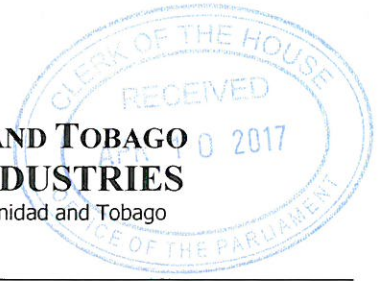




GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF ENERGY AND ENERGY INDUSTRIES

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EEI: 7/8/2

7 April 2017

Ms. Jacqui Sampson- Meiguel
Clerk of the House
Levels G- 8, Tower D
The Port-of-Spain International Waterfront Centre
1A Wrightson Road
Port-of-Spain

Dear Ms. Sampson- Meiguel,

Re: Fourth Report of the Public Accounts Committee on the Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2014 with specific reference to the Ministry of Energy and Energy Industries

I refer to your letter dated 7 February 2017 on the above captioned subject.

I wish to submit the Ministry's written response to the recommendations of the attached in the letter for the consideration of the Committee.

Yours sincerely,

Permanent Secretary
Ministry of Energy and Energy Industries

Response to Fourth Report of the Public Accounts Committee on the Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2014 with specific reference to the Ministry of Energy and Energy Industries (MEEI)

Issues and Recommendations

i. Challenges of MEEI

The Permanent Secretary (PS) should indicate the Ministry's challenges pertaining to outdated law to the Attorney General for assistance in alleviating these issues. Constant effective communication should occur between the PS, all heads of the departments and eventually the Minister who should be able to assist with the rectification of particular difficulties being experienced by the Ministry. Constant efforts should be made to increase the level and quality of output from the Ministry since the energy sector is considered one of the most important contributing sectors and work done within this Ministry is held at high esteem.

MEEI Response:

To the extent that is within its control, the MEEI continues to work towards alleviating any challenges experienced, in an effort to improve the level and quality of the output from the Ministry. Communication is also maintained with internal and external stakeholders, whose assistance may be required for alleviating any issues. With respect to the review and upgrading outdated law, the process requires a complete review of the existing legislation by the MEEI and approval by Cabinet of the amendments to the legislation. The Chief Parliamentary Counsel's Division of the Office of the Attorney General would then finalise the draft bill to be laid before both houses of Parliament for debate.

ii. Human Resource Management

The Permanent Secretary should indicate to the Public Service Commission, his need for additional staff so arrangements can be made for these persons to fill the currently vacant positions by March 31, 2017. Priority should be placed on the outfitting of the Ministry so that duties can be completed and done so appropriately and efficiently.

MEEI Response:

By Memoranda dated January 13, 2017, the Human Resource Management Unit submitted the following to the Public Service Commission for consideration:-

- (a) Recommendations for the filling of vacant positions that are peculiar to the MEEI and have acting incumbents; and**
- (b) Request for the advertisement of positions that are peculiar to the MEEI and are entry-level.**

The Permanent Secretary, MEEI met with officials of the Public Service Commission on January 24, 2017 and it was proposed that a collaborative effort could be made for the advertisements of particular entry-level positions peculiar to the MEEI. The MEEI is currently awaiting written instructions from the Service Commissions Department regarding the way forward in respect of this initiative.

iii. Revenue Control [Monitoring of Revenue Received and Receivable]

The Treasury Division should conduct a survey of revenue and expenditure systems for the Ministry. Training should also be provided by March 31, 2017 to ensure that the country's revenue is properly maintained and every dollar is accurately accounted for. The Accounting Officer, i.e. the person who is ultimately responsible for the oversight of the Ministry's revenue should have a greater handle of this and ensure that it is done properly.

MEEI Response:

The Treasury Division previously conducted a survey of accounting operations of the MEEI in March 2016. To date, the MEEI has not received a formal report on the outcome of that survey. Subsequently, the MEEI Accounts Department submitted a request, dated February 23 2017, to the Comptroller of Accounts for a survey to be conducted on the revenue and expenditure system of MEEI. The MEEI is currently awaiting a response to this request. The MEEI request is attached as Appendix I.

The Treasury Director of the Financial Management Unit conducted a workshop on the Cash Basis International Public Sector Accounting Standards (IPSAS) Compliant Statement of Receipts and Payments on March 22 2017. Two officers of the Accounting Unit and one officer from the Internal Audit Unit responsible for the preparation and certification of the Appropriation of Accounts and the Statement of Receipt and Disbursements attended the workshop. Memorandum on the workshop is attached as Appendix II.

iv. Submission of Documents

The Permanent Secretary should make it a priority to have all required documents ready for submission by the statutory deadline. The Auditor General in association with the Attorney General should introduce a legally binding component to the statutory deadline for the submission of financial statements making Permanent Secretaries legally responsible for non-submission or late submission. This will therefore give the AGD the opportunity to penalize persons responsible. Penalties for late submissions can be for example, once a submission is more than 2 months late the Accounting Officer can be fined \$1000 for each month thereafter.

MEEI Response:

Documents prepared by the Accounting Unit for submission to the Auditor General by the statutory deadline are treated as a matter of priority. Financial documents have been submitted on a timely basis with effect from January 2017. These include the Appropriation of Accounts and Monthly Expenditure Statements.

v. Pension and Leave

Recommendation: Pensions and Leave Department should properly maintain the records to ensure a timely distribution of benefits. Through proper maintenance, they would be able to positively add to the whole process. According to regulations, these benefits should be ready at least 3 months prior to the person's date of retirement. The Ministry of Energy and Energy Industries along with the Treasury should strive to make this possible

MEEI Response:

The Human Resource Management Unit prepares and submits Pension and Leave Records to the Comptroller of Accounts in favour of former and present employees of the MEEI at least three (3) months' prior to retirement. Pension and Leave records for each member of staff are up-dated on an annual basis or as information is gathered from other Ministries. However, this is only possible once all the relevant information is available for the processing and updating of records.

vi. Contract Register

Accounting Officers need to put more emphasis on keeping record of executed contracts. Regular checks should be made to ensure that every contract that was entered into was properly stored and accounted for within their contract registers. Proper training should also be provided by the Treasury, for persons responsible for maintaining these registers also. In the amended regulations being processed by the Attorney General, provisions will be made for the usage of electronic data instead of hard copy.

MEEI Response:

A Contract Register was established in 2015 and is maintained by the Legal unit of the Ministry.

vii. Monitoring Priority Projects

Monitoring and Evaluation Units need to closely monitor every project under the Infrastructure Development Fund. Value for money should be ensured in every decision and every project which is chosen to be undertaken. When this is done, projects will finish within the given time and will also reduce project expenditure. Ministries and Departments should perform a SWOT analysis before proposing certain projects to ensure that it is aligned with the mission, vision and objectives of the Ministry.

MEEI Response:

At present, there is no separate Monitoring & Evaluation (M&E) Unit at the MEEI to monitor and evaluate Projects. In the Restructuring Proposal submitted to the PMCD for approval, the proposed organization structure makes provision for the establishment of a M&E Unit. Currently, in the interim, the monitoring of PSIP projects is undertaken by staff of the Energy Research and Planning Division of the MEEI. All projects proposed for approval and consideration are aligned to the mandate and the policy directives of the Government.



Government of the Republic of Trinidad and Tobago
Ministry of Energy and Energy Industries

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MEMORANDUM

ME&EI : 1/4/1 Vol IV

From: Permanent Secretary Ministry of Energy and Energy Industries
To: Comptroller of Accounts
Date: February 23rd 2017
Subject: Report of the Public Accounts Committee Re - Request to conduct a survey/review of the revenue and expenditure system

Reference is made to the subject matter above.

Please be informed that an examination was conducted by the Public Accounts Committee of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2014 with specific reference to the Ministry of Energy and Energy Industries.

Also, a recommendation was made for the Treasury Division to conduct a survey of the revenue and expenditure system and training provided by March 31 2017.

In light of this matter, I wish to request for a survey to be conducted on the revenue and expenditure system of the Ministry of Energy and Energy Industry by the Treasury Division as soon as convenient and the necessary training provided.

Your usual co-operation is appreciated.

Karla Daene

/F/ Permanent Secretary
Ministry of Energy and Energy Industries

PERMANENT SECRETARY
MINISTRY OF ENERGY
AND ENERGY INDUSTRIES



REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF FINANCE
Financial Management Branch, Treasury Division
Level 19, Eric Williams Finance Building, Eric Williams Plaza
Independence Square, Port of Spain, Trinidad West Indies
Tele. # (868) 612-9700 E-Mail treasurydiv.fm @ gov.tt

MEMORANDUM

Ref: FM: 3/3/181 Sub 7 Vol. 1

FROM : Treasury Director (Ag)
Financial Management Branch

TO : Mr. Selwyn Lashley
Permanent Secretary
Ministry of Energy and Energy Industries

DATED : March 06, 2017

SUBJECT : Workshop on the Cash Basis International Public Sector Accounting
Standards (IPSAS) compliant Statement of Receipts and Payments

The Financial Management Branch of the Treasury Division, will be conducting a Workshop on "Preparing the Cash Basis (IPSAS) compliant Statement of Receipts and Payments" on Wednesday March 22, 2017.

2. You are kindly requested to nominate two (2) officers in your Accounting Unit with responsibility for the preparation of the Appropriation Account and Statement of Receipts and Disbursements, to attend the workshop.

3. Details are as follows:

Topic	-	Preparing the Cash Basis (IPSAS) compliant Statement of Receipts and Payments.
Date	-	March 22, 2017
Time	-	8:30 a.m. – 3:00 p.m.
Venue	-	La Lune Room, Level 20 Eric Williams Financial Complex Independence Square, Port of Spain.

4. It is imperative that representatives from your Accounting Unit attend and make the necessary arrangements to arrive on time and stay for the duration of the workshop as well as post-workshop discussions.

5. The names and contact information including email addresses of your nominees should be sent to Ms. Leila Bunraj, Treasury Officer III (Ag) at BunrajL@gov.tt no later than March 14, 2017.

6. Should you require any clarification, please feel free to contact Ms. Bunraj either via email or at Telephone Number 612-9700 Extension 2932.

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 Treasury Director (Ag)
 Financial Management Branch

c.c Head of Accounting Unit, Ministry of Energy and Energy Industries

