not relevant in asking the UNC why they are in court challenging the Revenue Authority laws as we speak now? Is it not equally relevant to the gaming commission, which they danced and danced and danced and refused to pass until we amended the law within constitutional permit and purpose to pass it on special majority basis? Mr. Deputy Speaker, this country is tired of the UNC's shenanigans.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi: It does not deserve to have an Opposition that just makes it up as they go. Mr. Deputy Speaker, I challenge anybody to say that the *Hansard* record does not reflect their opposition to the laws, as I have laid it out chronologically, Mr. Deputy Speaker.

Mr. Deputy Speaker, the hon. Members were saying, and I answer their contribution now from Mayaro quoting ECLAC, that \$17 billion was lost. Well, I want to compliment the hon. Prime Minister of the Republic of Trinidad and Tobago, the hon. Member for Diego Martin West, who, together with my colleague, the Minister of Energy and Energy Industries, and his predecessor, the

Base Erosion and Profit Shifting Inclusive
Framework (Country by Country) Reporting
Bill, 2023
Hon. F. Al-Rawi (cont'd)

late Franklin Khan, went to battle on behalf of the people of Trinidad and Tobago—

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi:—to renegotiate our take on oil and gas—and I am answering Mayaro now. Because that singular purpose and effort of the hon. Prime Minister, leading the charge in Amsterdam, in London, in Washington, in Geneva at times, in ensuring that Trinidad and Tobago got more than Henry Hub price at the pump, that is gas price—

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi:—the hon. Prime Minister has put into the coffers of this country \$17 billion more—

Mr. Hinds: That is right.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi:—than any other Prime Minister or government did.

Mr. Hinds: More for less.

Hon. F. Al-Rawi: So you want to talk about ECLAC, well, I will talk about Trinidad and Tobago, and I will talk about the hon. Prime Minister of Trinidad and Tobago, the hon. Member for Diego Martin West.

Mr. Deputy Speaker: Hon. Member, again, your initial speaking time, you just have about two more minutes. You have an additional 15. Do you care to avail?

Hon. F. Al-Rawi: Yes, Sir.

Mr. Deputy Speaker: Proceed.

5.10 p.m.

Hon. F. Al-Rawi: Yes, Mr. Deputy Speaker. We could talk about Trinidad and

Tobago, we could talk about the Government. I heard the Member for Oropouche West talking about Trinidad and Tobago has been wasting time and I answer him now on pursuing the Dragon gas deal, Mr. Deputy Speaker. The Member for Oropouche West is listed by the UNC as the shadow Member, sometimes with the Member for Pointe-A-Pierre, in finance and energy, “God help us!” Because if the hon. Members cannot understand that a gas price contract with a sovereign entity like Venezuela, at Dragon Gas Field will translate into a gas price contract at Loran–Manatee, Mr. Deputy Speaker, well then “God help us all!” Because the largest supply of a unitized gas field on our horizon for proven gas reserves is the Loran–Manatee field. What are they smoking, Mr. Deputy Speaker?

Mrs. Cudjoe-Lewis: They are drinking.

Hon. F. Al-Rawi: I know we had the pleasure of decriminalizing cannabis in certain circumstances, but I hope it is not that.

Mrs. Cudjoe-Lewis: Because they are drinking.

Mr. Hinds: Drinking.

Hon. Members: [*Crosstalk*]

Hon. F. Al-Rawi: Mr. Deputy Speaker, we are talking serious business.

Mr. Deputy Speaker: Silence please. Silence please.

Hon. F. Al-Rawi: We are talking about the fate of this country, Mr. Deputy Speaker. So let us add it up in simple terms. The UNC says “the Minister of Finance, lazy he eh do nothing since 2017”. Oropouche West, reads some letters, they skip over, they objected in 2017, 2018, 2019, 2020, to six pieces of law. They waited till Suraj comes out to settle proportionality and simple majority law.

Mr. Deputy Speaker, they come here today to say “doh focus on Dragon,

Hon. F. Al-Rawi (cont'd)

doh focus on oil and gas. They support this law, they will support good law". Mr. Deputy Speaker, they have no choice but to support this law, quite simply because we have the necessary votes to pass it on our own, that is really what it is. And that is because the law is well drafted it is proportional in its measure and structure. It is proportionate, within the context of the learning and jurisprudence by which we are bound, Mr. Deputy Speaker, and therefore, I say to this House, through you, Mr. Deputy Speaker, to the people of Trinidad and Tobago, just ignore the UNC. Just ignore them.

Mr. Deputy Speaker, the hon. Member for Mayaro mentioned the concept of beneficial ownership. It was this Government that pursued beneficial ownership in 2019. It is this Government that went on a legislative package to follow the money. It is this Government that created the civil asset forfeiture, explain your wealth legislation. It is this Government that brought plea bargaining legislation, that brought judge alone, that brought the criminal division, that brought the civil division in the context of the Family and Children Division. Mr. Deputy Speaker, it is this Government that has brought the Revenue Authority to better manage our taxes.

Hon. Members: [*Desk thumping*]

Hon. F. Al-Rawi: And it is the people of Trinidad and Tobago, who will have the common sense to understand before you go and impose taxation on multinational companies, get your negotiations out of the way, Mr. Deputy Speaker. Timing is critical. Mr. Deputy Speaker this Bill, appears to be simple. It is 22 clauses long as I have said. It is important that we note that we have the power to make regulations to give effect to the Act. It is important at clause 18 to note that you

have the right to appeal. It is important at clause 12, sorry, at clause—it is important to note that at clause 19 that you can administer administrative fines.

5.15 p.m.

I know that the AG and Minister of Finance are paying attention to the issue of administrative fines under the FATF Recommendation 35 obligations, and that will be explored and expanded under regulations to follow under this Act. It may mean, as the Minister of Finance has put us up on alert, that we may have amendments to make, because as the consultations with the Global Forum end in the cycles in which they start and stop we get feedback from them, and the feedback says what we need to adjust. So I can mark the spot, with the AG having marked it, and with the Minister of Finance having marked it, to say, we may very well have to come to make some amendments. But the point is this, it is an ongoing exercise of legislative production, and, Mr. Deputy Speaker, this law will allow for the base of taxation for entities over gross revenue of \$850 million per annum in group revenue to make sure that they disclose their revenue. There are exceptions for disclosure. If you note the operation between clause 6 and clause 7, there are exceptions if you are already reporting inside of a mutual assistance of administrative convention structure, because once you disclose you get better positions.

But, Mr. Deputy Speaker, with the Revenue Authority to come, as is partially proclaimed, and with the Board of Inland Revenue, as it already exists as a competent authority on the exchange of taxpaying information, on request, or

automatically, which is Stage 2, that means that we can effectively participate in the global network to ensure that our citizens get their fair share from enterprises that work and operate, and in some instances exploit legitimately the minerals and resources of our country, Mr. Deputy Speaker.

This is part of a long train of connected mechanisms, it is part of work that will come even today as we go to another piece of law after this, which is connected to this, and I would like to offer my profound support to the hon. Minister of Finance who has been slaving for this country to get this law done. I wish to say that I can testify that I have seen him at work on this path. In my previous incarnation in the work I did, and in my current status as Minister of Rural Development and Local Government, I have worked with the Minister of Finance and the hon. AG, and I am pleased to be part of this team as we seek to save Trinidad and Tobago from negative reflection, and more importantly from the ravages of the United National Congress. I thank you, Mr. Deputy Speaker.

Hon. Members: [*Desk thumping*]

Mr. Deputy Speaker: I recognize the Member for Naparima.

Mr. Indarsingh: Yeah, yeah.

Hon. Members: [*Desk thumping*]

Mr. Rodney Charles (*Naparima*): Thank you. Thank you.

Hon. Members: [*Interruption*]

Mr. R. Charles: Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, it is now pellucidly clear to all and sundry why the Member for San

Fernando West was removed as Attorney General some time ago.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: It is also clear in his long un-enlightened elucidation of nonsense that he said—

Mr. Deputy Speaker: I think you should retract and use a better word, please.

Mr. R. Charles: I retract. It is clear that in his long elucidation and substance-less discussion that he is toting feelings for the job of Attorney General. How could he say, how could the hon. Member say that we on this side we engage in legislative—what is his word?—sabotage. Is the Minister— I wish to draw—you know it hurts, Mr. Deputy Speaker, it really hurts to listen to amnesia, that he has forgotten his non-performance as Attorney General when he sat in the Joint Select Committee on Mutual Assistance in Tax Matters Bill, 2018 and the Tax Information Exchange Agreements Bill in 2018.

The Member for San Fernando West and the Member for Diego Martin North/East were Members on the Government side. On our side we had the lustrous Member for Barataria/San Juan, we had the late, great Fazal Karim, and yours truly. And, Mr. Deputy Speaker, we wanted to get off the EU list more than the Government on that side, and I want to read a letter. You see “facts are stubborn things. They don’t go away”.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: This is a letter dated 9th of May, 2019, to the secretary—and I would not call her name—of the Joint Select Committee on the Mutual

Administrative Assistance in Tax Matters, Bill 2018 and the Tax Information Exchange Bill, 2018. This was a Joint Select Committee established to fast track so that we could discuss, iron out the nitty-gritties so when it comes to Parliament we will support it, and as my Leader says, we will always support good legislation.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: So I quote from the letter, and this is to show the slothfulness and laziness and incompetence of those on that side. I quote: I write on behalf of committee members—this is undersigned. Rodney Charles wrote this letter.

I write on behalf of committee members, MP Fazal Karim—the late Fazal Karim—Sen. Saddam Hosein, and myself, to indicate our deep concern about the fact that since its establishment only one meeting of the Joint Select Committee on the Mutual Administrative Assistance in Tax Matters, Bill, 2018 and the Tax Information (Exchange Agreement) Bill, 2018, and the Income Tax Bill has been held.

Only one meeting. That meeting was held on January 25th, 2019. Three months have passed, no meetings. We on this side begging them, this is important, this is critical, let us meet, let us treat, and let us get off the EU black list.

I continue. We note—and the Member for San Fernando West was a Member of that committee, so he knows full well about this letter.

We note that the legislation under review are vitally important in order for us to come off the various blacklists. We confess that we are not seeing that level of urgency commensurate with the importance of the proposed

legislation.

Let me repeat because it is amnesia on that side. Amnesia! I quote, I repeat:

We note that the legislation under review are vitally important in order for us to come off the various blacklists. We confess that we are not seeing that level of urgency commensurate with the importance of the proposed legislation. It is our hope—that is former Member, the late, great Fazal Hosein—

Hon. Member: Karim.

Mr. R. Charles: Karim, sorry, my colleague and myself.

It is a hope that we will see a number of meetings being urgently convened so the requisite analysis of the Bills will take place to prevent us being called upon to support inadequately revised and not well thought out legislation.

And I ask the question, Mr. Deputy Speaker, does that look like somebody, a group of people and a party that wants to sabotage legislation in the interest of Trinidad and Tobago, or is it a group of people begging them on that side, do the work?

Hon. Members: [*Desk thumping*]

Mr. R. Charles: Call the meetings. So the Minister of Finance is not aware of his portfolio, making obligations that he knows that he cannot keep, not holding meetings, not doing the requisite analysis and forethought to bring good legislation to get us off the blacklist. The Minister, and I repeat, and I must congratulate my colleague for Oropouche West for erudition, enlightenment and bringing the facts on the table, not old talk and sweet talk and Surratt and proportionality and thing,

facts on the table quoting ECLAC. What, the Economic Commission for Latin America. Facts!

The Minister of Finance he made a commitment to the globe, and I repeat what my friend said, to the code of conduct group by letter dated November 21st, 2017, that would pass the BEPS Inclusive Framework legislation by June 30th, 2019. Now it is instructive, the promise was made for June 30th, 2019, and this letter is May 09th, 2019, begging them “let us get together and pass the legislation”. And you know what hurts—I see the Minister is leaving, he cannot face the truth. Cannot face the truth—that after writing this letter on May 09th, 2019, one month passed before a meeting was held. So four months the Minister of Finance telling us this is urgent, we must meet and treat, and four months passed, and when you write them you have to wait a further month to get a response, to call a meeting.

But I want to deal with the Minister of—the Member for San Fernando West, former Attorney General, when he said that this BEPS legislation is here because they had to pass previous legislation which were not supported by us on this side. You see amnesia again. They forget. Let me enlighten them, let me enlighten them, the Foreign Account Tax Compliance Act, FATCA was passed with Opposition support. We supported that.

Hon. Members: [*Desk thumping*]

Hon. Member: Fact!

Mr. R. Charles: And that is a fact. The Income Tax (Amdt.) Bill, 2019, we supported that.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: So do not come and tell the population that is obstruction on this side. But not only that, there are two pieces of legislation. The third piece of legislation, the Mutual Administrative Assistance in Tax Matters, Bill, 2018, we supported that also—

Mr. Indarsingh: I suggest you bring some glue so—[*Inaudible*]

Mr. R. Charles: And the Trinidad and Tobago Special Economic Zones Bill, we supported that. On every occasion where we are required to be patriotic and do the people's work we do it with expedition.

Hon. Members: [*Desk thumping*]

Mr. Indarsingh: Yes, yes.

Mr. R. Charles: But we have to deal with a slothful, incompetent Government on that side. Slothful, lazy, incompetent. There is no nice way to speak the truth. As they say it, “plain talk bad manners”.

Mr. Indarsingh: The amount “ah” blue soap to remedy this.

Hon. Members: [*Laughter*]

Mr. R. Charles: So we have the ECLAC report and various reports saying how much we have lost from the non-passage of the BEPS legislation, Base Erosion and Profit-Shifting Bill. We are seeing how much we have lost. My colleague for Oropouche West has pointed out a figure of, I hear, a \$140 million.

Hon. Member: A \$140 billion.

Mr. R. Charles: A \$140 billion, and he has also pointed out that you are running

down the poor citizens of Trinidad and Tobago to get \$4 million for property tax, and the foreigners in Trinidad, the multinational enterprises, you are sparing them a \$140 billion.

Mr. Indarsingh: Wickedness.

Mr. R. Charles: That is a disgrace. That is wickedness. That is wickedness.

Mr. Deputy Speaker: Again, Member, please. Please!

Mr. R. Charles: Okay. It is not good behaviour consistent with the party that has the interest of Trinidad and Tobago at heart.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: But we have not only lost billions. We have not only lost billions. Norway, a Minister of Taxation from Denmark when he looked at the performance of this Government in terms of tax evasion and passing Bills to eliminate what they call “transfer pricing”, he called us in Trinidad “a nook of shame”, that is a quote, and that country Denmark cancelled its double taxation treaty with Trinidad and Tobago. We are proud Trinidadians on this side, and we would not like a foreigner from a former colonial country calling us a “nook of shame”, and we cannot respond. In San Fernando if somebody call me a nook of shame and he “eh” six foot tall and 600 pounds and a Rasta.

Hon. Members: [*Laughter*]

Mr. R. Charles: Blows. Blows. You have a foreigner calling my country and my Government a nook of shame, and the Member for San Fernando West coming and talking about proportionality and Surratt and nonsense. Norway, not an EU

country, has terminated its taxation agreement with Trinidad and Tobago effective January 01st, 2024. We are, to quote, and I hate doing this, to quote the European, the EU Minister, “a nook of shame”.

5.30 p.m.

We were told by Minister Imbert, and that is the real reason why we are here today, last minute, that the EU Peer Review will commence in first quarter 2024, and the Global Forum will not, will not consider any legislative changes after June 2024. So we are here because a peer review is taking place and like little children we are rushing to get the homework done before the bell rings for class to start. That is where we are.

The Minister knew about the BEPS in 2017, when he wrote the letter, so it is not a case of goalpost shifting. He knew, he knew what was required to be done, he promised to do it and as usual the slothfulness kicked in. We have to ask the question, since they do not know how to get us off the EU blacklist or any blacklist, since they do not know, will this bit of legislation today get us off the blacklist? That is a fundamental question we have to ask, because time and time we come and we are told that if we pass this piece of legislation, FATCA, we will get off the blacklist. If we pass the Income Tax (Amdt.) Bill, 2019, we will get off the tax—[*Inaudible*]

In this same joint select committee I asked the Minister of Finance, tell us all the legislation we need to pass so that we will get off the list. He told us if we pass these four, we will get off. It is in *Hansard*, it is in *Hansard*. So you cannot—it is either amnesia or you do not want to read. It is in *Hansard*. We asked, what is required of us? As the scripture says, tell us, what the fella told the Lord, “tell me

what would you have me to do”. And he said, “sell all your property, take up your cross and follow me”. They cannot answer that. Tell us what we need, Mr. Deputy Speaker, if we remain in the EU blacklist after 2024, it is them to blame. I “eh” coming into Parliament, I will absent myself, because I have—it is not for want of trying, that we have sought to find out from that group, from the group, what is required to get us off the list.

So, Mr. Deputy Speaker, the EU has a 15-point action plan for BEPS Inclusive Framework. Of these 15 there are four minimum standards required by the EU under the BEPS. These are: Action 5:

“...counter harmful tax practices with a focus on improving transparency...”
Have we done that?

Action 5, prevention of tax treaty abuse; Action 13, improving tax transparency with a country-by-country reporting. We are dealing with that. But Action 14, making dispute resolution between—they say “between”, but as a good English student it is “among” jurisdictions more timely, effective and efficient. Will this Bill sufficiently cover these requirements? Do we have confirmation or indication from the EU representatives the Minister is working with, that we are on the right track? From my understanding and research this Bill will only cover Action 13, that is, improving tax transparency with a country by country reporting. So where do we stand with the others?

According to the Prevention of Tax Treaty Abuse—Fifth Peer Review Report on Treaty Shopping Inclusive Framework on BEPS: Action 6, published on March 21, 2023, with regard to Action 6, Prevention of Tax Treaty Abuse although:

“Trinidad and Tobago has 16 tax agreements in force...

None of those agreements comply with the minimum standard.”

Let me read that again, let me read that again. It is not amnesia here. I am reading it slowly. According to the Prevention of Tax Treaty Abuse—Fifth Peer Review Report on Treaty Shopping Inclusive Framework on BEPS: Action 6, published on March 21, 2023 with regard to Action 6, Prevention of Tax Treaty Abuse, although:

“Trinidad and Tobago has 16 tax agreements in force...

None of those agreements”—not one—“comply with the minimum standard.”

It goes on to say, Mr. Deputy Speaker, that:

“Trinidad and Tobago has not signed the”—BEPS—“MLI”—the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting.

The OECD says and I quote:

“The BEPS MLI”—that is the multilateral convention to implement the thing, quote:

“...offers concrete solutions for governments to close the gaps in existing international tax rules by transposing results from the OECD/G20 BEPS Projects into bilateral treaties worldwide.”

Do we have those bilateral treaties?

“It also implements agreed minimum standards to counter treaty abuse and to improve dispute resolution mechanisms while providing flexibility to accommodate specific tax treaty policies.”

Do we have those in place?

So, Mr. Deputy Speaker, you get a sense that the BEPS will help states become fully compliant at the very least with the four BEPS minimum requirements. But we are not sure, like all the other bits of legislation that we pass “chirrip-chirrip”, that what we pass today will get us off the EU watch list. But, Mr. Deputy Speaker, you know what is hard, do you know what is hard, every little island, and my colleague raised the point, Grenada, St. Lucia, Barbados, everybody, Cayman Islands, passed the BEPS legislation long ago.

Mr. Indarsingh: “How long that is?”

Mr. R. Charles: Barbados did it in 2021. And I have, Mr. Deputy Speaker, a copy of our legislation and that of the Barbadians. And you know they copied it word for word, word for word, the Government of Trinidad and Tobago. I mean, they do not like me to talk about Mia Mottley. They do not like me to talk about Barbados, I understand that, but do not tell me, “go to Barbados” and you running and copying the Bill word for word. And I have to give specific examples of—what is the word for copying again? Plagiarism. That is the word, plagiarism.

Mr. Indarsingh: Use the local terminology, fudging.

Mr. R. Charles: Fudging. Mr. Deputy Speaker, the Trinidad and Tobago BEPS Bill before us, let us take filing obligations. That is clause 4(1), filing obligations. This is what we say.

“Each Ultimate Parent Entity of an MNE”—multinational enterprise—
“Group that is resident for tax purposes in Trinidad and Tobago shall file a
country-by-country report...”

Let me stop there partially and read what Barbados says. We say:

“Each Ultimate Parent Entity of an MNE Group that is resident for tax purposes in Trinidad and Tobago...”—Barbados says:

“4(1) Each Ultimate Parent Entity of an MNE Group which is resident for tax purposes in Barbados...”

We say, Trinidad, they say, Barbados.

“...shall”—and I quote the Barbados Bill:

“...shall”—report—“shall file a country-by-country report in accordance with section 6 and 7.”

And we say:

“...conforming to the requirements of section 6, with the Board, with respect to its Reporting Fiscal Year on or before the date specified in section 7.”

They say 6 and 7 in Barbados, we say 7.

Mrs. Robinson-Regis: That is word for word?

Mr. R. Charles: That is word—hear word for word again.

Mr. Deputy Speaker: Members, please—

Mr. R. Charles: Hear—if you are not convinced, Member—

Mr. Deputy Speaker: Again, Members, please.

Mr. R. Charles: The Member for Arouca/Maloney—

Mr. Lee: Give them “a next” example.

Mr. R. Charles: I will give “a next” example. I will give another example for clarity, for emphasis, for truth, so that it will soak in. Another example, “Notification requirements”, clause 5(1). “Ah reading the first line, ah reading” the Barbados first line, second line, second line. This is Barbados:

“Any constituent entity of an MNE Group that is resident for tax purposes in

Barbados shall...”

Hear what we say:

“Any Constituent Entity of an MNE Group that is resident for tax purposes in Trinidad and Tobago shall notify the Board...”

It is shameful, it is shameful. Where Barbados has Barbados, we put in Trinidad and Tobago. They say, it continues:

“...they shall notify the Competent Authority...”

We say:

“...notify the Board”—of, meaning the Board of Inland Revenue—“whether it is the ultimate parent entity...”

Our own says:

“...whether it is the Ultimate Parent Entity...”

They have:

“...Or the surrogate parent...”

We have:

“...or the Surrogate Parent Entity...”—of the—“MNE Group...”

They have:

“...of the MNE Group...”—too.

Lord have mercy, Lord have mercy. “Ah mean”, you know what hurts about this, if you are copying, it took four years to copy and bring it to Trinidad. Go to Barbados, copy the thing, bring it here, quick, quick, quick, and “we go pass it”, because we pass all legislation dealing with Global Forum and getting off the list.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: The record is there. Copy it—how long does it take to copy,

colleagues? It take four years to copy?

Mrs. Robinson-Regis: Same length of time to—*[Inaudible]*

Mr. R. Charles: Let us go again since my colleague from Arouca/Maloney is not convinced. “Leh me go to”—*[Laughter]* at clause 5(2). Clause 5(2) in the Trinidad says:

“Where a Constituent Entity of an MNE Group...”

Let me go to Barbados quick:

“(2) Where a constituent entity of an MNE Group...”

Cool? Continuing in Trinidad:

“...that is resident for tax purposes in Trinidad and Tobago...”

“that is resident for tax purposes in Barbados is not the ultimate parent entity...”

Trinidad:

“...is not the Ultimate Parent Entity nor the Surrogate Parent Entity...”

Barbados:

“...nor the surrogate parent entity...”

Trinidad:

“...it shall notify the Board...”

In Barbados it says:

“...it shall notify the Competent Authority of the identity and tax residence of the reporting entity no later than the last day of the reporting fiscal year of the MNE Group.”

We say:

“...it shall notify the...”—competent authority of the reporting entity—“no

later than the last day of the Reporting Fiscal Year of...”—the—“MNE Group.”

Mr. Lee: Same, same.

Mr. R. Charles: Same, exact same thing. Copying, plagiarism, “tiefing” ideas, however you want to put it—

Mr. Ram: [*Interruption*]

Mr. Deputy Speaker: No, again, Member, please, why? Why, Member? Just like that? Come on, Member for Naparima, you are only recognized.

Mr. R. Charles: Yes, yes. This thing hurts, “ah losing meh paper man”.

Hon. Members: [*Laughter*]

Mr. R. Charles: “Ah” better go Barbados and copy something and bring it here.

Mr. Lee: “Doh lose your paper, doh lose your paper.”

Mr. R. Charles: “Ah” lose it. Yeah, “Time for filing”, clause 7(1).

“The country-by-country report required by this Act...”—this is Trinidad—
 “shall be filed no later than twelve months after the last day of the Reporting
 Fiscal...”—thing.

We have, a country—Barbados has:

“...a country by country shall be filed with Competent Authority no later
 than 12 months after the last day of the reporting fiscal year of the MNE
 Group.”

We have the exact same thing. You see I have to repeat.

Mrs. Robinson-Regis: [*Inaudible*]

Mr. R. Charles: You know why I have to repeat, because—

Hon. Members: [*Crosstalk*]

Mr. Deputy Speaker: I need no assistance. Again, Member, please, please.

Mr. R. Charles: I have to repeat because—sorry—I have to repeat because there is amnesia, amnesia on that side. So you see, when we repeat, it sticks. James Calvin tells us:

If you say something once, nobody hears it; 10 times, one person hears it, 100 times they begin to believe it.

So I want them to believe when I finish today that they are incompetent.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: “Confidentiality” and how a report may be used, clauses 8 and 9, we have “of Trinidad and Tobago”, Barbados has it clause 11, “of Barbados”. Clause 10, “of TT”, they have in clause 9 in Barbados, “of Barbados”. “Provision of information to the Board”, clauses 12(1) and (2) of TT, Barbados has clause 12 (1) and (2) of Barbados. Errors in the CBC, that is country-by-country reporting, we have it clause 13, “of Trinidad”, Barbados has, “of Barbados”. That is it. This copy, they could not copy this years ago, Mr. Deputy Speaker, years ago, 2021, Grenada 2016, St. Lucia 2017 or ’18, Cayman Islands 2020 or whenever.

It is just to go—if another country is doing something efficiently and effectively and you are failing time after time, what would common sense tell you to do? Go and study what they are doing and try to do it. They call it best practices in management, best practices. When you talk Barbados—they say, “if you like Barbados, go Barbados”. They are quick to ridicule you and when you go outside in the market people say, “Charles, you know, you are talking sense”.

5:45 p.m.

“Do not take them on because somebody has to tell them the truth.”

Hon. Member: Which market is that? Marabella Market?

Mr. R. Charles: Marabella Market.

Hon. Member: Good market.

Mr. R. Charles: In fact, “I does get thing free. Dey does give meh free”.

Hon. Members: [*Desk thumping and laughter*]

Mr. R. Charles: So, Mr. Deputy Speaker, 99.9 per cent of it is the same thing in the Barbados law, done in 2021, three years ago. But I am glad to know they took my advice finally and looked to Barbados, and to look to Mia Mottley, and to look to Guyana. Hopefully, we will see the light now and Trinidad and Tobago will no longer be blacklisted. So we come to the question—it is not a shifting goalpost. This Government has been dragging its feet for years on this matter. And I want to give them a little lesson in best practice, because they will go there and copy the wrong thing, you know.

Hon. Member: [*Laughter*]

Mr. Deputy Speaker: Hon. Member, your initial speaking time, you just have about two more minutes. You have an additional 15. Care to avail yourself?

Mr. R. Charles: I graciously will accept the extra time.

Mr. Deputy Speaker: Proceed.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: So the question is, if and when you take my advice or the advice of those on this side, and you go to Barbados, or Cayman Islands, or St. Lucia or wherever—those who have gotten off the list—here are some of the things they do that we slothfully cannot.

Barbados—and I know the Government hates to hear Barbados but I will use

them as an example because the fact remains, Mr. Deputy Speaker, that Barbados clearly knows what it is doing, in terms of becoming compliant with the EU requirements and keeping ahead of any BEPS changes that would put them in danger of being blacklisted once again. So, Mr. Deputy Speaker, I must be reminded that in October 2020, the EU added Barbados to the blacklist. In February—that is October, November, December, January, February, how much?—four months, they were able to be removed from the blacklist and that was February 2021. Right? Barbados was removed and was a member of the OECD Inclusive Framework on Base Erosion and Profit Sharing. How were they able to come back on the list so quickly and what is it they have that we do not?

Mr. Deputy Speaker, I can go now on the Barbados Revenue Authority website and see a full breakdown of what they have done; what legislation is in effect; resources, with guidance, on what is required by the EU. That is the kind of transparency and efficiency we would like to see here. We are more than capable. “We bright, you know. We bright in Trinidad. We winning CARICOM scholarships and thing” but somehow those people do not end up on that side of the bench.

Cayman Islands came off the EU blacklist in 2020. In July 2019, the OECD Forum on Harmful Tax Practices assessed Cayman’s regime.

Mr. Al-Rawi: I rise on Standing Order 55(1)(b), the third speaker to read the same list.

Hon. Members: *[Interruption]*

Mr. Deputy Speaker: Okay, Member, I will give you some leeway. Let me hear what point you are going with.

Mr. Indarsingh: He said that he is repeating it a hundred times.

Mr. Deputy Speaker: Okay, fine—[*Inaudible*]

Mr. R. Charles: The Member for San Fernando West does not understand that I am quoting from somewhere else. This is an additional piece of information, not the list. Cayman Islands—he does not want to hear it. They do not want to hear about competence.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: They do not like to understand that they are at the bottom of the list, not only in the world but in CARICOM, in terms of anything at all.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: Cayman Islands came off the EU—and I never mentioned that before.

Mr. Al-Rawi: Tancoo did.

Mr. R. Charles: Cayman Islands came off the EU blacklist—well, when? You have amnesia—came off in 2020. In July 2019, the Cayman Islands regime was ranked as not harmful, which is the highest possible ranking; Cayman Islands. Since 2018, the Cayman Islands has passed almost 20 pieces of legislation to meet EU demands on tax matters. That came from the *Cayman Compass*, October 06, 2020. That is their newspaper.

St. Lucia came off the EU blacklist in 2021.

5.50 p.m.

For three years, they made changes set by the OECD and Global Forum but I will tell them, I will tell them what is required. Jamaica's Finance Minister, listen to a Finance Minister who really works, hear what he said. Dr. Nigel Clarke is his

name. He said that they had some major hurdles and some finalizing to do. However, he set a March 2023 deadline to have the amendments brought to Parliament. In February 2023, Jamaica was removed from the EU blacklist following amendments to the Special Economic Zones Act.

That is taken from the *Jamaica Observer*, February 23rd, 2023. That is what they do, they set deadlines. Not like our Finance Minister, write and set a deadline and then five years after we are now meeting to pass it. And you know what? “We go support it”, like we support every bit of legislation to get off the list. So let me say that upfront. When they come next week or next month or so with another “piece ah chirrup legislation” to come off the EU blacklist, they will still say we did not support it. I want to place on record, we have supported every bit of legislation to get off the EU blacklist and we will continue so to do.

Mr. Deputy Speaker, Barbados Minister of Energy and Business Development Sen. Lisa Cummins, why we do not import her and bring her over here? You know we have CSME where we have exchange of talent and competence, bring Sen. Lisa Cummins to Trinidad, let her work in the Ministry of Finance for one month and understudy the Member for Diego Martin North/East, poor soul. Sen. Lisa Cummins said and I quote. I have to quote this, this is how serious people go about their work. I quote:

“Even over the Christmas holidays, into the earlier part of the new year, we literally had to keep our heads down to ensure that Barbados avoided the measures that would have come along with an Annex II listing...”

End of quote. Lisa Cummins, Minister of Foreign Affairs and Trade,

February 14, 2023. That is how serious people work.

Hon. Members: [*Desk thumping*]

Mr. R. Charles: People who are not serious come to blame everybody, blame Minister Howai, blame—in 2017, we went on the list but they were blaming Minister Howai two years before, “they come here and dey blaming us, poor us”. We support everything, “everything yuh bring”. And you know I will sit down and allow you to say one bit of legislation concerning this that we did not support, you cannot name any. So we give those people—Caribbean islands are serious, they do not sit down. They make a commitment and they did not stop until they got off the list.

Mr. Deputy Speaker, I hope the Minister of Finance is serious when he said that the Senate sitting on February 20th, that is *Hansard*, page 38, is that:

TT should be largely or partially compliant with the OECD and the EU by the end of 2024 with the passing of this Bill and we are not rushed here again in the next two months to hear the same story over and over again.

I want to say, Mr. Deputy Speaker, “gimme the job”, give Rodney Charles the job. I will get you off the list in a month and I do not want salaries, I only want per diems, only per diems, tax free in US dollars, per diems. All I will do is take a trip to Barbados, find out what they did, use their legislation as a guide and finally TT will get off the blacklist, no rocket science. Right.

[MADAM SPEAKER *in the Chair*]

So in conclusion, we on this side are not unmindful of the neo-colonial implications of former colonial powers dictating to us how we should run our

business. Madam Speaker, it hurts my heart as a true patriot, as we are all on this side, all honourable men and women, we are patriots, it hurts our hearts that EU has to be setting guidelines for us and we are running to do it and they say no, “they spank yuh, put yuh in detention, yuh did not do it, come back again, go back again, come back again, we overs that. We overs that.” The fact that our former colonial masters are dictating to them which should be condemned and we use every avenue to stop it. Once we get into that practice, we are in difficulty. The US, for example, with human trafficking, human rights and all sorts of things, they should not be lecturing us but that is a different story for a different time. They are our largest trading partners and for the time being since we are not Singapore, since we are not economically independent, we have to abide by the bigger boys.

However, with respect to this bit of legislation, there is a difference between legislation that they insist we do, like BEPS or legislation like this which has the potential to increase our revenues; \$140 billion is nothing to sneeze at. It would mean that, Madam Speaker, out of my “lil \$17,000 a month I getting”, I have to give \$4,000 of that in tax and then I have to take—“wah again boy”? Well I will not talk about party business, 10 per cent here, 10 per cent there, all kinda thing, taking home 13,000, “it lil bit”. Now if they stay off the tax, they could have used the money from the \$140 billion to say no tax in Trinidad and Tobago. That is what—it hurts at a personal level and at a collective level as a patriot of Trinidad and Tobago to see a multinational outsmarting us and yet we are told that the person in charge of our energy sector is Gary Sobers.

And I want to correct one last thing before I go—

Mr. Indarsingh: Gary Sobers?

Mr. R. Charles: This false information that the Prime Minister and the Minister of Energy went to Houston and because of that, we got \$14 billion while “yuh” foregoing \$140 billion, after that meeting in Houston, the energy sector collapsed, Petrotrin collapsed.

Hon. Members: [*Desk thumping*]

Madam Speaker: While I understand the wide angles you are taking, please let us narrow in and let us—

Mr. R. Charles: Yes, Madam Speaker. You were not here but I was responding. I was responding.

Madam Speaker: Okay, just kind of reel and—

Mr. R. Charles: As the Member for San Fernando West indicated about the great things that they did in Houston, I am constrained to respond.

Madam Speaker: I would also say that not every peripheral thing one is allowed to respond to. Okay. Let us reel in, you have gone all about the place but in response or not, at this time, you cannot really be responding for how far you are into your contribution. Let us get on with what is before us.

Mr. R. Charles: So we should be telling the EU about best practices in the management of their business arrangements, not the other way around. Madam Speaker, every time we come to this House, we beg our colleagues on that side to bring all the legislation and let us get off the EU blacklist. It has been too long and if you find me impatient it is because of the lengths of the nonsense that I have to put up with. But time and time again, to no avail, they bring us here to give us the same excuses and we still remain on the blacklist. Were we not told that if we did not come off the blacklist, we would lose correspondent banking and all sorts

of—? We hope that with the passing of this legislation that Trinidad and Tobago will be fully compliant by the end of 2024. But if for some reason we are not, I hope my colleagues on the other side will seek help from our CARICOM neighbours.

I thank you, Madam Speaker.

Hon. Members: [*Desk thumping*]

The Minister of Finance (Hon. Colm Imbert): Thank you, Madam Speaker. Barbados, Grenada and Jamaica are in IMF programmes, we are not. So let me deal now with the matter that is before us. I would like to reiterate and inform Members that the Global Forum Secretariat is currently in Trinidad and Tobago from the 4th of March to the 8th of March, in other words, this week, to conduct an on-site mock review of Phase 2 of the exchange of information. The actual peer review is scheduled to be launched in June 2024. In terms of the peer review and the action plan that we have prepared, this is what has happened and will happen.

The exchange of information peer questionnaire was sent to the Global Forum Secretariat in February 2024. The on-site mock peer review, as I have just indicated, is in progress here in Trinidad and Tobago. A report will be prepared by the Global Forum Secretariat and will give us an assessment about our compliance with the Global Forum exchange of information standards and give us any opportunity or give us the opportunity to address any shortcomings. We expect that to be completed by May 2024. We will analyze the comments and the recommendations of the mock peer review team, make the necessary adjustments by the end of May 2024. The preparation for the official Phase 2 Peer Review on the exchange of information questionnaire is to be sent to the Global Forum in

June 2024 and the official on-site peer review by the Global Forum is scheduled for September 2024. We expect once we successfully complete this schedule that we will receive a largely compliant or partially compliant rating by December 2024. In addition, due to the BEPS legislation that we are completing today and the work we are doing on special economic zones, we are expected to meet the criteria for removal from EU list of non-cooperative tax jurisdictions by September 2024.

Let me give some further details. The Minister of Finance is in the process of submitting a confidentiality questionnaire to allow us to join the Mutual Assistance in Tax Matters. We expect to complete this by the end of this month. Having done so, we will seek and obtain advice from the Global Forum with regard to how we provide through signing and ratification of the Mutual Assistance in Tax Matters. We will then deposit the instrument of ratification which we expect to complete by May 2024.

In August of 2024, Trinidad and Tobago is scheduled to sign the Common Reporting Standard and the Multilateral Competent Authority Agreement. This would allow for the activation of the common reporting standard and multilateral competent authority agreement and allow for the establishment of a domestic reporting system for financial institutions. We will be doing this through the Inland Revenue Division by the third quarter of 2024 and involves stakeholders such as the bankers association, the Central Bank and so on. In November 2024, the connection to the common transmission system will take place. This is the IT system which allows for exchange of information.

With respect to the four minimum standards, particularly attention is paid to

Action 5, “Harmful tax practices” and Action 13, “Country-by-country Reporting”. To meet the standards, the SEC regulations were adopted in November 2023. The SEC incentive framework is expected to be finalized by the end of this month and the establishment of the SEC authority together with the proclamation of the SEZ Act is expected to be completed in April.

With respect to Action 13, “Country-by-country Reporting”, the enactment of the country-by-country reporting law which is the law before us and after that, we deal with matters of confidentiality and data protection. We accede to the Multilateral Convention to become a signatory to the country-by-country Multilateral Competent Authority Agreement and we activate the exchange relationships for the exchange of country-by-country reports which we expect to do by the third quarter of 2024.

6.05 p.m.

The other two standards, action 6; prevention of abuse of tax treaties, and action 14; mutual agreement procedure, Trinidad and Tobago intends to upgrade its treaty network to reflect these standards by the fourth quarter of 2024.

So, Madam Speaker, that is the matrix. The Member for Oropouche West started well, ended badly. The Member for Naparima was wholly irrelevant. I am quite interested in his statement that if we have to come back to Parliament to do further legislation he will absent himself. That is okay, it is simple majority, so it does not really matter if he absents himself or not. But I think that is just an empty statement. I have gathered in all the old talk, and the ranting, and the raving on the other side that they support the legislation. I was able to discern that in all the screaming and shouting, and histrionics, and filibustering and tedious repetition, ad

nauseam—

Hon. Member: [*Interruption*]

Hon. C. Imbert:—and cacophony as you correctly say—of noise. I discerned in all of that that this was just an exercise of empty talk because they intend to support the legislation. I therefore thank the Opposition for their expression of support for this legislation and I beg to move.

Hon. Members: [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in Committee.

Madam Chairman: Okay, so, I have not received any written amendments, so I am to ask if there is agreement that we can take all the clauses in their entirety. Yes?

Clause 1 to 22 ordered to stand part of the Bill.

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

Bill reported, without amendment, read the third time and passed.

**The Miscellaneous Provisions (Registrar General, Companies,
 Registration of Business Names, and Non-Profit Organisations) Bill,
 2023**

Madam Speaker: The Attorney General.

Hon. Members: [*Desk thumping*]

The Attorney General and Minister of Legal Affairs (Sen. The Hon. Reginald

Armour SC): Thank you very much, Madam Speaker. I beg be move:

That a Bill entitled An Act to amend the Registrar General's Act, Chap. 19:03, the Companies Act, Chap. 81:01, the Registration of Business Names Act, Chap. 82:85, and the Non-Profit Organisations Act, No. 7 of 2019 be now read a second time.

I thank you, Madam Speaker, for the opportunity this evening to contribute on this important Bill which as I think, all Members would appreciate is an important Bill not only to the extent that it stands in its own right with reference to the compendium of legislation which it seeks to amend. But is also important as part of the suite of legislation which would be read as part of the corpus of laws of Trinidad and Tobago, in relation to that which I have had the privilege of just participating in the passage of this House, the BEPS Bill.

The Bill before us today, Madam Speaker, is comprised of 6 clauses. It is entitled by its long title, the Miscellaneous Provisions (Registrar General, Companies, Registration of Business Names, and Non-Profit Organisations) Bill, 2023. And I hope that my colleague in the other place who teases me will forgive me if I refer to it as the CROS Bill. The CROS Bill seeks to make a number of significant amendments to several key pieces of legislation named in the very title to the Bill, and under which the companies registry operates.

Madam Speaker, I wish to inform this hon. House that this Bill was debated in the other place and passed with amendments on December 12th, 2023 in order to facilitate the full operation of the registry's Company Registry Online System. The Registrar General's Department, RGD, falls under the combined remit of my leadership of the Office of the Attorney General and the Ministry of Legal Affairs, to ensure that there is a cohesive approach to its operation. The RGD is responsible for the incorporation of companies under the Companies Act for the

registration of business names under the Registration of Business Names Act, the registration of non-profit organizations under the Act by that name, and the registration of newspapers under the Newspapers Act.

Centralized digitalization, Madam Speaker, is a high priority of the whole-of-government mandate. And I am privileged to lead a Ministry which works assiduously with the Ministry of Digital Transformation in fulfilling this mandate. Under the assertive leadership of our hon. Prime Minister, Dr. Keith Rowley, the main thrust for digital transformation is under the guidance of the Ministry of Digital Transformation, and includes competent authorities functioning under the remit of the AG, Attorney General, and Ministry of Legal Affairs, such as the Registrar General's Department. I am already on record, and I ask your leave in expressing my appreciation, of the remarkable work and advice of the Ministry of Digital Transformation during last year's cyber-attack at the AG's office. And my personal experience of that guidance and the extraordinary competence of that Ministry, makes me a willing convert to the astute leadership of the Minister and his team on digital transformation.

Hon. Members: [*Desk thumping*]

Sen. The Hon. R. Armour SC: That remark which I made with your leave, Madam Speaker, is very relevant to what we are about here today, that is to say, the CROS Bill, the Company Registration Online System. Because, we are continuing as a Government to demonstrate a willingness and a commitment in order to ensure Trinidad and Tobago's international compliance with the FATF International Anti-Money Laundering, Countering the Financing of Terrorism, Countering Proliferation Financing, (AML/CFT/CPF) standards, and in particular, to have available for scrutiny up-to-date and accurate beneficial ownership information with respect to all entities including companies and businesses.

In balancing the ease of doing business, this Government must have regard to our international financial obligations. We live and do business in an interconnected and interdependent world. As we in this hon. House are all too aware, the failure of countries to meet international financial obligations is invariably punishable by various forms of naming and shaming, or ostracism in the international financial system. CROS is intended to equip and aid our country in meeting those obligations with greater expedition and efficiency. Our approach enhances the country's standing in the international arena and reinforces this Government's role as a responsible and accountable global actor.

This commitment is evident in the very reason we are here today in this hon. House. The Registrar General's Department, under the leadership of Registrar General, Mrs. Karen Bridgewater, is ensuring that all companies sign on to a new registry system at the company's registry. This system was created to improve the ease of doing business, and to help Trinidad and Tobago maintain its international obligations to combat corruption. On December the 12th, 2023, the CROS Bill was unanimously passed in the other place which will serve to fully operationalize this new system, that is to say, Companies Online Registration System, CROS. That Bill introduces a threshold of beneficial ownership to include the natural person who ultimately owns or controls 10 per cent or more of the shares, or membership interest of the company through direct ownership, indirect ownership, or control through other means.

The Bill will require a company to maintain and to keep updated a register of all beneficial owners. The register maintained at the Registrar General's Department company's registry will:

“...contain the name, nationality or the latest known address or telephone email and other contact details. And the date on which any person ceases to

be a beneficial owner.”

The amendments to the Companies Act for beneficial ownership in this Bill is mirrored within parallel amendments to the 11 other pieces of legislation which are being debated here today, and that suite of legislation which we continue to improve. Importantly, from a holistic perspective, these amendments all complement each other.

6.20 p.m.

Madam Speaker, by way of background, the Office of the Attorney General and Ministry of Legal Affairs and the Registrar General’s team entered into a contract with an international provider for the development, configuration and installation of a new system called CROS for the Companies Registry of the Registrar General’s Department.

On the 1st of February, the Companies Registry launched CROS, which is a single fully-integrated system designed to accommodate remote, instantaneous, transparent and secure electronic interaction between the Companies Registry and its clients, the public of Trinidad and Tobago and persons outside of Trinidad and Tobago wishing to do business with this country in a paperless environment on a 24/7 basis.

This system facilitates electronic transaction of business with the registry and is intended to reduce physical visits to the office for only the most extreme and rare circumstances and to allow for: (a) certification of compliance with registration and incorporation requirements; (b) maintaining files and registers; (c) making documents on file available for examination; (d) furnishing copies of documents; (e) collecting fees and penalties; (f) instituting proceedings in instances of non-compliance with applicable laws; (g) striking off companies from the register, and; (h) reducing time frames for registration and incorporation of

business names and companies.

CROS requires users of the system to register to do so. After, users may transact businesses from their homes and/or offices, transmitting their documents electronically. Documents can be submitted with electronic signatures affixed thereto. All transactions are securely recorded. All persons on record in business names registrations and company incorporations are electronically alerted as to any change of their status. CROS is intended to both contribute to the improvement and enhancement of the ease of doing business credentials of the country, as well as supporting law enforcement authorities and other relevant entities in the course of investigations being carried out as they all execute their respective mandates. Moreover, the system is versatile and is capable of, for instance, generating bespoke information often solicited by other specialist clients and even university students.

Madam Speaker, on an ongoing incremental basis, the CROS system is intended to reduce the need for in-person visits by our clients, members of the public, to the physical offices of the Registrar General's Department, except in the more rare and exceptional cases. One shall generally be able to transact most business with the Companies Registry, for example, from abroad, from the comfort of one's home or office, as well as allowing registrants to comply with document filing deadlines, removing the requirement to go in physically to the offices. The Government is fully aware of the way the impact of the COVID-19 pandemic forced persons to work remotely and to ensure continuity of business operations, particularly for small and business-sized, medium enterprises.

Out of crisis comes opportunities, Madam Speaker, and without fear of contradiction we can acknowledge that the COVID pandemic has highlighted and opened to the world the value of being able to work remotely, efficiently, and with

expedition. This is part of the system that CROS intends to take advantage of in order to build-out the quality and reliability of the service that will be made available to its general clientele.

Madam Speaker, there are many other fundamental benefits which shall be derived from CROS, some of which are fraud prevention, mitigation. CROS accounts are password-protected and all authorized officers connected with a company are immediately notified of transactions. This should mean, for example, that the instances of persons being either removed or appointed as directors of companies without their knowledge should become virtually nonexistent. To be clear, one must first be associated with CROS and give the necessary consents to being appointed as a director of a particular company. CROS matches data from the Civil and Companies Registries which enables the detection of fraudulent CROS account registrations.

Data security. I assure my colleagues in this House of our unwavering and our ongoing commitment to security and cybersecurity issues with respect to CROS and all other public sector digitalized operations. Our policy shall be one of availing of state-of-the-art technologies to ensure that our publics may conduct business as effortlessly and as efficiently as possible, secure in the knowledge that there is proactive protection of their sensitive data. In this regard, the CROS system allows for greater data protection and security. There are a number of secure connections, access controls, system audits, confidential agreements, security protocols, and antivirus software to protect the data and secure vulnerable areas. This will aid in combating cyber threats, preventing data breaches, and providing protection measures, both internally and to the public users to ensure the confidence of the public.

Digitalization of the Companies Registry: migration of the Companies

Registry to a fully digital space enabling clients all around the world to register businesses in corporate companies and conduct corporate searches on a round-the-clock 24/7 basis.

Creation of a paperless environment: the intake of paper into the registry shall be greatly reduced. CROS shall remove or at least substantially reduce the need for us to build or otherwise source additional and expensive physical storage space insofar as the Companies Registry is concerned, while at the same time enabling a positive contribution to the preservation of the environment.

Madam Speaker, we have also taken the opportunity to clear up some of the lacuna in and to modernize the subject legislation, so that for example, conservative references to “Commonwealth” in the Registration of Business Names Act are targeted for removal. In addition, the stipulation of the present section 481 of the Companies Act to make provision for Articles of Incorporation to be filed in paper form and in duplicate, is incongruous in an electronic and paperless environment.

Madam Speaker, there has been reference before in this House and elsewhere to the failure of the predecessor Companies Registry system in December '22, which left clients of the Registry unable to access a number of critical services for just under two months; that is until 1st February, 2023. I am on record, on the 12th of December last year, in the other place, in addressing this hiccup and *Hansard* bears testimony to that, so that I will not repeat myself today except to say the change always comes with challenges. And as these challenges have presented themselves in this sweeping set of changes that we are making by this Bill, I applaud the efforts of the hard-working staff of the Registrar General's Department led by Registrar General Bridgewater and of the Chief Parliamentary Counsel's Department led by Mr. Macintyre and very ably-assisted by Deputy

Chief Parliamentary Counsel Mrs. Ida Eversley SC, who have worked very hard to meet these challenges.

I am confident that with the passage of the amendments in this Bill, CROS shall promote the positive development of our country. My contribution today will serve to separately address and to distinguish each clause of the Bill.

If I may turn then to the Bill, Madam Speaker. Clause 1, the short title, refers to just that, the short title, Miscellaneous Provisions (Registrar General, Companies, Registration of Business Names and Non-Profit Organisations) Bill, 2023. Clause 2 is the commencement clause, which states that the Act shall come into effect on such date as is set by the President by Proclamation.

Clause 3 of the Bill amends the Registrar General Act, Chap. 19:03. The substantial provisions of the Bill start with clause 3, which seeks to amend that Registrar General's Act to provide, in section 1:

“...a new section 1A, that will form the interpretation section of the Act and introduce a number of new definitions;”

—for particular terms which are unique to the functionality of the CROS system. Examples being: administrative documents, data message, document, electronic, electronic system, information system, public record, user, user account, unique identifier. Those are some of the terms one will find in the interpretation section.

In subsection (2):

“...a new subsection (2A)...would add the post of Senior Assistant Registrar General and stipulate that the Registrar General is responsible for management of the Office of the Registrar General and can do anything to facilitate or that is incidental to the discharge of the functions and authorize the use of an official electronic seal by the Registrar.”

—across the Republic of Trinidad and Tobago.

In section 3:

“in subsection (1)...inserting...the word ‘General’ where it occurs second, the words ‘or a Senior Assistant Registrar General’ and secondly, by deleting the words ‘Registrar General's Department’ and substituting the words ‘the Office of the Registrar General’;”

In subsection 3(2):

“...by inserting...the word ‘General’ where it occurs second, the words ‘and every Senior Assistant Registrar General’;...”

in section 4(5), to provide that the records, documents and indexes required to be kept and maintained by the Registrar General may be kept in any form, as approved by the Registrar General, inclusive of an electronic system.

by deleting section 5 providing...that the Public...”—to have easy— “access to all Public Records and may search, inspect and take notes or extracts from the Public records for a fee to be prescribed.”

This amendment will allow all persons to:

“...have access to and be permitted to search all public documents.”

This is in line with the Government’s thrust toward transparency and accessibility throughout the Republic of Trinidad and Tobago.

“by inserting after section 5, a new sections 5A to 5L.”

—which, and I do not list them seriatim, I give a scan of it, provides:

“...for the use of an electronic system to carry out...the functions identified under...section 53 of the Electronic Transactions Act in relation to all pieces of legislation under which the Registrar General has or will have a role.

The section would also provide that where the Registrar General is required

to issue a Certificate, receive, file or register a document, provide a

copy of or extract from any document required to be received, filed or registered or carry out any other function...”—that document—“may be provided, received...or carried out in electronic form.”

The amendments sections 5A to L empower the Registrar General to have the discretion as to whether the submission of documents should be done electronically or not. The amendments make provision for electronically-generated documents to be used as conclusive proof and can be used in court proceedings as admissible evidence. Those amendments ensure that no firm, legal person or entity can utilize the electronic system without having a user account unique identifier.

The amendments also provide, in this subsection, for a:

“...transmission via the electronic system that shall be taken as evidence that it was made by the registered user of the account that was used for the transmission and the Registrar is not required to conduct investigations into any matter regarding a transmission.”

They empower the Registrar to:

“...suspend or cancel an account.

...provide for...circumstances where there is unauthorised use of the electronic system and create an offence for such unauthorised use.”

And provide for a penalty of unauthorized modification of the electronic system.

There are also provisions for penalties for unauthorized obstruction of the electronic system, provision for a penalty for knowingly and without authority causing the electronic system to cease to function and provides for declarations of confidentiality for persons employed in the Office of the Registrar General and penalties for breach of confidentiality of persons employed in the Office of the Registrar General.

Madam Speaker, continuing in section 6, that section introduces new subsections to provide for the issuance of certified copies in any form. Section 7 introduces a new subsection to allow the Minister to amend the Schedules by order. Section 9 to provide for the Registrar General to alter the length of period for the transaction of businesses which are conducted through the electronic system. A new section 9A to:

“...provide for immunity from suit for the Office of the Registrar General, the

Registrar General or a staff member or a person who is authorised to perform

or exercise a function or power of or on behalf of the Registrar General for or in relation to an act done or omitted to be done in good faith in performance or purported performance of any function, or in exercise or proposed exercise of any power conferred or expressed to be conferred by or under the Act.”

6.35 p.m.

In section 10:

“...to provide...”—for—“...Rules for the establishment and maintenance of the electronic system.”

Inserting a new section 11, empowering:

“...the Minister to make Regulations...for the administration of the Act...”—which will—“...be subject to negative resolution of Parliament...”

—and deleting the existing Schedule and inserting a new Schedule to provide for amendment of fees.

Turning to the Companies Act. Clause 4 of the Bill amends the Companies Act, Madam Speaker, and makes provision in section 4 for a new definition of “authorised corporate service provider”, which will now read:

“‘authorised corporate service provider’...an attorney-at-law or accountant, who is registered with the Registrar General to perform functions pursuant to the Companies (Electronic Filing) Regulations, 2023...”—and with the authority—“...to act on behalf of and to bind an incorporator, director or secretary of the company;”

And as I touch there, I serve notice of the fact that I will be circulating a few amendments which have come out of the Global Forum discussions that are taking place as we speak here, which I will be asking Members to take into consideration for the passage of this Bill.

It seeks also to amend the definition of “beneficial interest” in section 8 by inserting after subsection (2), a new subsection, which provides for:

“Articles of incorporation...”—to—“...be signed and delivered by the incorporator or an authorised corporate service provider.”

Section 33(1), to provide for:

“...membership interest to be issued in addition to shares as are already provided for. This amendment would also amend subsection 1(A) to delete paragraphs (a) and (b) and to replace with new paragraphs to...”—allow for—“...shares and membership interest...”

Section 71(1), the requirements for the notice of director documents:

“...to be certified by the incorporator or an authorised corporate service

provider”.

Section 79(1), by inserting after the word “change”:

“...where it occurs second...”—to required notice of change document—
“...to be certified by the incorporator or an authorised corporate service provider”.

In section 176(1), requiring the notice of address document:

“...to be certified by the incorporator or an authorised corporate service provider”.

In section 177(2), by deleting (a) and substituting with a new paragraph, requiring a company to keep and maintain at its registered office a register of members. And this is one of the significant changes that is being introduced under the concept of beneficial ownership. So that the details, tracking and monitoring of beneficial ownership of companies can kept under constant surveillance, regulated and enforced as and when it becomes necessary.

Section 178, inserting after subsection (4), a new subsection to provide for returns:

“...to be certified by a director or officer of the company or, an authorised corporate service provider...”

Section 194(2), to require the annual returns to be certified by an authorized corporate service provider. Section 217(1), to require the delivery of articles to:

“...be certified by a director or officer of the company or an authorised corporate service provider.”

Section 219(2) to require restated articles to:

“...be certified by the director or office of the company or an authorised corporate service provider.”

Section 225(1), to require the article of amalgamation to:

“...be certified by the director or officer of the company or an authorised company service provider...”

Section 318(2), to require registration documents to be:

“...certified by the director or office of the...company or an authorised corporate service provider or an attorney-at-law...”

Section 329(1):

“...by inserting after the word ‘effect’, the”—following—“words ‘and which shall be certified by a director or officer of the external company or an authorised corporate service provider’;”

6.40 p.m.

Section 332, subsection (1) to require the company to notify the Registrar of such and to file duly certified copies of the instruments

Further amendments to require the external company to deliver a notice certified by a director or officer of the external company or authorized corporate service provider setting out the change. Subsection (7), providing for a penalty for failure to comply. Subsection (8), providing for an exemption to companies publicly traded on the stock exchange.

Section 333 (2), to insert after the word “external company” the words “or an authorised corporate service provider” in order to require returns to be certified by such a provider. And a drafting amendment to renumber section 337 as 337(1) and introduce after 337(1) a new section to require contents of a return made under 337C to be certified by a director or officer of the company or an authorised

corporate service provider.

Madam Speaker, amendments to introduce beneficial ownership information, very importantly, are brought in, in section 337A(2)(c), to amend the interpretation of certain words and phrases in part VA of the Act. The definition of “beneficial owner” will now apply to both companies registered under the Companies Act and also to external companies. And that definition of “beneficial owner” will also include:

“...the natural person who ultimately owns or controls ten per cent or more of the shares or membership interest of the company through direct ownership; indirect ownership or control through other means other than in the case of a company listed on a regulated market that is subject to disclosure requirements which ensure adequate transparency of ownership information.”

The point there being, that beneficial ownership of the ownership of ten per cent or more in any company, other than companies traded on regulated markets are being introduced to ensure that at all material times, one cannot form companies and hide behind the facade of the company veil and conduct transactions unknown to the rest of the regulatory world.

In section 337B, this section would delete subsections (1) and (2) and be replaced with seven new subsections providing for:

- the requirement of companies to issue a notice to all shareholders, or to Members whose liabilities limited by guarantee or both, shares and guarantee, and sets out the timeframes for the issue of notice
- requirement of companies to maintain and keep updated registers of all beneficial owners
- prohibition of a company from removing beneficial ownership

information from its register for a limited period after the person ceases to be a beneficial owner or the dissolution of the company

- requirement of a company to take reasonable steps annually to verify information on the register, and
- penalties for failing to register the beneficial owner.

Section 337C, is to be repealed and replaced with new subsections which will provide for:

- a statement in respect of beneficial interest
- issuance of a notice to submit a statement where the name of the person is entered in the register as the holder of ten per cent of more of the shares, where no notice is received a statement is to be submitted in the prescribed form to that effect
- the requirements for persons holding more than ten per cent beneficial ownership and does not have his name registered, the submission of a statement
- requirement for where there are changes to the beneficial ownership of the shares or membership to submit a statement within 14 days in a prescribed form.
- penalties for failing to submit statements
- requirements to update the register where a statement is made to a company within 30 days from receipt of that statement.
- penalties for failing to file a return within the specified period
- provision to ensure that nothing will prejudice the right of the shareholder to receive dividends by him or by any other person claiming through him/her.

- requirement for the forms to contain current and up-to-date prescribed information
- provisions to exclude external companies.

Section 337D, is to be repealed and two new sections to be inserted providing for a requirement for the Registrar General to keep a register of all beneficial owners, and upon receipt of a return to update the register. There will be some editorial changes such as to section 337E and continued amendments to the CROS system in the Company's Act. Section 342(2), in respect of articles of continuance, section 461 to delete subsections (1), (2) and (3) and replace with new subsections making provision for the Registrar General where there is reasonable cause to believe that the company is not carrying on business or in operation to inquire whether the company is carrying on business or continues in operations.

Section 473, in subsection (1) the deletion of the words "during normal business hours". In 474, to delete the words "or by prepaid post or cable" and replacing with the words "by prepaid post or cable or by electronic means of transmission".

Section 475:

"...by inserting after the word 'mail', the words 'or when it—

- (a) enters the information system designated or used by the shareholder or director for the purpose of receiving information in electronic form or data messages of the type sent; or
- (b) upon the shareholder or director becoming aware of the information in electronic form or data message in the shareholder's or director's information system, if the addressee has not designated or does not use an information system for the purpose of receiving information in electronic form or data

messages of the type sent.’’

In section 481, Madam Speaker, by deleting paragraphs (a) and (b) replacing it with new paragraphs providing for the requirement for articles to be “signed by a director or an officer of the company, or an authorised corporate service provider and, in the case of articles of incorporation, the incorporator or an authorised corporate service provider” and further amendments to delete subsection (3).

Section 482, to provide for the Registrar not only alter a notice or document but to be the representative of that person in certain circumstances. Section 484(3), by deleting the word “authorised person” and substituting the words “authorised service provider”.

Section 488, deleting section 488, replacing it with a new subsection that provides for documents to be submitted to the Registrar not only in type or printed form, but also in electronic form via an electronic system established or maintained by the Registrar General.

Section 489, subsection (5) to be deleted substituted with new sections (5) to (9) to provide for a procedure where a company or body corporate is struck off the Register.

New section 490A, to allow for signatures or certificates to be printed or to be put on the certificate electronically. A new section 490B, delivery of certificates inclusive of electronic form and inserting in section 507(1) new paragraph (g) by:

“prescribing rules with respect to signatories permitted by this Act in respect of notices, returns and documents filed with the Registrar.

I turn, Madam Speaker, to clause 5 of the Bill, to amend the Registration of Business Names Act. Clause 5 of that Bill seeks to make corresponding amendments to the Registration of Business Names Act Chap. 82, No. 85 to

introduce definitions of the term “authorised corporate service provider”

Section 2A, the power of the Registrar to determine that any document may be submitted by electronic system established or maintained by the Registrar General for that purpose. Section 3, by deleting subsections (2) and (3) and placing all the requirements for a business name elsewhere in the Act. And the insertion of a new section 3A, to introduce the electronic system of the Office of the Registrar, and empower the Registrar General to determine what documents may be submitted, delivered, received, filed, or registered by electronic system established by the Registrar General, and that the document endorsed is required with the word “Registered” may also be provided in electronic form to the firm or person registering it.

A new section 3A(11) states that:

“The Registrar may recover the cost of giving notice in a daily newspaper under subsection (10) from the firm or individual in respect of which the notice is given.”

Other amendments, section 5(1):

- “(a) by deleting the words ‘in writing’ and
- (ii) in paragraph (d), by inserting after the words ‘name,’ the words ‘jurisdiction of incorporation or formation statement’”

And section 5(1) is spelt out in detail with emphasis on the jurisdiction of incorporation formation or status being provided for.

Section 6, inserting the words “or an authorised corporate service provider” in three instances to allow that authorised corporate service provider to sign the form for the purpose of registration. And the spelling of that particular new section is set out in detail.

Section 8, deleting the words “in writing”. There are other amendments to

sections 13, 15, 18 and 20 all of which are incorporated to coordinate with that which I have already spelt out in relation to the other suite of legislation.

In the Business Names Rules, the fees are to be increased. Rule 9:

“...increasing the fee for inspecting under the provisions of section 18 of the Act the documents filed by the Registrar from \$20.00 to \$100.00...rule 9(e) by increasing the fee for certificate of registration...”

Respectively, and the fee—

“...for a certified copy of an extract from \$20.00 to \$100.00...9(g) by inserting after the word ‘name’ the words ‘and reservation of a name’”

And other amendments rule 9(h), 9(j), 9(k) dealing fees and to cover the cost of the issue of certificates of registration.

And then, Madam Speaker, the Non-Profit Organisations Act, clause 6 of the Bill amends that Act to make provision for that which I have already spoken of in relation to the Companies Act and the Registration of Business Names Act. So as to for instance provide new definitions of:

“authorised corporate service provider...constituent document...”

Including—

“...any statute, letters, patent, memorandum of association, articles of association...”

And other similar documents which are set out in the clause in that new definition section.

And then, to insert a new section after section 3 to introduce the electronic system of the Registrar General’s Department in relation to non-profit organizations.

There are also other sections, section 5(1) in subsection 4(a) to introduce three more requirements for application for registration, and other such changes.

Section 6(1)(b) to “provide for authorising certificates to be issued with the Registrar’s signature electronically affixed” and other similar type amendments already expressed in relation to the Companies Act and the Registration of Business Names Act. But of course, appropriately applied.

Section 17 to provide for a new subsection where are a non-profit organization ceases operations on the death of the controller within three months of the death, a notice together with supporting documents shall be given to the Registrar General of the death of the controller and the ceasing of operations. In that respect, I will also be introducing certain amendments for the consideration of Members this evening.

Madam Speaker, in conclusion, I am proud to lead this positive move towards a fully digital and integrated companies registry, which, when it becomes fully evolved will be a benefit to all persons seeking to conduct business in Trinidad and Tobago. Trinidad and Tobago continues to make progress on its digital transformation journey including building good foundations in the context of digital infrastructure, government policy, and leadership, enabling regulation, improving the uptake of digital products and services across businesses and the wider society. The CROS system captures all AML/CFT/CPF requirements in the package of laws passed by the Government over the last few years and will stand as part of the backbone of law enforcement data in investigations.

These measures can only, I submit with respect, Madam Speaker, see positive results as they make Trinidad and Tobago more compliant in the eyes of various international monitoring bodies, consequently encouraging foreign direct investment.

This Government continues to work closely to ensure international compliance with its international obligations for beneficial ownership under the

Global Forum and Financial Action Task Force. As the world becomes increasingly digitized and cross-border activities become the norm, administrations work together with this Government, we work steadfastly and with great expedition towards passing this legislation in order to improve our international compliance and current ranking on the ease of doing business. Madam Speaker, I beg to move.

Hon. Members: [*Desk thumping*]

6.55 p.m.

Question proposed.

Mr. Saddam Hosein (*Barataria/San Juan*): Thank you very much, Madam Speaker, for recognizing me to join this very important debate on a piece of legislation in relation to the digitization of our public records that are maintained, that are held at the Office of the Registrar General. And Madam Speaker, I rise in this debate to say that this piece of legislation is a continuation of the work of several successive governments of the Republic of Trinidad and Tobago. I say that in the context that there has rarely been a move, a transformation, of the Registrar General's office.

One would remember that right here in this very Red House, deeds used to be stored, then moved physically to the South Quay, then thereafter, the Ministry is now housed at the AGLA towers. And you would know, Madam Speaker, in your other incarnation, that persons will still come to the office and say that they want to get a deed from the Red House. That shows where we are right now, we have moved from the Red House to South Quay, to AGLA towers now to the keyboards and the screens of people's offices and their homes and I say that this transformation started a long while ago.

You would remember in the years 2011-2012, there was a push towards digitization, there was the passage of the Data Protection Act, there was the passage of the Electronic Transactions Act of 2011, and that is where it started. There was the old land registry that went online for the first time and then there was the old Companies Registry that went online for the first time also. And I know when I sit down after I finish contribute, and if my friend from San Fernando West stands up, he will remind us about the daisy wheel computers that were being used to maintain the Companies Registry, which eventually collapsed. And, I would say, Madam Speaker, that as technology advances so too must the hardware, the software, and all of the advances of technology go with the day, because we can see how quickly technology advances. Every year, a new phone comes out, every year a new operating system comes out and therefore, these records that will be stored electronically, these records that will be maintained electronically, these records that will be filed electronically, must also keep up with the technology of the day—must be kept up-to-date.

So, Madam Speaker, the digitization started some years ago and currently, if you log on to the Ministry's website, that is the Ministry of Legal Affairs, Attorney General's website, there is something called the PBRs, which is the Property Business Registration System, and, as the Attorney General pointed out in piloting this particular Bill, the Companies Registry online services. So these both websites are currently live. One can access those websites, go on it, and they can access public records of deeds, they can access public records of other registered instruments under the land registry. You can also access documents from the Companies Registry for the payment of a particular fee.

So this particular piece of legislation, as I see it, is really giving the statutory backbone for what already exists. The only complaint I have, Madam Speaker, is

that this Bill should have come some time ago. It should not be that because we have to comply with certain obligations under the Global Forum, that we are not prompted to be here in this Parliament. We should be thinking more advanced. I understand that this Bill is part of our international compliance, but at the end of the day, there is domestic benefit for the people of Trinidad and Tobago in terms of putting your registry and accessing services online.

One understands the horror it can be, the certain hours of traffic to come to Port of Spain to go in the Attorney General's office, the AGLA towers, to get a copy of a deed. We all remember the nightmare when you had to make an appointment to get deeds registered at the Legal Affairs office, to get an appointment to go to the Companies Registry, and that took place during the time of the pandemic. Now that we have these systems online, it is as simple as creating an account, going on online, registering the various documents and or inspecting other documents. And I say this, Madam Speaker, in the context because as attorneys-at-law, especially in the context of conveyors, this particular piece of law legislation or the system that we have before us in terms of the registration of deeds, will bear some benefit in terms of the ease of doing business also, and the ease of conducting legal transactions. I say this because I should probably give some context into that particular argument.

When someone wants a deed prepared, you enter into a sale agreement—we have a piece of law that was passed in this Parliament, it is not yet proclaimed, that will require the registration of agreements for sale. That is not yet proclaimed, and that in effect would assist with preventing fraudulent transactions and I will move on to that a little later in my contribution. But just getting back to where we are in terms of the context, because people need to understand what we are doing here. When a deed has to be registered, before that is done, one would expect a title

search to be done. If we are doing common law conveyancing, there are two various systems of land, the Bill does cover those, it covers land and Conveyancing and Law of Property Act and it also covers the land that is registered under the Real Property Act. So I am dealing with the common law conveyances.

The attorney-at-law would be expected to conduct a title search. So therefore, he will retain a clerk, that clerk has to go through the registry, he has to pull all the documents because we have to prove two things, we have to prove, one, that there is a good route of title, the second thing we have to prove that there is a chain of title to the present owner. And that also is impactful in this Bill, because now you can have persons accessing these services online. Before, clerks used to have to go to the office, go to the registry, go to the vault and get the various copies of these documents. Thereafter, the deed is prepared. When that deed is prepared, Madam Speaker, you have to now send that deed towards the stamp duty division to pay the appropriate stamp duty and get stamped. Therefore you pay a clerk to go do that. You have to go another day, pick it up, then go another day at the Ministry of Legal Affairs to get that deed registered, stand in a long line.

Madam Speaker, what we are saying in this particular Bill based on what we are seeing is that we are hopeful that these deeds are now able to be registered online, and I am just dealing with one aspect of the transaction. And when you have these particular deeds being registered online, we can see that it is being done quickly. I would recommend to the Attorney General also, maybe we need to streamline the other part of it in terms of the payments of stamp duty. Maybe we have to digitalize that part of the transaction also in terms of paying those things online also. So therefore, you can have a deed registered in a couple hours or days instead of having to wait a week or two. And I know my friend from Lopinot/Bon

Air West may have had similar experiences with respect to the registration of these legal documents.

Madam Speaker, the quicker we can register these documents means we can limit fraud in terms of land transaction, because I can see that this particular Bill is impactful in terms of trying to prevent fraudulent land transactions. The reason I say that, Madam Speaker, is because it is no secret and Trinidad and Tobago—the Law Association had to in fact, issue a media release with respect to land fraud and they spoke of land fraud in terms of the level of sophistication employed by these fraudsters. And these particular matters, Madam Speaker, will really be impactful here, and I will tell you why I say that. Because, while we are talking about digitalizing all of these records, we must also have security for these records. We must have firewalls. We must have the appropriate protection for these records.

This particular Government has faced several cyber-attacks from last year to this year. In fact, we saw what happened with TSTT in terms of the cyber-attack. Where persons' records are being stored, we are hopeful that these records, the integrity and the security of these records, are properly protected. There are offences inbuilt in the Bill that I have seen that will prescribe fines, criminal penalties for those who wish to interfere somewhere with the integrity of the records and/or the registry. Those are inbuilt here, Madam Speaker, with respect to that.

I have seen one particular clause in the Bill that deals with the immunity from suit. The immunity from suit issue is found at clause— This immunity of suit deals with—it is found at page 17, and it is the insertion of new clause 9 (a). And it says:

“None of the following”—i.e.—

“(a) the Office of the Registrar General;

(b) the Registrar General; or

(c) a staff member or a person who is authorised to perform or exercise a functional power of or on behalf of the Registrar General, is liable to any action or other proceedings for damages for or in relation to an act done or omitted to be done in good faith in performance or purported performance of any function, or in exercise or purposed exercise of any power conferred or expressed to be conferred by or under this Act.”

So what I am seeing here, Madam Speaker, is that there is a blanket immunity from suit where the officer is being found to act in good faith. I say this in the context, Madam Speaker, it is because the Registrar General’s Office maintains the records of let us say, for example, the land registry. While an officer may be acting in good faith, he can in fact be acting negligently, or be guilty of negligence. In a case like that, Madam Speaker, if, for example, an attorney-at-law completes a land conveyance or a transaction, and there was some error with respect to the record, notwithstanding the officer may have been acting in good faith, then what is the recourse and or remedy for that person? Because this particular provision gives an immunity to the State. So, is it that we want to—do we want to say it is only on good faith or should we also add in terms of acts of negligence also, Madam Speaker, and that is something I would want to enquire about from the Attorney General or any other speaker, who would rise to contribute to this particular debate.

And also, I want to make an enquiry. I have seen in this particular Bill that there is now prescribed in a new schedule to be added the fees. So for example, at Part A there is:

“(a) standard fee for any document”—to be—“registered...”—is—
“\$100.00”

And:

“(b) any...document...”—a—“lis pendens, judgments, charges, Bills of Sale, releases...upstamping...\$100.00”

“(a)...certified...”—copies—“\$100.00...”

“(c) attendance...”—at—“the office of the Registrar General”—if any person has to come to court—“to produce...any document...”—that is—“\$100.00...”

Also and then Part C deals with general searches the:

“(c) examination of...”—a—“single Deed...”

Searches for the day:

“...search conducted by the”—Office of the—“Registrar General...”

And then:

“(a) Monthly service fee...”—for the—“access...”

As it currently exists right now, fees are payable under the current PBRs system. However, there is no law to provide for the prescription of those particular fees. So is it that those fees that are payable now, I want to make the enquiry, which law or what statutory underpinning is the Government using or the Office of the AG using to collect and or utilize those fees that are being paid for those various accounts, if there is now the statutory introduction of these particular fees, Madam Speaker?

7.10 p.m.

Mr. S. Hosein: Madam Speaker, one other aspect of the Bill that I saw and I would like to address is that of the certification of the records. In terms of the certification of the records, as it currently stands, the law provides that when you get a certified copy from the registry there is a certificate that is annexed to the back of the deed, the document that is registered, indicating from the Registrar

General, saying that this document comprises X amount of pages, it is registered for this particular year, and then a signature is found at the end of that particular certified copy.

When you look at this Bill, we are now seeing that there is a particular provision that deals with the authenticity or the certification, electronically of those electronic records. And those particular electronic records will now be used and allowed to be introduced into court, based on the various amendments that are also being proposed here.

Now, what I want to ask, Madam Speaker, is whether or not these particular provisions will be in conflict, or will they collide with that particular provision, that is found in the Electronic Transactions Act, that deals with the authentication of electronic records? That provision I concede is not yet proclaimed in that particular piece of law but whether or not, if that has to be proclaimed because it is assented to, whether or not it will be in direct conflict or contradiction to that particular existing act of Parliament, that is the Electronic Transactions Act.

Also, Madam Speaker, I want to make an enquiry. Currently as it stands there is the electronic system up and running. When we introduced these systems for the registration of various documents electronically—as it happens now, I can give an analogy. When you are filing probate proceedings, you file them electronically. When it is approved, an appointment is given to you and then you have to carry in the physical original documents to the registry. Is it that this Bill is going to propose a mirror of that, in terms of, if the documents are registered electronically, is it that thereafter, the onus is on the person to carry in the original paper documents to be also stored within a physical registry? That is something that was unclear to me, on the reading of this entire piece of legislation, whether or not there will be two registries operating side by side.

Also, with respect to RPA transactions, Real Property Act transactions, because this Bill at new section 5A also covers transactions under the Real Property Act. Now, that system of law is a bit peculiar. Simply because, for a particular piece of land that is registered under the Real Property Act, there are only two certificates of title. One is given to the owner, the proprietor, and the other is stored at the registry and it is called the mirror principle where whatever is endorsed in the certificate of title within the registry, mirrors that, what the owner has, because you will prove title through the various endorsements being stamped at the back of that certificate of title. Now, this raises a little peculiar circumstance because in order to have that endorsement made, there has to be a physical submission of the certificate of title.

Now, if you are telling us that we are going to do an electronic transaction, an electronic registration of a memorandum of transfer, memorandum of assent, memorandum of transfer by way of gift, is it that now you send that electronically and then you have to hand deliver that particular certificate of title thereafter? So those are some granular details that still probably have to be worked out, with this particular piece of legislation, because when you deal with land transactions, there ought to be no room for any error. We try to minimize whatever error that there may be. I can understand the Companies Registry, there are prescribed forms, those can be electronic forms, uploaded, submitted, signed electronically, those are basically covered. But when it comes to the land transaction, that is where I am placing my focus simply because there is some room for some further guidance, some further clarification from the hon. Attorney General and/or any other Member that may wish to contribute in the debate.

So, with respect to that particular point, Madam Speaker, of the land transactions that will fall under this particular legislation, that is something that I

have had some issues and questions with, and I would wish to get the necessary clarification when it comes to those particular matters. When it comes to the amendments with respect to the Companies Act, we have had a history, Madam Speaker, where we came to this Parliament in my previous—when I wore a previous hat as a Senator in the other place, we had now started to introduce those legislation that dealt with beneficial interest and beneficial ownership. And really that deals with our compliance with anti-money laundering, countering the financing of terrorism, and that really is to expose the persons who control companies but their names are not registered on the documents as directors and shareholders.

But they really control companies. And the Attorney General indicated that the benchmark of 10 per cent ownership and above are the persons who are required to fall under that beneficial ownership provision. And this particular provision, as it stands now, you can access the prescribed forms for the declaration of beneficial ownership, as it stands now, in the existing Companies Act. I know these particular amendments are, in fact, according to the Government, those that were expected of us to have been incorporated into the legislation for compliance with Global Forum.

I want to put it on the record, Madam Speaker, that it is the UNC's position and the Opposition's position, that we wish for Trinidad and Tobago to find its way out of that blacklist by the Global Forum. That is our position with respect to these pieces of legislation. But as we say, Madam Speaker, we cannot just pass legislation and rubber stamp, we must also have the opportunity because that is our duty here, to scrutinize, make amendments, suggestions and also, better the legislation. Because as I said, when I started my contribution, while this particular

piece of legislation may assist us with international compliance, there can be domestic advantages and benefits right here for the people of Trinidad and Tobago.

With respect to the NPO amendments, Madam Speaker, that is the non-profit organizations, I just want to make a point to the Government that there are a lot of citizens of Trinidad and Tobago who get involved in these particular organizations. The Global Forum and other international bodies, such as the Financial Action Task Force, the CFATF organizations, have indicated through research and experience that sometimes these particular non-profit organizations are used as vehicles for nefarious activities by persons, in terms of terrorism and other illegal and/or criminal activities. Therefore, that is why this particular regime, or body, or incorporation is now being so heavily regularized.

The only warning, Madam Speaker, that I wish to signal is this, is that there are a lot of persons—we are Members of Parliament and we understand on a monthly basis, sometimes a weekly basis, we always get a letter for a donation from various clubs or groups right in your constituency because these people do good work. They are an integral part of our society and we do not want to make it too onerous upon them and/or expensive for them to have to comply with these heavy regulations. We understand it is something that the Global Forum wants, we understand all of that, Madam Speaker, but at the end of the day, we do not want to heavily regulate this particular part of society because it is all voluntary work, in most instances, that they start to whittle away, Madam Speaker. We should be the ones encouraging and including them, integrating them, making it easier for them to operate within the various communities and constituencies of Trinidad and Tobago.

Those are the few words I wish to add with respect to that particular provision when it comes to the non-profit organizations, because they also have

that regulation in which they have to comply with various regulatory frameworks as outlined here and also, in the parent Act, which is the Non-Profit Organisations Act that was passed in 2019.

So, Madam Speaker, with respect to those few issues that I have raised and with respect to some of the issues that the Attorney General has raised, in terms of the data security and cybersecurity issue, I wish you to permit me, Madam Speaker—I have a peripheral issue to raise but it is directly related to this, in terms of registration of documents. While these things may speed up transactions that we are trying to do here, Madam Speaker, there is one area that is really slowing down a lot of things and that is a Probate Registry, and there are documents here that are required from the Probate Registry to be registered, in terms of the protocol, in terms of wills and deeds of assent. I am trying to have a very creative way to integrate it within the registration—

Madam Speaker: I was trying to give you a lil leeway to see how creative you could be, but I think you yourself recognize your challenge. Okay?

Hon. Members: [*Laughter*]

Madam Speaker: And therefore, having recognized your challenge, I am sure you will recalibrate and come back to where we are.

Hon. Members: [*Laughter*]

Madam Speaker: But in a way, I would say, I am empathetic but—

Mr. S. Hosein: Thank you very much, Madam Speaker. Madam Speaker, in the same spirit that the Government is using to speed up—digitalize these transactions, I hope they do it in other parts of the framework, and I want to specifically call out that of the Probate Registry. And, Madam Speaker, the reason I raise this concern is because I am concerned—

Madam Speaker: But I understand that, and I allow you that much. I allow you that much

Hon. Members: [*Laughter*]

Madam Speaker: Thank you.

Mr. S. Hosein: And, Madam Speaker, the reason I raised that concern—because I am winding up my debate now—is that after the next general—

Madam Speaker: No, what I am saying is, I think you have gone as far as you should.

Mr. S. Hosein: Yes, Madam Speaker.

Madam Speaker: Yes? So I am sure there are other creative mechanisms that you can invoke in the future.

Mr. S. Hosein: Thank you very much, Madam Speaker, I am guided. Madam Speaker, I wish to wind-up my contribution because I have exhausted the points that I have identified, the issues that I have identified, and the reason why I raise these points is because, Madam Speaker, you know, after the next general elections, some of my friends next door may, in fact, have to benefit from this in private practice, and I thank you very much, Madam Speaker.

Hon. Members: [*Laughter*]

Madam Speaker: Acting Leader of the House.

PROCEDURAL MOTION

The Minister in the Ministry of Education (Hon. Lisa Morris-Julian): Madam Speaker, in accordance with Standing Order 15(5), I beg to move that the House continue to sit until the completion of this debate.

Question put and agreed to.

**MISCELLANEOUS PROVISIONS (REGISTRAR GENERAL,
COMPANIES, REGISTRATION OF BUSINESS NAMES AND NON-**

UNREVISED

PROFIT ORGANISATIONS) BILL, 2023

Madam Speaker: Member for Lopinot/Bon Air West.

The Minister of Public Utilities (Hon. Marvin Gonzales): Thank you very much, Madam Speaker.

Hon. Members: [*Desk thumping*]

Hon. M. Gonzales: Madam Speaker, I feel a sense of pride and gratitude to enter this debate at a time when it seems to me that both the Government and the Opposition are in support of this very sound piece of legislation, which was brought by the Office of the Attorney General and Ministry of Legal Affairs to advance the work of the Registrar General's Department of Trinidad Tobago. And therefore, I wish to congratulate the hard-working men and women, public servants of the Office of the Attorney General and Ministry of Legal Affairs, for the great work that they have done in putting together this Bill which would advance the affairs of the people of Trinidad and Tobago.

Hon. Members: [*Desk thumping*]

Hon. M. Gonzales: Madam Speaker, my colleague from Barataria/San Juan, as he was seeking to steal one on us, no pun intended, by raising an issue that was too far away from the remit of the matter that is before us, I think I should remind him that the Government of Trinidad Tobago has recognized digital transformation as one that is an important developmental pillar to transform the economy, the public service and the way we do business in Trinidad and Tobago. And if you look at the way in which we set out to achieve that, we first engaged in widespread public consultation and the Government has done great work in putting together a developmental programme for Trinidad and Tobago which is now contained in a document entitled, "Vision 2030: National Development Strategy 2016—2030",

where a list of activities were set out to advance the way in which we do business in Trinidad and Tobago.

In addition to that, the road map to recovery, dated July 2020, outlines a number of activities that we ought to do to seize upon the opportunities that are available to us as we emerge out of the COVID-19 pandemic. And if you would allow me to quote from paragraph 6.2 of the road map to recovery, 2020, “Enabling Environment”, it says as follows:

“COVID-19 has gifted...”—Trinidad and Tobago—“...with an incredible window of opportunity to reinvent itself and trigger transformative change at a deep and broad societal level. The Committee is advocating for a series of cogent, practical and compelling actions in the areas of Ease of Doing Business, Building Institutional Capacity, Critical Supporting Infrastructure and National Value System. These actions will support and even guarantee the success of this Roadmap as they cut across all sectors and will enhance the adaptability of the society to the dynamic force of COVID-19 and globalisation.”

And coming out of that, Madam Speaker, the Government took the very important decision to establish a Ministry of Digital Transformation to guide this process; very important decision.

But before the advance, or rather the coming to effect of that Ministry, between the periods 2015 to 2020, the Government engaged in a number of activities that would have overseen the digital transformation of Trinidad. And if I were to refer to one Ministry where a lot of work has been done—thanks to my colleague from San Fernando West when he was the Attorney General, led a plethora of amendments to the Act, that saw an incremental transformation of the

Motor Vehicles and Road Traffic Act, and the Licensing Division. I am not stealing one—

Hon. Members: [*Laughter*]

Hon. M. Gonzales:—but I am just—

Hon. Members: [*Crosstalk*]

Madam Speaker: No, no, no, and this is not about stealing one. I mean, it is good when Members could self-regulate.

Hon. Members: [*Laughter*]

Madam Speaker: Okay? So that you just, you know—I thought that you were preventing me from standing up by yourself trying to recalibrate and while we understand the context, I am quite sorry to say that I am not going to allow further incursion into road traffic, et cetera. I understand the framework and tie it now, please, into what we have before us.

Hon. M. Gonzales: Thank you very much, Madam Speaker.

Madam Speaker: And we will not have any stealing by hon. Members in this House.

Hon. Members: [*Laughter*]

Hon. M. Gonzales: Sorry, Madam Speaker. Thank you very much for your guidance; your kind guidance. Madam Speaker, the point I was about to make is the fact that this is a very important debate that will—and what this Bill is seeking to do is going to transform in a very significant way in which the Registrar General's Department operates and how it conducts its business.

As the Attorney General would have moved in his opening contribution, he would have made it abundantly clear that the Registrar General's Department in Trinidad and Tobago is responsible for a number of activities; very important activities, Madam Speaker—responsible for the registration and maintenance of

vital records, companies, business names and non-profit organizations. Traditionally, these processes have been all paper-based, Madam Speaker, requiring manual submissions and recordkeeping, as my good friend, the hon. Member for Barataria/San Juan, would have alluded to. Therefore, Madam Speaker, the proposed amendments aim to modernize and streamline these practices and these processes by enabling the use of electronic systems, thereby enhancing efficiency, accessibility and accuracy.

7.30 p.m.

Madam Speaker, we would have heard over the years the number of complaints all over Trinidad and Tobago from citizens, from businesses, from stakeholders, their engagement and the number of issues that they would have encountered by doing business with and by the Registrar General's Department. We would have heard, Madam Speaker, that they would have impacted negatively in the way and the ease at which we do business in Trinidad and Tobago. We would have heard on numerous occasions the amount of fraud and the amount of corrupt activities taking place in state agencies and public institutions that maintain a paper-based system in the way in which they conduct business. But, Madam Speaker, as we would have done in so many organizations and so many institutions, public institutions in Trinidad and Tobago, today we are tackling and putting in place a legislative framework that will modernize the way in which we conduct our business at the Registrar General's Department.

The Attorney General would have maintained and would have told us about the virtues of the company online registration system. We would have heard, Madam Speaker, that this system would come into force by the introduction of this technology a couple years ago, but we did not put in place the legislative framework that would bring full benefits to the people of Trinidad and Tobago

because it would require amendments to the Companies Act, amendments to the Registrar General Act, the Registration of Business Act, Chap. 82:85 and the Non-Profit Organisations Act No. 7 of 2019, all putting in place a legislative framework that would bring about all of the benefits for a fully digitalized and digitized company online registration system.

Madam Speaker, the Attorney General had spoken that this system would prevent fraud, it would ensure data security for all of the personal data and the personal information of companies, the digitalization of companies' registry and, for example, the creation of a paperless environment at the Registrar General's Department.

Madam Speaker, the Bill appears to be a very voluminous Bill, but really contains five major clauses to the Companies Act that will include amendments to the Companies Act, the Registrar General Act and the other pieces of legislation that I have just itemized.

Madam Speaker, the Bill at clause 3 it amends the Registrar General Act by including the definition of an "electronic system" which means:

"...an information system established and maintained by the Registrar General..." Department.

It continues, Madam Speaker, on page 6 by including a new subsection (3) to the Companies Act, to the Registrar General's Act:

"(f) by inserting after section 5,"

that the Registrar General's Act shall include a new proposed section:

"(1) Where the Registrar General carries out, in electronic form, any of the functions identified at section 53 of the Electronic Transactions Act..."

That is:

(a) the Registration of Deeds Act;

- (b) the Registration of Title to Land Act;
- (c) the Conveyancing and Law of Property Act;
- (d) the Real Property Act;
- (f) the Registration of Business...Act;
- (g) the Non-Profit Organisations Act or
- (h) any...written law administered by the Registrar General...”
Department.

A new clause 5B, Madam Speaker, which inserts and provides that:

“The Registrar General may determine that any document required to be –

- (a) submitted or delivered to; or
- (b) received by, filed with a registered...”— body shall do so in electronic form.

Thereby, giving persons the opportunity to transact business in the comfort of their homes, in the comfort of their offices 24/7 be it in Trinidad and Tobago, in the Caribbean or anywhere around the world to conduct transactions at the Registrar General’s office, Madam Speaker.

Very importantly, very importantly, the law provides the framework and the platform that will allow these documents to be recognized by a court of law contrary to what would have been done before where the courts would only recognize documents that physically signed and physically certified by competent persons at the Registrar General’s Department.

At 5C, a new 5C, Madam Speaker, it provides that, and I quote:

“An electronically generated form of any certificate or document shall be –

- (a) conclusive proof, in the case of a certificate, of the matters stated therein, in the case of a document filed or registered by the Registrar General, of the filing or registration of that document;”

In:

“(b) in all proceedings, received or admissible in evidence.”

Madam Speaker, before when this legislation comes into effect persons who seek to interface and to conduct transactions with the Registrar General’s Department will be required to establish a user account unique identifier, and in so doing the law provides a new 5D. It stipulates that:

“No person shall access the electronic system established by the Registrar General unless he has been issued with this user account unique identifier or other credentials issued by the Registrar General.”—department.

It continues:

(2) An individual, firm...”—or a—“legal person or such other entity who or which states or wishes to use an electronic system administered by the Registrar General shall apply to the Registrar General in the prescribed form for the issue of a user account unique identifier or other credentials.”—in order to conduct business at the Registrar General’s Department.

Madam Speaker, we would have heard in this debate that as companies and as the public service seeks to embrace digital transformation and to offer its online services for its customers and for the citizens of Trinidad and Tobago, we have a serious problem with respect to data breach and cyber-attack, not only in Trinidad and Tobago, but all over the world, Madam Speaker. But we would have heard the Attorney General identifying a number of the characteristics of this CROS system that would ensure data encryption and other technological advancement that would protect the data but, Madam Speaker, not all of these things can be fully insulated from persons who seek to undermine and engage in criminal activity to interfere with the digital records of our public service.

Therefore, Madam Speaker, as we create this enabling environment for a digital society, more and more agencies, departments and in this case the Registrar General's Department will continue to and will have the responsibility to ensure that it collaborates with all of the various stakeholders in public service and the private sector to protect the data of its customers. Therefore, Madam Speaker, the Bill provides a number of criminal offences—it prescribes a number of criminal offences for persons who may seek to illegally interfere with our online registry system that may breach the data of our customers.

Madam Speaker, in this vein a new clause 5G in this Bill criminalizes the unauthorized use of electric systems or the electric system and creates specific offences for persons who interfere illegally with these online electronic system by prescribing fines and imprisonment for persons who engage in these types of activities.

A new clause 5H speaks to the unauthorized modification of this new electronic system to be established by the Registrar General's Department. It stipulates as follows:

“(1) Subject to subsection (2), a person who knowingly and without authority causes an unauthorised modification of any programme or data held in the electronic system commits an offence and is liable on conviction on indictment to a fine of ten thousand dollars and to imprisonment for three years.”

Madam Speaker, at clause 4 of the Bill that is before us it seeks to amend the Companies Act:

“(a) in section 4-

(i) by inserting after the definition of “auditor”, the following new definition...”— of an—“‘authorised corporate service provider’ which

“means an attorney-at-law or accountant who is registered with the Registrar General” Department “to perform functions pursuant to the Companies (Electronic Filing) Regulations, 2023 and who has been authorised to act on behalf of and to bind an incorporator, director or secretary of the company;”

Madam Speaker, in section 8, it inserts after subsection 8, a new subsection which stipulates that the:

“(3) Articles of incorporation under subsection (1) may be signed...by the incorporator or an authorised corporate service provider.”

In subsection 9:

“...by inserting after the words the ‘secretary of the company’ the words, ‘or an authorised corporate service provider.’”

Madam Speaker, the Bill that is before us it creates a sound legislative framework that will bring about the necessary changes at the Registrar General’s Department that will ensure that we create a framework for the ease of doing business and will ensure that all our citizens will continue to access the Registrar General’s Department records and to conduct business on a 24-hour basis and therefore, Madam Speaker, would help to create an environment where we can advance our economic activities.

Madam Speaker, the records would have shown and the data would have shown that a number of small businesses for one reason or the other, lack of accessibility and what have you, cannot comply with all of the requirements at the Registrar General’s Department because they do not have accessibility for one reason or the other. This Bill, Madam Speaker, will ensure that our small and micro medium enterprises in our various communities all over will now have the accessibility at our Registrar General’s Department to conduct their business, to submit information on directorship and all of the other activities that are required

to conduct their affairs. Therefore, Madam Speaker, I believe that what we have before us will advance the interest of the people of Trinidad and Tobago in a very positive way. I commend the folks and our team at the Ministry of the Attorney General and Legal Affairs for putting together this very important piece of document. We recognize, Madam Speaker, that our colleagues in the Senate would have supported and all of the Independent Senators who would have spoken on this piece of legislation would have supported it overwhelmingly because they recognize how important it is—

Hon. Members: [*Desk thumping*]

Hon. M. Gonzales:—in doing the great work and advancing the good work that we are doing here.

7.45 p.m.

And therefore, I want to join with my colleagues on the other side who obviously are in support of this piece of legislation, and I look forward to this Bill being passed in this House, and that when we leave here, we will be all comfortable in acknowledging that we would have spent our time wisely in this Parliament to advance the great work of the people of Trinidad and Tobago.

I thank my colleague from Barataria/San Juan for his observations, the Attorney General, who would have already indicated that certain amendments will be moved at the other stage to crystallise some of the provisions of this Bill, and at the end of it, Madam Speaker, we will have a sound Bill, a legislative framework that would advance the work of our Register General's Department, to advance the work and to crystallize the legislative framework in our Companies Registry. And all of the critical legislation that we have before us that will advance and promote the affairs of the Registrar General's Department. Madam Speaker, I thank you very much.

Hon Members: [*Desk thumping*]

Madam Speaker: Member for San Fernando West? Member for Mayaro.

Mr. Rushton Paray (Mayaro): Thank you. Thank you very much, Madam Speaker. Madam Speaker, thank you for recognizing me as I join this debate on the Miscellaneous Provisions (Registrar General, Companies, Registration of Business Names, and Non-Profit Organisations) Bill, 2023.

Madam Speaker, I too will be as brief as my colleagues who spoke before me and I will do my very best to stay on the straight and narrow so you do not have to rise unnecessarily for any admonishment. Madam Speaker, I wish to speak on this Bill from the eyes of a non-legal person. My colleagues, all of them who spoke before, would have given an angle from a legal perspective, all being attorneys-at-law. I will attempt to speak on behalf of the people of Mayaro, who I represent, who are, many of them not attorneys, not in a legal frame, but they may be small businessmen, farmers, young entrepreneurs, people wanting to get involved in business. There is a uniqueness about the Mayaro constituency, where we do have a mix of people who have access to technology, those who do not have access, the penetration is not as wide as much as the country, but then you have a huge middle and older category of folks who may not be too technology savvy and what does this Bill mean to them and what are some of challenges that they may face?

So, Madam Speaker, I must say that this Bill, coming through the Senate, having attempted to read a lot of the amendments that was made in the Senate, I am quite sure that the legislation would have been interrogated in its fullness, and that those in the Upper House would have done a reasonably good job to bring a Bill before us today that we all can lend some support to, taking into consideration the importance of what we are doing with this particular piece of Bill.

Definitely this measure here before us, it really reaches way beyond the

issue of just implementation of a paperless system in the Registrar General's Office, but it will result in a transformation in the manner in which all official business documents are constructed within the Government system. Now this is inevitable and I would say it is quite welcoming in this modern digital age. Now two things that I must also put on the record. I have been using the CROS system for a bit of time as well and I must say it has worked very good. It is pretty efficient compared to the old system from a business perspective.

I have seen some of the interaction, the electronic interaction which was also very welcome, and I do hope in the back end of the system, that they can be red flagged to ensure that we set key performance indices to make sure that we reach out to queries and concerns when these arise, when queries are made, because I think that is in the stumbling block in the government service, when you do not get feedback, when you make queries. So I am trusting that in all modern day help desk-type systems there are key triggers to make sure that responses are done in a timely fashion.

7.50 p.m.

So, I also acknowledge the fact that this is a good step in terms of the ease of doing business as well. I do know for the last eight years, as someone who has been championing matters on small business and trade and so on, this has been a huge challenge for the country in terms of how we make doing business a lot easier in Trinidad and Tobago, and this one particular item, there are many others that still need to be attended to by the Government, but this one particular idea today in terms of the thrust at the Registrar General's Office, I think we can, you know, give kudos where it is due in terms of the work that has been done with this particular application, and today I also realized that this piece of legislation is critical to our compliance recommendation for this the international compliance for

EU and FATF and so on.

So, I think the Bill today that has come before us deserves, you know, the type of support, because I say it is important for the Republic in terms of building our country and allowing us to operate more efficiently and competitively on the international market. But Madam Speaker, adopting the electronic systems really signifies the adoption of this modern technology and it impacts small organizations with limited budgets as well, because they have to do some pre-work in the background, those who cannot do it themselves, they may have to bring on experts, persons who may have to—you may have to buy services from them as well. It brings another layer of cost for small businesses, but I think that is something that, you know, we will have to work on in terms of how do we get our small businesses up to standard, training and so on, but we will talk about that very, very quickly.

One of the things that I think is going to be important for us to accept is the concerns regarding the security and the integrity of the electronic systems, particularly those that will be managed by the Registrar General. We have had in the recent year, as mentioned by the Member for Barataria/San Juan and my hon. colleague for Lopinot/Bon Air West, the issue of the cyber breaches and so on. We in the IT industry, we understand, I understand I must say, how these things happen. I think I am a strong proponent for public awareness in terms of how we train people to act and behave digitally as part of the process to ensure that we can reduce the issues of cyber-attacks and so on. But that is going to be a key concern for the non-technical people, because when you tell them, look, you are giving yourself and your trust to this electronic system, then that becomes where—we are not a very trusting society in Trinidad and Tobago and when we hand over this to an electronic system, it brings some queries in the back of their minds

I think, and I trust in the Attorney General's wrap up he will give us the

assurance that, you know, the protection of sensitive data, giving this reassurance to the public regarding data privacy. I know we do have some data privacy laws and so on, and it is a matter of instilling the confidence in the constituents, in the public, that this is a good thing that we are on here. There is also need, I believe, and I spoke about this, about tailoring some type of specific support for those small businesses and NGOs and NPOs and so on, that really lack in the computer literacy part of it. I do know we have several programmes in place, we must try and get them encouraged to get on board, get digital savvy because this is the way of the world. We do not want anybody left behind. On the issue of guidance and beneficial ownership and accountability, I think that is very, very important in terms of being able to have this assurance of trust in the system for compliance.

Madam Speaker, I just want to give a couple issues and some suggestions and I hope that the Attorney General can probably speak to some of it. Perhaps some of it is inside the legislation that it will be addressed as we start to effect it, and perhaps it may be being addressed.

So first of all, Madam Speaker, accessibility and capacity is one concern that I would have. Small organizations and individuals, particularly those with limited financial resources may struggle to adapt to the electronic systems due to the lack of literacy and access to technology as I mentioned. So I would like to suggest that we implement some sort of tailored support programmes aimed at assisting these small businesses, NGOs and micro-entities in navigating around these electronic systems.

Madam Speaker, this could involve providing some training workshops, access to technical assistance, and resources to address the digital literacy gaps that we may find, more so in the rural communities in Trinidad and Tobago. Additionally, consider establishing some outreach initiatives. I know the

Government at times they carry these mobile buses all over the country, perhaps that may be a good way to really promote what the Registrar General's Office, for small businesses in rural communities, I would probably ask the Attorney General to look at that at some point in time during the year because we have to catch a bunch of people who are not very tech savvy and who may not have access to the Internet services in the communities that they operate

Madam Speaker, on the point of data security and privacy, again, concerns would arise regarding the vulnerability of the electronic records, cyber threats and breaches potentially compromising confidentiality and the integrity of sensitive information. So, my suggestion, Madam Speaker, enforce stringent security protocols such as encryption measures which are at highest level and regular security audits to safeguard electronic records from unauthorized access and cyber-attacks. Now, without going to heavily into what technology is outside there, but there are blockchain-type systems, I do not know what is the back end that the Government would have put into the Registrar General's Office, but if that is something that is in place, I feel more confident about the safety and the security of the data that is being housed at the Registrar General's Office.

We must also, via the legislation, I think I heard the hon. Member for Barataria/San Juan speak about, you know, the requirements of the people who work inside the Registrar General's Office to be able to make commitments to security and privacy or they may face penalties at the end of the day. So, we must insist that the Registrar General's Office remain accountable for implementing these data measures, establish clear protocols, and they must respond to every security incident whenever it happens. Additionally, prioritize data privacy by ensuring compliance with the relevant data protection legislation, and obviously the transparency regarding the handling of the data, and I think that is very, very

important. The handling of the data would create some space for malfeasance or some sort of challenge that you would have in terms of holding the integrity of the data that is being there.

Madam Speaker, I just want to talk quickly on the issue of beneficial ownership and accountability which was raised, questions regarding the Registrar General's Department capacity to effectively verify beneficial ownership, because I am submitting data. I know there are some issues around it that an attorney who is doing this for you, he is held to a higher standard and he cannot knowingly submit wrong or bogus information because he has a, I guess, a responsibility for honesty at the end of the day, but we know sometimes that does not work all too well.

So, Madam Speaker, I am suggesting to the Attorney General, look at perhaps allocating resources that can enhance the Registrar General's investigative capabilities to verify beneficial ownership and to detect these fraudulent activities. We know it happens. We know it happens in the best of systems, taking into consideration how important beneficial ownership is in terms of cracking down on fraud, transnational organized crime, money laundering. I think perhaps the Attorney General ought to look and see what type of resources, limited resources that we have, how we can bolster that at the end of the day. I see the Attorney General also, he can look at—the hon. Member can look at implementing mechanisms for auditing and monitoring these compliance with regard to beneficial ownership regulations, and perhaps if it is not in place, establish clear guidelines for holding those accountable, found to be in violation of the reporting requirements. Additionally, the Attorney General can consider providing incentives, just another curious slant to this, providing some incentives for voluntary disclosure of beneficial ownership information to encourage compliance

and transparency, because we want the best system possible to take us into the future.

Madam Speaker, training and support. Adequate training and support for staff is essential to ensure the effective implementation and utilization of these electronic systems within the Registrar General's department. I would hope to see that some development can be done with regard to comprehensive training, and get some programmes that would be tailored to the specific needs of staff members covering topics such as: System navigation, data management, and obviously, data digital behaviour, because we do have a lot of persons in our public service who are on the upper end, who may not be too tech savvy, and getting everybody on board on the same page will be critical to the success of the organization and success of the country as well.

Madam Speaker, as we go quickly, public education and assistance, I am a proponent for public education in every aspect of our digital transformation in this country, more so, in terms of our digital behaviour in your home, in the work space and so on, because all of these will help combat the frequency of cyber-attacks and so on, and you being able to get caught inside there with your passwords being open and so on. So, that public education assistance, I do believe that extensive public education campaign would be needed to raise awareness and promote the work of this new Registrar General's Office in this digital framework. Let us go outside there and let us tell our small businesses or our business community that this is being done, this is how you access it now, and this is how you get access it for the ease of getting whatever you want at the end of the day.

So we can develop targeted educational materials and resources to inform all the stakeholders, which will be all our small businesses and so on, about the benefits of using this system, of getting access and understanding exactly how it

should work. How do we do this, Madam Speaker? Utilize all the communication channels including things like workshops, webinars, printed material, and try our best to reach as much diverse audiences as we possibly can, and obviously during this transition period. Now, my experience with CROS has been good because I have a good IT background, I understand the system so it has been very, very smooth and welcoming. There will be people who will have some challenges and perhaps this is where the help desk and online tutorials will assist them going forward.

Most importantly again, Madam Speaker, establish mechanisms for feedback. And again, I think this is where we run aground in the public service from time to time. When we make queries you do not get feedback and you have to be running, more so from Mayaro to Port of Spain or from Rio Claro to Port of Spain on a regular basis to get a query done. So, the feedback would be important, more so to promote the Registrar General's Office, and making sure that we give the public feedback for queries and so on, as we implement this further. So, Madam Speaker, as promised in being very, very brief, the adoption of this electronic system really represents a really pivotal step in modernization, even for small organizations, but it will come with its challenges, including concerns and security data integrity, and more so the accessibility for all sectors of Trinidad and Tobago. Addressing these challenges would require a concerted effort from government agencies such as the Registrar General's Office to implement all these requirements as they go forward, providing accountability and adequate support and education to the users.

Madam Speaker, I do believe by prioritizing these efforts we can harness the benefits of digital transformation whilst safeguarding the interests and privacy of all our stakeholders in our society. Thank you very much, Madam Speaker.

Madam Speaker: Member for San Fernando West.

Hon. Members: [*Desk thumping*]

The Minister of Rural Development and Local Government (Hon. Faris Al-Rawi): Thank you, Madam Speaker. Madam Speaker, I wish to join this debate with great pleasure. I would like to compliment the hon. Attorney General on bringing forward this critical piece of law, I know that a lot of effort has been poured into this. I would like to start by acknowledging the tremendous work of the Registrar General, Ms. Karen Bridgewater, who has with her team, the Assistant Registrar General and the entire team there, along with the CPC's Department and the Ministry of Digital Transformation, been working at this assiduously.

8.05 p.m.

Madam Speaker, the law before us has a significant amount of history behind it. The move to create a digital environment for ease of doing business and in particular, matters connected with the Companies Registry and other registries, has significant amount of route when the Member for Arouca/Maloney was, in fact, the Minister of Legal Affairs. That was back then and close to the year 2000.

Madam Speaker, the laws that guide our work on electronic transactions are very important to today's proceedings. The Electronic Transactions Act which was passed in 2011, along with the Data Protection Act which was passed at that same time, those two laws have significant coordination with the Bill before us. But, Madam Speaker, it was this Government that really brought the pieces together, and permit me to say, Madam Speaker, that it is perhaps fitting that the tag line for the Ministry of Attorney General and Legal Affairs is, in fact, bringing the pieces together.

The real connection comes in year 2015, when the hon. Prime Minister

merged the Ministry of Legal Affairs with the Office of the Attorney General, as well as with the Ministry of Justice. That allowed for a unification of purpose because in the agenda to fight crime, which this Bill is very much associated with, the Government went on anti-corruption agenda and we went on a “follow the money” agenda. And to treat with that, the Government actually spent a lot of time in making sure that we went behind the Al Capone approach. The Government had the philosophy that crime could be found, and trails and evidence of it, if you followed the money. And therefore, we entered into serious amendments to our Income Tax Act, our Proceeds of Crime Act, our Mutual Assistance in Criminal Matters Act. We amended the package of laws to treat with land, as this Bill reflects in clause 3. We amended the package of laws to treat with money, including the demonetization of cash, and we amended, very importantly, the package of laws that treat with businesses and companies.

So the Government in its anti-crime agenda, which this Bill treats with, went behind—in the period 2015 to 2020 in particular, it went behind cash, businesses—all forms, companies included—and also land, and we set about in a mission of a formula that works for us, plant and machinery, people, process and law. So while we were fixing all that there was in the Judiciary to improve its pace, we took digitization to the Judiciary. When we passed the law in the Criminal Division and the Family and Children Division to put online courts, people said it would never be used. When we did the payments into and out of court, they said it would never be used. When we said that we would have virtual sittings of court, they said that would never happen. When we introduced electronic filing in the Judiciary, they said that would never happen.

But, Madam Speaker, what we were able to do is to put a suite of law together built on the back of plant and machinery and in 2015, when the

Government entered into office, the Land Registry, the Companies Registry and the Birth Registry at the Ministry of Legal Affairs were at South Quay where every time it rained, it flooded out and books went missing. And we went into a dedicated exercise where we said, “We will move the registry and we will digitize it.” We moved the registry, Madam Speaker, and in moving the registry, we commenced an immediate digitization programme where we actually closed the registry for more than a month, we moved millions of records to the AGLA Tower and then we began the process of digitizing our records.

We took the property business real estate solution, we put that into effect to transfer what is called PIMS, the Property Information Management System, which is where all of the indices for title to land reside, it was an old system. We completed the exercise of digitizing Land Registry, millions of records, to upload them, to put them into a new system, which the Member for Barataria/San Juan mentioned today the PBRS system, the Property Business Registration System.

In 2018, I informed the House that the Companies Registry was the weakest link, and while we were talking about digitizing and ease of doing business we made the submission, I made the submission then, that you cannot have ease of business if you could reserve a name in the Companies Act but you have to go down the road and pay \$25 at the counter. It made no sense.

So what we did as a government, and what the Office of the Attorney General and Ministry of Legal Affairs did, was it became the first Ministry in the Caribbean to allow for electronic payments. And the Member for Barataria/San Juan asked, under what authority of law we are accepting payments? I can answer that. That is under the Exchequer and Audit Act, and under the financial instructions coming from the Treasury, which is the Minister of Finance. And then as Attorney General, I had the pleasure of drafting the financial instructions,

together with the Treasury Solicitor, and that is how electronic payments came to be made, and that is how this came forward.

But in 2017, as Barataria/San Juan anticipated, we informed the country that the Companies Registry was running on Windows XP, it was 12 computers that were daisy-chained to each other, and that if that system fell, the entire record of companies online would collapse. And therefore, we took a note—AGLA took a note to the Cabinet and in 2019, we hired the service provider who provides the births and deaths registry, that is, Axiell—it is a Canadian company—we hired them to build the Companies Registry. And the Companies Registry gave birth to the CROS system, Companies Registry Online System, specifically intended to replace the old companies system, and that old companies system—as I have you back now, Madam Speaker—was destined to fail, because we knew it was on its last legs.

So this Bill recognizes, in clause 3, that we are putting into effect all indexes which the Registrar General manages, if you look at clause 3(f), the new 5A(1), we say:

- “(a) the Registration of Deeds Act;
- (b) the Registration of Titles to Land Act;
- (c) the Conveyancing and Law of Property Act;
- (d) the Real Property Act;
- (e) the Companies Act;
- (f) the Registration of Business Names Act;
- (g) the Non-Profit Organisations Act; or
- (h) any other written law administered by the....”

—RG, which may include scrap iron dealers, et cetera, we say that all of these functions may be carried out using an electronic system.

Today I would like to be very careful to clarify something that Barataria/San Juan said—I did not want to interrupt the hon. Member—we are bound to be mindful of the parameters of the Electronic Transactions Act. The Electronic Transactions Act from which these amendments flow, specifically in section 6 of that Act says:

“Parts II, III and IV of this Act shall not apply to any written law requiring writing, signatures or original documents...

(b) the conveyance of real or personal property or the transfer of any interest in real...property;”

So we are not, by these amendments, allowing to electronic signatures for deeds to convey land just yet. That is very important to clarify because that will be a feature coming forward only when the PBRIS system, the property business real estate system, is in fact perfected, which is under excellent supervision by the hon. Attorney General.

So, Madam Speaker, to be clear, in relation to the submissions coming from Barataria/San Juan, we are allowing for, by the use of “may” in the new section 5A, in clause 3(f)—what we are saying is that you can lodge the document electronically for land but we will have to do further amendments when we get to replacing what we call “wet signatures”, meaning you sign with a pen and the signature is wet. When we get to wet signatures, we have another set of contemplations in law to engage in.

What we are doing today, Madam Speaker, in bringing the pieces together, we are ensuring that a very large part of our country’s financial system and a number that is, in fact, 312,421 entities in law, comprising 105,672 for-profit companies; 9,969 non-profit organizations that have been incorporated; 1,139 external companies; 3,199 companies, again, non-profit organizations that are not

registered; 161,604 business names; 30,838 firms or partnerships, totalling 312,421 entities, which run our country's business sector when we think of every company, every business, if you look at the contribution to GDP, this 312,000 entity grouping is what we are treating with today to allow them the ease of doing business in a regulated way via the introduction of a very specific and narrow but useful category of persons to allow them to register documents. And that, Madam Speaker, is where we introduce the concept of the authorized service provider.

The authorized service provider is an attorney-at-law with a practising certificate who is FIU registered, or an accountant who has a practising certificate and who is also FIU registered. Those two categories of persons, that could be a firm of lawyers, a firm of accountants, they are authorized service providers. They can supplement normal people, individuals, by being authorized service providers to carry out the registration, the change, the notifications for companies, for partnerships, for firms, for non-profit organizations, Madam Speaker. That is what we are doing. They may—we have set the ground work for when we get to filing electronic copies of deeds, et cetera, like we file proceedings in court right now, but we are not at the signature yet for deeds, but we are at the signature for companies, partnerships, firms, non-profit organizations.

But, Madam Speaker, what we are doing, we are specifically making sure that we bring to life the Electronic Transactions Act conditions. And permit me to put on the record that this law seeks to set out in the clauses in it, in the Bill, the requirements that we are bound to meet under section 31 of the Electronic Transactions Act and in particular, section 53 of the Electronic Transactions Act. Now, section 31 and section 53 set up certain requirements. You must have an authentication process to use a digital signature. So how are we improving the average Trinidadian and Tobagonian and foreigner's life—because our AG is

working on harmonizing the laws for companies with CARICOM, for example, pursuant to the mandate of the CARICOM heads. How are we making ease of doing business better, people's lives better, entrepreneurs better? To answer Mayaro, our Registrar General is busy at work conducting series after series of consultations and training.

8.20 p.m.

But what the Registrar General does very critically, Madam Speaker, is two things. In meeting the requirements of Section 31 of the Electronic Transactions Act, which is where you have to have authentication technology that uniquely links the user and the signature. In other words then, we need to know the person who came online and who entered the document is you, is authorised to be you and takes the liability for being you. Why?

You remember when we had juice tins which imported nearly \$1billion worth of cocaine in this country a couple years ago? Customs, where you have guns coming into the country, which is why I said this is anti-crime legislation in front of us. Most people have not recognized that, let me paint it for you now. This is anti-crime because, when you make a customs declaration, we now know it is you. It is a unique identifier. You signed the documents, the person who signed for you was authorised by you because this law says if you are going to change a director, change a secretary, change a shareholder, consent has to happen.

This law says everybody will be notified by email. This law allows some 47,357 companies that have not complied in updating their company's documents, to be struck off so that we will not have the juice cans importing cocaine, which was really a defunct company that they used that they had just left on the register. You understand why the AG's tagline is "Bringing the Pieces Together." This is actually a massive crime-fighting tool if you follow the money by following the

ownership, Madam Speaker. This, therefore, links to the civil asset forfeiture, explain your wealth legislation, this links to the Firearms Act, this links to the Customs Act, this links to the Board of Inland Revenue, VAT et cetera, Madam Speaker. This links to the Proceeds of Crime Act for money laundering, where predicate offences of the type I have just mentioned can be viewed to be money laundering. This is incredible law, which was always our intention since 2015, when we decided that we will follow to money.

Let me repeat the formula: plant and machinery, people, process and law. This now gives us the plant and machinery, the computer system. The process is now being put in law but Madam Speaker, the hon. Attorney General in 2023, passed three critical pieces of law that most people did not spot and which today we are anchoring into this law. Let me tell you what they are: the Companies (Electronic Filing) Regulations, 2023, the Non-Profit Organizations (Electronic Filing) Regulations, 2023 and the Registration of Business Names (Electronic Filing) Rules, 2023. I could tell you, our Government had a vision that somebody should be able to do their transactional business at midnight in their nightgown or in their pyjamas.

Ease of doing business meant that we had to pay online. Law enforcement needed to have access to registers. Madam Speaker, I am sure you remember we amended the law to allow for private registers and public registers. Look at the Non-Profit Organisation Act, 2019, which we are amending in clause 6 here. You will note that the financial information which a non-profit organisation must lodge is part of a private register. This law today says public registers may be inspected online, access may happen online.

8.25 p.m.

But, Madam Speaker, when we were introducing these amendments, the data

which we used to underwrite it was that we used to see 15,000 people every couple of days in the Ministry of Legal Affairs and we said those people can stay home and apply online. Now birth certificates are paid for and delivered online, death certificates, companies' documents with these CROS amendments, as the hon. Attorney General has used the acronym, as I join him in using, we are revolutionizing the ease of doing business in this country whilst at the same time ensuring that we capture information which would prevent against fraud, which would prevent against identity theft, which will protect against criminality.

As we know, there is a crime scourge. People say so. The hon. Prime Minister said we are at full blast. Well here is where the AG's office comes to join the fight on crime by carrying forward the work we started in 2015. But that would never have happened if we did not do the plant and machinery, hire Axiell, put the servers, if the Minister of Finance did not approve, as Treasury, the electronic payments in the financial instructions, this is where all of us worked together. This is where in this system where we capture registration of motor vehicles in a mortgage bill of sale.

So section 5A of clause 3 in (f)—I could have helped the Member for Barataria/San Juan to be relevant, I can say it now, that could have happened, that is relevant to this Bill, because every vehicle is registered if it is under a mortgage bill of sale. Madam Speaker, as you thought, it is registered at the Registrar General's Office under that index but we are the ones that introduced the entire system of integrating data. We are the ones, where we register judgments and lis pendens now under the law, electronically will know when you get stopped by a car with a policeman with a handheld device, your registry information is on the policeman's device which is at the ticket, getting the demerit point, understanding the car is stolen, bringing the pieces together, anti-crime agenda.

This is what this law represents, Madam Speaker. It is a powerful piece of law that I have been looking forward to for a very long time as the baton was passed from Camille Robinson-Regis, the hon. Member for Arouca/Maloney as she was then Minister of Legal Affairs, up through the ranks passing through my hand, now passing to the hon. Attorney General's hand, passing through the Member for Lopinot/Bon Air West when he was the head of legal at the motor vehicles and Ministry of Works and Transport, we have all had a part but you have to have the vision to understand the connection of the dots.

The second aspect of meeting in the Electronic Transactions Act; very critically, this law has inside of it in clauses 3, 4, 5 and 6, not only the unique identification number but here is where we meet the electronic seal. You see we can allow you to sign electronically, number one, if we meet section 31(1) of Electronic Transactions Act, but number two, it is only perfected with an electronic seal and that electronic seal generates a bar code which is now a QCR code.

Back when I was at the Office of the Attorney General and the Ministers assembled: Minister Young, hon. Minister of Energy, the hon. Minister of National Security as he was there, as we all worked on this pot, we had this vision of data entry happening off-site and we said instead of taking a paper document, Madam Speaker, and dropping it by the registry and then the clerks at the registry has to sit down and transcribe the information and enter it onto the register and do a PDF photocopy and then you access it, we said no, no, no. Sit down on your computer at home, enter the data on a form, we designed the form, prove it is you, you will see in the regulation that I just referred to and in this law the use of the term “ah headshot”. You know where that came from? In discussing with the Registrar General how to prove it is Faris Al-Rawi, we said put on your camera—

Madam Speaker: [*Inaudible*]

Hon. F. Al-Rawi: The hon. Member San Fernando West, but it is me myself that I am referring to, so that would be a little odd. In proving it is me, Madam Speaker, I would hold my identification card or my driver's permit next to my face and that way you know who is who and what we do here in this law in the amendment, you see it in the Companies Act, you see it in the Registrar General Act, clauses 3, et cetera, move on, you will see that we are criminalizing if you make a false submission. So we are moving away from the need for an affidavit to certify that what you are saying is true or a statutory declaration from what you are saying is true and instead we are criminalizing summary offence, \$10,000, three years, we are criminalizing, as we do elsewhere in the Companies Act if you go to that section of the law, the Bill here now, that clause, you will see that that is what we are doing.

So, Madam Speaker, in summary for that point, we are bringing in the unique identification number, we are allowing certification, it is an anti-crime measure, it is an ease of doing business measurement. Now, Madam Speaker, very importantly, you will see that we traverse the issue of beneficial owner in this law and the Minister of Finance, the Attorney General, we have already spoken, without going back into another debate on, but relevant to this debate, we spoke about the Global Forum telling us that we have obligations to meet.

Madam Speaker: So, hon. Member for San Fernando West, you have two more minutes of ordinary speaking time. You are entitled to 15 more minutes for extended time if you so wish.

Hon. F. Al-Rawi: Thank you, Madam Speaker. The Global Forum, the Financial Action Task Force have the concept of beneficial ownership. Now, Madam Speaker, why are we amending beneficial ownership in the Companies Act both in respect of local companies for profit or guarantee, that is limited by shares or

limited by guarantee as well as external companies? Why we are treating beneficial ownership in the Registration of Business Names Act, in the Non-Profit Organisations Act because in 2019 when we brought the law to treat with beneficial ownership, we in Trinidad and Tobago used the English law which was approved by FATF then, but the definition has now changed and the Global Forum and FATF have agreed that we can insert the provision of a threshold and the threshold is 10 per cent.

What we do as well is we removed the burdensome nature of having to file continuously by leaving the obligation in the companies, but, Madam Speaker, we are also addressing an important lacuna in the law. We did not capture before companies by guarantee which are members and therefore we wanted to capture companies by members meaning companies limited by guarantee as opposed to companies limited by shares and that has come about because we have always said that we would keep our eyes on revisions.

There is another lacuna in the law that we are addressing as well. That lacuna has to treat with surrenders and redemptions. Madam Speaker, if there are two shareholders in a company, one shareholder can disappear by surrendering the shares to the company or the company can redeem the shares. In other words then, people who were caught red-handed, people who were corruptly involved in sharing in the spoils of something and who happen to find themselves as members of companies, they could have redeemed their shares or surrendered their shares, now we are giving legal obligation to inform of beneficial ownership on surrender and redemption. We are narrowing the net. So if you put God “out yuh thoughts and yuh look” to import guns into this country using a company name, your beneficial ownership will be found, your obligation to—we can do the Al Capone approach which is why our Financial Intelligence Unit, our Financial Investigation

Branch and the Fraud Squad have access to the private information in registries as this law permits and other laws permit so that we can tackle crime.

So I know that what I have said has not featured in many contributions coming opposite. I listened to the debate in the Senate and I wanted to take an entirely different slant to the debate because I know that some people may have not spotted what the AG brought forward today and what the Government has continued to bring forward today, which is the anti-crime agenda which is pellucid as you paint these objectives out, you begin to understand the connection.

Madam Speaker, I do not think that I have more to say because my colleagues, the hon. Attorney General, in piloting, and the Minister of Public Utilities went through a lot of the individual clauses. I have sought to structure these clauses. I will just go to one final point which is on the use of certifications and protections in cybercrime and security. You will note that the law identifies misuse, fraud, obstruction, any form of interference. A lot of these things have comparisons in the Computer Misuse Act or in other place, but I just want to commend the drafters for including these provisions and I want to say that with the Ministry of Digital Transformation at work, particularly employing the TTS-CIRT programme from the Ministry of National Security, they have been doing an excellent job as I know—and I will end here—that the Minister of Digital Transformation is aggressively pursuing the construction of a tier-four data centre for Trinidad which is going to revolutionize our work.

We at the Ministry of Rural Development and Local Government are very anxious. Our local government reform articulates with this law here today in the use of structures for our business development units, our local economic development. We are active users of this, so I support the initiatives and I wish to commend my learned colleague, the hon. Attorney General, for bringing forward

today one of the most important pieces of law in my mind in our agenda. Thank you very much.

Hon. Members: [*Desk thumping*].

The Attorney General and Minister of Legal Affairs (Sen. The Hon. Reginald Armour SC): Thank you very much, Madam Speaker. The Members on both sides who would have spoken before me have made my winding up comparatively easy and it will be relatively short. May I go on record to thank the Member for Lopinot/Bon Air West, and Member for San Fernando West who has most recently spoken and has given us the benefit of indeed their prior involvement and experience in a process which I have the privilege to bring home for the company in my short period in the office.

I want to thank the Member for Mayaro in particular because one of the things that will always represent itself as a challenge is when we bring change and particularly change of a quality when technology is involved that can seem intimidating, and I think that the Member for Mayaro made that point in a number of different respects and I pay tribute to that because I can give him, and through you, Madam Speaker, the public of Trinidad and Tobago the reassurance that a lot of thought has gone into many of the concerns that the Member for Mayaro has articulated here today in terms of asking for assurances from me as Attorney General and I can say without fear of contradiction and in the hope that once we pass this legislation today, we will then begin to see the rollout and implementation of this legislation.

The secure connections that he has asked for assurances on and I have said that in my pilot, we have had a very good working relationship, whole-of-government approach and it is being built out as this legislation is coming to fruition. We intend to roll out a continued aggressive and even greater

collaboration between the Registrar General's Department of the Office of the Attorney General and the Ministry of Legal Affairs and the Ministry of Digital Transformation.

Because there is an active partnership that is being rolled out.

8:40 p.m.

Increasingly there are meetings that are scheduled as early as next week, I asked for one of those meetings to be scheduled so that we can continue the conversation that has already been taking place between the hon. Minister, Sen. Bacchus, Minister of Digital Transformation, and the Registrar General, with a view to ensuring secure connections, cyber security, all of the other aspects of security which Member for Mayaro has put on the table and asked for reassurances of.

I can also say we have already spoken in review of the provisions of the Act. I have already spoken to the fact that there are confidentiality clauses in the Act, and the members of staff of the Registrar General's Department are already a very responsible—and I pay tribute to them—very responsible hard-working group of persons, and the Act is designed to give the public the reassurance that their information will be kept secure. In the cyber security area that too is being worked on and developed robustly. And may I also say, with respect to one of the more important points in my view that the Member for Mayaro raised, the help desk capacity of the Registrar General's Department actually began to play itself out.

A year and a half, two years ago when we had that initial, 1st of February, 2022 crash of the PBRs system and other aspects of CROS, one of the things that Registrar General Bridgewater has been developing in a robust way are online tutorials, assistants, help desks, an ongoing basis on which persons can get in touch with the Registrar General and get the support that they will need. And the point

was already made, the authorized service providers are part of the legislation that is designed to enable persons who may not be all that computer literate to get the assistance of persons accredited by the Registrar General's Department, who are authorized service providers, be they attorneys-at-law or accountants who would be able to give the assistance to lay people who may need that help.

And I certainly will give the assurance to the public as well that we are going to ensure as best as we can, the Government, and I have to say this with an appropriate bow in the direction of the Minister of Finance, at the least possible cost to persons who are—

Hon. Imbert: [*Inaudible*]

Sen. The Hon. R. Armour SC:[*Laughter*]—to persons who are in need of assistance because we recognize—and certainly speaking for myself, I remember, if you would allow me to be personal for a moment, Madam Speaker. I remember more than 20 years ago when I needed help with one of my attempts at computer functions, my eight-year-old daughter said, “Dad, let me take it over”, turned to me clicked the keyboard twice and says, “I have got it, Dad, here you go”. So, I recognize the challenge that persons have who are not born of the age that our children are born of today when you ask them to introduce themselves to a way of life that has to do with computer ease of business, computer literacy. And the Registrar General's Department is going to make every effort to support and give assistance to persons of that quality who are in need of assistance.

Madam Speaker, I made the point that there are a couple of amendments that I have circulated and I would just touch on them briefly. Two sections really, clauses 4 and 5 of the Bill that is before us. The amendments from clause 4 are really to tweak language which has been suggested by the Global Forum technicians who are in Trinidad and Tobago at the moment to ensure that we have

a tighter timeline, 30 days as opposed to 45 days. And to introduce circumstances of beneficial ownership where people cease to be beneficial ownerships, but we can engage that more actively in the committee stage. And to pay tribute—and I want to do this—to pay tribute to my colleague and Member of Parliament in the other place, Sen. Thompson-Ahye, she had raised a concern in the other place, which I had undertaken to look at. So, there is an amendment that is now being proposed to the Non-Profit Organisations Act, which will allow for a circumstance in which a non-profit person—controller passes away of a non-profit organization, and an interested party will be able to provide information to the Registrar General to ensure that there is a degree of continuity in relation to that non-profit organization.

So, the amendments are simple, Madam Speaker, and without belabouring the point, I emphasize as everyone has recognized, and I am happy to accept that we have good support from the other side. This is a very important piece of legislation. Member for San Fernando West has given us the history that has built out from the period when my colleague, the Leader of the House was in the seat as Minister of Legal Affairs, through the Member for Lopinot/Bon Air West, and the former Attorney General. And I am very happy to bring to this House the piece of legislation that is going to make a sea change not only in our security, but in our ease of doing business. And without any further ado, Madam Speaker, I beg to move.

Hon. Members: [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in Committee.

Madam Chairman: So, we can do 1 to 3 as a bloc.

Clauses 1 to 3 ordered to stand part of the Bill. Clause 4.

Question proposed: That clause 4 stand part of the Bill.

- A. In paragraph (d)(iii) in new subsection (1C) delete the word “forty-five days” and replace with the word “thirty days”;
- B. In paragraph (v) in new subsection (2)(c) delete the words “or if there is any doubt that the person identified is the beneficial owner”; In paragraph (w) in section 337B(2B) delete the words “ceased to be the beneficial owner” and replace with the words “became and the date on which he ceased to be the beneficial owner as well as the basis on which he was considered a beneficial owner.”;
- C. In paragraph (x) in section 337C-
 - (a) in subsection (3) insert after the word “effect” the words “, together with any supporting documentation”; and
 - (b) in subsection (7) insert after the word “shall” the words “verify the identity of the beneficial owner by conducting adequate due diligence procedures and”;
- D. in paragraph (y) in section 337DA insert after the word “shall” the words “take reasonable steps to”;
- E. In paragraph (aj) in new section 489(7) delete the words “or by other means” and replace with the words “and by other means”.

Madam Chairman: Attorney General.

Sen. Armour SC: Thank you very much, Madam Chairman. I have circulated a list of amendments that I propose to move to clause 4 in five respects. They are fairly straightforward, Madam Chairman. The first amendment is with respect to

section 33(1C) of the Companies Act at page 21 of this Bill. It is to substitute in place of the 45 days for the:

“(1C) ...company, when purchasing or redeeming its shares or membership...”

Instead of 45 days, for 30 days from the date of purchase. So, that is the first amendment. The second amendment is to be found in the Bill, again still in clause 4, a proposed amendment at page 25 of the Bill before us, section 337A (2)(c). So, some of the words in (2)(c) are being deleted. Whereas the Bill that was at the House this morning:

“(c) if no person is identified under paragraphs (a) or (b) or if there is any doubt that the person identified is the beneficial owner, the natural person who holds the position of senior managing official.”;

We are asking that the words:

“...or if there is any doubt that the person identified is the beneficial owner...”—be deleted.

The third amendment again still in respect of clause 4 has to do with section 337B (2B) where we introduce the words in place of, “...ceased to be the beneficial owner”. So if I read the entire clause:

“(2B) A company shall maintain and keep updated a register of all the beneficial owners containing the name, nationality, the latest known address, telephone number, email and other contact details and the date on which any person...”

And in place of “...ceased to be the beneficial owner”, we ask to introduce:

...on which any person became and the date on which he ceased to be the beneficial owner as well as the basis on which he was considered a beneficial owner.

Which really is to widen the circumstances in which proper transparency can be accomplished. The fourth amendment still in clause 4, section 337C(3), we ask to substitute—to add in C(3) at the end of that subparagraph after the words, “... to that effect”, to add:

together with any supporting documentation.

So, that clause would read;

“(3) Where a notice is not received under section 337B and—

(a) a shareholder is not the beneficial owner; and

(b) the name of the beneficial owner is not entered on the register, the shareholder and the beneficial owner shall submit a statement in the prescribed form to the company to that effect”—together with any supporting documentation.

And the further amendment, new section 337C(3)(7) to introduce the words:

“Where a statement is made to a company under this section, the company...” —shall verify the identity of the beneficial owner by conducting adequate due diligence procedures—

“...so as to update the register established by it for such purpose...”

So, those are the—and one last, there is one last on page 30 of the Bill, an amendment to section 337DA:

“For the purposes of this Part, the Registrar shall”—take reasonable steps to— “monitor the filings by companies of beneficial ownership information.”;

Mrs. Robinson-Regis: I think you missed one.

Sen. Armour SC: The last one—thank you to my Leader of the House—page 33 of the Bill, new section 489(7) of the Companies Act is to be amended in place of the words at subsection (7), in place of the words:

“...or by other means...”

—to add instead:

and by other means—“approved by the Registrar...”

So, those are the proposed amendments to clause 4 of the Bill which effect amendments to the Companies Act.

Question put and agreed to.

Clause 4, as amended, ordered to stand part of the Bill.

8.55 p.m.

Clause 5.

Question proposed: That clause 5 stand part of the Bill.

5 A. In paragraph (a)(i)(A) delete the words “means” and replace with the words “Act-”.

B. Delete paragraph (h) and replace with the following:

“ (h) in section 15-

(i) in subsection (1) by deleting the words “, or if he is dead, his personal representative,”;

(ii) in subsection (3) by inserting after the word “post” the words “or by electronic means”; and

(iii) by inserting after subsection (4) the following new subsection:

“(5) Where a firm or individual registered under this Act ceases operations and all partners in the firm or, in the case of an individual, the individual dies, an interested person shall, within three months of the death, make a declaration accompanied by supporting documents to the Registrar General, notifying of the

death of the partners or individual and the ceasing of the operations.”.

Madam Chairman: Attorney General.

Sen. Armour SC: Thank you, Madam Chairman. The amendments which are proposed to clause 5 are three in number. We wish to—at page 35 of the Bill, clause 5, an amendment to the Registration of Business Names Act, so that we ask at (a), on page 35, to insert after the words “means”, “Act”, the following definition, and then follows “the authorised service provider” definition continues. That is the first amendment that we propose in clause 5.

Secondly, we asked with respect to—and this takes us now to page 40, section 15 of the Registrar of Business Names Act, we ask to introduce three new subsections:

- (i) in subsection (1) by deleting the words “, or if he is dead, his personal representative,”;
- (ii) in subsection (3) by inserting after the word “post” the words “or by electronic means”; and
- (iii) by inserting after subsection (4) the following new subsection:
 - (5) Where a firm or individual registered under this Act ceases operations and all partners in the firm or, in the case of an individual, the individual dies, an interested person shall, within three months of the death, make a declaration accompanied by supporting documents to the Registrar General, notifying of the death of the partners or individual and the ceasing of the operations.

Those are the recommended amendments to the registration of business names in clause 5 of the Bill.

Question put and agreed to.

Clause 5, as amended, ordered to stand part of the Bill.

Clause 6.

Question proposed: That clause 6 stand part of the Bill.

- 6(g)(ii) In subsection (7) delete all the words after the words “controller,” where it occurs first and replace with the words “an interested party shall, within three months of the death, make a declaration, accompanied by supporting documents, to the Registrar General notifying of the death of the controller and the ceasing of operations.”.

Madam Chairman: Attorney General.

Sen. Armour SC: Thank you, Madam Chair. This is a proposed amendment to the registration of non-profit organizations, and it is an amendment at page 45 of the Bill, subsection (7). This is a circumstance on the death of the controller of the non-profit organization. We ask to introduce the amendment that will therefore read, to elaborate in clear terms:

Where a non-profit organisation ceases operations on the death of the controller—and this is the amendment—an interested party shall, within three months of the death, make a declaration, accompanied by supporting documents, to the Registrar General notifying of the death of the controller and the ceasing of operations.

And I may say, Madam Chair, that it is our intention when the regulations are promulgated and the pro forma documents are promulgated under this legislation, once it becomes law, to have a pro forma form of declaration, which will properly advise the Registrar of the fact of the death of the controller with supporting documents.

Madam Chairman: Yes, Member for Barataria/San Juan.

Mr. Hosein: AG, just a question based on some clarification. The death of the controller and then we are putting the onus on the interested party to notify the Registrar General of the death of the controller, is it that we are going to have an ambit or a scope of who can be this interested party? Is it a member of the NPO, or an executive, or an ordinary person?

Sen. Armour SC: Thank you for that question, Member. And this is precisely the point that I signalled. This is the enabling Act. It makes provision for the interested party to do this, but we are going to build it out in the regulations and a prescribed pro forma declaration form, so that we are very strict on who and what are the qualifications for that interested party to be able to make that declaration.

Mr. Hosein: Yes. The reason I raised the point is because some of these organizations, there are conflicts and we all know what happens. So it is good that it will come in the regulations after.

Sen. Armour SC: Yes. We are going to be careful about it. Thank you.

Question put and agreed to.

Clause 6, as amended, ordered to stand part of the Bill.

Question put and agreed to: That the Bill, as amended, be reported to the House.

House resumed.

Bill reported, with amendment, read the third time and passed.

Madam Speaker: Leader of the House.

ADJOURNMENT

The Minister of Housing and Urban Development (Hon. Camille Robinson-Regis): Thank you very kindly, Madam Speaker. Madam Speaker, I beg to move that this House do now adjourn to Friday the 15th day of March, 2024, at 1.30 p.m. Madam Speaker, could I just indicate that on that day we will resume

debate on Bill No. 3 on today's Order Paper.

Madam Speaker: Hon. Members, there is one matter that qualifies to be raised on the Motion for the Adjournment of the House. I now call upon the Member for Caroni Central.

FIFA Eligibility Requirements

Mr. Arnold Ram (*Caroni Central*): Thank you, Madam Speaker, and thank you for the opportunity to raise this matter on the adjournment this evening. Madam Speaker, this matter that I raise here on the adjournment is something that I am personally invested in, not conflicted though, but personally invested in because of my love for the sport of football.

We all remember that fateful day on November 19, 1989—many of us are old enough—when we failed to qualify for the 1990 World Cup in Italy. Ever since, Madam Speaker, that November 19th, I have always hated that day for some reason because of my passion for football. And when we were playing Bahrain on November 16, 2005, I was skeptical because I am a bit superstitious. But we are all here now, we remember when Chris Birchall took a penalty and a headed goal by Dennis Lawrence put us in the 2006 World Cup in Germany. The euphoria, the excitement, the ecstasy, Madam Speaker, the jubilation and the light of our nation is second to none. It is something I have never experienced. Some may compare it to the Hasely Crawford gold medal of 1976, but I am too young and I was not privy to that. But I can tell you about the jubilation of the 2006 World Cup qualification.

This matter on the adjournment is really for us to widen the pool of persons who are available and are eligible to qualify for nationality to play and represent Trinidad and Tobago at World Cup qualifiers. So there is a distinction, Madam Speaker, between holding nationality and being able or eligible to obtain

nationality. So what we are dealing with here, Madam Speaker, is two sections, which is basically section 17(1) of the Constitution, which speaks about how one obtains nationality, and it reads as follows:

“Subject to subsection (2), every person born in Trinidad and Tobago after the commencement of this Constitution shall become a citizen of Trinidad and Tobago at the date of his birth.”

So that is how you hold nationality.

In addition to that, Madam Speaker, there is the Citizenship of the Republic of Trinidad and Tobago Act, Chap. 1:50, and it reads, Madam Speaker:

“5(1) The Minister shall cause a child born outside of Trinidad and Tobago of a citizen of Trinidad and Tobago by descent to be granted a certificate of citizenship of Trinidad and Tobago upon receipt of a prescribed application made...”

The application must be made by:

- “(a) a responsible parent or guardian of such child before the child attains full age; or
- (b) by a child within one year of his attaining his majority according to the law of the country of which he is a citizen or on his attaining full age.”

So that is what we are dealing with here, Madam Speaker. Those are the relevant statutes under our books.

Now, if, for example, Madam Speaker, the allowance by FIFA, which is the governing body for football, if the goalpost is a regular 8 feet high by 24 feet wide, we, and by our laws, the Citizenship of the Republic of Trinidad and Tobago Act in particular, are narrowing our goalposts in respect of only allowing persons or parents to apply before their child reaches 18 or by the child themselves one year

upon reaching the majority.

According to FIFA rules, Article 7 of the statutes says:

“Any player who refers to art. 5...to assume a new nationality and who has not played international football...”—in either a full match in an official capacity—“...of any category or any type of football...shall be eligible to play for the new representative team only if he fulfils one of the following conditions:

- (a) He was born on the territory of the relevant association...”—which is nationality;
- “(b) His biological mother or biological father was born on the territory of the relevant association;
- (c) His grandmother or grandfather was born on the territory of the relevant association;
- (d) He has lived continuously for five years after reaching the age of 18...”

So that is the allowance by FIFA. There is no age limit by which someone could qualify to play for another representative team or another football team or another country. But by our laws, we restrict that to being, you have to do so—your parents have to do so, by you reaching the age of 18 or by yourself one year after you reach majority, Madam Speaker.

So that is something, I think, that has caused us to really narrow the span of players we are allowed to choose. And it is something that, you know, even the national football coach, Angus Eve, said on the 11th of January, 2023. He stated in this article by Jonathan Ramnanansingh, 11th of January, 2023, he says:

“This law...”—the present law—“...Soca Warriors head coach Angus Eve said, is detrimental and hampering the expansion of TT football, and its

player pool, while smaller nations capitalise on available players and move forward.”

9.10 p.m.

Mr. A. Ram:

“He said that the majority of other...territories can invite players whose grandparents have local lineage, to represent their nation on the international stage.”

He says,

“TT, however, is limited to calling on players whose parent/s have TT lineage.”

So, Madam Speaker, just before my time is up, there are quite a number of players who will qualify, if we are just to remove the age restriction on when they can apply. And I read as follows: Levi Colwill who plays for Chelsea; Brandon Austin who plays for Tottenham Hotspur; Ty Barnett who plays for Wolves Under 18; Henry Lawrence who plays for Standard Liege in Belgium; Deron Payne who plays in the Netherlands; Dante Sealy who plays for FC Dallas, and his father is Scott Sealy a former national football player. Kristian Fletcher, DC United; Antwoine Hackford, Sheffield United; Bradley Abraham, Hertha Berlin out of Germany; Ryan Inniss, Forest Green Rovers; Luca Furnell-Gill out of Liverpool Under 18, and Shayon Harrison out of Romania.

So, in my last minute, Madam Speaker, I just want to let you all know, or let the House know that, Jamaica is going fully ahead—stream with this, Curacao is doing it, French Guyana is doing it, Grenada is doing it. In fact, Jamaica is on the

verge of signing, or having Mason Greenwood who is a Manchester United superstar, or now former, join their ranks. And this is what we would like, Madam Speaker, to have our national laws, to allow a widening of the pool of players from which we can choose. Madam Speaker, you know competition improves performance, competition improves the breed and competition improves discipline amongst all players. So, on that basis Madam Speaker, I move this Motion on the Adjournment for consideration by the Government. Thank you.

Hon. Members: [*Desk thumping*]

Madam Speaker: The Attorney General.

Hon. Members: [*Desk thumping*]

The Attorney General and Minister of Legal Affairs (Sen. The Hon. Reginald Armour SC): Thank you very much, Madam Speaker. I think it is important that with your leave of course, Madam Speaker, for the benefit of the public, who no doubt would be interested in understanding the context for the question, and the answer, that the question should be stated. The question which I am addressing is the need for the Government to urgently introduce legislation to amend section 17 of the Constitution of the Republic of Trinidad and Tobago, and the Citizenship of the Republic of Trinidad and Tobago Act, with a view to facilitating third-generation citizenship which may benefit potential players to the national football team for World Cup qualifiers in 2024.

May I start immediately, Madam Speaker, by paying appropriate recognition and tribute to the class group of named players who have been identified by the Member who has brought this Motion to the House for consideration? I stress the

word ‘class’ or ‘group’ because what we are being asked to consider is the question of an amendment to the Constitution of Trinidad and Tobago, and/or, an Act of Parliament, the Citizenship Act of Trinidad and Tobago, and there are therefore principles of law, statutory construction, and constitutional law that would have to be carefully examined to guide any consideration of the question which has been posed. One is not easily permitted to pass laws to favour, or give treatment to a particular class of persons because—

Hon. Members: [*Desk thumping*]

Sen. The Hon. R. Armour SC:—one can run up against the principle of legislation *ad hominem* where that legislation may single out a class of persons as opposed to the wider general public. It introduces questions of equality of treatment, it may even introduce considerations of infringement of the fundamental rights of the Constitution, and all other applicable principles of construction.

9.15 p.m.

I pay tribute to those who helped me with some research on the subject and I will just share that research with the House, with you, Madam Speaker. The point is that in most modern democracies the right of citizenship is governed by very careful legal doctrines. The Latin phrase for one of those doctrines is *jus soli*, the right to citizenship based on location of birth or *jus sanguinis*, the right of citizenship based on blood relations. These two doctrines are inherent within the Constitution of Trinidad and Tobago and the Citizenship of the Republic of Trinidad and Tobago Act. Generational citizenship or citizenship by descent in particular is primarily based on the latter doctrine, the doctrine of *jus sanguinis*.

Section 17(3) of our Constitution expressly provides that a person becomes a

citizen by the blood of his parents once they were citizens at the time of his or her birth. Section 21 of the Constitution defines a citizen by descent to mean a person who is a citizen under section 17(3). Section 5(2) of the Citizenship of the Republic of Trinidad and Tobago Act provides that a person may apply for citizenship where he is a descendant. Unlike the Constitution, however, the Citizenship Act does not specifically define the word “descent” and in such a case normal principles of statutory construction will apply.

We have had the advantage not too long ago of a judgment of the High Court Mr. Justice Rajkumar as he then was, in the case of *Susan Ruth Jackson and Jordan Matthew Leiba (an infant) (suing by his next friend and mother...) v The Chief Immigration Officer and The Minister of National Security, Claim CV2010, No. 05104*. Mr. Justice Rajkumar reminded us of the principles which are applicable in circumstances such as this by reference to two well-known decisions of the Privy Council in *Worme & Other v Commissioner of Police of Grenada*, it was stated at paragraph 27:

“Where possible, legislation should be interpreted in such a way that it is consistent with the Constitution.”

So where two possible constructions are reasonably available the courts will choose that interpretation which is consistent with the Constitution and reject the one which is not.

I say this in the context of the fact that “citizenship by descent” is defined in the Constitution whereas it is not in the Citizenship Act, and the principles of law, which would therefore apply will mean that we must construe the definition of the word “descent” in the Citizenship Act to be consistent with the contemplation of the Constitution. And therefore, we have to be guided by the fact that if any question arises for amending the Citizenship Act, we are going to have to take due

cognizance of the definition of “citizen by descent” in the Constitution. Therefore, the Citizenship Act would have to be read in light of section 17(3) and therefore limit the word “by descent” to “second generation citizens”, which is what the Constitution recognizes.

This has been a question that has actually engaged different jurisdictions around the world. Some countries such as Malta, the Maltese Citizenship Act, Bulgaria and Italy do not impose limits on generational citizenship to a particular ancestral lineage be it first, second, third, or even fourth generation. The common element of their laws, Madam Speaker, is that a person must satisfy certain criteria in order to prove his ancestral lineage to the State.

So if we are going to consider putting the question that the Member asks up for consideration, we are going to have to give very careful consideration to what are the criteria which will be introduced, because the concept of third and fourth-generation citizenship is rare.

I say that against the background that the Member has given us the benefit of his research of the FIFA rules that identify particular criteria, but those are criteria that would have to be very carefully looked at. I have consulted with the Law Reform Commission of the Office of the Attorney General and I am assured that this would have to be a question that would not only require policy research, but would also require a level of consultation at a national level that will take some time. So that, I do not think that we can give any guarantees albeit that I accept that it is a question that the public should be interested in. I do not think that we can give any guarantees that it will all happen before 2024, the end of 2024. But I certainly give the assurance to the hon. Member, that he has raised a serious question that deserves some consideration, and I will put it further to the Law Reform Commission of the Office of the Attorney General to give me such advice

FIFA Eligibility Requirements
Sen. the Hon. R. Armour SC (cont'd)

2024.03.06

as I may be able to bring back to the Cabinet. Thank you very much.

Hon. Members: [*Desk thumping*]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 9.20 p.m.