

Statement by the Hon. Colm Imbert  
Minister of Finance  
on the  
Laying in Parliament of Documents Related  
to the  
Purchase of the Galleons Passage  
House of Representatives  
June 29<sup>th</sup>, 2018

Madame Speaker

Over the last several months, the Opposition has made a number of accusations and allegations regarding the purchase of the Galleons Passage RoPax (Roll On – Roll Off Passenger) Vessel.

The allegations include:

- A broker by the name of James Aitkenhead from International Broking Services was used to acquire the vessel for an undisclosed fee
- The valuation used by the Government to make the decision to purchase the vessel was done by a company owned by the Seller of the vessel and was thus not credible
- The vessel was purchased from Sea Transport Solutions and the payment for the vessel was sent to the bank accounts of private individuals
- The vessel is an old vessel that has been sailing all over the South China Sea since 2016
- The original purchase price for the vessel was US\$15 million and it is now only worth US\$6 million

Madame Speaker, ALL of these allegations are FALSE

The true facts are as follows:

- Contrary to the false allegations made, initial enquiries were sent to a number of international shipbrokers, ship managers, ship owners and shipbuilders. During this process, the OWNER of the vessel, SeaLease Limited, became aware of the Government's worldwide search and contacted the Government DIRECTLY and informed the Government that a newly constructed vessel that broadly met the requirements for the inter-island ferry service was in its final stages of completion and was available for purchase. The vessel was thus purchased directly from the Seller and NO broker was involved in the sale and purchase transaction, and as such, no broker fees were paid to anyone.
- The sale and purchase agreement between Sealease Limited and the National Infrastructure Development Company Limited, the Bill of Sale and the Registration Certificate for the vessel in the name of NIDCO are being circulated in this House today. Contrary to the allegations of the Opposition, these documents make it clear who the parties to the transaction are, and who was paid for the vessel, and who owns the vessel. It should be noted that there is no reference to any broker in the sale and purchase agreement.
- As part of the package of documents received by the Government for the vessel, a valuation of US\$19 million was submitted by a company called Oceanic Design and Survey. It was clearly stated in this valuation report that this company is affiliated to Sea Transport Solutions, which is the designer of the vessel. As such, the Government engaged a highly reputable ship valuation firm by the name of Schulte Marine Concept who valued the vessel at US\$35 million. The two valuation reports are being circulated in this House today
- Contrary to the allegations made, the final sea trial for the vessel was done by the Seller on October 30<sup>th</sup> 2017. Sea trials represent the last stage in the completion of a vessel and it is thus impossible, as falsely alleged, that the vessel was sailing all over the South China Sea since 2016. The Certificate of Registry Synopsis Record from the Vanuatu Sea Registry dated February 8<sup>th</sup> 2018 also clearly

*states that the "vessel remained in shipyard until transferred to current ownership and vessel name changed"*

Madame Speaker, to summarize, the following documents are being circulated in this House today:

1. Memorandum of Agreement (Norwegian Sale Form) for the sale and purchase of the vessel executed on January 12<sup>th</sup> 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
2. Certificate of Registry from the Republic of Vanuatu for the vessel in the name of NIDCO and associated documents, dated February 8<sup>th</sup> 2018
3. Valuation Report for the vessel done by Oceanic Design & Survey
4. Evaluation Report for the vessel done by Schulte Marine Concept, over the period 4<sup>th</sup> to 6<sup>th</sup> December 2017
5. Design Specification for the vessel, prepared by Sea Transport Solutions
6. Pre-Purchase Condition Survey, done Lloyd's Register Classification Society (China) Limited, dated December 10<sup>th</sup>, 2017
7. Sea Trial Report for the vessel from Guangdong Bonnyfair Heavy Industry Limited (the Shipyard) for the period 2016-2017