



DEVELOPING SPACES
FOR BUSINESS TO GROW

Evolving TecKnologies and Enterprise Development Company Limited

(e Teck)

Annual Administrative Report

2016

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Glossary

Agreement of Lease

A binding agreement between a Landlord and Tenant to grant and/or accept a lease in the future.

Business Parks

Industrial parks are differentiated from Business Parks, which offer more office, retail and commercial type accommodation.

Economic Zones

Geographically delimited area of serviced infrastructure, including necessary roads and utilities, which range in size and scope from small industrial parks to an entire region of a Country (IFC, 2013).

Head Lease

An original lease between a Tenant and Landlord. In such a lease, the overall contractual responsibility is given to one identifiable tenant called the Head Lessee. It is a primary lease or chief lease.

Land Information System (LIS)

A tool for legal, administrative and economic decision-making and an aid for planning and development. A land information system consists, on the one hand, of a database containing spatially referenced land-related data for a defined area and, on the other, of procedures and techniques for the systematic collection, updating, processing and distribution of the data. The base of a land information system is a uniform spatial referencing system, which also simplifies the linking of data within the system with other land-related data (UNECE, 1996).

Letter of Offer

A formal written document sent by the Landlord to a proposed Tenant which confirms the details of the Tenancy

Light Industrial Parks

Areas to facilitate light Industry, which involves manufacturing processes that do not adversely affect the amenity of an area by way of the creation of noise, dust, fumes, vibrations, smoke, soot, ash, grit, offensive odours, traffic generation, etc. Light Industrial uses include the manufacture of food, beverages, printing and publishing, electronic equipment, optical equipment, watches, clocks and jewelry (TCPD, 1989).

Memorandum of Lease

A contract by which one Party (Landlord) conveys land, to another (Tenant) for a specified time in return for a periodic payment.

1.0 INTRODUCTION

Evolving TecKnologies and Enterprise Development Company Limited (e TecK), is a special purpose state agency under the Ministry of Trade and Industry (MTI). e TecK was initially set up to be the agent of change for Trinidad & Tobago by providing suitable land space where non-oil and gas industries could develop and grow, thereby stimulating diversification of the economy and reducing the country's dependency on the oil and gas sector in order to contribute to the goal of self-sustaining national growth.

In February 2013 a decision was made by Cabinet to rationalize the functions and operations of e TecK, which resulted in e TecK's mandate being refocused along the lines of (i) Real Estate Development, (ii) Real Estate Management, and the (iii) Management of Hotel Assets. In order for diversification of Trinidad and Tobago's economy to happen, there must be the availability of suitable, modern economic spaces available to investors. From the same cabinet decision invesTT was formed into a separate entity, however with support being provided by e TecK.

1.1 Vision

“To be highly reliable real estate development and management professionals consistently delivering modern economic zones and hotels on time and at optimal cost.”

1.2 Mission

“To make suitable real estate available to qualified tenants, developers and operators in a commercially viable manner.”

1.3 Mandate

e TecK's mandate was revised by the Government of the Republic of Trinidad and Tobago (GORTT) by Cabinet Minute No. 513 of February 28, 2013 as follows:

“The sole mandate of Evolving TecKnologies and Enterprise Development Company Limited (eTecK) be refocused along the lines of asset management and development and facilitation of economic zones”

1.4 Core Values

Integrity

We believe that honesty, confidentiality, the courage to speak our minds and placing national interests above all others' are vital to our success.

Collaboration

We believe collaboration with our stakeholders gets us the very best results.

Innovation

We believe we must continuously learn, improve and be innovative in our approach to finding the best opportunities for our nation.

Speed & Agility

We believe in conducting all our business with a sense of urgency and with quick, proactive adaptation to changing circumstances.

Results Focused

We believe in maintaining a relentless focus on getting results that deliver significant and sustainable value.

1.5 Strategic Objectives

To fulfil its vision and mandate, e TecK will pursue the following five (5) fundamental strategic paths:

- Development of New Modern Economic Zones;
- Improve the Infrastructure on Legacy Economic Zones;
- Improve Operational and Financial Self-sufficiency;
- Build Economic Zone and Public Private Partnership Capabilities;
- Establish and Improve Networks and Partnerships.

1.6 Strategic Plan

The last approved Strategic Plan for e TecK was for the period 2013 to 2015. This was a requirement of Cabinet from Minute No. 513 of February 28, 2013, "Rationalization of the Functions and Operations of Evolving TecKnologies and Enterprise Development Company Limited". The 2013 to 2015 plan came to an end in December 2015. However, e TecK is guided by the policies of the Government of the Republic of Trinidad and Tobago, which is communicated via our line ministry, the Ministry of Trade and Industry.

In August 2016 e TecK issued a tender for the hiring of a consultant to lead the development of its new strategic plan for the company, however, in light of the fact that the company is seeking to hire a new president, the Board made the decision to halt the process until such time that this position was filled. However, e TecK develops annual plans which are guided by the Strategic Plan published by its line Ministry as well as multi-year plans developed for its major projects.

2.0 ORGANIZATIONAL STRUCTURE

2.1 Organizational Profile

e TecK is a Special Purpose State Enterprise which was established in 2004 to drive the economic diversification of Trinidad and Tobago. The company reports to the Ministry of Trade and Industry. e TecK's current mandate focuses on developing and managing new Economic Zones (EZs), optimizing existing industrial parks on a commercial basis and managing our hotel assets. Our legacy spans over a decade in industrial park development and management of which we are proud. Our Business Parks facilitate a significant portion of business and manufacturing activity in the non-oil and gas sector.

e TecK currently owns and operates nineteen (19) Light Industrial Parks throughout Trinidad and Tobago. e TecK's asset management also extends to the ownership and management of the Magdalena Grand Beach and Golf Resort in Tobago and the Trinidad Hilton and Conference Centre.

History

Industrial Park assets were initially under the umbrella of the Industrial Development Corporation (IDC) from the 60's to 80's. By virtue of Act No. 4 of 1994, the Tourism Development Company of Trinidad and Tobago Limited (TIDCO) was created and all the assets of the then Industrial Development Corporation (IDC), the Tourism Development Authority (TDA) and the Export Development Corporation (EDC) were vested in TIDCO.

In order to facilitate the management of its significant property portfolio, TIDCO created a subsidiary Property Management company in the Property and Industrial Development Company of Trinidad and Tobago Limited (PIDCOTT). In 2003 Cabinet made the decision to expand PIDCOTT's mandate and the Company's status was changed to that of an independent State entity. The new mandate included, inter alia, the ownership and management of the existing Industrial Parks; the development of new Parks to assist in Government's initiatives to diversify the economy in the non-energy manufacturing sector as well as the downstream energy and high-value manufacturing sectors.

A decision to re-brand the Company to more appropriately reflect the new mandate was taken and the name was changed from PIDCOTT to e TecK. In 2004 the investment promotion function was transferred to e TecK and in 2011 investTT was created as a subsidiary of e TecK to make this function more visible.

In February 2013 a decision was made by Cabinet to rationalize the functions of e TecK, which resulted in the company's mandate being redefined to be focused on the following:

- (i) Real Estate Development

- (ii) Real Estate Management
- (iii) Management of Hotel Assets

In order for diversification of Trinidad and Tobago’s economy to happen, there must be the availability of suitable, modern economic spaces available to both local and foreign investors. Additionally, from the same cabinet decision investTT was formed into a separate entity, however, e Teck was directed to provide the necessary support services to investTT.

2.2 Corporate Structure

e Teck’s Organizational Structure is shown in Figure 1 below.

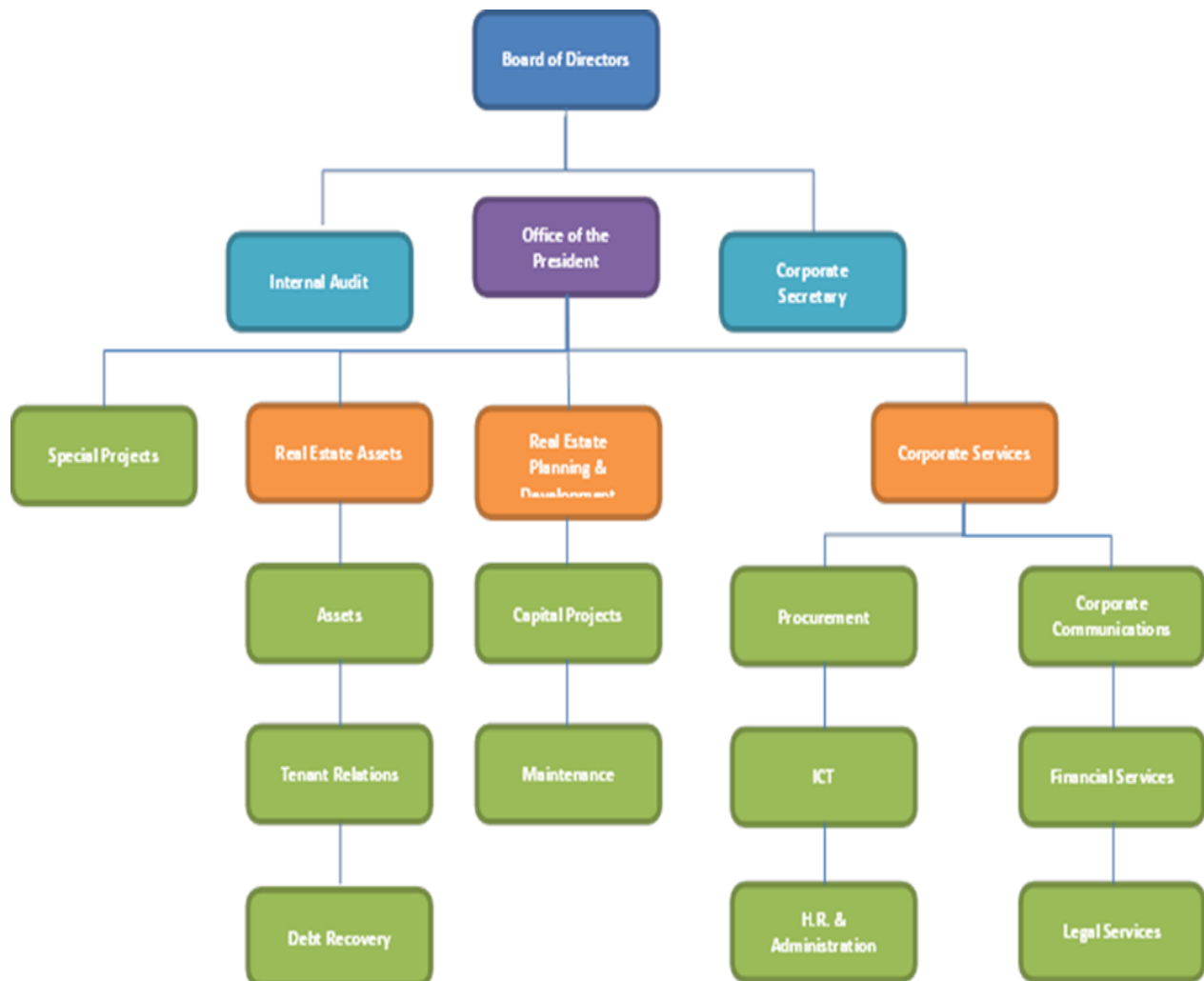


Figure 1: Organizational Structure of e Teck

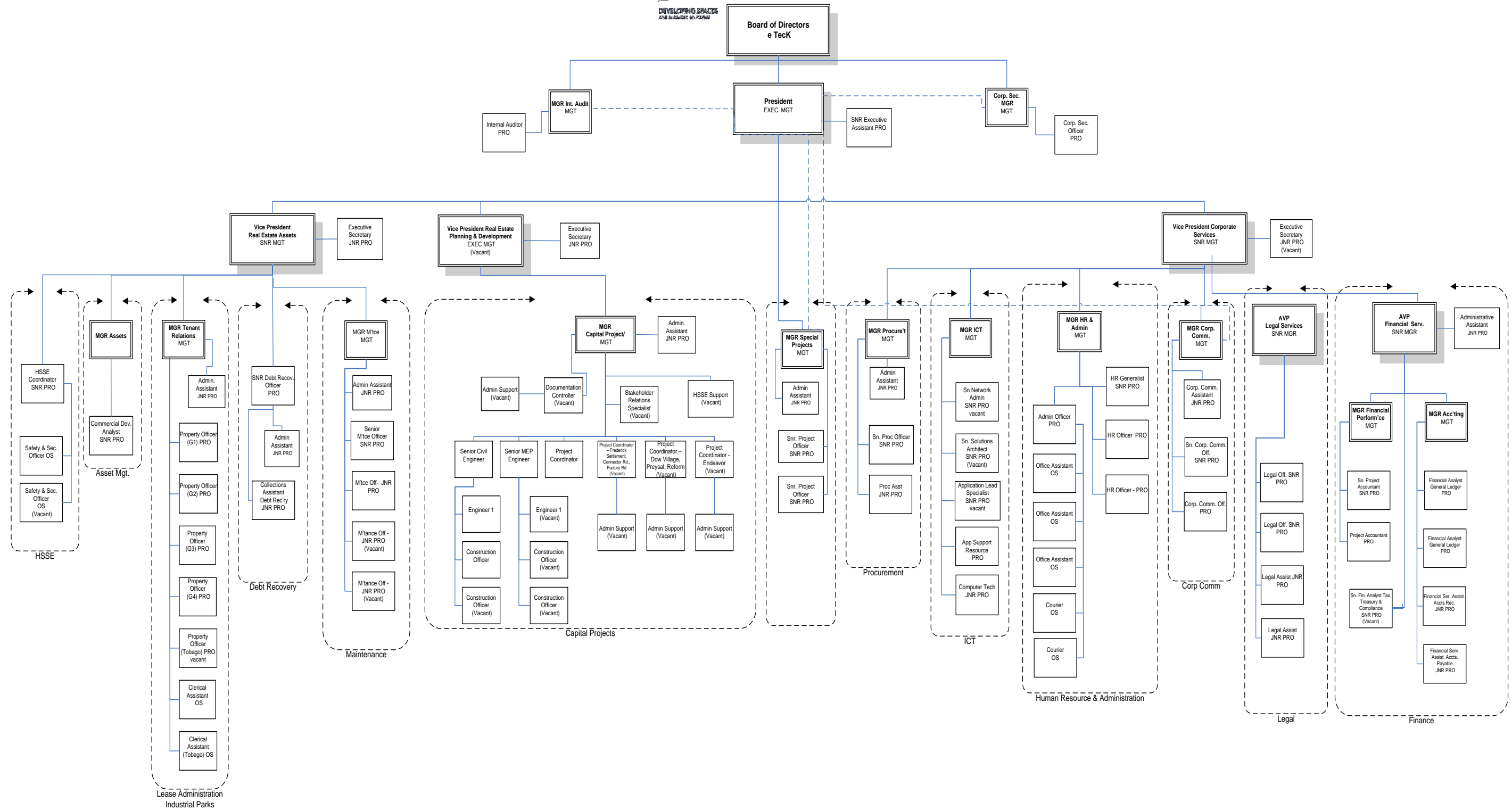
e TeCK's Detailed Organizational Structure



Evolving TecNologies Enterprise and Development Company Limited (e TeCK)

Organizational Structure

Existing Chart 2016



Lease Administration Industrial Parks

2.3 **Services /Products Provided and Special Projects Embarked Upon**

e TecK offers a range of services summarized as:

Property Management Services:

- Administration of Services
- Lease Administration
- Cluster Development
- Factory Shell Maintenance
- Common Space Maintenance

Real Estate Management Services:

- Implementation of Government Policy
- Identification of new economic spaces
- Development of economic spaces

Information on Real Estates:

- Information on existing Economic Zones; Information on potential Economic Zones for development.
- Providing information on available spaces and facilitation of site visits when requested.

Shared Services for investTT:

- Corporate Services: ICT, Finance, Procurement etc...

Special Projects Embarked Upon

In April 2016 Cabinet instructed e TecK commence the following projects:

- (i) The design and construction of beach and coastal protection works, including a breakwater at the Magdalena Grand Beach and Golf Resort in Tobago. The estimated cost of TT\$1.5Mn. is to be met from the internal resources of e TecK. This project is expected to increase the attractiveness of the Magdalena and Tobago to both tourists and potential investors.
- (ii) The Ministry of Finance, Ministry of Tourism and the Tobago House of Assembly, acting together, took urgent measures to secure a reputable, internationally recognized brand manager or partner to handle the management of the hotel. As owner of the hotel, e TecK was invited to attend meetings held by a committee comprising these three entities and was involved in the process for selecting a long-term operator.

Note: Due to various administrative, as well as, funding constraints these projects would commence during fiscal 2017. However, the necessary 'ground works' (research, site visits, meetings etc.) required for the preparation and submission of relevant documents needed for obtaining Board approval in order to issue tender documents for both projects commenced in fiscal 2016.

2.4 Delegated Levels of Authority

1) Tender Approvals

Effective December 20th 2013, the Financial Authority Limits for awarding contracts are outlined in the Table 1.

| | | |
|----|--|--|
| 1. | The Board | Shall approve awards of contract in excess of TT\$10M |
| 2. | The Board Tenders Committee (BTC) | Shall approve awards of contract in excess of TT\$1M up to TT\$10M |
| 3. | The President | Shall approve awards of contract in excess of TT\$500,000 up to TT\$1M |
| 4. | The Vice Presidents | Shall approve awards of contract in excess of TT\$50,000 up to TT\$500,000 |
| 5. | Assistant Vice Presidents and Managers | Shall approve awards of contract up to TT\$50,000 |
| 6. | Purchase Orders | Works, Goods and Services up to a value of TT\$25,000 shall be procured using the 3-quotation system, on the basis of a purchase order. |

Table 1: Delegate Levels of Authority for Tender Approvals

2) Execution of Agreements

The authority to sign contracts on behalf of the Company is exercised in accordance with the following:

| Value of Contract | Authorised Signatory |
|---------------------------------|---|
| a) Up to \$150,000 | All Managers |
| b) From \$150,000 - \$3,000,000 | Vice Presidents |
| c) Over \$3,000,000 | President and Company Secretary or Board Director |
| d) Purchase Orders | Managers; Assistance Vice President and Vice President can approve Purchase Orders (P.O.). Maximum Value of P.O. is TT25,000 |

Table 2: Delegate Levels of Authority for Execution of Agreements

3) Cheque Signing

Effective August 1st 2006, the cheque signing limits are outlined in Table 3:

| Amount In TTD\$ | Signatories |
|----------------------------|--|
| UP TO \$30,000 | Any Two (2) of:- 'A' and/or 'B' or 'B' Signatories Only |
| FROM \$30,000 TO \$250,000 | Any Two (2) of:- 'A' and/or 'A' or 'A' and/or 'B' |
| OVER \$250,000 | Any Two (2) :- 'A' Signatories Only |
| INVESTMENTS | Any Two (2) :- 'A' Signatories Only |

| Description | Signatories |
|--------------------|----------------------|
| 'A' Signatories | Executive Management |
| 'B' Signatories | Managers |

Table 3: Delegate Levels of Authority for Cheque Signing

2.5 **Legislative and Regulatory Framework**

e TecK abides by all legislation, regulations and policies of Trinidad and Tobago in accordance with the activities and transactions according to our mandate e.g. the Companies Act; VAT Regulation Act; Insurance Regulation Act; Finance Act; State Enterprises Performance Monitoring Manual etc.

2.6 Reporting Functions

2.6.1 Departmental Reports

Evolving TecKnologies and Enterprise Development Company Limited (e TecK) comprises three (3) Divisions and the Office of the President. These are:

1. Office of the President (Corporate Secretariat, Internal Audit - Administrative Reporting and Special Projects)
2. Corporate Services (Finance, Legal, Human Resources & Administrative, Corporate Communications, ICT and Procurement)
3. Real Estate Planning and Development (Capital Projects and Maintenance);
4. Real Estate Assets (Lease Administration, Asset Management, Debt Recovery, Sales and Health Safety, Security and Environment).

On a monthly basis, each business unit manager/lead updates the status of their respective deliverables against divisional/corporate goals. Departments report to its respective Vice President/President and ultimately the Board via Departmental Monthly Project Status Reports or Departmental Monthly Highlights. Updates to these Reports correspond with the company's on-line performance management system so that the statuses of deliverables are tracked manually and electronically.

In addition to the above-mentioned Departmental Reports, some Departments are also called upon to prepare other reports for use by the Board when necessary, e.g. the Legal Department also provides a monthly Litigation/Claims Status Report (for the Board); the Human Resource Department prepares a detailed HR Update Report (for the Board); the Finance Department prepares a Monthly Financial Review and a PSIP Report for submission to the Board. When requested, Departments may also prepare specific Reports (e.g. Budget vs. Expenditure and Cash Flow Reports; Audit Reports) for consideration by the President and/or Board.

On a monthly basis the Finance Division provides Management Accounts that clearly indicate sources of revenue and different elements of expenditure. Management accounts are completed and submitted to Executive Management by the 22nd of the following month. Expenditure is based on an approved operational plan which is supported by a Board approved operational Budget. A complete analysis of the monthly management accounts is done by the Assistant Vice President, Finance who ensures that all revenues and expenditure is in keeping with the operational budget. All variances are reported to Executive Management who monitors very closely to ensure appropriate explanations are obtained from various departments.

2.6.2 Reports to Ministries, President/ Parliament

The State Enterprises Performance Monitoring Manual outlines the framework within which State Enterprises (such as e TecK) and the Central Government interacts. In particular, it highlights the reporting relationships of the State Enterprise vis-à-vis its Line Ministry, the Minister of Finance (Investments Division), the Ministry of Finance (Corporation Sole) and the Cabinet.

As part of these reporting relationships, e TecK is required to submit on a regular basis the following reports to its Line Ministry (Ministry of Trade and Industry) and Ministry of Finance (Investment Division/Corporation Sole):

1. Strategic Plan
2. Annual Budget
3. Annual Financial Statements
4. Administrative Report
5. Board Minutes
6. Cash Statements of Operations
7. Quarterly Return Reports
8. Status of Loan and Overdraft Portfolio
9. Award of Tender Reports
10. Litigation Report
11. Internal Audit Report

In some cases, Management may also be called upon to prepare and submit specific reports on high-profile projects or draft Cabinet Notes for consideration by the Line Ministry before submission to Cabinet.

3.0 POLICIES AND DEVELOPMENT INITIATIVES

3.1 Short-term Plan (0-1 year)

- Develop new modern economic zones:
 - Seek final approvals for the Point Fortin Industrial Park issue leases.
 - Tenanting of vacant 1st floor (north & south) and ground floor south of the Flagship Building.

- To improve the infrastructure and operations of existing economic zones/Industrial Parks:
 - Implementation of capital works on existing industrial parks as per annual Action Plan.
 - Continuation of the routine maintenance programme and upgrade works for all operating parks.

- To optimize existing industrial parks on a commercial basis:
 - Analysis of the tenant satisfaction survey and setting of baseline data
 - Development of a customer care management plan.
 - Implementation of the suitable initiatives based on the customer care plan.
 - Timely billing of all tenants ensuring that all rents due are collected within 60 days of billing.
 - To undertake rent reviews when it becomes due.
 - Provide tenants who in their possession, letters of offer or agreement to lease with Memorandum of Lease.

- To manage the assets of the Hilton Trinidad and Conference Center and the Magdalena Grand.
 - Planned infrastructure works at the Hilton Hotel and Conference Centre:
 - Supply and Installation of Demountable Walls in Ballroom.
 - Tea Terraces upgrade works.
 - Pool and pool deck upgrade works.
 - Kiosk to build around transformer.
 - Emergency repairs to sections of roof.
 - Planned infrastructure works at the Magdalena Grand Hotel and Golf Resort:
 - Replacement of guest room Door Locking System.
 - Upgrade works to Fire Alarm System.
 - Works to lobby glass (design).
 - HVAC Works – repair works to chillers and cooling towers (works executed by efm Hospitality & e Teck).

- Consultancy services for seeking a long term operator for the hotel.
 - Design services for the creation of a beach facility at the hotel.
- Other key targets
 - Timely completion and submission of the Audited Financial Statements.

Medium-term Plan (2-5 years)

- Develop new modern economic zones:
 - Development of new industrial parks: Based on demand for such spaces as well as sector development plans which are in line with the Ministry of Trade and Industry's Strategic Plan.
 - Support investTT in the tenanting of 21 lots (Phase 1) at Tamana InTech Park.
 - Further development of Tamana Intech Park: Based on (i) revision of the master plan for the park which will be informed by sector development and demand studies and (ii) the Ministry of Trade and Industry's Strategic Plan.
- To improve the infrastructure and operations of existing economic zones/Industrial Parks:
 - Implementation of capital works on existing industrial parks as per annual Action Plans.
 - Continuation of the routine maintenance programme and upgrade works for all operating parks as per annual Action Plans.
- To optimize existing industrial parks on a commercial basis:
 - Timely billing of all tenants.
 - Monitor, review and update of the customer care management plan.
 - To undertake rent reviews when it becomes due.
 - Provide tenants who in their possession, letters of offer or agreement to lease with Memorandum of Lease.
- To manage the assets of the Hilton Trinidad and Conference Center and the Magdalena Grand:
 - Implementation of capital works identified with Hilton international.
 - Seek long-term brand manager or partner for the Magdalena Grand Beach and Golf Resort.

Long-term Plan (5+ years)

- Develop new modern economic zones:
 - Development of new industrial parks: Based on demand for such spaces as well as sector development plans which are in line with the Ministry of Trade and Industry's Strategic Plan.
 - Complete development of Tamana Intech Park: Based on (i) revision of the master plan for the park which will be informed by sector development and demand studies and (ii) the Ministry of Trade and Industry's Strategic Plan.

- To improve the infrastructure and operations of existing economic zones/Industrial Parks:
 - Implementation of capital works on existing industrial parks as per annual Action Plans.
 - Continuation of the routine maintenance programme and upgrade works for all operating parks as per annual Action Plans.

- To optimize existing industrial parks on a commercial basis:
 - Timely billing of all tenants.
 - Monitor, review and update of the customer care management plan.
 - To undertake rent reviews when it becomes due.
 - Implementation of new lease structures for those tenants whose leases have expired.

- To manage the assets of the Hilton Trinidad and Conference Center and the Magdalena Grand:
 - Implementation of capital works identified with Hilton International.
 - Implementation of capital works identified with operator of the Magdalena.

3.2 Performance Objectives and Accomplishments

This section focuses on e Teck’s overall performance for the fiscal year 2015/16:

New Park Development

Completion of the Point Fortin Business Park – underground power cables to tenant lots

Installation of underground power cables 100% completed. Statutory approvals to be obtained from the Ministry of Works & Transport and the Point Fortin Regional Corporation for roads and structural drain details and site entrance interface with the Point Fortin main road.

Tamana InTech Park - Phase 1

| Projects | | Status |
|----------|--|--|
| 1 | Installation of the Fibre Optic Cabling for 21 lots (Phase 1 development) | 100% completed in June 2016 |
| 2 | Electrical power to 21 lots: (i) Remedial works to civil infrastructure (ii) Supply and installation of cables | (i) Repairs to civil infrastructure 100% completed on Sept. 23 rd 2016 (ii) T&TEC began works in Sept. 2016; installation of cables to be completed in Qtr. 1 of FY2016/2017 |
| 3 | Infrastructure works and outfitting of approximately 24,000 sqft of office space at the Flagship Building for e Teck | Completed – minor works being addressed |
| 4 | Maintenance of Flagship Bldg. (HVAC, electrical, elevators etc.) | Ongoing |

Table 4: Projects at Tamana InTech Park 2015/16

Industrial Parks Maintenance

| Park | Activity | % Complete |
|--|---|------------|
| Trincity | Drainage improvement works | 100 |
| O'Meara | Roof refurbishment works at Factory Shell 18A, B, C, D and I – remove existing and supply and install rafters, purlins and nu-wave sheeting | 100 |
| Plaisance Park | Installation of Waste Water Treatment Plant - package plant to treat, breakdown and safely dispose Tenants' sewerage | 100 |
| Pt. Lisas | Fencing/Lighting works | 100 |
| Frederick Settlement, O'Meara & Plaisance | Road repairs/maintenance works | 100 |
| North-East Parks: - Diamond Vale - Macoya - Morvant - Trincity - O'Meara - Frederick Settlement | Landscaping and vegetation control programme | 100 |
| South-East Parks - Point Fortin - Debe - Harmony Hall - Plaisance Park - Point Lisas - Biljiah - Frederick Settlement | Landscaping and vegetation control programme | 100 |
| All Parks | New Signage; removal of existing and supply and installation of Park identification and directory signage | 80 |

Table 5: Industrial Parks Maintenance Achievements for 2015/16

Hotel Assets

- Magdalena Grand Beach and Golf Resort

| Projects | | Status |
|----------|--|--|
| 1 | Pool Works including minor renovations to the pool bar, deck landscaping and lighting. | 100% completed in Sept. 2016 |
| 2 | Repair works to lobby glass | Ongoing - 46% completed. Start of the project delayed due to review of processes by the new Board (appointed in Dec 2015) and its Sub-committees and the issuing of a second tender |
| 3 | Upgrade works to the plumbing system | Ongoing – 33% completed. Start of the project delayed due to review of processes by the new Board and its Sub-committees. |
| 4 | Upgrade works to the Air-handler units | Ongoing – 30% completed. Start of the project delayed due to review of processes by the new Board and its Sub-committees. |
| 5 | Installation of a new Steam Press | On-hold since it was determined the hotel could not supply the required amount of steam for the new Steam Press unit. The Chief Engineer at the hotel provided alternative equipment to be considered for procurement with an installer to be engaged separately. Documentation to be submitted for consideration. |

Table 6: Magdalena Grand Hotel - Capital Works for 2015/16

- Trinidad Hilton and Conference Centre

| Projects | | Status |
|----------|--|--|
| 1 | Refurbish female locker room | Ongoing - 81% completed. Start of the project delayed due to review of processes by the new Board (appointed in Dec. 2015) and its Sub-committees. |
| 2 | Pool works – reduce level & resurface deck | Ongoing - 11% completed. Start of the project delayed due to review of processes by the new Board and its Sub-committees. |
| 3 | Refurbishment of tea terrace | Ongoing - 10% completed. Start of the project delayed due to review of processes by the new Board and its Sub-committees. |

Table 7: Trinidad Hilton & Conf. Centre – Capital Works for 2015/16

Asset Management

The following are the achievements of the Asset Management Department in 2015/16:

- Obtained Head Lease for the Morvant Industrial Park - title to this property was never transferred to e TecK by the State. As such, Cabinet approval was granted to proceed in 2013 but this was revised in 2016 to reflect a smaller acreage due to a portion of the property being occupied by squatters. In this regard, e TecK is undertaking to have the survey plan finalized and approved by the Director of Surveys. This is a prerequisite for the transfer of title which is actioned by the Comminisoner of State Lands and Chief State Solicitor offices.
- Ten (10) percent reduction in the number of tenants without a Memorandum of Lease.
- Valuation of the Hilton Property ongoing as a result of delays at the Commissioner of Valuations Office, as well as, submission of data by Hilton; expected completion in fiscal 2016/17.
- Completed a Pilot Land Information System for the Point Fortin and Debe Parks. This pilot was undertaken in conjunction with the Land Management Division of the Ministry of Agriculture. This was a precursor, as e TecK is desirous of implementing its own Geographic Information System (GIS) as a means of modernizing our records and improving the validity and flow of its tenant information. This tool will allow for the capture of more accurate and timely information, better analysis and reduce the running cost of lease management once implemented. In this pilot project the Land Management Division was able to demonstrate how a GIS could be implemented using our data. The next stage of this project is to conduct a needs analysis which among other things would define the various items to be undertaken and a schedule for implementation.

Tenant Relations

The following are the achievements of the Tenant Relations Department in 2015/16:

- Redesign of four (4) Landlord Services:
 - (i) Process for Review of Leases (undertaken in conjunction with the Legal Services Department);
 - (ii) Complaints Handling Process;
 - (iii) Maintenance of Common Areas;
 - (iv) File Registry System.
- Finalized leases for fourteen (14) tenants.
- Acceptance of the 99 Year Lease Offer by four (4) tenants.

Sales

The following are the achievements of the Sales Department in 2015/16:

- Rental of 2nd floor south block (16,856 sq. ft.) of the Flagship Building Complex at Tamana InTech Park. This area has been leased to iQor for an initial period of three (3) years.
- Point Fortin Industrial Park – premium payment as per the rental of the ten (10) lots at Point Fortin Park was approximately TT\$217 K.

Other Corporate Achievements in FY 2015/2016

- Completed and submitted audited financial statements (Parent & Consolidated Accounts) for 2012, 2013 and 2014.
- Complied and submitted Report request by the Public Accounts Committee of Parliament.
- Compiled and submitted Report by the State Enterprises Review Committee.
- Completed (in-house) 2015/16 Tenant Satisfaction Survey.

4.0 FINANCIAL OPERATIONS

4.1 **Operating Budget Formulation**

- Operating Budgets are based on the Company's mandate, priorities and policy;
- Budgets are prepared by Managers after careful study of their departmental mission/objectives/priorities for the upcoming year on a zero basis;
- Department budgets are then scrutinized by the respective Vice Presidents, the Finance Services Department and the President, with a view to establishing their soundness and compatibility with each other so that they may be meaningfully combined into divisional plans and ultimately a single financial plan for the entire company. This is then forwarded for consideration by the Finance & Investment Committee (F&IC) and thereafter the Board of Directors (BOD);
- Budgets are used to assess the performance of the Company;
- Budgets require approval by the Board of Directors;
- Monthly Analysis is used to monitor revenue and expenditure throughout the Company;
- Each department is expected to operate within its budget;
- The ongoing implementation of projects is assessed by the comparison of planned vs. actual expenditure;
- The Finance Services Department prepares and circulates Monthly Management Accounts to the President and Heads of Divisions for the ongoing monitoring of their actual results against planned/budgeted results for both operations and projects;
- Division Heads are expected to review these Monthly Management Accounts and discuss with their Managers.

4.2 **Audited Financial Statements**

The Audited Consolidated Financial Statements of e TecK including the Audit Report, for the year ending September 30, 2016 are at *Attachment I* of this report. The audited Consolidated Statement of Financial Position and Consolidated Statement of Comprehensive Income are on the next page.

| Evolving TecKnologies and Enterprise Development Company Limited | | |
|---|------------------|------------------|
| Consolidated Statement of Financial Position as at September 30th 2016 | | |
| September 30 | | |
| | 2016 | 2015 |
| ASSETS | \$'000 | \$'000 |
| Non-Current Assets | | |
| Investment Properties | 1,624,016 | 1,598,939 |
| Property, Plant & Equipment | 258,037 | 301,537 |
| Investments | - | - |
| Restricted Cash | 90,867 | 90,867 |
| | 1,972,920 | 1,991,343 |
| Current Assets | | |
| Inventory | 2,177 | 1,893 |
| Other Receivables & Prepayments | 2,005 | 7,931 |
| Trade Receivables | 8,423 | 6,439 |
| Taxation Recoverable | - | 15,947 |
| Cash At Bank and In Hand | 81,445 | 50,306 |
| | 94,050 | 82,516 |
| Total Assets | 2,066,970 | 2,073,859 |
| EQUITY AND LIABILITIES | | |
| Capital and Reserves | | |
| Shared Capital | 1 | 1 |
| Capital Contributions | 2,173,937 | 2,044,496 |
| Accumulated Deficit | (797,875) | (734,661) |
| Total Equity | 1,376,063 | 1,309,836 |
| Non-Current Liability | | |
| Borrowings – Long Term Portion | 487,600 | 0 |
| Deferred Income | 86,332 | 80,530 |
| | 573,932 | 683,492 |
| Current Liabilities | | |
| Bank Overdraft | 356 | 946 |
| Trade and Other Payables | 48,935 | 62,969 |
| Borrowings | 67,684 | 619,578 |
| | 116,975 | 683,492 |
| Total Liabilities | 690,907 | 764,023 |
| Total Equity & Liabilities | 2,066,970 | 2,073,859 |

Table 8: Audited Balance Sheet 2015/16

Evolving TecKnologies and Enterprise Development Company Limited
Consolidated Statement of Comprehensive Income as at September 30th 2016

| | Year Ended September 30 | |
|--|-------------------------|---------------|
| | 2016 | 2015 |
| | \$'000 | \$'000 |
| Revenue | 104,091 | 112,866 |
| Net Gain from Fair Value Adjustment on on Investment Properties | - | - |
| Other Operating Income | 481 | 349 |
| | 104,572 | 113,215 |
| Expenses | | |
| Operating | (90,558) | (108,967) |
| Administrative | (53,120) | (50,095) |
| Marketing | (292) | (354) |
| | (143,970) | (159,416) |
| Operating (Loss)/Profit | (39,398) | (46,201) |
| Finance Costs | (22,992) | (25,110) |
| Interest Income | 35 | 29 |
| Loss before Taxation | (62,355) | (71,282) |
| Taxation Charge | (859) | (351) |
| Loss for the Year | (63,214) | (71,633) |
| Other Comprehensive Income | - | - |
| Total Comprehensive Loss For The Year | (63,214) | (71,633) |
| Attributable To: | | |
| Owners of Parent | (63,214) | (71,633) |
| Non-controlling Interests | - | - |
| Total Equity & Liabilities | (63,214) | (71,633) |

Table 9: Audited Income Statement 2015/2016

PSIP

| Sub-Head | Programme / Project | 2016 Actual Expenditure | 2016 Original Planned Expenditure | 2016 Revised Planned Expenditure |
|---------------------|---|-------------------------|-----------------------------------|----------------------------------|
| Item No. | | TT\$ | TT\$ | TT\$ |
| 701/48/005/03/Q/276 | Development and Upgrade works on Industrial Parks | 7,631,465.00 | 20,000,000.00 | 8,880,636.00 |
| 701/48/005/03/Q/293 | Tamana Industrial & Technology Park | 23,051,890.00 | 12,000,000.00 | 23,119,364.00 |

Table 10: Planned vs Actual Project Expenditure 2015/16 PSIP

4.3 Debt Policy

As per Section 1.3.9 of State Enterprise Monitoring Manual “The approval of the Minister of Finance **must** be obtained before any State Enterprise or their subsidiary enters into new debt obligations.”

4.4 **Investment Policy**

Adopted and approved by the Board of e TecK at its 102nd Board Meeting held on 25th April, 2014.

| | |
|----------------------|--|
| Policy Statement | <p>It is the Policy of e TecK to invest temporarily idle funds.</p> <p>Such investment shall be done prudently so as to preserve capital and to ensure adequate levels of liquidity, whilst maximizing returns.</p> <p>The policy establishes the methodology for control of funds invested by the Company and applies to all such investments.</p> |
| Corporate Guidelines | <p>e TecK funding sources comprise mainly Property Rents, PSIP Funds, Interest Income, Revenues from Project Management.</p> <p>Investments shall be restricted to cash & near cash securities.</p> <p>All investments shall be denominated in TT\$ or US\$.</p> <p>Acceptable investing instruments include Fixed Deposits, Money Market Funds, Call Deposits, Treasury Bills – Public Debt & Open Market Operations, Repurchase Agreement and Certificate of Participation any other approved by the Finance & Human Resource (F&HR) Committee.</p> <p>Investment shall be restricted to Financial Institutions that have been rated by an internationally recognized rating agency, and at the time of placing the investment have an <u>Investment Grade Rating</u> or Financial Institutions which are approved by the Ministry of Finance.</p> <p>No more than ten percent (10%) of e TecK’s portfolio is to be invested in any one financial institution and/or its subsidiaries.</p> |
| Procedure | <p>The Manager Finance Services at the start of each quarter will forecast the temporarily idle funds for the quarter and make recommendations to the F&I Committee after taking into consideration the following factors:</p> <ul style="list-style-type: none"> • Current yields & maturities; and • The extent of the diversification of Investment Portfolio. <p>On the basis of this information the F&I Committee will approve the placement of and indicate when investments are to be redeemed.</p> |

Table 11: Board Approved Investment Policy

4.5 **Internal Audit Functions**

Audit Committee Charter

The Audit Committee Charter outlines the provisions regarding the committee's mission, duties, responsibilities and membership requirements.

The Audit Committee is required to assist the Board of Directors of Evolving TecKnologies and Enterprise Development Company Limited (e TecK) in fulfilling the oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization;
- Resolve any disagreements between management and the auditor regarding financial reporting;
- Pre-approve all audit and non-audit services;
- Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation;
- Seek any information it requires from employees, all of whom are directed to cooperate with the committee's requests or external parties;
- Meet with company officers, external auditors, or outside counsel, as necessary;

Composition

The Audit Committee will consist of at least two and no more than six members of the Board of Directors and up to two independent members. The Board or its nominating committee will appoint committee members and the committee chair. Each committee member will be both independent and financially literate. At least one member shall be designated as the "financial expert," as defined by applicable legislation and regulation.

Meetings

The quorum for a meeting should be a minimum of two members of the Audit Committee, of which one must be a Board Member.

Responsibilities

The committee executes the following responsibilities:

Financial Statements

- A. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements;
- B. Review with management and the external auditors the results of the audit, including any difficulties encountered;
- C. Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles;
- D. Review other sections of the annual report and regulatory filings before release and consider the accuracy and completeness of the information;
- E. Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards;
- F. Understand how management develops interim financial documentation, and the nature and extent of internal and external auditor involvement;
- G. Review interim financial reports with management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to the committee members.

Internal Control

- A. Consider the effectiveness of the company's internal control system, including information technology, security and control;
- B. Understand the scope of internal and external auditors' review of the internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management responses.

Internal Audit

- A. Review with Management and the Internal Auditor the charter, activities, staffing and organizational structure of the internal audit function;
- B. Have final authority to review and approve the annual audit plan and all major changes to the plan;
- C. Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement or dismissal of the Internal Auditor;

- D. At least once per year, review the performance of the CAE and concur with the annual compensation and salary adjustment;
- E. Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *International Standards for Professional Practice of Internal Auditing*;
- F. On a regular basis, meet separately with the Internal Auditor to discuss any matters that the committee or internal audit believes should be discussed privately.

External Audit

- A. Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit;
- B. Review the performance of the external auditors and recommend the appointment and discharge of the auditors to the Board of Directors;
- C. The Committee shall have responsibility for setting the compensation of the independent auditor, with the ratification by the Board;
- D. Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the company, including non-audit services, and discussing the relationships with the auditors;
- E. On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Compliance

- A. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance;
- B. Review the findings of any examination by regulatory agencies, and any auditor observations;
- C. Review the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith;
- D. Obtain regular updates from management and company legal counsel regarding compliance matters.

Reporting Responsibilities

- A. Regularly report to the Board of Directors about committee activities, issues, and related recommendations;
- B. Provide an open avenue of communication between internal audit, the external auditors and the Board of Directors;
- C. Report annually to the shareholders, describing the committee's composition, responsibilities and how there were discharged, and any other information required by rule, including approval of non-audit services;
- D. Review any other reports the company issues that relate to committee responsibilities.

Other Responsibilities

- A. Perform other activities related to this charter as requested by the Board of Directors;
- B. Institute and oversee special investigations as needed;
- C. Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes and ensure appropriate disclosure as may be required by law or regulation;
- D. Confirm annually that all responsibilities outlined have been carried out;
- E. Evaluate the committee's and individual members' performance on a regular basis.

The Internal Audit Charter

The Internal Audit Charter outlines the purposes, authorities and responsibilities of the Internal Audit Function in Evolving TecKnologies and Enterprise Development Company Limited (e TecK).

The Purpose of Internal Audit is to assist the Audit Committee and the Board of Directors of e TecK in fulfilling oversight responsibilities with respect to:

- e TecK's compliance with legal and regulatory requirements;
- Assessment of the External Audit entity's qualifications and independence;
- Performance of e TecK's internal audit function.

Internal Auditing is an independent and objective assurance and consulting activity designed to add value to improve the operations of eTecK. It assists eTecK in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management and internal control

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management, and internal controls as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. This includes:

- Evaluating risk exposure relating to achievement of the organization's strategic objectives;
- Evaluating the reliability and integrity of information and the means used to identify, measure, classify, and report such information;
- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the organization;
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets;
- Evaluating the effectiveness and efficiency with which resources are employed;
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned;
- Monitoring and evaluating governance processes;
- Monitoring and evaluating the effectiveness of the organization's risk management processes;
- Evaluating the quality of performance of external auditors and the degree of coordination with internal audit;
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.
- Reporting periodically on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan;
- Reporting significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Board;
- Evaluating specific operations at the request of the Board or management, as appropriate.

5.0 HUMAN RESOURCE DEVELOPMENT PLAN

5.1 Category of Employees

Types of Engagement:

1. *Permanent employment*

Appointed to the approved establishment to carry out the continuous day-to-day functions of the position;

2. *Contract employment*

Appointed to fulfill the specific needs of a project over a specific time period;

3. *Temporary employment*

Appointed to fill a position temporarily while the substantive holder is away on leave or as a stop gap measure in a vacant position that is critically needed while the recruitment process is being pursued.

4. *Probation*

Three (3) months for (a) Office Support Staff; (b) Junior Professional 1; (c) Junior Professional II; and six (6) months for (a) Professional; (b) Senior Professional; (c) Middle Management and (d) Executive. Confirmation in the position only on successful completion of probation.

Termination Notice:

Three (3) months for Senior Professional to Executive and one (1) month for Office Support to Professional. Payment in lieu of notice may be applied.

5.2 Career Path Systems

e Teck's Career Path and Succession Planning Policy of the Human Resources Policy Manual advocates, inter alia, the identification of High and Sustained High Performers who are eligible for salary increases over and above those of the general performer and those needing remedial work. Accelerated training and development opportunities are encouraged to satisfy proposed promotions.

For example, a linear career path has been created for the position of Engineer in which the path begins at Engineer Trainee then moves to Engineer I; Engineer II; Engineer III; Manager Engineering Services or Manager Infrastructure and Construction, all of which are attainable in accordance with the strict guidelines of years of experience, additional academic qualifications and performance excellence.

5.3 **Performance Assessment/Management Strategies**

e TecK operates a relational computerized web based Performance and Talent Management tool called emPerform. The main features are as follows:

- Performance Planning and Goal Management to assure SMART goals/Key Performance Indicators (KPIs) which are aligned with the Company's strategic intent inclusive of its Mandate and Vision;
- Performance Monitoring and Goal Progress which require Bi-annual / yearly KPIs updates and review;
- Performance Reviews which are completed bi-annually and which target (a) Core and Role specific Competencies and (b) Goal Attainment. The employee self-appraises followed by his direct supervisor as the first appraiser and then by the Divisional Head as the second appraiser. Discussions are held at each stage of the process;
- Analytical Reporting in respect of the competencies (competency matrix) and by extension the organizational capabilities or goal achievement and the identification of blockages in the deliverable system. These are generated by employee, department, division and Company.

Benefits associated with the system are:

- Accessibility of performance data across the Company;
- Real Time performance information to take appropriate corrective action;
- Performance visibility at the executive and management levels;
- Performance spotlighting by employee, department, division and Company;
- Relational pay for performance system;
- Valid data to support staff movement initiatives, i.e. succession planning, promotions, etc.

5.4 **Promotion – Selection Procedures**

e TecK's promotion policy is subsumed under the Staff Movements Policy. Its guiding principles are predicated on retention, morale and motivation, staff development and organizational capacity building and are in accordance with the following:

- That there is an approved vacant position;
- Promotion from within the department will be made on the basis only of the most suitably qualified person for the job re (a) academic qualification; (b) training and experience; (c) skills and competencies and (d) superior performance over a two-year period;

- Seniority will apply where there is more than one suitably qualified candidate;
- Divisional Head authorizes the promotion;
- Vacancies are advertised internally where the talent does not exist within the department and interviews are held in accordance with the recruitment process.

Recruitment and Selection Procedures

This process is conducted in accordance with the HR Policy and is predicated on the selection of the highest caliber staff for all positions viz clerical; customer service; technical and skilled; professional and managerial and who demonstrate potential to fill higher positions and on the basis of the following:

- An approved vacancy;
- The posting of vacancy notices in the Company and in the media;
- Recruitment Agencies may be engaged in the process to pre-screen and shortlist and or head hunt;
- Internal applicant screening and short-listing is conducted by the HR Department and the Line Manager;
- Applicant selection is accomplished through the interview and testing methods by a panel consisting of the Line Manager, the Human Resource Manager or the Senior Human Resource Officer (depending on the level of the position) and a suitably qualified independent official all of whom are competent in interviewing using the prescribed interview appraisal form;
- Background checks are also carried out to ascertain validity of information tendered and other data as required;
- The preferred candidate must also pass a pre-employment medical;
- The recruitment and selection process does not consider sex, colour, creed or religion nor physical or age impediments once within the Company's minimum limit and retirement age regulation and as long as the factors do not affect the person's ability to perform the service requirements of the job;
- Terms and conditions of employment are detailed in the engagement letter;
- Employment and employment practices are subject to and governed by the labour legislation of Trinidad and Tobago and that of the wider geographical community serviced;
- Psychometric Testing was utilized for all Executive positions and also key positions in the organization.

The Company continues to develop a recruitment strategy to attract and retain key talents and competency for specialized positions, succession planning and the review and establishment of Key HR Policies to increase efficiency and productivity of the organization consistent with Budget.

5.5 **Employee Support Services**

The Employee Assistance Programme (EAP) is facilitated by a recognized provider. The service assists all Employees and their immediate family to manage their life challenges that may warrant professional insight and expertise to direct them to better cope on the job and in their personal lives. The programme also assists Management in dealing with Conflict and troubled employees. The Company also has a well-established Wellness Programmes that support Staff in developing healthy lifestyles.

Benefits / Conditions of Employment

1. Pension / Annuity
2. Group Health Insurance
3. Group Life, Accidental Death, Dismemberment and Critical Illness Insurance
4. Employee Assistance Programme
5. Paid Annual Vacation Leave
6. Paid Sick Leave
7. Paid Maternity Leave
8. Paid Paternity Leave
9. Paid Casual Leave
10. Paid Jury Service Leave
11. Paid Bereavement Leave
12. Employee Initiated Training and Development
13. Joint Contribution Savings Plan
14. Paid Professional Dues
15. Travel Allowance
16. Pay for Performance and Bonus
17. Cellular Phones
18. Flexi-time
19. Reward and Recognition
20. Subsistence

6.0 PROCUREMENT POLICIES

“e TecK is committed to ensuring an equitable, transparent and accountable process in the purchasing of goods and the provision of works and services and in the disposal of its assets”.

Generally, the tendering process is utilized for the procurement of goods, works and services for e TecK. The process begins with an Invitation to Bid/Request for Proposal/Request for Quotation and ends with a Contract.

The tendering process is governed by e TecK’s Tenders Rules and Procedures approved by the Board of Directors on 17th February 2004 and amended from time to time.

6.1 **Open Tender**

General Outline of the Standard Tender Process for Open/Public Tendering:

Open or Public Tendering is the process whereby invitations to tender are issued through advertisements or other forms of public notice. All interested contractors and suppliers are free to submit tenders. Invitations to Bid are published in the local and international press, the internet or in selected journals, as may be necessary.

Open tendering may be used when the Company’s list of approved Contractors does not cater or adequately cater for particular types of Goods, Works and/or Services, where it is competitively more advantageous and/or where the terms and conditions of Company borrowings so require.

The following three (3) methods of procurement may be employed for open/public tendering:

i) The One Stage Two Envelope Process

This process is conducted by issuing a tender requesting post-qualification information separate from technical and price information. The tender invitation will specify that tenders are to be submitted in two sealed envelopes - Envelope I containing the post-qualification information and Envelope II containing the technical and price proposals.

Envelope I shall be opened first and the post-qualification information shall be evaluated, while Envelope II remains sealed. Envelope II of only those bidders who have met the specified post-qualification criteria would be opened for evaluation. Envelope II of the bidders who failed to meet the specified post-qualification criteria will be returned unopened.

ii) The Two Stage Process

This process is conducted by issuing two separate procurement documents; the first document being an Invitation to Pre-qualify for Works and/or Services or, alternatively, an Invitation for Expressions of Interest for consultancy services in the first stage, and the second document being a Request for Proposal/ Invitation to Tender in the second stage.

The first stage is the stage at which pre-qualification information is requested to assess the applicant's ability to deliver the subject Works and/or Services. Only those responsive applicants substantially meeting the specified pre-qualification criteria shall proceed to the second stage, where they would be invited to bid.

In the case of Works and/or Services the Tender submitted in stage two contains the whole Bid comprising the technical information and price proposals in one or two sealed envelope/s as may be required. The lowest evaluated responsive bidder is deemed to be the preferred bidder.

This process is best used for large high value contracts or regardless of value when Works and/or Services including consultancy services are major or complex or of critical importance and/or where the contract duration is long. This process ensures that tender invitations are only extended to bidders who have the adequate experience, capabilities and financial resources to perform the subject Works and/or Services.

- iii) Bidders are asked to submit technical and commercial bids in separate sealed envelopes. Upon the closing of the tender the technical envelope is opened and evaluated. Only those tenderers who have passed the technical threshold have their commercial bid opened. Those who have failed to pass the technical criteria have their commercial bid returned to them unopened.

Approvals for Open/Public Tendering

Arranging for the placement of all advertisements or public notices in the relevant newspaper/journal shall be the responsibility of the User Department in conjunction with the Corporate Communications Department.

The processes outlined under Selective Tendering will apply as far as applicable.

Central Tenders Board Procedure to be Supplemental to Rules

With respect to any matter not expressly provided for in the e TecK Tender Rules, the Tenders Committee may be guided by the provisions of the Central Tenders Board Ordinance 1961 (No. 22 of 1961) and the Central Tenders Board Regulations 1965 (GN.

127/1965), as amended, in so far as those provisions are not inconsistent with the directives and policies expressed or implied in these Rules.

6.2 **Selective Tender**

General Outline of the Standard Tender Process for Selective Tendering:

Selective Tendering is the process whereby tenderers are selected for invitation from the Company's list of approved Contractors and/or where justified, Contractors are specifically approved by the President or the Chairman of the Board Tenders Committee.

The standard process leading to an award of contract via selective tendering is as follows:

1. A user department may wish to have particular works or services executed or goods procured for a designated/approved e TecK project.
2. The Terms of Reference (TOR) /Scope of Works (SOW) / Scope of Services are therefore completed by the user department; in some cases in conjunction with Independent Consultants.
3. An in-house estimate/ engineer's estimate of what it may cost is prepared.
4. The Pre-Qualification Register is checked to see if such category of works/services exists and if so, which contractors are already pre-qualified with e TecK to provide such goods, works or services.
5. If there are sufficient pre-qualified contractors on the Register, these are the firms/persons to be invited to tender.
6. If the list is inadequate or there is no such category or works/services in the Pre-Qualification Register (for instance – in peculiar areas like ICT and mega construction), then inquiries are made (in conjunction with Independent Consultants and other state companies) to create a short list of contractors who can provide such works or services.
7. Such listing is submitted to the President for approval to invite (this is allowed for under the Tender Rules etc).
8. Meanwhile, complete technical documents are prepared by the user department (usually in conjunction with Consultants) including a Bill of Quantities (if applicable), Technical Specifications, Appendices, Drawings etc. and the TOR/ SOW listed in 2 above.
9. The technical documents along with the list of contractors to be invited (whether approved by the President or derived from the Pre-Qualification Register) are forwarded to the Procurement Department to issue the tender invitation. Tenders estimated to be > \$25,000 are issued by the Procurement Department. Effective 16th April 2015 the Purchase Order limit was increased to TT\$25,000.00 VAT Exclusive.

10. Letters of invitation together with full tender packages (including the technical documents listed at 8 above and the Procedure for Bidding, Draft Contract and/or general conditions of contract, particular conditions of contract, Form of Tender, Security documents etc.) are prepared and issued to tenderers in exchange for a tender fee where applicable.
11. In some cases, mandatory/non-mandatory pre-tender meetings/site visits are held prior to tender closing dates.
12. Tenders are opened on the stipulated closing date (set out in the invitation letter) by the Secretary Tenders Committee or his/her delegate and a Vice President/Manager.
13. Tender details (price and bidders' names) are announced and recorded at public openings, unless otherwise specified.
14. Bids received are submitted to the user department for evaluation. When the evaluation is completed (pursuant to an approved evaluation criteria and by an appropriate evaluation team), an appropriate tender evaluation report is prepared and submitted to the Secretary, Tenders Committee for onward distribution to the relevant committee or person for approval. This is dependent on the value of the recommended award, details of which are set out under "Financial Approval Limits".
15. If and once approved, the appropriate "Letter of Award" is issued by the Secretary, Tenders Committee via the Procurement Department and the Contract is prepared by the Legal Department for acceptance and execution by the contracting parties.
16. Once executed, copies of the executed contract are forwarded to the user department (to commence the works/services or procure the goods) and the Finance Department (for payment purposes). The original contract is lodged within the Legal Department's records.
17. The user department then becomes responsible for administration of the contract and execution of the works/services or procurement of the goods.

6.3 **Sole Tender**

General Outline of the Standard Tender Process for Sole Tendering:

Sole or Direct Tendering refers to procurement from a selected supplier without inviting competing tenders from any other suppliers. The procedures to be applied for sole or direct tendering are set out in e Teck's Tender Rules.

e Teck's Tender Rules provides that:

The Company may without inviting Tenders, purchase Goods or secure the performance of Works and Services under the following circumstances:

- (a) Where there is a limitation of source of supply of Goods or performance of a Service, or where the Goods comprise part of a system already in use by the Company, or where the Goods are spare or replacement parts for Goods already in use;
- (b) Where the Company, after diligent efforts, is unable to secure a contract because all the bid prices that have been received are significantly in excess of the in-house estimate or exceed the funds available for the supply of Goods or the undertaking of Works or Services, as the case may be;
- (c) Where the Company, after diligent efforts, is unable to secure a contract because no substantially responsive bids have been received; and
- (d) Where only one Contractor is capable or available or identified as having the qualifications or special proficiency, experience and skill of exceptional worth, expertise and/or equipment to do the stated Works and Services;
- (e) Where a Consultancy Service is a special assignment, provided that, the Consultant is the best qualified one selected from a short-list of consultants established on the basis of qualification, experience and competence relevant to the assignment and the selected consultant is approved by the Chairman or the Management Tenders Committee;
- (f) Up to a value of One Hundred Thousand Dollars (\$100,000) where the Works and Services are of an urgent and critical nature, i.e., there is some measure of risk to people or property and the profitability of the Company's operations so demand;
 In cases of emergency such that a situation requires immediate action, a Vice President, if unable to contact the person or persons with the appropriate authority may award contracts for Works and Services necessary to bring the situation under control. Within two (2) working days of the termination of the emergency, a written application should be made to the relevant Committee for ratification of the action taken. This application shall include a statement of the emergency nature of the circumstances that prompted the action;
- (g) Where in the discretion of the Company it is advantageous and expedient to the Company's operations to conclude an arrangement with a preferred supplier of Goods, Works and Services.

PROVIDED, ALWAYS that, the approval of the Chairman of The Board Tenders Committee (BTC) must first be obtained prior to giving effect to (b), (c) and (g) above.

Note: Having regard to the nature, timelines and estimate of the value of the sole bid, the President has also been delegated by the Board to approve the issuance of sole bids.

Once the request to issue a sole bid is approved, the processes outlined under Selective Tendering will apply as appropriate.

7.0 PUBLIC AND COMMUNITY RELATIONS

7.1 Stakeholder Engagement

As part of its wider Public Relations Portfolio, the Corporate Communication Department (CCD) pursues two Strategic Communication Objectives namely – **Stakeholder Engagement** and **Corporate Social Responsibility (CSR)**. The goal of the Stakeholder Engagement function is to *“develop collaborative relationships and build supportive coalitions with e TecK’s strategic stakeholder groups”*.

7.1.1 Tenant Relations

Many studies on the management of government industrial parks have inferred a positive relationship between tenant satisfaction and the Park’s commercial success. Objectively capturing and quantifying tenant satisfaction is, therefore, an important aspect of the overall management of the “landlord-tenant relationship” at e TecK. In 2015, the Corporate Communications Department (CCD) was mandated to make recommendations to support *“the Landlord /Tenant relationship so as to further add value to the tenant experience at e TecK”*.

In response to this mandate, in October 2015, the Department commenced the design and administration of e TecK’s 2015 Tenants Satisfaction Survey among the 303 tenants who were in beneficial occupation (i.e. operating a business) at e TecK’s properties and proposed a four-pronged strategy for improving the delivery of customer service.

In the 37 item survey instrument questions fell under the following categories:

- General Feedback
- Behaviours & Relationships
- Queries
- Communication
- Complaints
- Maintenance & Repairs

In total, 169 survey forms were collected, via telephone and face-to face interviews, representing 56 % of the tenant population operating on e TecK’s properties. Data Analyses included overall percentages, calculation of the overall Tenant Satisfaction Index, Individual Park Tenant Satisfaction Scores and Key Correlations. Analyses and findings gave insight into the strengths and weaknesses of e TecK’s People, Processes and Technology as it relates to Customer Service Delivery and Tenant Satisfaction.

- Overall Tenant Satisfaction Index for 2015/2016 is **4** out of 10, with 10 being the highest.
- **55%** of those sampled indicated general satisfaction with e TecK.
- **51%** believe e TecK does a good to excellent job keeping them informed of developments that matter to them.
- Only **53%** were satisfied with the way e TecK addressed their complaint.

- **58%** were dissatisfied with e TecK’s “Maintenance of Parks” and **54%** were dissatisfied with how “e TecK deals with repairs suggesting that the processes that drive these operations need review and improvement.
- Only **1 in 5** Factory Shell tenants were satisfied with the “Length of time taken from making their repair request to the commencement of works” and **2 in 5** satisfied with “the overall quality of the repair work.”

Impact for Fiscal 2015-2016

The findings of the 2015 Tenant Satisfaction Survey allowed for the development of **A Customer Care Management Project** to improve service delivery to tenants by critically examining the three pillars of Customer Service; People, Processes and Technology.

The specific objectives of the project were to:

- (i) Establish customer care performance standards for frontline REA officers by the end of September 2016.
- (ii) Establish a mechanism to identify, document, track and address tenant complaints in an efficient and timely manner by September 2016.
- (iii) Review and improve the processes of three (3) key landlord services for greater customer centricity. and
- (iv) Leverage available information communications technology to improved landlord/tenant engagement by end of Fiscal 2016

7.1.2 Strategic Partnerships

A critical component for the administration of e TecK’s real estate assets and the development of new business parks is the ongoing management of all critical stakeholders who provide critical regulatory approvals, funding, raw land assets and business opportunities. These stakeholders have been identified as the regulatory agencies and government ministries.

In light of the above e TecK has adopted a proactive and open approach to building and sustaining its stakeholder network. This approach advocates the use of personal relationships with key stakeholders, the development and maintenance of an open database of contact information and the requirement to hold periodic purposeful meetings.

For fiscal 2015 - 2016, the Corporate Communications Department updated e TecK’s stakeholder database to reflect changes in Ministerial portfolios as well as changes to the CEO and Chairmen of Regional Corporations and State Enterprises. e TecK’s Business Units requested no coordinated stakeholder engagement meetings.

7.1.3 Web-based Platforms

In fulfillment of the objective to “inform and engage e Teck’s stakeholders on a monthly basis using a range of communication channels”, the CCD markets & manages the content of several web-platforms as well as the electronic tenant newsletter, - “*e-bits*”.

The purpose of these web-based communication channels is to keep stakeholders informed of the progress e Teck has made in fulfilling its corporate mandate and addressing tenant needs.

e Teck’s corporate website www.eteck.co.tt provides stakeholders with key information on e Teck’s mandate, governance structure, service offerings and corporate social response initiatives. Regular updates to the site to keep stakeholders and the general public abreast of the company’s developments as well as the latest vacancy and tender announcements.

The Tenants’ Portal www.eteckparks.com is a web-based interface designed to (i) Improve two- way communication between tenants and e Teck, and (ii) provide to tenants information on new initiatives and maintenance developments on a timely basis. Some of the interactive features of the portal include:

- Corporate policy, strategy, or operations updates
- Park Maintenance Updates
- Tenant Spotlights
- FAQs and other publications
- Tenants Directory Listing

Both the Tenant’s Portal and the Corporate website are updated monthly.

Additionally, e Teck’s electronic tenant newsletter - “*e-bits*”, is a marketing tool to increase traffic to the Tenants’ Portal, by highlighting new updates and articles available on the site. The distribution list for the electronic newsletter contains over 350 email recipients, comprising executive and middle level personnel from the various businesses on e Teck’s 19 Business Parks.

Impact for Fiscal 2015- 2016

- Tenants’ Portal -91 average daily unique visitors; 2,733 average monthly unique visitors; representing a 17% and 14% increase respectively, over the previous fiscal period
- e- Bits – Average Monthly Open rate was 33%. The highest monthly open rate was 45% open and lowest was 24%. The 2015/2016 Industry (Real Estate, Construction and Building Products) Average Open rate for e-campaigns and e-newsletters was 25.6%.
- Corporate Website – 154 average daily unique visitors; 4,652 average monthly unique visitors; representing a 1.25 % and 5% decrease respectively, over the previous fiscal period

7.2 Community Relations

e Teck's Corporate Social Responsibility (CSR) Programme is the vehicle through which the organisation sustains effective community relations within the fence-line communities in which it operates. There are three components to e Teck's CSR programme, namely:

- (i) Community Engagement (Social Investment & Mitigation);
- (ii) Philanthropy (charitable giving); and
- (iii) Project V- Employee Volunteerism

The company's CSR philosophy- *enabling positive, meaningful change*- is reflected in its support and sponsorship of community projects and philanthropic requests that fall within the following thematic areas:

- (1) At Risk-Youth & Family Development;
- (2) Creation and maintenance of safe & friendly spaces;
- (3) Community governance and leadership development; and
- (4) Environmental Conservation

e Teck's approach to CSR is, therefore, targeted and focused which allows for greater monitoring and evaluation of the cumulative social impact of the programme. For Fiscal 2016, the Department's decreased allocation for philanthropy and the limited New Park Development Initiatives, meant fewer opportunities to proactively position e Teck as a responsible corporate citizen within its fence line communities, compared to fiscal 2015.

This notwithstanding, please refer to Table 13 for a Summary of e Teck's CSR activities for the period October 2015 to September 2016.

Table 12: Summary of e TecK’s CSR activities for Fiscal 2015 /2016

| CSR PROGRAMME COMPONENT | DESCRIPTION | TARGET GROUP / IMPACT | | | | | | | | | | | | | | | | | | | | |
|--|---|---|-----------------------|---|---------|------------------------------------|-------------|--|-------------|---|------------|--------------------|--------------------|---|-------------------|-----------------------|------------|--------------|---------|------------|--------------------|--------------------|
| Philanthropy | | | | | | | | | | | | | | | | | | | | | | |
| Donations: Monetary | <ul style="list-style-type: none"> Monetary donations totalling <u>\$39,984.72</u> were made to various thematic areas covered under the Philanthropy guidelines, as indicated above. This figure amounted to 68% less than the monetary donations of <u>\$58,422.61</u> from the previous fiscal; reflective of the company’s effort to reduce company expenditure given the financial limitations of the company. <p>Sum of Donations for 2015-2016 by Thematic Area</p> <table border="1" data-bbox="415 558 1535 954"> <thead> <tr> <th>Thematic Area</th> <th>Total (VAT Exclusive)</th> </tr> </thead> <tbody> <tr> <td>Community Governance & Leadership Development</td> <td>\$ 0.00</td> </tr> <tr> <td>At Risk-Youth & Family Development</td> <td>\$ 11,164.3</td> </tr> <tr> <td>Executive Recommendations* *Cricket Association Dinner at Magdalena Grand Beach and Golf Resort</td> <td>\$19,330.44</td> </tr> <tr> <td>Christmas Contributions to Children’s Homes and Schools</td> <td>\$9,490.01</td> </tr> <tr> <td>Grand Total</td> <td>\$39,984.72</td> </tr> </tbody> </table> | Thematic Area | Total (VAT Exclusive) | Community Governance & Leadership Development | \$ 0.00 | At Risk-Youth & Family Development | \$ 11,164.3 | Executive Recommendations* *Cricket Association Dinner at Magdalena Grand Beach and Golf Resort | \$19,330.44 | Christmas Contributions to Children’s Homes and Schools | \$9,490.01 | Grand Total | \$39,984.72 | <p>Donations were granted to various organization types as summarized in the following table: Sum of Donations for 2015-2016 by organisation type.</p> <table border="1" data-bbox="1564 493 1969 743"> <thead> <tr> <th>Organisation Type</th> <th>Total (VAT Exclusive)</th> </tr> </thead> <tbody> <tr> <td>NGOs/ CBOs</td> <td>\$ 35,080.44</td> </tr> <tr> <td>Schools</td> <td>\$4,904.28</td> </tr> <tr> <td>Grand Total</td> <td>\$39,984.72</td> </tr> </tbody> </table> | Organisation Type | Total (VAT Exclusive) | NGOs/ CBOs | \$ 35,080.44 | Schools | \$4,904.28 | Grand Total | \$39,984.72 |
| Thematic Area | Total (VAT Exclusive) | | | | | | | | | | | | | | | | | | | | | |
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| At Risk-Youth & Family Development | \$ 11,164.3 | | | | | | | | | | | | | | | | | | | | | |
| Executive Recommendations* *Cricket Association Dinner at Magdalena Grand Beach and Golf Resort | \$19,330.44 | | | | | | | | | | | | | | | | | | | | | |
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| Organisation Type | Total (VAT Exclusive) | | | | | | | | | | | | | | | | | | | | | |
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| Schools | \$4,904.28 | | | | | | | | | | | | | | | | | | | | | |
| Grand Total | \$39,984.72 | | | | | | | | | | | | | | | | | | | | | |
| Employee Volunteerism | | | | | | | | | | | | | | | | | | | | | | |
| e TecK’s 2015 Christmas Toy Drive | e TecK’s employees donated over 65 toys to all students of the Cumuto Presbyterian School, just one of several schools that fall within the fence-line communities of Tamana InTech Park, the location of e TecK’s Headquarters. | High Internal & External Impact: Strong staff engagement and support. Primary students directly benefited from high quality recreational and educational books and toys received. | | | | | | | | | | | | | | | | | | | | |
| e TecK’s SEA Career Day and Movie Outing | e TecK hosted its first annual SEA Career Day and Movie Outing for 20 Post-SEA students of Cumuto Presbyterian and Tamana R.C. Primary Schools at Digicel IMAX. Developed around the theme “Your Starting Line To Greatness” The structured ½ day event featured (i) a Career Segment facilitated by five (5) of e TecK’s young professionals and (b) a Featured Movie. e TecK’s volunteers gave advice regarding the transition from primary to secondary school and how to transform interests and passions into careers. | High Internal & External Impact: Strong Staff engagement and support. SEA students benefited from the testimonials and real world advice e TecK’s staff provided. | | | | | | | | | | | | | | | | | | | | |

