

Statement by the Hon. Colm Imbert
Minister of Finance on July 03, 2018

Clarification of the Information in the Documents

Circulated in the HOR on June 29, 2018

Related to the Purchase of the Galleons Passage

Madame Speaker

I have been authorised by the Cabinet to make the following statement.

On Friday June 29th, 2018 I circulated seven (7) documents related to the purchase of the Galleons Passage in the House of Representatives.

These documents included:

- (a) the Memorandum of Agreement (Norwegian Sale Form) for the sale and purchase of the vessel executed on January 12th 2018 between Sealease Limited of Hong Kong and the National Infrastructure Development Company Limited of Trinidad and Tobago (NIDCO), together with the Bill of Sale and associated documents lodged with the Vanuatu Commissioner of Maritime Affairs, and
- (b) the Pre-Purchase Condition Survey, done by Lloyd's Register Classification Society (China) Limited, dated December 10th, 2017

The Parliament subsequently posted all seven documents on a link, namely <https://parlcloud.ttparliament.org/index.php/s/5QTNt9FTiTYNgsZ>

However, after I circulated the documents, a number of articles appeared in the newspapers, which did not make reference to the Lloyd's Register pre-purchase condition survey and instead made reference to perceived issues regarding the condition of the vessel and its associated documentation that were not relevant.

For the avoidance of doubt, when a vessel is being purchased for use as a passenger vessel, a condition survey report is usually obtained from a classification society. A **classification society** is a [non-governmental organization](#) that establishes and maintains technical standards for the construction and operation of [ships](#) and [offshore structures](#). Classification

societies validate and report that construction of a vessel is in accordance with relevant standards and carry out regular surveys in service to ensure continuing compliance with the standards.

Lloyds Register is one of the leading and most respected classification societies in the world, having been established in 1760, over 250 years ago. It has surveyed and classified thousands of vessels over the years and it goes without saying that a certificate of class from Lloyds Register, or a similar reputable classification society, is a sine qua non, or an essential condition, for determining and confirming the seaworthiness of a vessel.

For the avoidance of doubt, the following words appear in bold on page 8 of the Lloyds Register pre-purchase condition survey for the Galleons Passage, which was circulated to Honourable Members last week:

“problems with engine vibration and shafting and stern bearings found during the sea trial were SOLVED. During the sea trial on 11/07/2017, attending surveyor was satisfied with the related conditions. Shaft seal temperatures were measured and found satisfactory”

It is to be noted that Lloyds Register, ***and no other entity***, is the final arbiter of the condition of a passenger vessel and further that Lloyds Register gave the Galleons Passage a category ONE (1) status, i.e. the highest category, for all items surveyed, including the hull, deck, superstructure, engines, mechanical and electrical equipment, safety equipment, lifesaving equipment, piping systems, gears, controls, generators, instrumentation etc.

Accordingly, I am recirculating the Lloyds Register pre-purchase condition survey for the Galleons Passage for the benefit of Honourable Members and I would ask Members, the media and the general public to pay particular attention to the notation on page 8 of this document and the score (i.e. the highest possible score) given by Lloyds Register on pages 13 to 34 of the document for each item examined in the survey of the vessel.

I am also recirculating Appendix B to the Memorandum of Agreement (Norwegian Sale Form) for the sale and purchase of the vessel, which gives full details of the Seller’s and Buyer’s obligations with respect to the completion of additional works on the vessel, inter alia. This Appendix appears not to have been attached to the MOU in the aforementioned link to the seven documents.