



PKF
Chartered Accountants
& Business Advisors
PKF LIMITED



MICHAEL BARRON
Consulting



Trinidad and Tobago EITI Report FY2021

Covering the period 1 October 2020 to
30 September 2021





Table of Contents

TABLE OF CONTENTS	2
LIST OF TABLES	6
LIST OF FIGURES	8
ABBREVIATIONS	9
FOREWORD	10
1 REPORT OF THE INDEPENDENT ADMINISTRATOR	12
2 BACKGROUND	14
2.1 BACKGROUND OF EITI.....	14
2.2 EITI IN TRINIDAD AND TOBAGO.....	15
2.3 OBJECTIVE OF THIS REPORT.....	15
2.4 SCOPE OF WORK.....	16
2.5 ACKNOWLEDGEMENTS.....	16
3 EXECUTIVE SUMMARY	17
3.1 CONTEXT.....	17
3.1.1 Overview of Extractive Sector.....	17
3.1.2 Legal and fiscal framework.....	18
3.2 CONTRIBUTION TO ECONOMY.....	20
3.2.1 Exploration.....	20
3.2.2 Production.....	21
3.2.3 Government Revenues.....	21
3.2.4 Distribution of revenues.....	22
3.2.5 Exports.....	22
3.3 RECONCILIATION.....	22
3.4 RECOMMENDATIONS.....	23
4 APPROACH AND METHODOLOGY	24
4.1 INTRODUCTION.....	24
4.2 SCOPING STUDY AND MATERIALITY.....	25
4.2.1 Flows in scope – Oil and Gas.....	25
4.2.2 Flows in scope – Mining.....	26
4.2.3 Selected government entities.....	26
4.2.4 Materiality.....	27
4.2.5 Selected companies – Oil and gas.....	27
4.2.6 Selected companies – Mining.....	31
4.2.7 Assessment of coverage - Companies.....	33
4.2.8 Assessment of coverage - Payments.....	34
4.3 METHODOLOGY.....	37
4.3.1 Data collection.....	37
4.3.2 Templates used in the 2021 reconciliation.....	40
4.3.3 Level of disaggregation (Requirement 4.7).....	40
4.3.4 Elements of work of the Independent Administrator.....	40
4.4 MAINSTREAMING AND DATA COLLECTION.....	41
4.4.1 Mainstreaming.....	41
4.4.2 Data collection and templates.....	41
4.5 RECONCILIATION AND INVESTIGATION OF DISCREPANCIES (EITI REQUIREMENTS 4.7 AND 4.1.D).....	42
4.6 RELIABILITY AND CREDIBILITY OF DATA REPORTED.....	42
4.6.1 Reliability and Comprehensiveness of Reconciled Financial Data.....	43
5 CONTEXTUAL INFORMATION ON THE EXTRACTIVE SECTORS	44
5.1 OVERVIEW OF THE EXTRACTIVE INDUSTRIES (EITI REQUIREMENT 3.1).....	44
5.1.1 Crude oil & natural gas.....	46
5.1.2 Minerals.....	46



5.1.3	National Budget 2024.....	46
5.2	THE CONTRIBUTION OF THE EXTRACTIVE SECTOR TO THE ECONOMY (EITI REQUIREMENT 6.3 AND 4.1)	48
5.2.1	Oil and gas sector revenues.....	48
5.2.2	Mining sector revenues.....	53
5.2.3	Revenues collected from state-owned enterprises (SOEs).....	54
5.2.4	Subnational payments.....	55
5.3	GENDER DATA (EITI REQUIREMENT 6.3.D).....	55
5.3.1	MSG Gender Composition TTEITI Steering Committee.....	55
5.3.2	Employment in the Extractives Sector.....	55
5.3.3	Women in leadership Roles T&T Energy Sector.....	59
5.4	LEGAL AND INSTITUTIONAL FRAMEWORK (EITI REQUIREMENT 2.1).....	59
5.4.1	The Legal framework.....	59
5.4.2	Roles and Responsibilities of Key Ministries and State Agencies.....	60
5.4.3	Fiscal regimes.....	61
5.5	CONTRACT AND LICENCE ALLOCATIONS (EITI REQUIREMENT 2.2).....	67
5.5.1	Oil and gas bidding process.....	67
5.5.2	Mining licence process.....	68
5.6	REGISTER OF LICENCES AND PERMITS (EITI REQUIREMENT 2.3).....	68
5.6.1	MEEI register.....	68
5.6.2	MEEI register.....	75
5.7	DISCLOSURE OF LICENCES AND CONTRACTS (EITI REQUIREMENT 2.4).....	77
5.8	BENEFICIAL OWNERSHIP (EITI REQUIREMENT 2.5).....	77
5.8.1	Beneficial ownership disclosure under EITI.....	77
5.8.2	Legal provisions and beneficial ownership disclosure practices.....	78
5.9	STATE PARTICIPATION (EITI REQUIREMENT 2.6).....	80
5.9.1	The Financial Relationship between the Government and SOEs.....	80
5.9.2	State-owned Extractive Companies (SOEs).....	83
5.10	COLLECTION AND DISTRIBUTION OF EXTRACTIVE REVENUES (EITI REQUIREMENTS 5.1 AND 5.2)	88
5.10.1	The process of distributing extractive revenues.....	88
5.10.2	Corruption and Mismanagement.....	89
5.10.3	Sub national transfers.....	89
5.10.4	The Consolidated Fund.....	90
5.10.5	The Heritage and Stabilisation Fund: saving for the future generations.....	90
5.10.6	The Social Sector Investment Programme.....	92
5.10.7	Fuel subsidies.....	93
5.11	INFRASTRUCTURE AND BARTER ARRANGEMENTS IN THE EXTRACTIVE SECTOR (EITI REQUIREMENT 4.3)	95
5.12	SOCIAL AND ENVIRONMENTAL EXPENDITURES (EITI REQUIREMENT 6.1).....	95
5.13	TRANSPORTATION REVENUES (EITI REQUIREMENT 4.4).....	96
5.14	AUDITING AND ACCOUNTING (EITI REQUIREMENT 4.9).....	97
5.14.1	Government reporting.....	98
5.14.2	SOE reporting.....	99
5.14.3	PSC auditing.....	101
5.14.4	Reporting companies.....	102
5.14.5	Assurance procedures adopted for EITI reporting in 2021.....	103
5.15	EXPORT DATA IN THE EXTRACTIVE SECTOR (EITI REQUIREMENT 3.3).....	103
5.15.1	Oil & gas.....	103
5.15.2	Minerals.....	104
5.15.3	The calculation and verification of export volumes and values.....	104
5.16	ENVIRONMENTAL IMPACT OF EXTRACTIVE ACTIVITIES (EITI REQUIREMENT 6.4).....	105
5.16.1	Environmental Legal and Policy Frameworks.....	105
5.16.2	Environmental Permitting and Compliance.....	106
5.16.3	Oil Spills.....	107
5.16.4	Abandonment Provisions.....	108
5.16.5	Green Economy and Energy Transition.....	110
5.16.6	Renewable Energy Projects and Policy Development.....	111
6	RESERVES AND PRODUCTION DATA FOR THE EXTRACTIVE SECTORS.....	114
6.1	OIL, GAS AND MINERAL RESERVES.....	114
6.1.1	Oil Reserves.....	115



6.1.2	Gas Reserves.....	115
6.1.3	Mineral reserves.....	117
6.2	EXPLORATION IN THE EXTRACTIVE SECTOR.....	117
6.3	PRODUCTION DATA IN THE EXTRACTIVE SECTOR (EITI REQUIREMENT 3.2).....	118
6.3.1	Oil production.....	119
6.3.2	Gas production.....	120
6.3.3	Petrochemical production.....	123
6.3.4	Mineral production.....	125
6.3.5	Calculating and verifying production values and volumes.....	126
6.4	SALE OF THE STATE'S SHARE OF PRODUCTION OR OTHER REVENUES KIND (EITI REQUIREMENT 4.2)	127
6.4.1	In-kind revenues from oil and gas companies.....	127
6.4.2	Volume and value of state's share of production.....	127
6.4.3	Sale of the state's share of production.....	127
6.5	TRANSACTIONS RELATED TO STATE-OWNED ENTERPRISES (EITI REQUIREMENT 4.5).....	128
7	RECONCILIATION RESULTS 2021	132
7.1	INTRODUCTION.....	132
7.2	CRUDE OIL & NATURAL GAS.....	132
7.2.1	Payment reconciliation between extractive entities and government agencies.....	132
7.2.2	MEEI payments from profit share to MOF-IRD for taxes from PSCs.....	136
7.2.3	MEEI payments from profit share to MOF-IRD for taxes from PSCs.....	137
7.2.4	Production reconciliation.....	137
7.2.5	Escrow.....	138
7.3	MINERALS.....	140
7.3.1	Payment reconciliation between extractive entities and government agencies.....	140
7.3.2	Production.....	142
7.3.3	Escrow.....	142
7.4	OTHER MATTERS.....	143
7.4.1	Amounts due and paid from PSCs.....	143
8	RECOMMENDATIONS.....	145
8.1	PRIOR YEAR RECOMMENDATIONS.....	147
8.1.1	Confidentiality issues acting as a barrier to transparency.....	147
8.1.2	Auditor-general assurance.....	148
8.1.3	EITI Requirements embedded in licence terms.....	148
8.1.4	Licensing data and procedures should be up to date and improved.....	148
8.1.5	Mining sector.....	148
8.1.6	Petroleum licence register.....	149
8.1.7	Integrity of the reconciliation process.....	149
8.1.8	Legislative reform.....	149
8.1.9	Regulatory enforcement.....	149
8.1.10	Mineral reserves.....	149
8.1.11	Beneficial ownership.....	150
8.1.12	Contract transparency.....	150
8.1.13	Gender reporting.....	150
8.1.14	Mainstreaming.....	150
8.2	VALIDATION REPORT RECOMMENDATIONS AND CORRECTIVE ACTIONS.....	150
8.2.1	Requirement 2.4.a: disclose full text of all contracts and licenses in force since 1 January 2021.....	150
8.2.2	Requirement 2.3.b: licence cadastre.....	150
8.2.3	Requirement 2.5: beneficial ownership.....	150
8.2.4	Requirement 4.2: commodity trading.....	150
8.2.5	Requirement 3.2: production values.....	151
8.2.6	Requirement 4.8: publish reports within 2 years.....	151
8.2.7	Requirement 4.9.b.iii: statement on reliability and comprehensiveness of data.....	151
8.3	RECOMMENDATIONS ARISING FROM FY2021 REPORT.....	151
8.3.1	Recommendations for the Steering Committee and National Secretariat.....	151
8.3.2	Recommendations for Government Agencies.....	154
8.3.3	Recommendations for Reporting Companies.....	154
8.3.4	Recommendations for Civil Society Organizations.....	155



Annexes to this report are published separately. A list of annexes can be found below.

Annexe	Content
A	Persons met during the Reconciliation
B	Terms of Reference
C	Materiality Determination for 2021
D	Summary of Audited Financials
E	Reconciliation of extractive companies
F	Heritage Petroleum Company Limited - File Notes 2021
G	Memo from MEEI - Assignments and Transfers 2019 to 2021
H	Memo from MEEI – PSC audits



List of tables

Table 4-1 Flows in scope	25
Table 4-2 Selected government agencies	26
Table 4-3 Selected companies – Oil and gas	28
Table 4-4 State-Owned Entities – Oil and Gas	29
Table 4-5 Companies providing no information – Oil and Gas	29
Table 4-6 Selected companies – Mining	31
Table 4-7 State-Owned Entities – Mining	31
Table 4-8 Companies reporting no activity – Mining	31
Table 4-9 Assessment of coverage – mining companies	33
Table 5-1 Contribution of the extractives sector	48
Table 5-2 Payments by Operators on behalf of Partners – Summary by Operators	51
Table 5-3 Payments by Operators on behalf of Partners – Summary by Partners	52
Table 5-4 Changes in payments to government 2020 to 2021	52
Table 5-5 Royalty payments – Mining sector	53
Table 5-6 NGC and Petrotrin profit after tax, dividends and corporation tax	54
Table 5-7 Employment gender data 2021	57
Table 5-8 Company responses on employment gender data	58
Table 5-9 Types of payments made to MOF-IRD – oil and gas	62
Table 5-10 Types of payments made to MEEI – oil and gas	64
Table 5-11 Types of payments made to MOF-Inv – oil and gas	65
Table 5-12 Other fees levied by the Minerals (General) Regulations	65
Table 5-13 Supplemental Petroleum Tax rates	66
Table 5-14 Types of payments made to government ministries – mining	67
Table 5-15 Quarrying licences – Ownership verification ongoing	70
Table 5-16 Quarrying licences – State ownership verified	71
Table 5-17 Quarrying licences – Private ownership verified	74
Table 5-18 Assignments of PSCs and E&Ps in 2019 to 2021	76
Table 5-19 State enterprises performance monitoring manual	81
Table 5-20 The financial relationship between SOEs and the Government	81
Table 5-21 Government loan and loan guarantees offered to oil, gas and mining companies in Fiscal 2021	83
Table 5-22 List of Heritage Petroleum’s joint ventures 2022	85
Table 5-23 Total Government expenditure	88
Table 5-24 Public Sector Investment Programme (PSIP) 2023 – Allocation by sector	90
Table 5-25 Value of the Heritage Stabilisation Fund 2018 to 2022	91
Table 5-26 Heritage Stabilisation Fund deposits and withdrawals	91
Table 5-27 The Social Sector Investment Programme	92
Table 5-28 Super gasoline and diesel prices	93
Table 5-29 Subsidy claims, levy payments and Government liability	93
Table 5-30 Social expenditure by company	96
Table 5-31 NGCPL total transportation revenues for 2021	97
Table 5-32 Transportation tariffs reported by companies for 2021	97
Table 5-33 Audited financial statements	97
Table 5-34 Audit status of financial statements 2021	98
Table 5-35 PCS audit statistics 2019 to 2021	101
Table 5-36 PCS audit 2019 to 2021	101
Table 5-37 PCS disallowed expenditure 2019 to 2021	101
Table 5-38 Audited financial statements in the oil and gas sector - 2021	102
Table 5-39 Audited financial statements in the mining sector - 2021	103
Table 5-40 Oil and gas export volumes – 2017-2022	103
Table 5-41 Oil and LNG export volumes – 2018-2023	104
Table 5-42 Table - Oil spills 2016 to 2022	107



Table 5-43 Green Fund Levy	109
Table 6-1 Natural gas reserves (TCF)	115
Table 6-2 Mineral reserves	117
Table 6-3 Competitive bid rounds 2004 to 2022	117
Table 6-4 Upstream activity 2020 to 2023	118
Table 6-5 Producers of crude oil in T&T	119
Table 6-6 The market value of local oil production 2016 to 2023	120
Table 6-7 Producers of natural gas.....	121
Table 6-8 Users of natural gas.....	122
Table 6-9 LNG production.....	123
Table 6-10 Market value of local LNG production 2016 to 2022	123
Table 6-11 Petrochemicals production	124
Table 6-12 Petrochemical market value and prices.....	125
Table 6-13 Mineral production 2017 to 2020	125
Table 6-14 Value and volume of refined products and gas commodity trades	128
Table 6-15 NGC gas purchases 2021	130
Table 7-1 Payments reconciliation 2021 – Oil and gas.....	133
Table 7-2 MEEI payments from profit share to MOF-IRD for taxes from PSCs.....	136
Table 7-3 MEEI payments to MOF-IRD on behalf of PSCs reconciled to company data	137
Table 7-4 Production reconciliation 2021 – Oil and gas	138
Table 7-5 Schedule of escrow accounts	139
Table 7-6 Summary of payments reconciliation 2021 – Mining	140
Table 7-7 Payments reconciliation 2021 – Mining	140
Table 7-8 Lake Asphalt of Trinidad and Tobago (1978) Limited reconciling differences	141
Table 7-9 Trinidad Cement Limited reconciling differences.....	141
Table 7-10 Estate Management Business Development Company Limited reconciling differences	141
Table 7-11 Production reconciliation - Minerals.....	142
Table 7-12 PSC payment reconciliation 2021.....	143
Table 8-1 Summary of Recommendations and Corrective Actions	146



List of figures

Figure 3-1 Oil and Gas Prices 2009-2022	17
Figure 3-2 Upstream Activity Map.....	18
Figure 3-3 Total Government revenues 2011 to 2023	21
Figure 5-1 Peaking oil and gas prices.....	44
Figure 5-2 WTI Crude Oil Prices 2009-2023.....	45
Figure 5-3 Henry Hub Natural Gas Prices 2009-2023	45
Figure 5-4 Total Royalty Payment 2011-2023	49
Figure 5-5 Royalty Payments 2019-2023	49
Figure 5-6 PSC Analysis 2014-2023.....	50
Figure 5-7 PSC Share of Profits 2019-2023	51
Figure 5-8 Energy Sector Employment by Gender 2022	56
Figure 5-9 Employment split between nationals and expatriates	56
Figure 5-10 Gender split by level of management.....	57
Figure 5-11 Oil and gas bidding process	67
Figure 5-12 Mining licence process	68
Figure 5-13 Beneficial interests vs. beneficial ownership	79
Figure 5-14 Total Government expenditures 2017 to 2023	89
Figure 5-15 Government subsidy liability and levy payments 2011 to 2023.....	95
Figure 5-16 Net volume of oil spills 2016-2022.....	108
Figure 5-17 Oil spills 2016-2022	108
Figure 5-18 NGC CO2 and methane emissions 2019-2021	111
Figure 5-19 NGC electricity consumption 2019-2021	111
Figure 5-20 The impact of solar projects	112
Figure 6-1 Proven, probable and possible reserves	114
Figure 6-2 Unrisked natural gas technically recoverable resources 2010 to 2020	116
Figure 6-3 Unrisked gas technically recoverable resources 2017 to 2020	116
Figure 6-4 Average crude and condensate production 2010 to 2023.....	119
Figure 6-5 Average natural gas production.....	121
Figure 6-6 Natural gas utilisation 2018 to 2022	122
Figure 6-7 Petrochemicals production	124



Abbreviations

Abbreviation	Meaning
AFS	Audited financial statements
AMLDD	EU Anti-Money Laundering Directives
Bbl	Barrels (of oil)
Bcf	Billion cubic feet
bcf/d	Billion cubic feet per day
BIR	Board of Inland Revenue
BO	Beneficial ownership
Bopd	Barrels of oil per day
CBD	United Nations Convention on Biological Diversity
CEC	Certificate of Environmental Clearance
ECMA	East Coast Marine Area
EIA	Environmental Impact Assessment
EITI	Extractive Industries Transparency Initiative
EMA	Environmental Management Authority
FO	Farm-out
GoRTT	Government of the Republic of Trinidad and Tobago
IA	Independent Administrator
IAS	International Accounting Standards
IPSC	Incremental production service contracts
LNG	Liquefied natural gas
LO	Lease-out
MAC	Minerals Advisory Council
MEEI	Ministry of Energy and Energy Industries
mmBtu	Metric million British thermal unit
mmscf	Million standard cubic feet
mmscf/d	Million standard cubic feet per day
MOF-Inv	Ministry of Finance – Investment Division
MOF-IRD	Ministry of Finance: Inland Revenue Division
MSG	Multi-stakeholder group
MT	Metric tonnes
MtCO ₂ e	Million tonnes of carbon dioxide equivalent
NCMA	North Coast Marine Area
NGC	National Gas Company of Trinidad and Tobago
NGCPL	NGC Pipelines Limited
PEP	Politically exposed person
PPLSA	Petroleum Production Levy and Subsidy Act
PSC	Production Sharing Contract
SC	TTEITI Steering Committee
SCMA	South Coast Marine Area
SEPMM	State Enterprises Performance Monitoring Manual
SOE	State-owned enterprise
T&T	Trinidad and Tobago
TCF	Trillion cubic feet
TPHL	Trinidad Petroleum Holdings Limited
TRINTOC	Trinidad and Tobago Oil Company Limited
TRINTOPEC	Trinidad and Tobago Petroleum Company Limited
TT\$	Trinidad and Tobago dollar
TTEITI	Trinidad and Tobago EITI
UNFCCC	United Nations Framework Convention on Climate Change
US\$	US dollar



Foreword

Welcome to Trinidad and Tobago's ninth annual Extractive Industries Transparency Initiative (EITI) Report. The country has been implementing the EITI for over a decade and transparency and accountable management of our oil, gas and mining sectors is a continuous imperative. The Trinidad and Tobago Extractive Industries Transparency Initiative Steering Committee's (SC) vision is for the country's extractive resources to be effectively managed to benefit all citizens and preserve the environment. Our mission is to promote greater transparency and more effective management of extractive sector resources by empowering citizens with relevant information. With oil and gas prices currently on an upward trajectory, transparency is even more important especially as it relates to the country's post Covid-19 pandemic recovery. Revenue from the extractive sector will also finance the country's short, medium and long term plans for diversification, digital transformation, citizen security and crime prevention. The EITI's role in providing assurance on energy sector revenue is therefore crucial.

A critical element of the SC's work focuses on independently verifying the amount the country earns from our oil, gas and mining resources and identifying the reasons for any discrepancies as well as providing recommendations on how the country can improve its revenue collection and audit and assurance systems. The SC will continue this independent verification and health check on systems, but also look at innovating within the EITI framework.

We are currently developing our 2024-26 work plan and will address the new EITI Standard requirements aimed at assessing the energy transition, anti-corruption and improved revenue collection. The SC will also continue to target an increase in mining sector participation in TTEITI and advocate for legal barriers to be addressed, whether including an EITI clause in licences and contracts or the passing of TTEITI legislation. As it relates to innovation, the SC, in this report and beyond, will disclose gender data and continue to focus on environmental reporting. I am pleased to announce that both the National Gas Company of Trinidad and Tobago and Touchstone Energy Limited will disclose key data on their emissions and energy use in this report.

One of the world's pressing concerns is how the energy transition and climate change will shift Government policies, company strategy and citizens' lives over the short to medium term. For Trinidad and Tobago, these concerns are a point of significant interest. As a net energy exporter and small island state, the country already faces the brunt of climate change impact and any major tremors in the global energy transition policy space will impact our revenue and market share for LNG and petrochemicals. Gathering as much data to help clarify how citizens, companies and Government respond to these developments is pivotal. And both the NGC and Touchstone have demonstrated leadership in data disclosure. Continuous innovation helps the SC and country build on its EITI legacy.

Earlier this year, after being assessed to gauge how well the country implements the EITI Standard, Trinidad and Tobago attained a score of 89 out of 100 for meeting the Standard requirements. That tally was the highest score in Latin America and the Caribbean and fourth highest globally. We will have to live up to this score and keep progressing. In Trinidad and Tobago, the EITI continues to provide a collaborative mechanism and platform for developing and consolidating transparency and accountability in the nation's oil and gas sectors, the cornerstone of the national economy. The disclosures in this report is the start of a conversation on how we manage our resource wealth.

On behalf of the TTEITI Steering Committee and Secretariat, I wish to acknowledge with thanks the roles played by the stakeholders - Government, extractive companies and civil society - in guiding and supporting EITI implementation over the last year and in producing this report. In particular, I recognize the Ministry of Energy and Energy Industries and the Ministry of Finance's Board of Inland Revenue and Investment Division for their contributions. Also, I recognize the EITI Independent Administrator, PKF Limited, supported by Engaged Consulting and Michael Barron Consulting, for their professionalism in carrying out the analysis for this report. Finally, I want to



PKF
Chartered Accountants
& Business Advisors
PKF LIMITED



MICHAEL BARRON
Consulting

thank the TTEITI Steering Committee and the Secretariat for their daily contributions to EITI implementation. I am optimistic that the information provided in this report will advance dialogue and debate on the country's extractive sector.

Gregory McGuire

Chairman, TTEITI Steering Committee

30 September 2023



1 Report of the Independent Administrator

29 September 2023

Trinidad and Tobago EITI Steering Committee
15th Floor International Waterfront Centre
1 Wrightson Road
PORT OF SPAIN

To whom it may concern,

PKF Limited, in collaboration with Engaged Consulting Limited and Michael Barron Consulting was contracted by the Ministry of Energy and Energy Industries (MEEI) for and on behalf of the Government of the Republic of Trinidad and Tobago (GoRTT), to provide Independent Administrator (IA) services in relation to the Extractive Industries Transparency Initiative (EITI).

The Republic of Trinidad and Tobago joined the EITI in March 2011 and was given candidate country status. In January 2015, the country achieved EITI Compliant Country status after meeting all of the EITI Standard's requirements, working under the guidance of the Multi-Stakeholder Steering Committee, which was appointed by the Cabinet.

The Republic of Trinidad and Tobago is determined to enhance transparency and accountability in the extractive sector. In that vein, this report, which covers the period from 1 October 2020 to 30 September 2021, discloses payments made to GoRTT by major participants. The extractive sector comprises primarily entities operating in the oil and gas industry. However, a small selection of participants within the mining sector was included in a pilot project.

The following methodology highlights the main processes adopted in the preparation of this report:

- Analysing local regulations, reporting requirements, and internal control mechanisms to ascertain the degree of confidence that might be placed on data quality,
- Examining the reporting relationship between governmental and non-governmental reporting bodies, as well as among the various arms of GoRTT,
- Preparing an inception report which examines materiality, revenue flows, participating businesses and governmental organizations, as well as the responsibilities played by each in the data-supply chain,
- Gathering and analysing publicly available data,
- Collating non-financial contextual data from the TTEITI Steering Committee and Secretariat,
- Evaluating data reported on signed, completed templates from all stakeholders,
- Matching data on production and revenue flows received from all governmental and non-governmental participants, and investigating the rationale for differences detected,
- Where practical, adjusting template information where discrepancies are determined to arise from omissions, duplications or erroneous allocations,
- Obtaining agreement from participants regarding suggested adjustments to data provided.
- Making suggestions through the report, for modifications meant to increase the accuracy, consistency and completeness of data,
- Creating a draft report for the TTEITI Steering Committee's consideration,
- Delivering a final report and electronic data files for publication and dissemination.

The procedures performed did not constitute an audit or a review in accordance with generally accepted auditing standards or attestation standards. Accordingly, the IA provides no opinion, attestation or other forms of assurance with respect to the work or the information upon which the work was based.



The IA did not audit or otherwise verify the information supplied in connection with this engagement, from whatever source, except as may be specified in this report. The IA's work was limited to the specific procedures and analyses described herein and was based only on the information made available through 29 September 2023. Accordingly, information provided after this date, which could affect the findings outlined in the report, may not have been considered. The assessment performed was not designed to identify or disclose fraud, defalcations and other irregularities. Where checks involved documents with an authorising signature, no procedures were performed to verify the authenticity of those signatures.

The EITI report for fiscal 2021 is attached.

Renée-Lisa Philip, Managing Director – PKF Limited



2 Background

2.1 Background of EITI

The Extractive Industries Transparency Initiative (EITI) was established in 2003, and at the EITI Global Conference in Senegal in June 2023, it celebrated 20 years of bringing greater transparency to the extractive sector, and 10 years of the EITI Standard. TTEITI took an active role in the conference.



Sherwin Long, Head of the TTEITI Secretariat presenting at the EITI Global Conference, Senegal June 2023

EITI brings together government, oil, gas and mining companies and civil society organisations to improve transparency and accountability in the extractive sector. It is voluntary for countries to join, and so far, more than 55 countries have elected to do so. Countries must fulfil certain conditions to be accepted as implementing countries. Implementation involves meeting the requirements of the EITI Standard, which has developed over time. This report is prepared primarily to meet the EITI Standard 2019. The latest version, the EITI Standard 2023, was launched in June 2023, and this report references this new standard where appropriate.

At its core, EITI involves companies disclosing the taxes they pay to government, and government disclosing taxes received from the companies. The Independent Administrator reconciles the taxes paid and received and publishes the information in an annual report. The report must also contain other information such as production levels and the legal framework under which the extractive sector operates in a country.

However, in recent years the Standard has expanded to include additional reporting requirements including those on beneficial ownership, contract transparency, gender, environmental impact and project level reporting. This constant progression in the EITI Standard means that even countries who have successfully implemented EITI in the past, still need to bring in new, fresh insights in order to maintain that position. At the global level, EITI is overseen by a Board consisting of equal numbers of representatives of governments, companies and civil society. The current chair is the former New Zealand Prime Minister Rt Hon. Helen Clark. The Board makes the final decision on



whether a country has met the EITI Standard on recommendation from the International Secretariat. The International Secretariat, based in Oslo, supports the Board and the implementation process to ensure that the Standard is being met.

At an individual level, an EITI multi-stakeholder group (MSG) undertakes the implementation of EITI. The MSG is typically headed by a relevant minister and comprises equal numbers of government, company and civil society representatives. Once a country has joined the EITI, all companies in scope for reporting taxes are expected to comply. The government is responsible for funding implementation, but finance is available from the World Bank and from some bilateral aid organisations.

2.2 EITI in Trinidad and Tobago

Trinidad and Tobago became an EITI Candidate country in 2011 and prepared its first EITI report in 2013 covering 2010-2011 data. This is the ninth Trinidad and Tobago EITI Report, which includes EITI revenue data from the period 1 October 2020 to 30 September 2021 (FY2021). The Independent Administrator's (IA) work was carried out between November 2022 and September 2023 in accordance with the Terms of Reference included in Annex B. The early stages of this work were dominated by TTEITI being subject to the regular EITI Validation process undertaken by the EITI International Secretariat (see Chapter 8 below). The report is based on information received up to 29 September 2023. Information received after this date has not been taken into account.

The report was prepared in the wake of the Covid-19 pandemic, and although previous restrictions on face-to-face meetings had been lifted, remote working practices and the use of virtual meetings continued to be the norm.

This report reflects efforts by EITI and TTEITI, in particular towards mainstreaming of extractive industry data, where data is made systematically available online on government or other institutional websites. In cases where information is available online, it is not reproduced in this report, but clear reference is made to the online data and links are provided where possible.

The report is intended for the use of the TTEITI Steering Committee for the purpose of that initiative and is not to be relied upon by other parties.

The report includes its Annexes, which are provided separately.

2.3 Objective of this Report

The objective is to produce an EITI Report for the FY2021 in accordance with the EITI Standard 2019 and the Terms of Reference (see Annex B), while acknowledging the EITI Standard 2023. The Report provides an analysis and reconciliation of payments directly or indirectly made by participating extractive oil and gas companies involved in upstream and associated activities to the Government of the Republic of Trinidad and Tobago (GoRTT) and revenues reported as received by the GoRTT agencies from those companies for FY2021.

In addition, the report includes a continuation of the pilot project on the mining sector. Seven (7) companies from the mining sector were included in the pilot reporting and reconciliation for FY2021, and payments to GoRTT were reported by these companies and receipts reported by GoRTT from these companies are included in this report and reconciled in accordance with the decision of the TTEITI Steering Committee. This is an increase from five companies in the FY 2019-2020 Report.



2.4 Scope of work

Our methodology is set out in Section 4.3 of this report, together with details of the work undertaken to determine the scope of the report and the determination of materiality.

2.5 Acknowledgements

We would like to express our sincere thanks to the Ministry of Energy and Energy Industries, the Ministry of Finance, the TTEITI Steering Committee, the various companies which submitted their reporting templates and to Mr. Sherwin Long and his colleagues from the TTEITI Secretariat, who have assisted us in receiving replies from the Government and participating companies from the extractive industries, and for sending and receiving official confirmation letters to/from these parties.

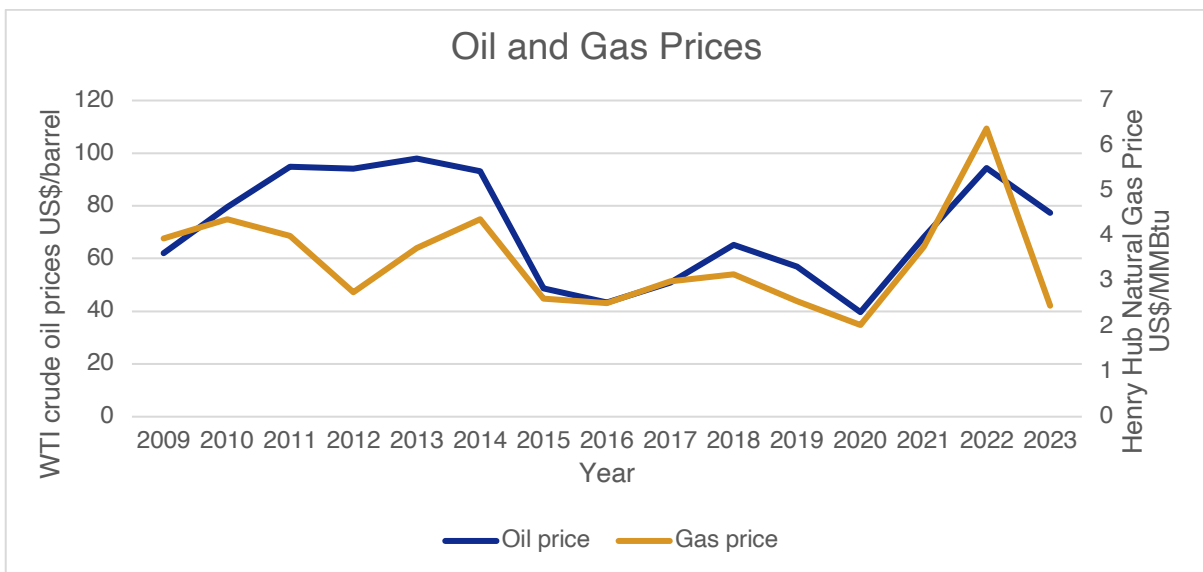


3 Executive Summary

3.1 Context

3.1.1 Overview of Extractive Sector

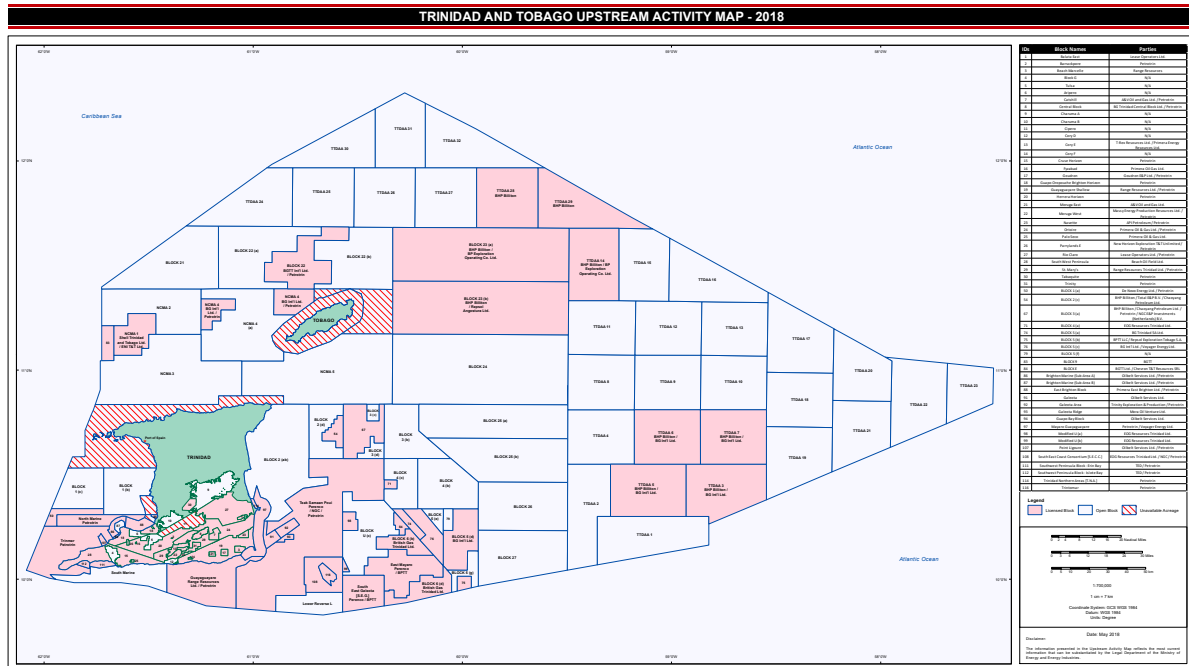
Movements in global oil and gas prices have a significant impact on the performance of Trinidad and Tobago’s extractive sector due to the central role played by the country’s hydrocarbon sector. In 2021, global oil and gas prices increased compared to 2020 as the world emerged from the Covid-19 pandemic and economies recovered. As figure 3-1 below shows, both oil and gas prices recovered to pre-Covid levels. In 2022, prices rose further due to the impact of the Russian invasion of Ukraine in February 2022. Although gas prices have fallen back in 2023 to pre-Covid levels, oil prices have remained higher than 2020 levels.



Source: *macrotrends.net* – Data up to 30 September 2023

Figure 3-1 Oil and Gas Prices 2009-2022

Trinidad and Tobago’s hydrocarbon resources are located both on land and offshore. The industry began in onshore Trinidad primarily in the South East and South West regions. Offshore reserves occur in three zones: ECMA (East Coast Marine Area), NCMA (North Coast Marine Area) and the SCMA (South Coast Marine Area).



Source: www.energy.gov.tt

Figure 3-2 Upstream Activity Map

The Trinidad and Tobago mining sector consists of state owned and private locally owned companies. Sand and gravel are the minerals that are produced in the greatest quantities. The minerals quarried are used in the construction industry, the manufacturing of tiles, pottery and blocks. Asphalt and oil sands are utilised to pave the nation’s roads. It should be noted that the majority of asphalt produced is exported.

3.1.2 Legal and fiscal framework

The list of legislation and tax laws relevant to the extractive sector and links to the text of the laws can be found on the MEEI’s website at: <https://www.energy.gov.tt/for-investors/legislation-and-tax-laws/>

This includes the 2017 amendment to the Petroleum Act (Chapter 62:01) which increased the royalty rate to 12.5% on oil, gas and condensate production.

The mining sector in Trinidad and Tobago is regulated by the Minerals Law Act 2000, the Asphalt Industry Regulation Act, the Mining Compensation Act, the Geological Survey Act and the Minerals (General) Regulations 2015. These laws can be accessed on the Ministry of Energy and Energy Industries’ official website.

The legal and institutional framework of the extractives sector is governed by four (4) key agencies, Ministry of Energy and Energy Industries (MEEI), Ministry of Finance: Inland Revenue Division (MOF-IRD), Ministry of Finance: Investment Division (MOF-Inv) and The Environmental Management Authority (EMA). Their respective roles and responsibilities are set out in Section 5.5.



Fifty-one (51) oil and gas companies were in scope for reporting and seven (7) mining companies reported data for 2021.

The fiscal regime for oil and gas is governed by production sharing contracts (PSCs) and exploration and production licences (E&Ps) between the government and investors. A description of the fiscal regime can be found on the MEEI website at: <https://www.energy.gov.tt/for-investors/fiscal-regime/tax-laws/>. Under each PSC, the companies producing oil and gas pay taxes and royalties and have access to investment incentives. The payments and incentives are documented in the laws that govern the industry. However, companies can negotiate profit splits and other terms with the Government. The negotiated terms are recorded in each PSC. The first PSCs were awarded in 1974 but did not become widespread in the country until the 1990s. Until that time, the government awarded licences for the exploration and production of oil and gas. It is important to note that BPTT, the country's largest gas producer, operates mainly under E&Ps.

The model PSC can be found here:

http://www.energy.gov.tt/wp-content/uploads/2013/11/Deep_Water_Depth_PSC.pdf

The model E&P can be found here:

<https://www.energy.gov.tt/wp-content/uploads/2018/08/Exploration-and-Production-Public-Petroleum-Rights-Licence-Offshore.pdf>

The following are the main taxes companies pay to the Government:

1. Supplemental Petroleum Tax (SPT)
2. Petroleum Profit Tax (PPT)
3. Unemployment Levy
4. Petroleum Production Levy
5. Petroleum Impost
6. Green Fund Levy
7. Withholding Tax
8. Insurance Premium Tax

Petrochemical companies and NGC's non-E&P activities are taxed under the Corporation Tax Act, albeit at a rate of 35% compared to 25% in other industries.

Mining companies are required to pay royalties, fees for competitive bid rounds, annual licence fees, licence renewal fees, rehabilitation bonds and performance bonds to the Government. The introduction of the Minerals (Regulations) Act in 2015 increased the rates on all of these payments.

Licences in the oil and gas sector are governed by the MEEI.

The minerals sector is governed by the Minister of Energy and Energy Industries, the MEEI Minerals Division where delegated, and the Minerals Advisory Council (MAC). For further details see <https://www.energy.gov.tt/minerals/>

The MEEI maintains registers of:

- Oil and gas production sharing contracts,
- Oil and gas exploration licences,
- Quarrying licences.

These registers are in the form of Excel spreadsheets and are available at: <https://www.energy.gov.tt/services/license-registers/>



For the active oil and gas licences (both PSCs and exploration), all the licence holders participate in the EITI reporting process. The list of active quarrying licences includes companies that do not participate in EITI reporting.

At present, contracts, licences and PSCs are confidential documents in Trinidad and Tobago based on several existing laws. A legal barrier exists within the Petroleum Act Chap. 62:01 section 35 and the Freedom of information Act Chap 22:02 section 31.

The TTEITI published the country's first beneficial ownership register in 2020. The register contains the details of forty-four (44) companies active in the extractive sector and can be found at: <https://www.tteiti.com/beneficial-ownership-register>

The government describes how it participates in the extractive industries at: <https://www.finance.gov.tt/divisions/investments-division/>. Reports on this participation are found at: <https://www.finance.gov.tt/publications/state-enterprises-investment-programme/>.

The State Enterprises Performance Monitoring Manual developed by the Ministry of Finance addresses the prevailing rules and practices related to the financial practices of SOEs including retained earnings, reinvestment and third-party financing. It also contains rules governing inter-agency debt, the publishing of financial statements and procurement.

The Auditor General reviews the work of the Ministry of Finance's Investment Division to ensure SOEs live up to the expectations outlined in the State Enterprises Performance Monitoring Manual. The Auditor General's report is available at:

https://auditorgeneral.gov.tt/sites/default/files/Auditor_Generals_Report_2021.pdf

SOEs which are major players in the extractive industries in Trinidad and Tobago are summarised below (*oil and gas / ** minerals): -

1. National Gas Company of Trinidad and Tobago (NGC) and its subsidiaries*
2. The Trinidad Petroleum Holdings Limited*
3. National Quarries Company**
4. Lake Asphalt**

In addition, the Estate Management and Business Development Company Limited (EMBDCL) and Palo Seco Agricultural Enterprises Ltd (PSAEL) are owners of land used in the extractive sector and/or provide services to the sector, although they are not themselves active extractive companies. PSAEL is not included in the scope of this TTEITI Report while EMBDCL has agreed to participate.

The National Gas Company of Trinidad and Tobago Limited (NGC) Group is a diversified group with assets worth TT\$40 billion spread across the entire value chain. The core business of the parent, NGC, is the purchase, transmission, distribution and sale of natural gas.

NGC is the largest contributor to earnings from State-owned enterprises. The group had a 260% increase in profit of TT\$1.6 billion for the financial period ended 30 June 2022 when compared to just a profit of TT\$437 million in 2021 as a result of increased ammonia, methanol and LNG prices.

3.2 Contribution to Economy

3.2.1 Exploration

In 2021, MEEI held one bid round for seventeen (17) deep water offshore blocks, which closed in December 2021. On 26 September 2023 the Ministry of Energy and Energy Industries formally announced that a BPTT and Shell joint venture (JV) had been awarded deep water blocks 25a, 25b and 27 off Trinidad's east coast



In 2022, the Nearshore and Onshore competitive bid rounds was opened for a period of six (6) months, which concluded on 9 January 2023. A total of sixteen (16) bids were received for eight (8) of the eleven (11) blocks. According to the company’s reports, Trinity Exploration & Production was awarded the Buenos Ayres block and Touchstone Exploration’s subsidiary, Primera Oil and Gas won the Cipero onshore block.

On 4 October 2023, the Ministry also launched its shallow water bid round. The thirteen (13) blocks offered were Block 1(b), Block 2(ab), Block 2(d), Block 21, Block 22(a), Block 22(b), Block 4(c), Guayaguayare (Offshore) Block, Block Lower Reverse L, Block Modified U(c), Block NCMA 2, Block NCMA 3 and Block NCMA 4(a), located in the shallow water area off the coasts of Trinidad and Tobago.

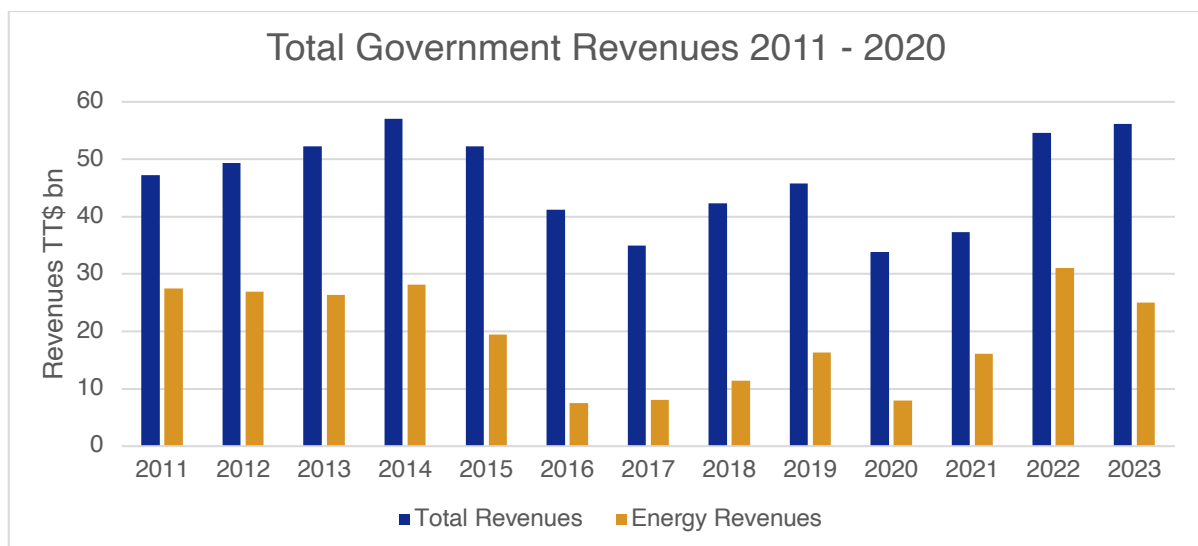
3.2.2 Production

Average crude and condensate production marginally decreased from 59,850 bopd in 2021 to 58,436 bopd in 2022. As of June 2023, production averaged at 55,970 bopd which reflects a decline when compared to the same period in 2022, during which time, production averaged 59,111 bopd.

In 2021 natural gas production averaged 2579 mmscf/d. This is the lowest production level for the past decade. However, from 2022 to March 2023, production has slowly but steadily increased. This is attributed to an increase in production from Shell, as the company’s averaged daily production increased from 494 mmscf/d in 2021 to 661 mmscf/d in 2022, representing a 29% improvement.

3.2.3 Government Revenues

There was a substantial increase in Government revenues collected from oil and gas between FY2021 and FY2022. Oil and gas contribution to total revenue averaged at 57% in 2022 which is a 32% increase from 2021. This was largely driven by an increase in crude oil and natural gas prices, coupled with a marginal increase in local production.



Source- Ministry of Finance, Estimates of Revenue

Figure 3-3 Total Government revenues 2011 to 2023



Data from the MEEI shows that quarry operators owe the Government a total of TT\$8.9 million in royalty payments, as at the end of 2021. However, the State is still verifying \$4.8 million of this total due to uncertainty over mineral rights ownership in twenty-two (22) quarries. The MEEI is currently conducting an exercise to identify whether the State owns the mineral rights to all quarry sites in Trinidad and Tobago. This is an important exercise and directly impacts Government revenue because if a quarry operator owns the mineral rights, they are not mandated to pay royalties to the Government, only license fees. See 5.10 below.

3.2.4 Distribution of revenues

The government publishes a description of the country's budget process at: www.auditorgeneral.gov.tt.

Details of the country's budget can be found at: <https://www.finance.gov.tt/category/budget-statement/>. See 5.10 below.

In 2021, total government expenditure was TT\$66.9 billion. This consisted of TT\$35.1 billion in current spending, TT\$8.8 billion of capital expenditure and TT\$23 billion of transfers and subsidies. In 2022, total government expenditure amounted to TT\$81.6 billion, of which TT\$48.2 billion was current spending, TT\$8.4 billion was capital expenditure and TT\$25 billion was transfers and subsidies. In 2023, total government expenditure continued to increase to a total of TT\$93.1 billion with current spending averaging at TT\$52.3 billion, capital expenditure at TT\$13.8 and transfers and subsidies standing at TT\$27 billion. Overall, current expenditure as well as transfers and subsidies has shown an increasing trend since 2020.

3.2.5 Exports

Crude oil exports declined in 2022 by approximately 1 million barrels compared to 2021 and export earnings increased by US\$224.7 million.

The volume of LNG exports increased by 18% in 2022 compared to 2021 while export value doubled in 2022. See 5.15 below.

3.3 Reconciliation

The IA, with assistance from the TTEITI, presented to selected participants within the extractive industries, blank templates, specially designed to permit easy infilling of information on the quantum, currency and classification of flows to governmental agencies. It also required additional information including the quantity of product (oil, gas or aggregate) extracted.

Simultaneously, similarly designed templates were issued to governmental agencies - specifically MEEI, MOF-IRD and MOF-Inv. These templates were populated with revenue flows, appropriately classified to mirror the categorizations stipulated on the templates provided to industry participants. Divisions within MEEI also provided information on product extracted by participants.

The reconciliation procedure required the IA to match the currencies, amounts and classifications of outflows stated by industry participants, against the inflows stated by governmental agencies. A similar reconciliation process was adopted for product extracted. Where differences were detected, the following process was adopted:

1. The legitimacy of each offending transaction was assessed,
2. The payments on the participant's templates or the receipts on the governmental agency's templates were adjusted based on that assessment,
3. All parties involved were notified of the proposed adjustments,



4. In the case of foreign currency differences, these were considered legitimate and reported on the face of the reconciliation,
5. Differences which were clearly trivial, were not investigated.

All the discrepancies identified during the reconciliation process of payments were due to foreign exchange differences. The discrepancies identified in the reconciliation of production were minor.

Further details of the reconciliation process are presented in Chapter 7.

3.4 Recommendations

Section 8 contains an update on the implementation of Recommendations from prior year Reports and the 2022 EITI Validation Report.

The report contains the following new recommendations:

- Publish work plan at earliest opportunity and ensure it includes actions to meet the 2023 version of the EITI Standard,
- Continue engagement with the Auditor-General and replace prior year Recommendations on this subject with this new Recommendation,
- Commission scoping study on how to remove confidentiality constraints for reporting, including on contract transparency and reserves,
- Engagement with MEEI on ensuring license cadastre remains up-to-date and accurate,
- Mining sector: continued stakeholder engagement,
- Beneficial ownership: conduct refresher training on importance of reporting and keeping up to date,
- SOE: commission scoping study on enhancing SOE transparency.



4 Approach and methodology

4.1 Introduction

Following a competitive procurement procedure, PKF Limited, working with Engaged Consulting Ltd., and Michael Barron Consulting Ltd., (collectively, "the Independent Administrator") was chosen to carry out the tasks outlined in the Terms of Reference for the Engagement dated 1 March 2022. This entailed, *inert alia*, carrying out a reconciliation of specific flows from extractive industry corporations to the government, as further explained in this section.

Cash accounting was used to perform the reconciliation.

4.1.1 Oil and gas

The TTEITI Steering Committee specified the flows to be incorporated into the report, the participants, and the levels of materiality pertaining to the reconciliation of flows emanating from the oil and gas sector. Please refer to Sections 4.2.1 and 4.2.2 for the pertinent flows, Sections 4.2.5 and 4.2.6 for the participant list, and Section 4.2.4 for the assessment of materiality.

The procedures performed did not constitute an audit or a review in accordance with generally accepted auditing standards or other attestation standards. Accordingly, we provide no opinion, attestation or other forms of assurance with respect to our work or the information upon which our work was based. We did not audit or otherwise verify the information supplied to us in connection with this engagement, from whatever source, except as may be specified in this report. Our work was limited to the specific procedures and analyses described herein and was based only on the information made available through 29 September 2023. As a result, data collected after this point that may have had an impact on the conclusions presented in the study might not have been taken into account. We spoke with the individuals named in this report's Annex A, all of whom have some responsibility in relation to reporting within the oil and gas industry. Additionally, we reviewed pertinent laws and other reports created for earlier periods. Our analysis was not intended to find or make public fraud, defalcations, or other abnormalities. No procedures were followed to confirm the legitimacy of the authorizing signatures on any document reviewed. Only payments made by the specified participants and listed as having been received by the Ministry of Energy and Energy Industries (MEEI), the Ministry of Finance – Inland Revenue Division (MOF-IRD), and the Ministry of Finance – Investment Division (MOF-Inv) have been included in this report. Also included in this report are specific payments made to the NGC Pipeline Company Limited for the use of its infrastructure for transportation.

4.1.2 Mining

The TTEITI Steering Committee continued with its pilot project which initially incorporated five (5) participants in the mining sector into its reconciliation process.

Seven (7) mining industry participants were included in the TTEITI Steering Committee's reconciliation process as it continued its pilot project. The particular payments paid by those participants and acknowledged as having been received by MEEI and MOF-IRD are included in this report. The TTEITI Steering Committee, with input from the IA, decided on the precise processes and structure of the Reporting Template.



4.2 Scoping study and materiality

4.2.1 Flows in scope – Oil and Gas

The following flows were determined by the TTEITI Steering Committee Materiality Determinations as being in scope and were required to be reconciled.

Table 4-1 Flows in scope

Key	
	Included in scope, disclosed and reconciled
	Included in scope and disclosed, but not reconciled
	Not included in scope

Category of flow	
1	Royalty for Gas and Crude Oil
2	Minimum Rent E&P (Surface rental fees)
3	PSC Minimum Hectare Payment (Annual License/Hectare Acreage payments)
4	PSC Share of Profits
5	Petroleum Impost
6	Petroleum Production Levy
7	Other payments under PSC - Training Fees
8	Other payments under PSCs - R&D Fees
9	Other payments under PSCs - Administration Fees
10	Petroleum Profits Tax (PPT)
11	Supplemental Petroleum Tax (SPT)
12	Unemployment Levy
13	Green Fund Levy
14	Withholding Tax on Dividends
15	Withholding Tax on Branch Profits Deemed Remittance
16	Dividends (paid by NGC and Heritage)
17	Insurance Premium Tax for Foreign Policies
18	Corporation Tax
19	Business Levy
20	Signature Bonuses
21	Bidding Fees
22	Production bonuses
23	Abandonment Provision – Payments into Environmental Escrow Account
24	Fees for assignment of PSCs
25	PSCs Holding Fee
26	Payments in-kind Flows
27	PSC Tax Settlements
28	Social Payments
29	Transportation Revenue
30	Infrastructure Provision
31	Withholding Tax on Loan Interest
32	Royalty for minerals



33	Working Interest & Overriding Royalty Interest to State Companies
34	Pay-As-You-Earn (PAYE)
35	Import Duties

4.2.2 Flows in scope – Mining

Having considered the material flows within the mining sector and its experience from the previous year’s report, the Steering Committee determined the flows that would be relevant for reporting. These would include corporation tax, green fund levy, business levy, interest and royalties for minerals.

4.2.3 Selected government entities

The following government entities were selected, being those receiving the selected flows.

Table 4-2 Selected government agencies

Government entities	
1	Ministry of Energy and Energy Industries (MEEI)
2	Ministry of Finance – Investment Division (MOF-Inv)
3	Ministry of Finance – Inland Revenue Division (MOF-IRD)

4.2.3.1 MEEI

MEEI provided the following:

- A template of amounts received from oil and gas sector participants for each payment types in both US dollars and TT dollars, showing the dates of payment, and, where relevant, receipt numbers,
- A template of amounts received from mining sector participants for each payment types in both US dollars and TT dollars, showing the dates of payment, and, where relevant, receipt numbers,
- Data on monthly production of oil and gas as reported by participants within the oil and gas industry,
- Data on annual production of minerals and aggregate as reported by participants within the mining sector,
- Escrow balances.

Reconciliation questions were readily addressed and where applicable, amendments agreed.

4.2.3.2 MOF-Investment Division

MOF-Inv provided copies of correspondence evidencing dividend payments received from SOE participants in the oil and gas sector, as well as completed templates showing such dividends.

4.2.3.3 MOF Inland Revenue Division

MOF-IRD provided the following:

- A template of amounts received from oil and gas sector participants for each payment types in both US dollars and TT dollars, showing the dates of payment, and, where relevant, receipt numbers,



- A template of amounts received from mining sector participants for each payment types in both US dollars and TT dollars, showing the dates of payment, and, where relevant, receipt numbers.

Section 4(1) and 4(2) of the Income Tax Act reads:

'...4. (1) Every person having any official duty or being employed in the administration of this Act shall regard and deal with all documents, information, returns, assessment lists, and copies of such lists relating to the income or items of the income of any person, as secret and confidential, and shall make and subscribe a declaration in the form prescribed to that effect before a Magistrate.

(2) Any person having possession of or control over any document, information, returns, or assessment lists or copies of such lists relating to the income or items of income of any person who at any time communicates or attempts to communicate such information or anything contained in such documents, returns, lists or copies to any person— (a) other than a person to whom he is authorised by the President to communicate it; or (b) otherwise than for the purposes of this Act or any other written law administered by the Board, is guilty of an offence...'

These clauses prohibited the MOF-IRD from providing the listed templates directly to the Independent Administrator (IA). On 10 May 2023, a handing-over process was conducted at the offices of the Ministry of Energy and Energy Industries, where the MOF-IRD presented participants with their completed templates, and these were immediately handed to the IA. There was no opportunity for alteration of the information provided by the MOF-IRD. Electronic copies of the MOF-IRD templates were later provided by the IA to the participants.

For those participants who did not attend the handing-over process on the said date, the MOF-IRD submitted electronic copies to the company officials for onward submission to the IA. All participants provided completed templates before they received templates from MOF-IRD. There was no evidence to suggest that the participants altered their templates to fall in line with the reports submitted by MOF-IRD. Nonetheless, the participant's role as the intermediary for the MOF-IRD templates before submission to the IA risks undermining the independence of the data sources for the IA's reconciliation procedure.

This issue is the subject of the recommendation in Section 8.1.7.

4.2.4 Materiality

At its 89th Technical Sub-Committee Meeting held on 17 May 2023, the proposed approach to determining materiality as outlined in the Guidance Notes was presented to the Steering Committee for their agreement in principle, and this approach was approved. More specifically, that approval included the use of MEEI and MOF-IRD revenue data to determine a threshold, using an Aggregate Payment Threshold approach. Also, at its 90th Technical Sub-Committee Meeting held on 16 June 2023, the materiality determination was presented to the members, who performed an in-depth analysis and discussion, and then agreed unanimously to set the threshold for materiality to TT\$2 million. At the Steering Committee's 153rd meeting held on 20 July 2023, this materiality document was presented to the members in detail and there was unanimous agreement that this would form the final materiality determination for the 9th TTEITI Report.

The papers setting out the materiality decision of the TTEITI Steering Committee for FY2021 are included as Annex C.

4.2.5 Selected companies – Oil and gas

The TTEITI Steering Committee's Materiality Determinations for 2021 stated:



“The application of the criteria outlined above resulted in the inclusion of 51 companies in the 9th TTEITI Report for Fiscal 2020-2021, either because of crossing the threshold or because they agreed to report given that they were part of the process for the first TTEITI Report”

Those 51 companies are listed below.

Table 4-3 Selected companies – Oil and gas

Company	
1	Amoco Trinidad Gas BV Trinidad Branch
2	BP Trinidad and Tobago LLC Trinidad Branch
3	BP Exploration Operating Company Limited - Trinidad Branch
4	BP Alternative Energy Trinidad and Tobago Limited
5	BP Trinidad Processing Limited
6	BG International Limited
7	Shell Trinidad and Tobago Limited
8	Trinling Limited
9	BG 2/3 Investments Limited
10	Shell Gas Supply Trinidad Limited
11	Shell Trinidad Central Block Limited
12	Point Fortin LNG Exports Limited
13	Shell Trinidad 5A Limited
14	Shell Trinidad and Tobago Resources SRL
15	Shell Trinidad Block E Limited
16	Shell Trinidad North Coast Limited
17	Woodside Energy (Trinidad-2C) Limited
18	Woodside Energy (Trinidad Block -3A) Limited
19	Woodside Energy (Trinidad Block 14) Limited
20	Woodside Energy (Trinidad Block 23A)
21	Woodside Energy (Trinidad Block 3) Limited
22	Woodside Energy (Trinidad Block 5) Limited
23	Woodside Energy (Trinidad Block 6) Limited
24	Woodside Energy (Trinidad Block 23B) Limited
25	Woodside Energy (Trinidad Block 28) Limited
26	Woodside Energy (Trinidad Block 29) Limited
27	De Novo Energy Block 1A Ltd
28	EOG Resources Trinidad 4(A) Unlimited
29	EOG Resources Trinidad Limited
30	EOG Resources Trinidad- U(A) Block Limited
31	EOG Resources Trinidad U(B) Block Unlimited
32	Lease Operators Limited
33	The National Gas Company of Trinidad and Tobago
34	NGC E&P Investments (Netherlands) B.V.
35	NGC Pipeline Company Limited
36	Trinidad and Tobago LNG Limited
37	Perenco T&T Limited



38	Repsol Angostura Limited
39	Primera Oil & Gas Limited
40	Touchstone Exploration (Trinidad) Ltd
41	Heritage Petroleum Company Limited
42	Oilbelt Services Limited
43	Trinity Exploration and Production (Trinidad and Tobago) Limited
44	Trinity Exploration and Production (Galeota) Limited
45	Hydrocarb Trinidad Limited
46	CEG Goudron Trinidad Limited
47	CEG Bonasse Trinidad Limited
48	CEG Inniss- Trinity Trinidad Ltd
49	CEG Icacos T'dad Ltd
50	Petroleum Contracting Services Limited
51	A&V Oil & Gas Limited

Of the entities listed, five (5) are SOEs:

Table 4-4 State-Owned Entities – Oil and Gas

Company	
1	The National Gas Company of Trinidad and Tobago
2	NGC E&P Investments (Netherlands) B.V.
3	NGC Pipeline Company Limited
4	Trinidad and Tobago LNG Limited
5	Heritage Petroleum Company Limited

Of the entities listed, no activity was provided by the following:

Table 4-5 Companies providing no information – Oil and Gas

Company	
1	Petroleum Contracting Services Limited
2	A&V Oil & Gas Limited

Of the entities listed, no information was received from MOF-IRD:

Company	
1	Woodside Energy (Trinidad Block 23B) Limited
2	Woodside Energy (Trinidad Block 28) Limited
3	Woodside Energy (Trinidad Block 29) Limited
4	CEG Bonasse Trinidad Limited
5	CEG Inniss- Trinity Trinidad Ltd
6	CEG Icacos T'dad Ltd

Having received information provided by the participant and the MOF-IRD, reconciliations of flows were prepared for the following forty-three (43) companies:



Company	
1	Amoco Trinidad Gas BV Trinidad Branch
2	BP Trinidad and Tobago LLC Trinidad Branch
3	BP Exploration Operating Company Limited - Trinidad Branch
4	BP Alternative Energy Trinidad and Tobago Limited
5	BP Trinidad Processing Limited
6	BG International Limited
7	Shell Trinidad and Tobago Limited
8	Trinling Limited
9	BG 2/3 Investments Limited
10	Shell Gas Supply Trinidad Limited
11	Shell Trinidad Central Block Limited
12	Point Fortin LNG Exports Limited
13	Shell Trinidad 5A Limited
14	Shell Trinidad and Tobago Resources SRL
15	Shell Trinidad Block E Limited
16	Shell Trinidad North Coast Limited
17	Woodside Energy (Trinidad-2C) Limited
18	Woodside Energy (Trinidad Block -3A) Limited
19	Woodside Energy (Trinidad Block 14) Limited
20	Woodside Energy (Trinidad Block 23A)
21	Woodside Energy (Trinidad Block 3) Limited
22	Woodside Energy (Trinidad Block 5) Limited
23	Woodside Energy (Trinidad Block 6) Limited
24	De Novo Energy Block 1A Ltd
25	EOG Resources Trinidad 4(A) Unlimited
26	EOG Resources Trinidad Limited
27	EOG Resources Trinidad- U(A) Block Limited
28	EOG Resources Trinidad U(B) Block Unlimited
29	Lease Operators Limited
30	The National Gas Company of Trinidad and Tobago
31	NGC E&P Investments (Netherlands) B.V.
32	NGC Pipeline Company Limited
33	Trinidad and Tobago LNG Limited
34	Perenco T&T Limited
35	Repsol Angostura Limited
36	Primera Oil & Gas Limited
37	Touchstone Exploration (Trinidad) Ltd
38	Heritage Petroleum Company Limited
39	Oilbelt Services Limited
40	Trinity Exploration and Production (Trinidad and Tobago) Limited
41	Trinity Exploration and Production (Galeota) Limited
42	Hydrocarb Trinidad Limited
43	CEG Goudron Trinidad Limited



4.2.6 Selected companies – Mining

The MSG Steering Committee, at its 111th Meeting held on 16 January 2020, agreed to reconcile five (5) mining companies on a pilot basis without determining a materiality threshold, and has retained this position for the 9th TTEITI Report. For the 9th Report an additional company agreed to report along with one of its subsidiaries.

The seven (7) pilot companies selected to participate in the report are set out in Table 4-6.

Table 4-6 Selected companies – Mining

Company	
1	Trinidad Cement Limited
2	Hermitage Limestone Limited
3	FW Hickson & Co Ltd
4	Lake Asphalt Trinidad & Tobago (1978) Limited (SOE)
5	National Quarries Company Limited (SOE)
6	Estate Management and Business Development Company Limited
7	Readymix W.I Limited

Of the entities listed, three (3) are SOEs:

Table 4-7 State-Owned Entities – Mining

Company	
1	Lake Asphalt Trinidad & Tobago (1978) Limited (SOE)
2	National Quarries Company Limited (SOE)
3	Estate Management and Business Development Company Limited

Of the entities listed, no activity was reported for the following:

Table 4-8 Companies reporting no activity – Mining

Company	
1	FW Hickson & Co Ltd

4.2.6.1 Trinidad Cement Limited (TCL)

Trinidad Cement Limited is a Trinidad and Tobago-based, limited liability company that has its registered office on Southern Main Road in Claxton Bay. According to its 2021 Annual Report (<https://www.stockex.co.tt/news/trinidad-cement-limited-annual-report-2021/>), it manufactures and sells cement, concrete and aggregates, and is the parent company of several subsidiary firms, including Readymix (West Indies) Limited, TCL Packaging Limited, TCL Ponsa Manufacturing Limited; TCL Leasing Limited, RML Property Development Limited, Caribbean Cement Company Limited, Rockfort Mineral Bath Complex Limited, Arawak Cement Company Limited, TCL Trading Limited, TCL (Nevis) Limited, TCL Guyana Inc., Arawak Concrete Solutions Limited, TTLI Trading Limited, TCL (Grenada) Limited and TGI Concrete Solutions Inc. It is a subsidiary of Sierra Trading, whose parent company is CEMEX, S.A. de C.V., a public stock corporation with variable capital incorporated under Mexican law and whose shares are listed on both the Mexican Stock Exchange and the New York Stock Exchange. Apart from Sierra Trading (CEMEX S.A. de C.V.), the National Insurance Board of Trinidad and Tobago has a substantial interest in Trinidad Cement Limited – substantial interest being 5% of more of the issued share capital of the company.



4.2.6.2 Hermitage Limestone Limited

According to its website (<http://hermitagelimestone.com/#home>), Hermitage Limestone Limited (HLL) is a privately owned company incorporated on 17 September 1999 within the Republic of Trinidad and Tobago. Its registered office is at 6 Mile Mark, Heights of Guanapo Road, Arima, Trinidad. HLL privately owns 42 hectares of land at this address on which it operates a blue limestone quarry and processing site as its primary business activity. HLL produces high-end quality blue limestone aggregate products which it predominantly supplies to construction contractors within Trinidad and Tobago. HLL's products are mainly used for shore erosion protection, road sub-base, base course, asphalt, ready-mixed concrete, concrete blocks, agriculture, landscaping and architecture.

4.2.6.3 FW Hickson & Co Ltd

According to TTEITI's website (<https://www.tteiti.com/register-beneficial-ownership/fw-hickson-co-ltd>), this privately owned company was incorporated in Trinidad and Tobago and has its registered office at 222 Hosein Street, Lopinot Road, Arouca. However, the licence expired and there is an ongoing legal dispute over the private mineral rights.

4.2.6.4 Lake Asphalt Trinidad and Tobago (1978) Limited

According to TTEITI's website (<https://www.tteiti.com/register-beneficial-ownership/lake-asphalt>), Lake Asphalt Trinidad and Tobago (1978) Limited is a wholly owned state enterprise charged with the commercial development of the world's largest deposit of natural asphalt. Its registered office is in Brighton, La Brea.

The company has access to the Pitch Lake via a non-exclusive lease agreement with the Government of the Republic of Trinidad and Tobago – its sole shareholder. Its quarry covers 44.1117 Hectares.

The company has a fully owned subsidiary, Trinidad Asphalt Corporation of America, which was incorporated under the laws of the United States of America.

4.2.6.5 National Quarries Company Limited

According to TTEITI's website (<https://www.tteiti.com/register-beneficial-ownership/naional-quarries>), National Quarries Company Limited is a leading producer of aggregate committed to meeting the diverse needs of an expanding economy and a people committed to progress. According to its website (<http://ngcl.co.tt/>), National Quarries Company Limited is a fully State-Owned Company set up by the Government of the Republic of Trinidad & Tobago in February 1979 and its principal activities are quarrying and mining of sand, gravel and limestone at Turure in Valencia and at Verdant Vale in Blanchisseuse.

4.2.6.6 Estate Management and Business Development Company Limited (EMBD)

The EMBD is a limited liability company, formed in August 2002 and is owned by the Government of Trinidad and Tobago. Its activities include residential, agricultural and quarry management. According to its website (<http://embdt.org/embd-projects/quarry-management/>), it presently oversees two (2) quarries located at the Esperanza Estate which was formerly managed by Caroni (1975) Limited. The operating quarries are located at Coco Road and Windsor Park. The stone quarry is located in the Guaracara area of Williamsville. The sand quarries supply backfill material and red sand for plastering. The Guaracara yellow stone is mostly used as a sub-base for road construction. EMBD has two locations – one on Coco Road, off Cedar Hill Road in Claxton Bay and one on Indian Trail Road in Couva. Together, they cover 114.9332 hectares.



4.2.6.7 Readymix (West Indies) Limited

Readymix (West Indies) Limited was incorporated in 1961. Its primary activities are the manufacture and sale of pre-mixed concrete, the winning and sale of sand and gravel (aggregates) in accordance with ISO 9001:2015 Standards, and participation in other ventures that promote the utilisation of concrete and aggregates. In 1995, Trinidad Cement Limited (TCL) acquired majority ownership of the company. According to the 2021 Annual Report of Trinidad Cement Limited (<https://www.stockex.co.tt/news/trinidad-cement-limited-annual-report-2021/>), the shares of Readymix (West Indies) Limited were delisted from the TTSE on 31 December 2018 and the company deregistered as a reporting issuer of the Trinidad and Tobago Securities and Exchange Commission on 29 December 2020.

4.2.7 Assessment of coverage - Companies

Requirement 4.9 of the EITI Standard 2019 states that:

“All oil, gas and mining companies making material payments to the government are required to comprehensively disclose these payments in accordance with the agreed scope. A company should only be exempted from disclosure if it can be demonstrated that its payments are not material.”

A Memorandum of Understanding expressing consent to participate in EITI reporting must be signed by all participants. Participation is entirely voluntary. The Government of the Republic of Trinidad and Tobago (GoRTT) cannot enforce compliance. Therefore, some level of encouragement and moral suasion is required.

Due to the voluntary nature of participation, companies may not be included in the report due to their refusal to cooperate. The IA does not have access to the firm data maintained by the MOF-IRD and therefore is stymied in determining whether additional extractive industries businesses generate sufficient significant revenues for GoRTT and ought to be asked to participate. The grouped information from the MoF-IRD and provided to the IA by the TTEITI would suggest that, 99.93% of the revenue collected was provided by EITI reporting entities. However, for the mining sector, the percentage was just 28% which is a reasonable quantum for a pilot project. Certainly, this does not reveal unlicensed mining entities which may not be contributing taxes on account of the illegal nature of their operations. Revenue data from the mining sector is given in the table below.

Table 4-9 Assessment of coverage – mining companies

Royalties payable (TT\$ m)	Royalties paid (TT\$ m)
8.9	2.3

Private companies are not required to conduct an audit or to make their financial information publicly available. Therefore, the IA was unable to authenticate or corroborate data thus provided.

4.2.7.1 A and V Oil and Gas Limited

A and V Oil and Gas Limited has a ten-year Enhanced Production Service Contract with Trinidad Petroleum Holdings Limited for the purchase of crude oil. It operates the Catshill Block comprising the Catshill Field, as well as the Moruga East Block comprising the Moruga East Field under an Incremental Production Service Contract Arrangement with Heritage Petroleum Company Limited. Although this entity entered into an MOU with the MEEI to participate in the EITI Report, and although this company agreed to participate, it did not.



4.2.7.2 Petroleum Contracting Services Limited

Petroleum Contracting Services Limited is located on Gowers Well Road in Fyzabad and it is engaged in onshore drilling and workover. It operates the South Quarry Block comprising Palo Seco (formerly owned by Trintopec), Quarry and Los Bajos Fields under a Lease Operator agreement (WD-16). According to its website at <https://petroleumtrinidad.com/>, Petroleum Contracting Services Ltd is a locally owned and operated company in Trinidad. Based in Fyzabad (South Trinidad), the company operates a leased block at Santa Flora (WD-16) and has expanded its operations into the Drilling and Heavy Work-Over Services. Petroleum Contracting Services Limited agreed to participate in the 9th TTEITI report. However, the requested information has not been provided.

4.2.7.3 Trinity Group

Other than the specific participants listed among those selected by the Steering Committee, Trinity has the following locally-registered subsidiaries:

- i. Trinity Exploration and Production (Erin 1) Ltd - (Oil and Gas)
- ii. Trinity Exploration and Production (Erin 2) Ltd - (Oil and Gas)
- iii. Trinity Exploration and Production (Forest 1) Ltd - (Oil and Gas)
- iv. Trinity Exploration and Production (Forest 2) Ltd - (Oil and Gas)
- v. Trinity Exploration and Production (Forest 3) Ltd - (Oil and Gas)
- vi. Trinity Midstream Ltd - (Oil and Gas)
- vii. Trinity Renewable Resources Ltd - (Oil and Gas)

Consideration should be given to including these entities in future EITI reports. See recommendation 8.3.1.h below.

4.2.7.4 Repsol Group

Employees from Repsol Angostura Limited were transferred to Repsol Exploration Tobago SA in September 2021 (following the start of the liquidation process of Repsol Angostura Limited). Prior to this, there were no employees, and this entity was used to record Repsol's share (30%) of a JV held with Amoco Trinidad Gas BV which had no activity (other than fulfilling obligations as per the PSC) following sanctions impacting development of the Manakin Block. Repsol Exploration Tobago SA should be included in future EITI reports.

4.2.7.5 NGC Group

Other than the specific participants listed among those selected by the MSG Steering Committee, NGC included in their reporting, a locally registered subsidiary - NGC E&P (Netherlands) BV. No payments have been reported for this entity.

4.2.8 Assessment of coverage - Payments

4.2.8.1 Payments to MOF-IRD

Total receipts from the extractive sector, as reported by MOF-IRD to the TTEITI Secretariat, are shown below:



*Table 4-10 Assessment of coverage – Payments to MOF-IRD - Oil & Gas 2021**

Tax Type	2021	
	Total Collections (TT\$)	Percentage
Supplemental Petroleum Tax	544,847,345	15.31%
Petroleum Profits Tax	2,287,783,074	64.30%
Unemployment Levy	285,482,183	8.02%
Corporation Tax	129,574,133	3.64%
Green Fund Levy	128,836,722	3.62%
Business Levy	123,894,215	3.48%
Withholding Tax on Dividends	32,067,188	0.90%
Withholding Tax on Branch Profits	20,031,980	0.56%
Insurance Premium Tax	1,285,701	0.04%
Interest	2,853,093	0.08%
Penalties	1,558,682	0.04%
TOTAL	3,558,214,316	100.00%

Table 4-11 Assessment of coverage – Split of payments to MOF-IRD – Oil & Gas 2021

Tax Type	Collections Non-EITI Companies (TT\$)	Collections EITI Companies (TT\$)*	% Related to EITI Companies
Supplemental Petroleum Tax	130,876	544,716,469	99.98%
Petroleum Profits Tax	280,627	2,287,502,447	99.99%
Unemployment Levy	108,530	285,373,653	99.96%
Corporation Tax	779,757	128,794,376	99.40%
Green Fund Levy	630,839	128,205,883	99.51%
Business Levy	385,820	123,508,395	99.69%
Withholding Tax on Dividends	0	32,067,188	100.00%
Withholding Tax on Branch Profits	0	20,031,980	100.00%
Insurance Premium Tax	0	1,285,701	100.00%
Interest	153,874	2,699,219	94.61%
Penalties	0	1,558,682	100.00%
Total	2,470,323	3,555,743,993	99.93%

*Table 4-12 Assessment of coverage – Payments to MOF-IRD - Mining 2021**

Tax Type	2021	
	Total Collections TT\$	Percentage
Corporation Tax	3,054,590	13.56%
Green Fund Levy	5,130,448	22.77%
Business Levy	12,695,149	56.35%
Withholding Tax (Dividends)	46,715	0.21%
Interest	1,585,488	7.04%
Penalties	15,000	0.07%
TOTAL	22,527,390	100.00%



Table 4-13 Assessment of coverage – Split of payments to MOF-IRD – Mining 2021

Tax Type	Collections Non-EITI Companies (TT\$)	Collections EITI Companies (TT\$)	% Related to EITI Companies
Corporation Tax	3,023,165	31,425	1.03%
Green Fund Levy	2,947,394	2,183,054	42.55%
Business Levy	8,532,650	4,162,499	32.79%
Withholding Tax on Dividends	46,715	0	0.00%
Interest	1,585,458	30	0.00%
Penalties	15,000	0	0.00%
Total	16,150,382	6,377,008	28.31%

4.2.8.2 Payments to MEEI

Total receipts from the oil and gas sector, as reported by MEEI to the TTEITI Secretariat, are shown below:

Table 4-14 Assessment of coverage – Payments to MEEI – Oil and Gas

Tax Type	2021	
	Total Collections (TT\$)	Percentage
Royalty	1,812,333,341	34.07%
Minimum Rent – E&P	145,128,556	2.73%
PSC Minimum Hectare Payments	46,660,803	0.88%
Petroleum Production Levy	194,252,343	3.65%
Petroleum Impost	128,528,845	2.42%
PSC Share of Profits	2,718,754,444	51.12%
Signature Bonus	20,334,600	0.38%
Other PSC Payments *	252,756,649	4.75%
TOTAL	5,318,749,581	100.00%

* Other PSC Payments refer to Administrative Charge, Training, R&D, Production Bonus, Technical Assistance, Scholarships, PSC Holding Fee and other payments under PSC

Table 4-15 Assessment of coverage – Split of payments to MEEI – Oil & Gas 2021

Tax Type	Collections Non-EITI Companies TT\$	Collections EITI Companies TT\$*	% Related to EITI Companies
Royalty	1,427,292	1,810,906,734	99.92%
Minimum Rent – E&P	0	145,128,556	100.00%
PSC Minimum Hectare Payments	0	46,660,803	100.00%
Petroleum Production Levy	0	194,252,343	100.00%
Petroleum Impost	11,278	128,517,567	99.99%
PSC Share of Profits	0	2,718,754,444	100.00%
Signature Bonus	0	20,334,600	100.00%
Other PSC Payments *	50,237	252,706,412	99.98%
TOTAL	1,488,122	5,317,261,459	99.97%



4.2.8.3 Overview of coverage achieved

The receipts provided by MEEI, MOF-IRD and MOF-Inv for EITI Reporting Companies were amended by reconciliation adjustments as follows:

Table 4-16 Overview of coverage 2021 - Oil and Gas

	Initially Reported (TT\$)	Amended after Reconciliation procedures (TT\$)	TT\$ change	% change
MOF-IRD	3,448,833,941	3,628,985,218	180,151,277	5.22%
MEEI*	5,302,266,031	5,622,440,745	320,174,714	6.04%
Sub total	8,751,099,972	9,251,425,963	500,325,991	5.72%
MOF-Inv	109,705,282	109,705,282	0	0.00%
Total	8,860,805,254	9,361,131,245	500,325,991	

*This includes abandonment charges

4.3 Methodology

4.3.1 Data collection

Most oil and gas sector participants provided soft copy templates to the Independent Administrator, each with a signed declaration of accuracy and completeness. Participant templates were not received from the following participants:

50	Petroleum Contracting Services Limited
51	A&V Oil & Gas Limited

In the mining sector, the following participants provided soft copy templates to the Independent Administrator, each with a signed declaration of accuracy and completeness:

1	Trinidad Cement Limited
2	Hermitage Limestone Limited
3	FW Hickson & Co Ltd
4	Lake Asphalt Trinidad & Tobago (1978) Limited (SOE)
5	National Quarries Company Limited (SOE)
6	Estate Management and Business Development Company Limited
7	Readymix W.I Limited

The MOF-IRD provided hard-copied templates to most participants at a location organised by the TTEITI. These templates were immediately transferred to the IA. Those participants who were not present at the physical hand-over session, were provided with an electronic copy of their templates for immediate electronic transfer to the IA. MOF-IRD templates were not received from the following participants within the oil and gas sector:

9	BG 2/3 Investments Limited (No payments made according to the participant's template)
24	Woodside Energy (Trinidad Block 23B) Limited
25	Woodside Energy (Trinidad Block 28) Limited
26	Woodside Energy (Trinidad Block 29) Ltd
47	CEG Inniss-Trinity Trinidad Limited



48	CEG Bonasse Trinidad Limited
49	CEG Icacos Trinidad Limited
50	Petroleum Contracting Services Limited
51	A&V Oil & Gas Limited

MOF-IRD templates were not received from the following participants within the mining sector:

3	FW Hickson & Co Ltd (No direct MOF-IRD payments according to participant's template)
----------	--

The following participants within the oil and gas sector provided electronic copies of their individual audited financial statements:

7	Shell Trinidad and Tobago Limited
8	Trinling Limited
13	Shell Trinidad 5A Limited
15	Shell Trinidad Block E Limited
17	Woodside Energy (Trinidad-2C) Limited
18	Woodside Energy (Trinidad Block -3A) Limited
19	Woodside Energy (Trinidad Block 14) Limited
20	Woodside Energy (Trinidad Block 23A)
21	Woodside Energy (Trinidad Block 3) Limited
22	Woodside Energy (Trinidad Block 5) Limited
23	Woodside Energy (Trinidad Block 6) Limited
27	De Novo Energy Block 1A Ltd
28	EOG Resources Trinidad 4(A) Unlimited
29	EOG Resources Trinidad Limited
30	EOG Resources Trinidad- U(A) Block Limited
31	EOG Resources Trinidad U(B) Block Unlimited
32	Lease Operators Limited
33	The National Gas Company of Trinidad and Tobago
34	NGC E&P Investments (Netherlands) B.V.
35	NGC Pipeline Company Limited
36	Trinidad and Tobago LNG Limited
41	Heritage Petroleum Company Limited
42	Oilbelt Services Limited
44	Trinity Exploration and Production (Galeota) Limited
45	Hydrocarb Trinidad Limited
46	CEG Goudron Trinidad Ltd

The following participants within the oil and gas sector provided audited consolidated financial statements of the group to which they belong:

1	Amoco Trinidad Gas BV Trinidad Branch
2	BP Trinidad and Tobago LLC Trinidad Branch
6	BG International Limited
9	BG 2/3 Investments Limited
10	Shell Gas Supply Trinidad Limited



11	Shell Trinidad Central Block Limited
12	Point Fortin LNG Exports Limited
14	Shell Trinidad and Tobago Resources SRL
16	Shell Trinidad North Coast Limited
39	Primera Oil & Gas Limited
40	Touchstone Exploration (Trinidad) Ltd
43	Trinity Exploration and Production (Trinidad and Tobago) Limited

The following participants within the oil and gas sector did not provide electronic copies of either their individual or their consolidated financial statements:

3	BP Exploration Operating Company Limited - Trinidad Branch
4	BP Alternative Energy Trinidad and Tobago Limited
5	BP Trinidad Processing Limited
37	Perenco T&T Limited
38	Repsol Angostura Limited

The following entities, which did not participate in the reconciliation process by virtue of the absence of information from either the participant or the MOF-IRD, were not required to provide their financial statements:

24	Woodside Energy (Trinidad Block 23B) Limited
25	Woodside Energy (Trinidad Block 28) Limited
47	CEG Bonasse Trinidad Limited
48	CEG Inniss- Trinity Trinidad Ltd
49	CEG Icacos T'dad Ltd
50	Petroleum Contracting Services Limited
51	A&V Oil & Gas Limited

Within the mining industry, the following participants provided their audited financial statements:

1	Trinidad Cement Limited
7	Readymix W.I. Limited

The following participants within the mining sector did not provide their financial statements:

2	Hermitage Limestone Limited
3	FW Hickson & Co Ltd
4	Lake Asphalt Trinidad & Tobago (1978) Limited (SOE)
5	National Quarries Company Limited (SOE)
6	Estate Management and Business Development Company Limited

See Annex D for details of audited financial statements provided by companies.



4.3.2 Templates used in the 2021 reconciliation

The Steering Committee approved data collection templates at the 147th Steering Committee Meeting held on 19 January 2023. The Secretariat then issued templates to companies and government agencies participating in the 2021 reconciliations for completion on 8 February 2023.

4.3.3 Level of disaggregation (Requirement 4.7)

The EITI Standard requires that *“the multi-stakeholder group should agree the level of disaggregation for the publication of data...and that EITI data is presented by individual company, government entity and revenue stream”*.

The Steering Committee decided that data should be reported and published at an individual company level and for each government entity, analysed by flow.

On 17 August 2017, the SC agreed to the following definition of project level reporting:-

“A project is defined in line with the Canada ESTMA, EU Directives and US SEC rules, which all essentially define a project to be taken as:

the operational activities that are governed by a single contract, licence, lease, concession, or similar legal agreement and form the basis for payment liabilities with a government, and if multiple such agreements are substantially interconnected, they would be considered a single project”.

“Substantially interconnected” means forming a set of operationally and geographically integrated agreements (e.g. contracts, licences, etc.) with substantially similar terms that are signed with a government, resulting in payment liabilities.”

Based on the definition all licenses and production sharing contracts in Trinidad & Tobago are reported on as projects.

4.3.4 Elements of work of the Independent Administrator

The IA performed reconciliations of information provided by the various reporting entities utilising the following strategy:

- The IA created specially designed spreadsheets and populated them with the 2021 information provided by the following:
 - Participating entities directly to the IA,
 - MOF-IRD to the participating entities, for onward transmission to the IA,
 - MEEI directly to the IA,
 - MOF-Inv directly to the IA.
- Information from all entries was compared, and queries were sent to MEEI or the participants for clarification,
- Where differences suggested an omission by MEEI, the apparent omission was discussed with both the participant and MEEI to determine its authenticity, and to allow either party the opportunity to acknowledge the error,
- Where differences suggested an omission by MOF-IRD, the participant was asked to provide documentation to support the omission,
- In most cases, documentation was submitted via soft medium,
- The participant's side of the reconciliation was altered when documentation was submitted instructing MEEI to make certain payments, such as royalties, but where there was no proof of such an order or of payments actually being made,



- Where the participant gave directives to other governmental entities e.g. for the offset of outstanding VAT against SPT, but where no evidence of acknowledgement of agreement so to do, the participant's side of the reconciliation was adjusted,
- Where necessary, virtual meetings were held with the participants and MEEI to resolve differences. Where such meetings were impracticable, issues were resolved in writing using an appropriate virtual medium.

4.4 Mainstreaming and data collection

4.4.1 Mainstreaming

The EITI Standard 2016 encouraged implementing countries to prepare mainstream data available on existing government and corporate online sources. The EITI Standard 2019 built on this foundation leading to scoping studies into barriers to systematic disclosure and action plans to address these barriers.

“EITI Mainstreaming is about encouraging and recognising countries that make transparency an integral feature of their governance and management of the extractive industries. EITI implementing countries are increasingly making the information required by the EITI Standard available through government and corporate reporting systems (databases, websites, annual reports, portals etc). This helps to ensure that this data is timely, reliable and accessible. In 2016 the EITI Standard was revised to encourage these efforts. This action plan outlines activities to be undertaken by the EITI International Secretariat, working together with supporting organisations, to accelerate the trend toward mainstreaming.”

EITI, Towards Mainstreaming Action Plan, 2016¹

Mainstreaming is part of ongoing efforts to improve the timeliness of EITI reporting, by providing direct access to systematically disclosed data outside of the regular annual EITI process. However, mainstreamed data remains an important element of an EITI Report, in order to ensure that it provides a holistic view of the extractives sector and its impact.

Systematic disclosure is also important in building public trust.

In line with the ongoing approach taken by TTEITI, where data is available online, this report provides links to the location of that data rather than embedding it in the report, unless that data is vital in understanding a wider aspect of analysis. Based on the TTEITI Report summary data template, Trinidad & Tobago systematically discloses 47% (40% for the 2019/2020 report) of information required by the EITI Standard.

4.4.2 Data collection and templates

Data collection templates for FY 2021 were approved by the Steering Committee on 19 January 2023 and issued to companies and entities shortly thereafter, with the instruction that they be submitted directly to the Independent Administrator.

The templates issued covered most of the EITI Standard 2019, with the following exceptions.

- the quantum and value of export volumes by commodity,
- barter arrangements,
- a description of the transportation arrangements,
- the methodologies used to calculate transportation taxes, tariffs or other relevant payments,

¹ https://eiti.org/sites/default/files/attachments/2016-10-towards_mainstreaming_action_plan.pdf



- disclosure of tariff rates and volume of the transported commodities and
- Beneficial ownership. There was, however, a requirement for each participant to declare whether or not the TTEITI beneficial ownership register entry was accurate and up to date.

4.5 Reconciliation and investigation of discrepancies (EITI Requirements 4.7 and 4.1.d)

According to the agreed-upon scope, MOF-IRD, MOF-Inv, and MEEI revealed all substantial income from mining, oil, and gas companies in compliance with EITI Requirement 4.1(d). Additionally, MOF-IRD, MOF-Inv and MEEI disclosed aggregate data on the sum of all benefits received from oil and gas corporations, including revenues that did not meet predetermined materiality standards. Similar information for the mining firms was not provided by MEEI.

According to the agreed-upon parameters, selected entities in both the oil and gas and mining sectors, which made significant payments to the government, indicated the nature and quantum of such payments. Payments were appropriately disaggregated by government entity and revenue stream.

The data supplied by businesses in the oil, gas, and mining industries was compared with that provided by MEEI, MOF-IRD and MOF-Inv. When there were disagreements, all pertinent parties were asked for copies of supporting documentation and explanations where applicable, with the exception of MOF-IRD, which, due to confidentiality clauses, was debarred from communicating directly with the IA. This resulted in some errors which were allocated to MOF-IRD, not being verified with that particular entity. No differences were detected regarding information provided by MOF-Inv.

Most differences emerging from the reconciliation process were on account of one or more of the following issues:

- Transaction omissions,
- Production volumes provided rather than sales volumes,
- Inability of participants to locate source documents to support entries made by government entities,
- Letters of instructions by participants to governmental entities were taken as payments, without evidence that the payment was actually made,
- Payments of one type being classified as another,
- Transactions in one party within a group being treated as payments by another party within the same group, and
- Payments made outside the reporting period, being treated as paid within the year under review.

4.6 Reliability and credibility of data reported

The following are some of the issues which impacted the reconciliation process:

- Although many participants produced audited financial statements, the information required by template could not be easily identified from within the audited financial statements. This is because the standards that govern the preparation and presentation of audited financial statements do not specifically require the separate disclosure of the information requested by the template.
- Although many participants produced audited financial statements, some provided financial statements of the parent company, consolidated with information of many subsidiaries, not all



of which were the subject of this report. The information required by template could not be easily identified from within the audited consolidated financial statements because the preparation of the template is not a mere replication of information clearly revealed in the audited financial statements.

- The auditors of the participant's financial statements may have used materiality levels in their assurance procedures, which may have resulted in the omission of financial adjustments which to the IA may be deemed material.
- Because of the inherent limitations of an audit, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with International Standards of Auditing or International Standards of Supreme Audit Institutions. An audit is not a 100% verification process. Therefore, generating template information from the audited financial statements may result in the replication of undetected errors.
- The materiality levels utilised by the various auditing firms in the conduct of their assurance processes, may permit the omission of adjustments termed 'unadjusted misstatements' which, to the IA, may be considered material.
- The provision of template information is voluntary and the IA's demands on participants, during a time when they are inundated with current financial reporting deadlines, may result in inaccuracies and omissions, on account of the apparent lack of importance attached to these voluntary additional reporting responsibilities by some participants.
- The MOF-IRD currently is not subjected to audit by the Auditor General's department, which would have provided comfort on the balances generated from that Governmental entity.

4.6.1 Reliability and Comprehensiveness of Reconciled Financial Data

The reconciliation process required adjustments to be made to the revenue flows reported. Wherever material adjustments were required, these raised doubts about the accuracy of the preliminary data provided by those participants and governmental bodies. Those reconciliation differences existed despite all templates having been signed on behalf of the company by a responsible official of each participating entity. Similarly, the templates by MOF-IRD were signed by the Commissioner of Inland Revenue and Chairman of the Board. The existence of material inaccuracies on the templates impacted their reliability and credibility.

Where reconciliation differences were immaterial, they did not negatively impact the reliability and comprehensiveness of reconciled financial data. It was noted that no reconciliation differences were detected in relation to dividends disclosed by MOF-Inv and the relevant participant.

Notwithstanding the foregoing:

- All entities participating in this EITI report submitted templates authorised by an authorised company representative.
- Most participants provided audited or unaudited, stand-alone or consolidated financial statements for the period under review.
- Government agencies produced internally audited templates of flows received from participants in the extractive sectors.
- The IA was able to effectively reconcile flows showed by Government agencies against flows shown by participants in the extractive industry with immaterial unreconciled balances.
- All source documents required for reconciliations were provided.

Based on the above, the IA concluded the final assessment of the overall comprehensiveness and reliability of reconciled financial data from company and government agencies to be satisfactory, and that the report includes reliable and credible information on the revenues generated by the extractive sector in Trinidad and Tobago.



5 Contextual information on the extractive sectors

5.1 Overview of the extractive industries (EITI Requirement 3.1)

Natural (or extractive) resources, such as oil, gas and minerals belong to a country’s citizens. Extraction of these resources can lead to economic growth and social development. However, when poorly managed it has too often led to corruption and even conflict. More openness around how a country manages its natural resource wealth is necessary to ensure that these resources can benefit all citizens.

EITI International

The war in Ukraine continues to impact European and global energy demand while fears over a global recession and risks of banking sector contagion has affected market confidence. The performance of the Chinese economy and whether its stimulus package drives better economic performance will also impact the energy price outlook as well as the summer driving season in the United States and the increase or decrease in global air travel.

The unpredictability of events has become the norm, with supply chain ripples, energy supply and demand imbalances and changing patterns of employment occurring regularly. For Trinidad and Tobago, these global developments, understandably have impacted the country’s energy sector and economy.

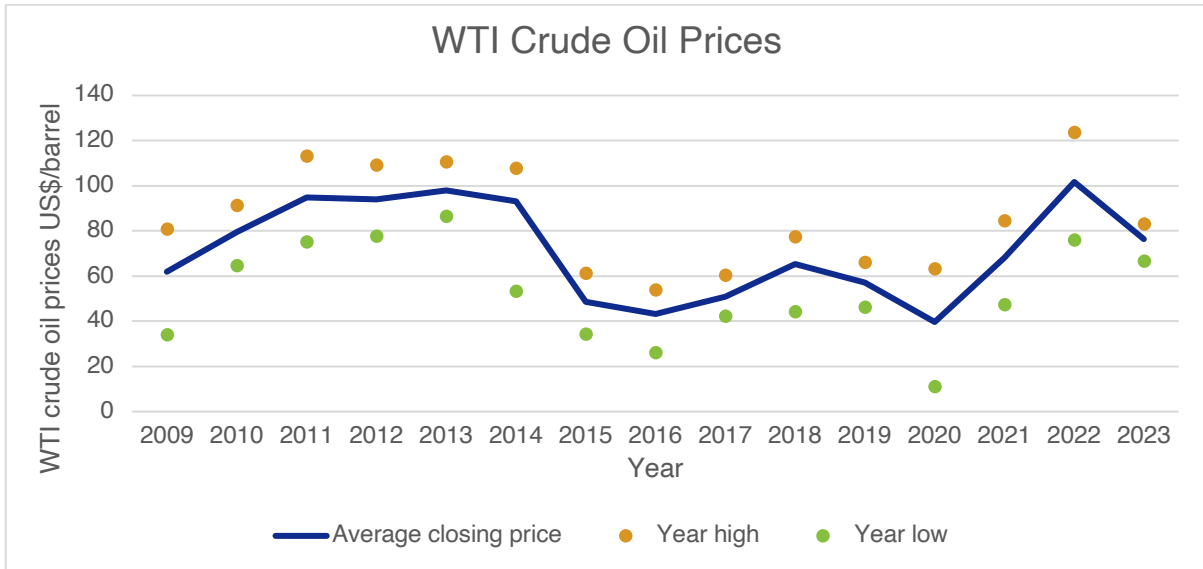
For FY2023, as of April 2023, WTI oil prices have averaged US\$79.44 per barrel compared to US\$98 in FY2022 -while Henry Hub gas prices have averaged US\$2.16 per mmBtu for the second quarter of 2023 when compared to \$7.70 per mmBtu in FY2022. Natural gas prices spiked in August 2022 at an average of \$8.79 per mmbtu which was the highest recorded since 2008. Global energy prices remained elevated between July and December 2022, primarily due to geopolitical

WTI oil and Henry Hub gas prices peaked in 2022



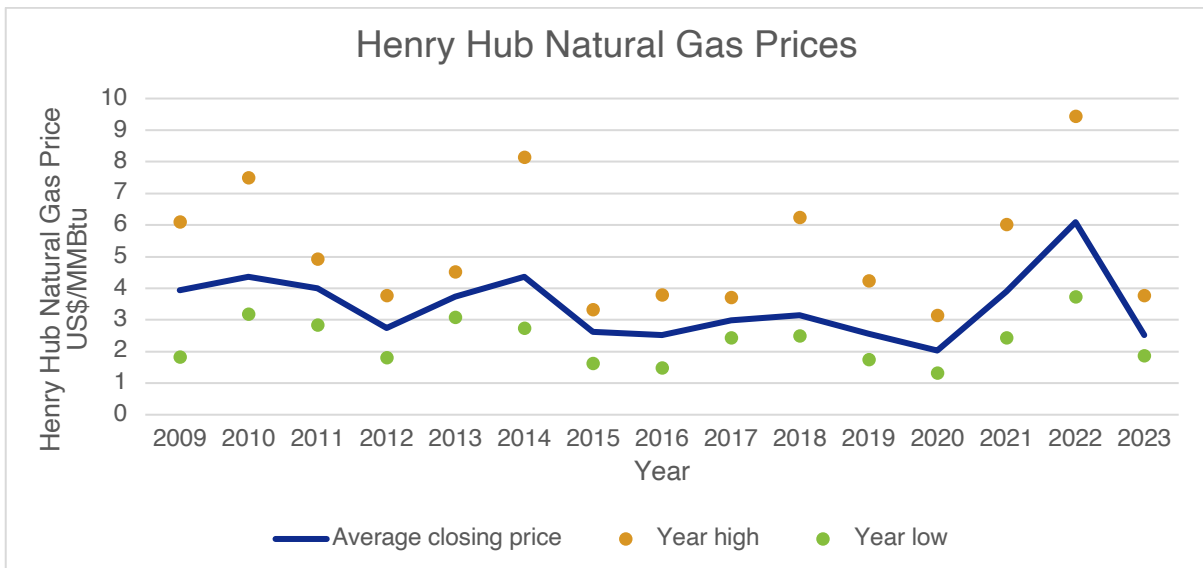
tensions. In recent months, prices began to moderate in response to slowing global economic activity. Between fiscal 2011- 2023, the royalty Government received totaled \$26.6 billion and royalty payments spiked after the royalty rate was increased to 12.5% in 2017. Royalties increased by 123% from \$1.7 billion in 2021 to \$3.8 billion in 2022. For 2023 up to September, the Government collected \$3.04 billion in royalties. In 2022, Government received the highest share of profit received in the past nine years, 9.6 billion. For 2023, up to September, the share of profit continues to be high with Government receiving \$8.2 billion.

Figure 5-1 Peaking oil and gas prices



Source: [macrotrends.net](https://www.macrotrends.net)

Figure 5-2 WTI Crude Oil Prices 2009-2023



Source: [macrotrends.net](https://www.macrotrends.net)

Figure 5-3 Henry Hub Natural Gas Prices 2009-2023

These energy commodity price moderations are likely due to a slowdown in economic activity in the US and Europe as a result of inflationary pressures and is predicted to dampen energy demands for 2023. According to a statement by the Minister of Finance, the windfall of energy revenue in 2022 was used by the GoRTT to settle debts and arrears, finance VAT refunds, reduce the budget deficit and make a deposit into the Heritage and Stabilisation Fund.

Despite this temporary surge in revenue, the local energy sector is currently facing several short, medium and long-term adjustments that will change the country's energy landscape. Some of these adjustments include:

- A change in the commercial structure of Atlantic LNG,
- A move towards liberalisation of retail fuel prices and reduction of the fuel subsidy,
- A revamp of the fiscal regime to attract more upstream investment,



- The conclusion of the nearshore bid round and finalization of negotiation and drafting of contracts for the deep water and onshore bid rounds,
- The development of the Trinidad and Tobago’s first large scale solar project.

One thing is clear is that amidst these adjustments and impactful global events and policy plans, transparency and accountability are critical. In this Trinidad and Tobago EITI report, we will reconcile payments made by oil, gas and mining companies to Government and provide recommendations to improve revenue collection, data management and audit and assurance. The report also focuses on beneficial ownership disclosure, contract transparency and environmental reporting.

5.1.1 Crude oil & natural gas

Trinidad and Tobago’s hydrocarbon resources are located both on land and offshore provinces. The industry begun in onshore Trinidad primarily in the South East and South West regions. Offshore reserves occur in three zones: ECMA (East Coast Marine Area), NCMA (North Coast Marine Area) and the SCMA (South Coast Marine Area). There is no onshore production in Tobago.

For T&T Onshore and Offshore hydrocarbon field locations see: <https://www.energy.gov.tt/wp-content/uploads/2013/12/Offshore-Onshore-Activity-Map-2018-2.pdf>. Image included in_3.1.1 above.

5.1.2 Minerals

The Trinidad and Tobago mining sector consists of state owned and private locally owned companies. Sand and gravel are the minerals that are produced in the greatest quantities. Throughout the country various types of minerals deposits are found.

These locations are as follows:

Northern Range	Central Trinidad	South Trinidad	Tobago
<ul style="list-style-type: none"> ● Limestone ● Sharp Sand ● Gravel 	<ul style="list-style-type: none"> ● Red Sand ● Yellow Limestones ● Clay 	<ul style="list-style-type: none"> ● Asphalt ● Porcellanite ● Oil Sands 	<ul style="list-style-type: none"> ● Andesite ● Copper

The minerals quarried are used in the construction industry, the manufacturing of tiles, pottery and blocks. Asphalt and oil sands are utilised to pave the nation’s roads, it should be noted that the majority of asphalt produced is exported.

5.1.3 National Budget 2024

The 2024 national budget published on 2 October 2023² focused on Government’s plans to increase its revenue collection through strengthening institutions and amending laws while also offering incentives to spur activity in the energy, manufacturing and agriculture sectors. The budget for FY2024 is pegged at an oil price of US\$85 per barrel and a gas price of US\$5 per mmBtu. Total revenue has been budgeted at TT\$54.012 billion with oil revenue in particular accounting for TT\$16.709 billion and non-oil revenue accounting for TT\$35.547 billion. Total expenditure has been budgeted at TT\$59.209 billion, with education and training, national security and health gaining the top allocations in the budget maintaining the trend of previous years. Overall, the

² <https://www.finance.gov.tt/2023/10/02/budget-statement-2024-building-capacity-for-diversification-and-growth/>



budget continues to be in a deficit with a projected deficit of TT\$5.197 billion for FY2024 which represents 2.7% of gross domestic product (GDP).

Currently, the government's debt-GDP ratio is at 70.9%, averaging below the target of 75%. Headline inflation, after peaking 8.7% year-on-year in December 2022, continues to decelerate and has decreased to 4.0% as of August 2023. This is mainly due to lower shipping costs and reduced international food commodity prices. There continues to be improvement in unemployment conditions, with the unemployment rate reducing to 3.7% in the second quarter as compared to 4.9% in the first quarter. Economic activity has experienced continued growth in 2023 as it expanded by 3% in the first quarter due to a buoyant non-energy sector. In a similar trend, the non-energy sector is expected to expand by 2.6% in 2024 and 2% in 2025. The country's investment climate continues to have a favourable outlook as Moody's improved Trinidad and Tobago's rating to positive. As economic recovery is expected to continue, there is an overall projected growth rate of 2.7% in 2023, with similar projections for 2024 and 2025.

The following are some of the key highlights of the budget as it relates to energy sector activity, incentives and other reforms.

Energy Sector: In the budget address, the Minister of Finance Colm Imbert noted the need to increase gas production and listed several upstream projects that will come onstream between 2023-2026. These include Shell's Colibri project, bpTT's Cassia Compression project, bpTT's Infill Programme in the Mango, Savonette and Angelin fields as well as EOG Resources' Osprey West and East Developments and Touchstone's Cascadura Development onshore. Other projects include bpTT's South East Queens Beach field, EOG's Mento field, Shell's Aphrodite field and an expansion of the Touchstone's onshore Cascadura field. A shallow water bid round, held two days after the budget, offered 13 blocks to prospectors.

Incentives: Based on EITI reports, from 2011-2022, Supplemental Petroleum Tax (SPT) accounts for approximately 16% of total revenue earned from the upstream energy sector and is linked to the price of oil. It is a windfall tax imposed on income generated from the disposal of crude oil, separate and apart from royalty payments/obligations. The rates range from 0% at crude prices at or below US\$50 per barrel to the highest rate of 33% if prices land between US\$50-\$90 per barrel. The rates, of course, are determined by the classification of the field and the weighted average price for crude oil for a given quarter. The budget also featured fiscal changes that will impact SPT. The Minister announced that from January 2024, a threshold of \$75 per barrel will be available for shallow water producers and the sustainability incentive will be increased from 20% to 25% for any mature marine or small marine oil fields. It is anticipated that these changes will encourage smaller producers to increase oil production.

Regulatory Reform: Citing a TT\$10 billion gap between tax liability and tax payments, which is a significant revenue leakage, the Minister of Finance unveiled plans to make the Trinidad and Tobago Revenue Authority (TTRA) fully operational as well as tackle transfer pricing in 2024. The TTRA's board already submitted its 3-year strategic plan for 2023-2025, including a roadmap and annual operational plan. The authority is in the final stages of recruiting executive and senior management. In advance of the TTRA being fully operational, Government is diagnosing its tax administration systems with help from the IMF.

The Minister of Finance also announced that Government is in the process of developing legislation and policy to deal with transfer pricing. In the country's Gas Master Plan, Poten and Partners estimated that the country loses US\$1.3 billion in revenue from the LNG sector due to transfer pricing. The Government will partner with the CAF Development Bank and the InterAmerican Centre of Tax Administration (CIAT) to determine the necessary legislative changes. The changes will be completed in two years and aims to develop rules and procedures to create arm's length pricing arrangements, avoid profit shifting and improve tax administration.



5.2 The contribution of the extractive sector to the economy (EITI Requirement 6.3 and 4.1)

The government publishes data on the extractive industries' contribution to the national economy at: <https://www.finance.gov.tt/publications/national-budget/review-of-the-economy/>.

There was an increase in Government revenues collected from oil and gas between fiscal 2020 and fiscal 2021. This was due in large part to an increase in global energy prices, coupled with a marginal increase in local production, and loosening Covid-19 restrictions.

Table 5-1 Contribution of the extractives sector

Category	2017	2018	2019	2020	2021	2022
Oil and Gas contribution to Government Revenue	23% of total Gov't revenue or TT\$8.1 bn	27 % of total Gov't revenue or TT\$11.3 bn	35.5% of total Gov't revenue or TT\$16.2 bn	24% of total Gov't revenue or TT\$7.9 bn	25% of total Gov't revenue or TT\$9.3 bn	57% of total Gov't revenue or TT\$30 bn
Energy Sector Contribution to GDP (%)	36.1%	35.1%	34%	35.7%	30%	29.9%
Oil and Gas export earnings	82% of total export earnings or US\$ 7.8bn	85% of total export earnings or US\$ 9bn	80% of total export earnings or US\$ 6.9bn	73% of total export earnings or US\$ 4.3bn	81% of total export earnings or US\$ 8.9bn	86% of total export earnings or US\$ 7.4bn**
Mining Sector Revenues	TT\$7.9 million	TT\$3.4 million	TT\$5.2 million	TT\$2.5 million (revised estimate)	TT\$4.7 million	TT\$3.7 million (revised estimate)
Oil and Gas contribution to total employment	2.4% 14,600	1.6% 11,000	NA	2.5% 14,700	2% 12,100	1.5% 9800
HSF Value	\$US 5.8 billion	\$US 5.9 billion	US\$ 6.2 billion	US\$ 5.8 billion	US\$ 5.4 billion	US\$ 4.7 billion*
SOE investment in Corporate Social Responsibility	TT\$ 10.6 million NGC	TT\$ 10 million NGC	NA	NA	NA	NA

Source: Central Bank of Trinidad and Tobago, Summary Economic Indicators 2020, Ministry of Finance, Draft Estimates, HSF Quarterly and Annual Report & Review of the Economy, Various Years.

2022* - HSF Value for 2022 is based on HSF Quarterly Report – April 2022 to June 2022

Central Statistical Office

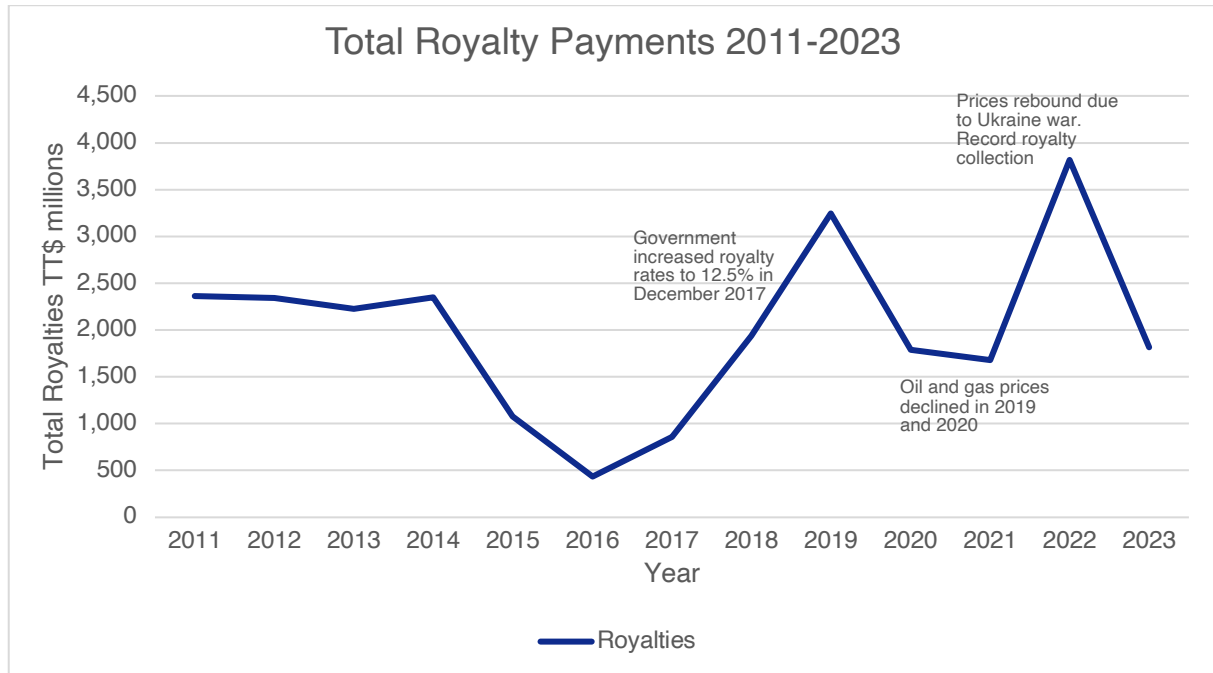
** - Energy Export Earnings for 2022 is based on Q1 and Q2 values.

5.2.1 Oil and gas sector revenues

In order to include more up to date tax and royalty information in this report, the TTEITI steering committee has agreed to include unaudited/unreconciled information provided by MEEI.

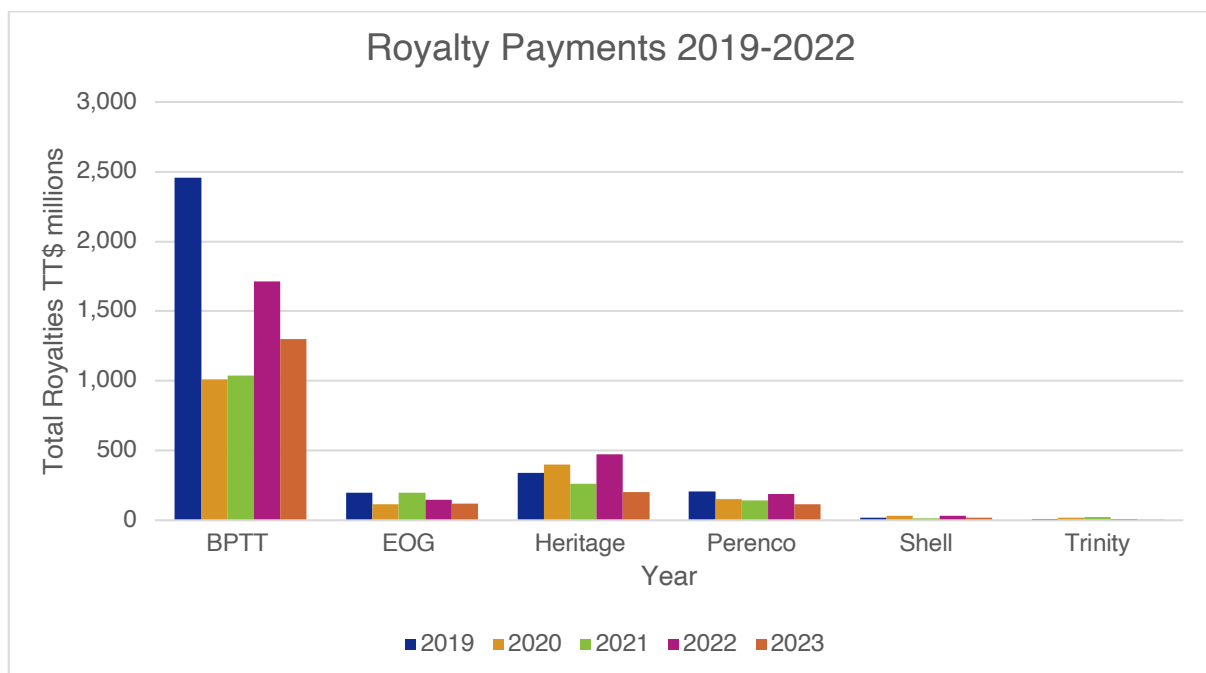


The following charts give royalty and PSC share of profit payments up to FY2023. The first chart shows total royalty payments from 2011 to 2023 and the second chart shows companies with largest royalty payments for 2019 to 2023. Between FY2011- 2023, the royalty Government received totaled TT\$26.6 billion and royalty payments spiked after the royalty rate was increased to 12.5% in 2017. Royalties increased by 123% from TT\$1.7 billion in 2021 to TT\$3.8 billion in 2022. For 2023, the Government collected TT\$3.04 billion. bPTT and Heritage were the two largest contributors, paying TT\$2 billion and TT\$521 million respectively in 2023.



Source: MEEI

Figure 5-4 Total Royalty Payment 2011-2023

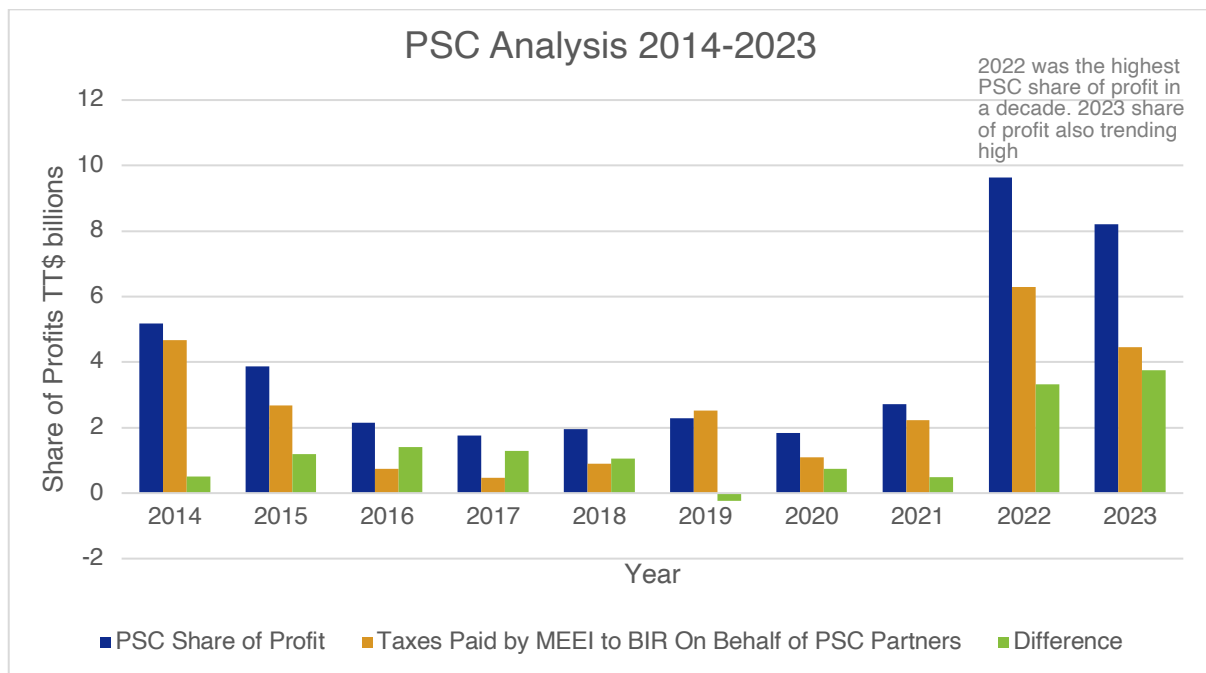


Source: MEEI - Note: 2023 data is up to 31st May

Figure 5-5 Royalty Payments 2019-2023

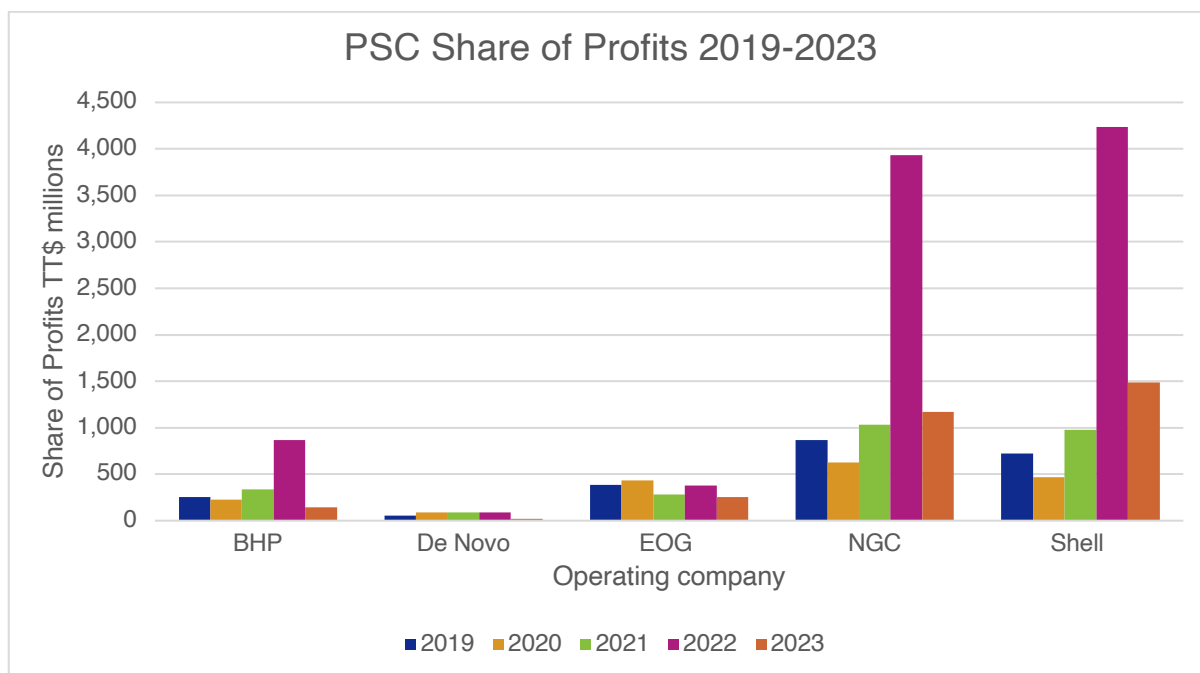


Companies operating under PSC’s pay the MEEI a profit share. From this profit share the MEEI covers tax obligations for all its partners and this payment is made to the Board of Inland Revenue (BIR). The following chart compares these payments to the PSC share of profit. The second chart illustrates the four companies with the largest PSC share of profit payments from 2019 to 2023. Between 2014-2023, Government received TT\$39.5 billion in PSC share of profit and paid TT\$26 billion in taxes from these profits on behalf of its PSC partners to the BIR. Between FY2021 and FY2022, there has been a significant increase in PSC share of profit. The share of profit the grew by 255% from TT\$2.7 billion in 2021 to TT\$9.6 billion in 2022. In 2022, Government received the highest share of profit received in the past nine years. For 2023, the share of profit continues to be high with Government receiving TT\$8.2 billion. Shell and NGC were the two largest contributors, paying TT\$4.6 billion and TT\$2.4 billion for 2023.



Source: MEEI

Figure 5-6 PSC Analysis 2014-2023



Source: MEEI - Note: 2022 data is up to 31st May

Figure 5-7 PSC Share of Profits 2019-2023

The PSC and E&P operator is responsible for making payments on behalf of all parties to the PSC and E&P agreements. The amounts declared by operators in respect of such payments were:

Table 5-2 Payments by Operators on behalf of Partners – Summary by Operators

Operator	Partners	2021 (TT\$)
BG International Limited	Shell Trinidad and Tobago Resource SRL	5,406,365
	Heritage Petroleum Company Limited	2,769,749
Perenco T&T Limited	Heritage Petroleum Company Limited	27,542,994
	The National Gas Company of Trinidad and Tobago Limited	27,542,994
Pt Fortin LNG Exports	Shell GAS International Holdings B.V.	12,042,092
	Heritage Petroleum Company Limited	3,715,960
	Shell Trinidad North Coast Limited	3,298,153
Shell T&T Ltd	Shell Trinidad and Tobago Resource SRL	212,773,471
	Shell Trinidad North Coast Limited	70,813,431
Shell Trinidad Block 5(A)	Shell Trinidad and Tobago Resource SRL	14,990,574
Shell Trinidad Block E Limited	Shell Trinidad and Tobago Resource SRL	102,562,038
Shell Trinidad Central Block Limited	Heritage Petroleum Company Limited	4,064,942
Woodside Energy (Trinidad-2C) Ltd	Chaoyang Petroleum (Trinidad) Block 2C	88,581,151
	NGC E&P Investments (Netherlands) B.V.	106,297,382
Woodside Energy (Trinidad Block 3) Ltd	BG International Limited	3,469,171
Woodside Energy (Trinidad-3A) Ltd	NGC E&P Investments (Netherlands) B.V.	1,017,021
	NGC Caribbean Investments Ltd	1,794,272
Woodside Energy (Trinidad Block 5) Ltd	BG International Limited	10,432,931
Woodside Energy (Trinidad Block 14) Ltd	BG International Limited	986,093
	BP Exploration Operating Co	1,854,532
Woodside Energy (Trinidad 23A) Limited	BP Exploration Operating Co	1,263,512
	BG International Limited	1,854,533



Woodside Energy (Trinidad Block 6) Ltd	BG International Limited	1,008,051
EOG Resources Trinidad Limited	The National Gas Company of Trinidad and Tobago Limited	6,421,446
	Heritage Petroleum Company Limited	25,685,783
	Trinidad and Tobago Marine Petroleum Company Limited	127,722
	BP Trinidad and Tobago LLC	27,518,847
TOTAL		765,835,210

The total payments of TT\$765.8 million represents an increase of 61% on the equivalent figure for FY2020 (TT\$476.8 million). The largest contribution from an operator to the increase above was Shell T&T Ltd which increased by nearly TT\$100 million. This corresponds to the largest increase in the Summary by Partners below for Shell Trinidad and Tobago Resources SRL, increasing from TT\$209.5 million to TT\$335.7 million.

Table 5-3 Payments by Operators on behalf of Partners – Summary by Partners

Partner on whose behalf payments were made	2021 (TT\$)
Shell Trinidad and Tobago Resource SRL	335,732,448
Heritage Petroleum Company Limited	63,779,428
The National Gas Company of Trinidad and Tobago Limited	33,964,440
BG Gas International Holdings B.V.	12,042,092
Shell Trinidad North Coast Limited	74,111,584
Chaoyang Petroleum (Trinidad) Block 2C	88,581,151
NGC E&P Investments (Netherlands) B.V.	107,314,403
NGC Caribbean Investments Ltd	1,794,272
BG International Limited	17,750,779
BP Exploration Operating Co	3,118,044
Trinidad and Tobago Marine Petroleum Company Limited	127,722
BP Trinidad and Tobago LLC	27,518,847
TOTAL	765,835,210

Companies were asked to report changes in the payments to Government from FY2020 to 2021 together with an explanation for the movement.

Information for the six largest payers is shown below.

Table 5-4 Changes in payments to government 2020 to 2021

Company	Payments in respect of:	2021 (TT\$)	2020 (TT\$)	Movement (TT\$)	Variance explanations
BP Trinidad and Tobago LLC Trinidad Branch	MOF-IRD, MEEI	1,374,925,000	1,345,627,740	29,297,260	PPT payments increased in 2021
The National Gas Company of Trinidad	MOF-IRD, MEEI, MOF-Inv	1,357,501,433	863,341,077	494,160,356	PSC Share of Profit payments increased



and Tobago					significantly
Shell Trinidad and Tobago Limited	MOF-IRD, MEEI	1,215,720,375	528,940,514	686,779,861	PSC Share of Profit payments increased significantly.
Heritage Petroleum Company Ltd.	MOF-IRD, MEEI	1,028,289,310	800,430,201	227,859,109	Significant SPT payments were made in 2021.
EOG Resources Trinidad Limited	MOF-IRD, MEEI	738,430,759	15,146,773	723,283,986	A significant increase in production in 2021 impacted PPT, SPT and UL payments
Perenco Trinidad and Tobago Limited	MOF-IRD, MEEI	223,700,560	318,288,181	- 94,587,621	A decrease in production in 2021 impacted payments of SPT, PPT and UL
TOTAL		5,938,567,437	3,871,774,486	2,066,792,951	

5.2.2 Mining sector revenues

Data from the MEEI shows that quarry operators owe the Government a total of TT\$8.9 million in royalty payments, as at the end of 2021. However, the State is still verifying TT\$4.8 million of this total due to uncertainty over mineral rights ownership in 22 quarries. The MEEI is currently conducting an exercise to identify whether the State owns the mineral rights of all quarry sites in Trinidad and Tobago. This is an important exercise and directly impacts Government revenue because if a quarry operator owns the mineral rights, they are not mandated to pay royalties to the Government, only license fees.

The downward trend of revenues is due to this exercise. Total production in 2019 was 2,046,100.96 cubic metres and fell to 1,619,550.35 cubic metres in 2020. In 2021, total production rose to 2,265,701.83 cubic metres. However, royalties were only payable on 1,127,975.97 cubic metres of total production. In the past eight EITI reports, the IA has stated that the MEEI's monitoring of revenue payments from the mining sector needs to be significantly improved.

Table 5-5 Royalty payments – Mining sector

Year	Royalty Payments from the Mining Sector (TT\$ m)
2017	7.9
2018	3.6
2019	3.0
2020	2.5
2021	0.5

Source: MEEI



5.2.3 Revenues collected from state-owned enterprises (SOEs)

The significant contributor among SOEs is the National Gas Company of Trinidad and Tobago. Revenue is also collected from Trinidad Petroleum Holdings Limited (TPHL) which was created after the operations of Petrotrin were discontinued. TPHL is a holding company with four subsidiaries:

1. Heritage Petroleum Company Ltd
2. Paria Fuel Trading Company Ltd
3. Guaracara Refining Company Ltd
4. Petrotrin

Additional information on SOEs is given in Section 5.9 of this document.

SOEs in the energy sector make payments to the government for royalties, taxes and dividends (from net profits after tax). For the first half of 2022, the NGC Group of Companies recorded a solid financial performance. The group had a 260% increase in profit of TT\$1.6 billion for the financial period ending 30 June 2022 when compared to just a profit of TT\$437 million in 2021 as a result of increased ammonia, methanol and LNG prices. The increase in commodity prices which positively impacted revenues and margins, they are as follows:

- Natural Gas Liquids (NGL) prices increased by 72%,
- Methanol prices increased by 4%,
- Ammonia prices increased by 185%.

The period generated revenue of TT\$15.6 billion which represented a 93% increase when compared to the same period of 2020.

The following table outlines corporation tax and dividends paid by the National Gas Company (NGC) and Petrotrin (2016-18) / Trinidad Petroleum Holdings Limited (TPHL – 2019) from 2016 to 2019 as well as the companies' declared profits after tax.

Table 5-6 NGC and Petrotrin profit after tax, dividends and corporation tax

TT\$ millions		Profit/(loss) after tax	Dividends paid	Tax charge in financial statements
NGC	2022	1,573.4	529.7	-
	2021	2,568.6	109.7	-
	2020	(2,134.6)	109.9	-
	2019	482.2	192.9	75.2
	2018	2,395.8	1,047.2	1,544.6
	2017	989.2	1,422.2	1,262.4
	2016	720.7	1,585.0	499.8
Heritage Petroleum Company Limited	2022	1,113.2	600.0	2,145.9
	2021	682.6	-	1,272.3
TPHL/Petrotrin	2019	(2,854.0)	-	2,681.0
	2018	(16,487.2)	-	864.7
	2017	(2,194.2)	-	463.4
	2016	(4,986.9)	-	3,093.6

Source: NGC audited annual reports (NGC accounts are for 12 months to 31 December each year), NGC Sustainability Report 2020 – NGC, Heritage Petroleum Company Limited (presented in thousands of TT Dollars)



Note: 2022 figure for TPHL unaudited (Petrotrin and TPHL accounts are for 12 months to September 30 each year). NGC 2022 (accounts are for 6 months ended June 30)

5.2.4 Subnational payments

In some countries, companies are required to make certain payments (e.g. royalties, land levies) directly to local Governments in the areas where they operate. This separation of types of payments to the local authorities is not generally practised in T&T. All payments are made to the respective Ministry or statutory authority. Several Acts and other legal documents (e.g. the Petroleum Taxes Act), which governs the licences or contracts awarded prescribe the payments that apply to upstream oil and gas companies and they identify the various agencies to whom these payments should be remitted. The body of legislation governing Production Sharing Contracts and E&P Licences do not allow for the payment of oil and gas payments to Regional Corporations.

In relation to the mining sector, the Minerals Act 2000, Section 8 (e) charges the Ministry of Energy and Energy Industries with the responsibility of determining and collecting the various payments required by mining companies (e.g. royalties, bonds and licence fees). Schedules 4 and 5 of the Minerals (General) Regulations 2015, detail the various payments and their rates.

Prior to the Minerals Act 2000, the State Lands Act Chapter 57:01 Section 6 (2) gave the Commissioner of State Lands jurisdiction to collect royalties and other licence payments from other operators, which were paid at the District Revenue Office. This practice continues today even with the proclamation of the Minerals Act 2000. Operators make payments to an account in the name of the Permanent Secretary of the Ministry of Energy and Energy Industries.

5.3 Gender data (EITI Requirement 6.3.d)

5.3.1 MSG Gender Composition TTEITI Steering Committee

The TTEITI Steering Committee gender balance as at 30 June 2023 is 50/50 and consists of 14 males and 14 females.

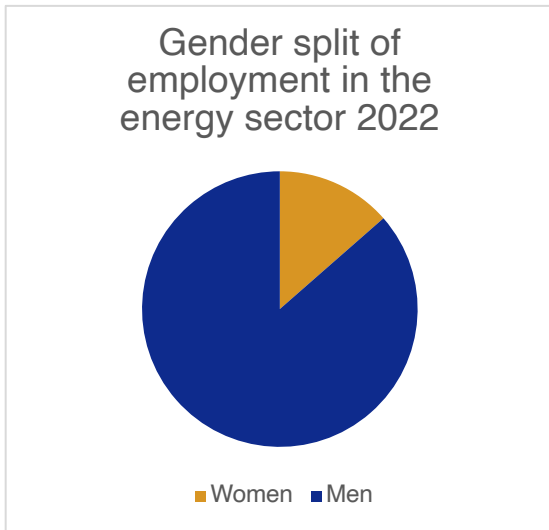
5.3.2 Employment in the Extractives Sector

Gender diversity in the extractives sector is important to TTEITI and EITI globally. In 2022 International Women in Mining (IWIM)³ became an EITI supporting organisation.

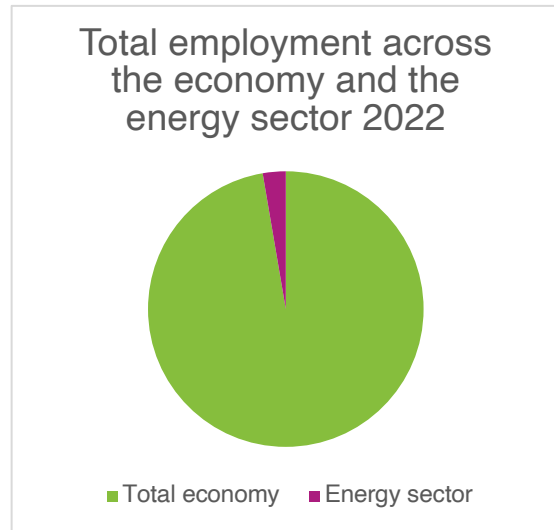


According to data from the Central Statistical Office, as at the end of 2022, there were 561,100 persons employed in Trinidad and Tobago. Energy sector employees, including mining and quarrying workers, accounted for 15,500 workers or 2.6 percent of total employment. Of the 15,500 energy sector employees there were 13,400 males and 2,100 females. Compared to 2021, in 2022 there were 24,000 fewer persons employed in total but 100 more persons employed in the energy sector. This increase was due to a year on year increase of 2,200 workers being employed in the mining and quarrying sector.

³ <https://internationalwim.org>



Source: <https://cso.gov.tt/subjects/continuous-sample-survey-of-population>
Figure 5-8 Energy Sector Employment by Gender 2022

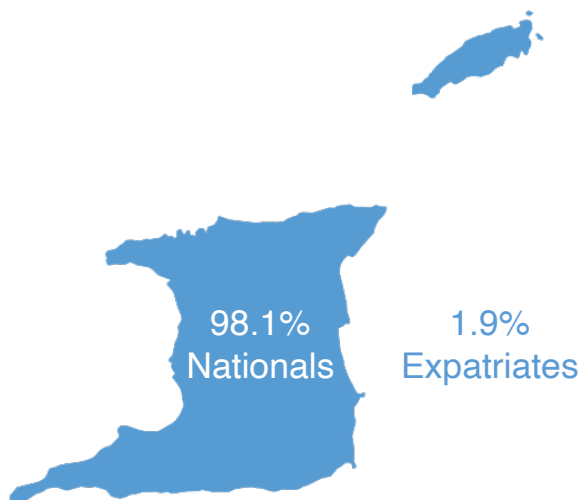


Source: <https://cso.gov.tt/subjects/continuous-sample-survey-of-population>
Figure 5-9 Total Employment and Energy Sector Employment 2022

The IA added a section to the reporting template for oil and gas and mining companies to provide information on the number of employees in each reporting company. This section asked for employment data disaggregated by level of seniority and by gender. The template also asked for the number of physically challenged employees.

A total of 15 companies provided employment information, 11 from the oil and gas sector and 4 from the mining sector. Many of the reporting companies do not have any employees as they are subsidiaries of larger groups, and all the group's staff are employed by one subsidiary in the group. These employees then allocate the time that they spend supporting the other subsidiaries operating in Trinidad & Tobago and record this on timesheets.

The 15 companies reported total employees of 3,142 people (2,677 in the oil and gas sector and 465 in the mining sector). The number of employees is much lower than the figures given above from the Central Statistical Office, as the data for oil and gas covers only the exploration and production part of the energy sector and does not include employees of companies engaged in the midstream and downstream sector, nor in the supply of goods and services to the energy sector.



Of this total, almost 70% were male and 30% female. In terms of management level, 221 were top management, 585 middle management and 2,336 lower-level employees. The gender split was approximately the same at all management levels.

Figure 5-9 Employment split between nationals and expatriates



Table 5-7 Employment gender data 2021

Category of employee	Number of employees				Physically challenged persons		
	Total	Male	Female	Other gender	Male	Female	Other gender
Top Management Level							
National employees	185	109	76				
Expatriates	36	33	3				
Middle Management Level							
National employees	570	378	192		1	1	
Expatriates	15	12	3				
Lower Level							
National employees	2,328	1,633	695				
Expatriates	8	7	1				
Total	3,142	2,172	970		1	1	

In top management, 83.7% were Trinidadian nationals, with Trinidadian national men occupying just under half of top management positions (49.3%). Women comprised just over 35% of top management staff (the bulk of whom were Trinidadian nationals and 15% were male expatriates).

In middle management, 97.4% were Trinidadian nationals. Men comprised almost 65% of the total and women nearly 33%.

Trinidadian nationals made up more than 99% of lower-level employees and the gender split was 70% men and 30% women.

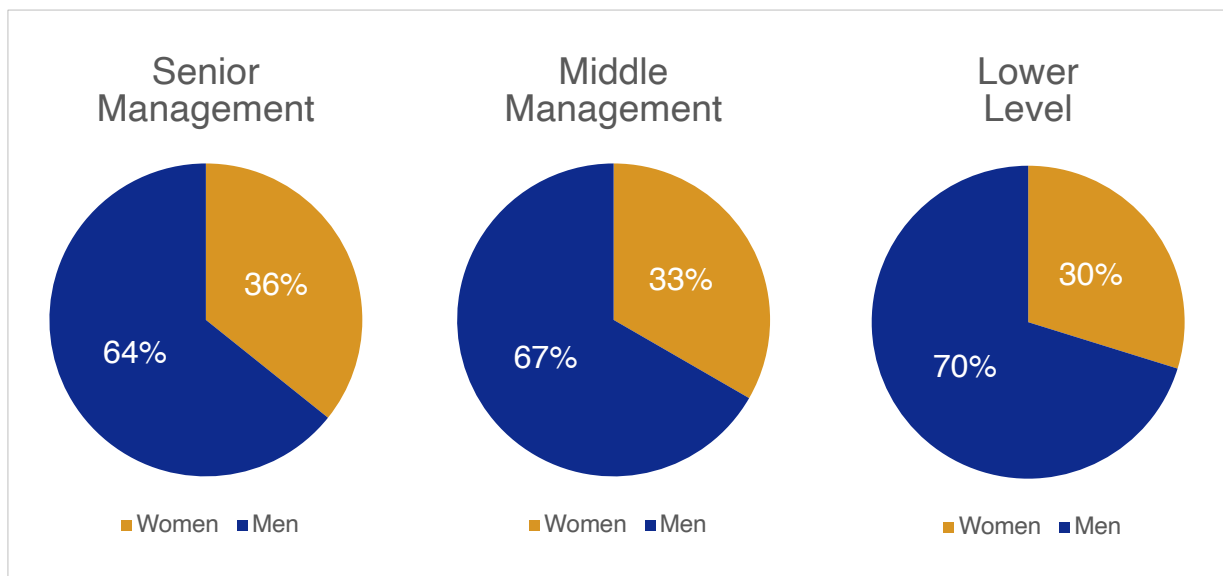


Figure 5-10 Gender split by level of management



Table 5-8 Company responses on employment gender data

Companies that provided employment and gender data	
bp Trinidad & Tobago LLC - Trinidad Branch	Repsol Angostura Limited
CEG INNISS-TRINITY TRINIDAD LIMITED	Shell Trinidad and Tobago Limited
De Novo Energy Block 1A Limited	TRINIDAD AND TOBAGO LNG LIMITED
EOG RESOURCES TRINIDAD LIMITED	Hydrocarb Trinidad Limited
ESTATE MANAGEMENT AND BUSINESS DEVELOPMENT COMPANY LIMITED	PRIMERA OIL AND GAS LIMITED
HERMITAGE LIMESTONE LIMITED	Trinidad Petroleum Holdings Limited
LEASE OPERATORS LIMITED	TRINIDAD CEMENT LIMITED
NATIONAL GAS COMPANY OF TRINIDAD AND TOBAGO LIMITED	Woodside Energy (Trinidad-2C) Ltd
Readymix West Indies Limited	
Companies without any employees	
Amoco Trinidad Gas B.V. (Trinidad Branch)	Shell Trinidad North Coast Limited
bp Alternative Energy Trinidad and Tobago LTD (bpAETT)	Touchstone Exploration (Trinidad) LTD
BP EXPLORATION OPERATING COMPANY LIMITED - TRINIDAD BRANCH	OILBELT SERVICES LIMITED
bp TRINIDAD PROCESSING LIMITED	TRINITY EXPLORATION AND PRODUCTION (GALEOTA) LIMITED
EOG RESOURCES TRINIDAD - U(A) BLOCK LIMITED	TRINITY EXPLORATION AND PRODUCTION (TRINIDAD AND TOBAGO) LIMITED
EOG RESOURCES TRINIDAD BLOCK 4(A) UNLIMITED	Woodside Energy (Trinidad 23A) Ltd
EOG RESOURCES TRINIDAD U(B) BLOCK UNLIMITED	Woodside Energy (Trinidad Block 14) Ltd
BG 2/3 Investments Limited	Woodside Energy (Trinidad Block 23B) Ltd
BG International Limited	Woodside Energy (Trinidad Block 28) Ltd
Point Fortin LNG Exports Limited	Woodside Energy (Trinidad Block 29) Ltd
Shell Gas Supply Trinidad Limited	Woodside Energy (Trinidad Block 3) Ltd
Shell Trinidad 5(A) Limited	Woodside Energy (Trinidad Block 5) Ltd
Shell Trinidad and Tobago Resources SRL	Woodside Energy (Trinidad Block 6) Ltd
Shell Trinidad Block E Limited	Woodside Energy (Trinidad-3A) Ltd
Shell Trinidad Central Block Limited	Touchstone Exploration (Trinidad) LTD
BP EXPLORATION OPERATING COMPANY LIMITED - TRINIDAD BRANCH	
Companies that did not provide data	
CEG ICACOS TRINIDAD LIMITED	NGC E&P INVESTMENTS (NETHERLANDS) B.V.
NGC E&P (NETHERLANDS) B.V.	NGC PIPELINE COMPANY LIMITED



5.3.3 Women in leadership Roles T&T Energy Sector

In the local energy sector, there are several women in key leadership positions at various organisations. The list below highlights a few individuals:

- Penelope Bradshaw-Niles – Permanent Secretary MEEI
- Christine Sahadeo – Director, Heritage & Member of the Tax Appeal Board of Trinidad & Tobago
- Ingrid Lashely, Chair, National Enterprises Limited and Director of Pheonix Park Gas Processors Limited
- Patricia King, COO, Heritage
- Giselle Thompson- VP of Corporate Affairs bpTT
- Hafsa Ali – General Manager, Upstream, STTL
- Candice Clarke-Salloum – Country Chair, English Caribbean, and Head Corporate Relations, STTL
- Anesha Sadar – General Manager, Business Transformation, STTL
- Sandra Fraser – Permanent Secretary MEEI
- Louise Poy Wing- Senior State Counsel MEEI
- Carla Noel-Mendez - Corporate Affairs Manager BHP (now Woodside)
- Soraya Khan- Finance Manager BHP (now Woodside)
- Verlier Quan Vie – VP Commercial NGC
- Mitzi St Rose – Manager Energy Marketing and Trading NGC

5.4 Legal and institutional framework (EITI Requirement 2.1)

The EITI seeks to promote greater public awareness about the legal and regulatory frameworks that apply to the extractive industries. These laws and regulations establish the institutional responsibilities of the State in managing the sectors, establish rules on licence allocation and contracts, and establish detailed requirements for extractive companies.

EITI International

5.4.1 The Legal framework

The list of legislation and tax laws relevant to the extractive sector and links to the text of the laws can be found on the MEEI's website at: <https://www.energy.gov.tt/for-investors/legislation-and-tax-laws/>

This list has been updated to include the 2017 amendment to the Petroleum Act (Chapter 62:01) which increased the royalty rate to 12.5% on oil, gas and condensate production.

The mining sector in Trinidad and Tobago is regulated by the Minerals Law Act 2000, the Asphalt Industry Regulation Act, the Mining Compensation Act, the Geological Survey Act and the Minerals (General) Regulations 2015. These laws can be accessed on the Ministry of Energy and Energy Industries' official website.

The most recent change to the country's mineral laws occurred in 2015 when the Minerals (General) Regulations 2015 was tabled in Parliament. In the same year, the Government also finalised a national mining policy, referred to as the White Paper on National Minerals Policy 2015.



The Minerals Act 2000 seeks to ensure that the mining sector is regulated through the enforcement of several guidelines linked to exploration, mining and processing licences, illegal mining, quarry rehabilitation and environmental protection.

On paper, these are critical additions, but mechanisms need to be put in place to ensure that they are enforced if citizens are to reap the full rewards of the sector, especially given the sector's challenges.

5.4.2 Roles and Responsibilities of Key Ministries and State Agencies

The roles and responsibilities of the key ministries and state agencies are set out on each organisation's website. A summary is given below and the website where more detail can be found.

Ministry of Energy and Energy Industries (MEEI)

Website: <https://www.energy.gov.tt/about-us/our-roles-and-functions/>

- Leasing and/or licensing of areas for petroleum exploration and production,
- Regulation and management of all oil and gas development activities,
- Regulation and management of upstream operations in oil refining activities,
- Administration of domestic marketing of petroleum products, natural gas transmission/sales, petrochemical manufacture and other natural gas-based industries,
- Formulation and implementation of legal instruments for the petroleum industry,
- Acquisition, analysis and dissemination of both local and international petroleum information,
- Sharing responsibility with the Ministry of Finance for the collection of petroleum revenues accruing to the State,
- Representation of the interests of Trinidad and Tobago at international petroleum fora and institutions,
- Long term planning, development and implementation of policy initiatives in the petroleum sector,
- Sharing of the management of the State's interests and assets in the oil and gas industry,
- Sharing responsibility for the administration and management of the minerals sector,
- Collection of royalties on gas and crude, Petroleum Impost, hectare payments and Petroleum Production Levy.

The Accounting Unit at MEEI is responsible for the collection and recording of revenue. The Downstream Petroleum Management Division's technical unit would verify the income, ensuring payments are made on time and not understated.

The Contract Management Division at MEEI assigns officers to specific blocks and fields and those officers are tasked with reviewing the production forms in the data hub and signifying if any payment is outstanding. The officer will then notify the participant and then check with the Accounting Unit to ensure that the payment was made.

With regard to training/technical assistance, the Commercial Evaluation Division would check all PSC obligations, and liaise with the relevant institutions such as the University of the West Indies and the University of Trinidad and Tobago, to ensure that the payments were received and used for the intended purpose.

Ministry of Finance: Inland Revenue Division (MOF/IRD)

Website: <https://www.ird.gov.tt/about/the-board>

- Main Tax collecting agency in Trinidad and Tobago,



- Collection of extractive companies' tax – Petroleum Profits Tax (PPT), Unemployment Levy, Green Fund Levy, Supplemental Petroleum Tax (SPT), Withholding Tax, and Corporation Tax (from petrochemical companies)

Ministry of Finance: Investment Division

Website: <https://www.finance.gov.tt/divisions/investments-division/>

- Establishment of performance criteria for all SOEs and monitoring the adherence to the performance criteria,
- Ensuring consistency between SOE performance and GoRTT macro-economic policy objectives,
- Commissioning of operational and management audits of SOEs,
- Appraising and evaluating investment plans of SOEs to ensure the profitability of investment projects,
- Analysing of the operations of individual SOEs to ensure consistency with Government macroeconomic and sectoral objectives,
- Preparing quarterly and annual forecasts and reviews of domestic investment activity,
- Providing overall strategic planning and co-ordination of the Sector.

The Environmental Management Authority

Website: <https://www.ema.co.tt/about/what-we-do/>

- Review of applications and issuance of Certificates of Environmental Clearance to new development projects which may impact the environment,
- Determine if EIA (Environmental Impact Assessment) is requirement of the developer,
- Respond to emergency incidents and spills in conjunction with other government agencies,
- Monitor company compliance to standards, criteria and programs relating to the environment.

5.4.3 Fiscal regimes

5.4.3.1 Oil and gas

The fiscal regime for oil and gas is now generally governed by production sharing contracts (PSCs) between the government and investors. A description of the fiscal regime can be found on the MEEI website at: <https://www.energy.gov.tt/for-investors/fiscal-regime/tax-laws/>. Under each PSC, the companies producing oil and gas pay taxes and royalties and have access to investment incentives. The payments and incentives are documented in the laws that govern the industry. However, companies can negotiate profit splits and other terms with the Government, even though the taxes are fixed by the law. The negotiated terms are recorded in each PSC. The first PSCs were awarded in 1974 but did not become widespread in the country until the 1990s. Until that time, the government awarded licences for the exploration and production of oil and gas. Some of these pre-PSC licences are still in force, and some have been renewed.

The PSC Audit Unit within MEEI monitors PSCs to ensure returns are maximised and all contractual obligations are adhered to by companies. With regards to technical and financial contractual obligations, the contract management and commercial evaluation divisions respectively ensure compliance.

The model PSC can be found here:

http://www.energy.gov.tt/wp-content/uploads/2013/11/Deep_Water_Depth_PSC.pdf



The following are the main taxes companies pay to the Government:

1. Supplemental Petroleum Tax (SPT)
2. Petroleum Profit Tax (PPT)
3. Unemployment Levy
4. Petroleum Production Levy
5. Petroleum Impost
6. Green Fund Levy
7. Withholding Tax
8. Insurance Premium Tax

Petrochemical companies and NGC's non-E&P activities are taxed under the Corporation Tax Act.

Table 5-9 Types of payments made to MOF-IRD – oil and gas

Payments made to the Ministry of Finance (Inland Revenue Division)	
Petroleum Profits Tax (PPT)	PPT is applicable to all oil and gas producers and is applied to chargeable income from operations, after deductions for operating expenses, capital allowances, royalties, SPT, Petroleum Levy/Impost, signature and production bonuses, among others. The current rate is 50% (35% for operations in deep water blocks). This is governed by the Petroleum Taxes Act Chap 75:04. All upstream extractive companies pay this to the MOF-IRD.
Petroleum Production Levy (PPL)	PPL is computed at the lower of 4% of the income from producers of crude oil in excess of 3,500 barrels per day, and the entity's share of petroleum subsidy. This is governed by the Petroleum Production Levy and Subsidy Act, Chap 62:02.
Supplemental Petroleum Tax (SPT)	SPT is a windfall tax imposed on income generated from the disposal of crude oil and condensates, net of royalty and over-riding royalty. The applicable rates range from 0% at crude prices at or below US\$50 per barrel to the highest rate of 33%. The rates are determined by the classification of the field and the weighted average price for crude oil for a given quarter. This is governed by the Petroleum Taxes Act Chap 75:04. All upstream extractive companies pay this to the MOF-IRD.
Corporation Tax (CT)	CT is a tax on business profits accruing in the Republic of Trinidad and Tobago. Resident companies (those controlled from Trinidad and Tobago, wherever they are incorporated) are liable to CT on their worldwide income. Other companies are taxed on their income from sources in the Republic of Trinidad and Tobago. The standard rate of CT is 30%. However, this can be varied if there is a double taxation treaty. For companies engaged in the liquefaction of natural gas, transmission and distribution of natural gas, the physical separation of liquids from natural gas, the manufacture of petrochemicals and the wholesale marketing and distribution of petroleum products, the rate is 35%. CT is payable on a quarterly basis before the end of the applicable quarter.
Unemployment Levy (UL)	UL is applicable to companies that pay PPT. The applicable rate is 5% of the chargeable income, before loss relief, plus any exempt income, other than those exempted under the Petroleum Taxes Act. It is used to assist with the government's social programmes. All upstream extractive companies pay this to the MOF-IRD.
Green Fund Levy	GFL came into effect in January 2001 under the Miscellaneous Taxes Act Chapter 77:01, and is used in the maintenance, reforestation, restoration and conservation of the environment. GFL is chargeable on gross sales



	<p>i.e., on all income received in the ordinary course of business activities, before allowing any deductions for business expenses. The rate of the GFL is 0.3% of the gross sales/receipts. All taxable non-individual entities are liable to this levy. GFL is payable on a quarterly basis before the end of the applicable quarter and is not tax deductible for the purposes of CT.</p>
Business Levy	<p>BL is chargeable on all taxable businesses, except petroleum companies and those with annual turnover under TT\$360,000. BL is charged on gross sales i.e. all income received in the ordinary course of business activities, before allowing any deductions for business expenses. The rate of the BL is 0.6% of the gross sales/receipts. BL is not payable in the first three (3) years of a company first being registered. BL is payable quarterly before the end of each quarter. Payments of BL are deductible from the CT liability. However, if BL exceeds CT, no refund of business levy is granted. All taxable non-individual entities are liable to this levy. BL is payable on a quarterly basis before the end of the applicable quarter.</p>
Withholding Tax on Dividends	<p>WHT is imposed on payments and distributions that are made to any person or company that is not resident in the Republic of Trinidad and Tobago. WHT is imposed at varying rates up to 15%, depending on the nature of the payment, the status of the payee, and the applicability of any double taxation treaty that has been concluded between the Republic of Trinidad and Tobago and the country of residence of the foreign entity or recipient of the payment. WHT is payable on a monthly basis, within 30 days of the remittance being made.</p>
Withholding Tax on deemed branch remittance	<p>WHT is imposed on branch profits remitted or deemed to be remitted to the participant's head office. It is governed by the Income Tax Act but varies depending on any double taxation treaty that has been concluded between the Republic of Trinidad and Tobago and the country of residence of the head office to which the payment was made or deemed to have been made. The rate applicable is between 5-15% depending on the country.</p>
Insurance Premium Tax	<p>IPT is imposed on insurance premiums in respect of general insurance contracts. Life insurance, commercial insurance relating to ships and aircraft, loss of or damage to goods in international transit, risks arising outside the Republic of Trinidad and Tobago, and reinsurance premiums are all exempt. The 6% tax is collected from policyholders and paid over to MOF-IRD by the insurance company on or before the fifteenth (15th) of the month following that in which the premium was paid.</p>
Interest	<p>Companies that do not make payments by their due date are required to pay interest at the rate of 20% per annum on taxes outstanding. For withholding tax, there is a penalty of 25% and interest at the rate of 20% per annum is applied on the combined sum.</p>
Penalties	<p>The non-remittance of certain taxes by the due date will result in the imposition of a penalty, together with the interest charges. The rate of penalty is 25% of the tax due and the interest at the rate of 20%, is computed on the principal tax and the penalty (compounded sum). Examples of taxes where a penalty is imposed are PAYE, withholding tax on dividends, withholding tax on branch profits and insurance premium tax.</p>



Table 5-10 Types of payments made to MEEI – oil and gas

Payments to the Ministry of Energy and Energy Industries	
Royalty	Royalties at the rate of 12.5% is levied on the production of crude oil, condensate, and natural gas extracted. E&P companies pay royalties directly to the State while PSC royalties are paid by the State/MEEI on behalf of the Profit Sharing Contract (PSC) operator/partner. Under the PSC, the government takes a share of the oil or gas instead, which is used to pay both tax obligations as well as Royalties.
Minimum Rent – Exploration & Production	In addition to royalties, exploration and production companies are required to pay a Minimum Rent, based on the size of the acreage (in hectares) multiplied by the applicable rates that are specified in each E&P Licence or PSC. According to the Petroleum Regulations, (Sections 56 - 58), every E&P Licensee shall pay in respect of each acre of State Land and Submarine Area held by him, such minimum payment at such rates as are fixed by the Minister and specified in the licence. Minimum payments shall be payable quarterly in advance within the first ten (10) days of January, April, July and October. Where the sum of royalties is equal to or exceeds the amount already paid as minimum rent for the same period, then the amount of minimum rent so paid shall be deducted from the royalties payable in respect of such quarterly period.
Annual Licence Acreage Payments	This acts like a rental payment to explore, drill and produce from Trinidad &Tobago’s acreage. Although companies pay this, they do not own the acreage they occupy, nor do they own the hydrocarbons produced.
Petroleum Production Levy	Exploration and Production companies pay this levy on the crude oil produced as their contribution towards the Petroleum Fuels Subsidy.
Petroleum Impost	This tax, which is billed annually by the MEEI, is based on crude oil and natural gas won and saved. Crude oil and natural gas won and saved constitutes all petroleum produced, with the exception of petroleum used by the licensee within the licensed area for the carrying out of petroleum operations. The rate is determined by the MEEI and audited by the Auditor General and then published in the country's legal newsletter. The rate once established is applicable to all producers of oil & gas.
Production Sharing Contract (PSC) Share of Profit	The Government and an oil/gas company agree to split the profits that the company makes in a contract referred to as a Production Sharing Contract. This payment is made only after the company deducts its permitted costs.
PSC Signature Bonus	This is the amount that a petroleum company pays the Government upon the award of a licence for acreage or production sharing contract.
PSC Bidding Fees	When the Government offers Blocks to companies during a Competitive Bid Round), they must pay this standard fee in order to submit a bid.
Transfer Fees or stamp duty	This fee is paid by companies that assign a PSC (or equity share in a PSC) that was awarded to another company or assigned to another operator.
Abandonment Provisions	Companies make this payment to a special account referred to as an escrow account. These funds are used in the event of possible pollution and the eventual abandonment of the platform.
Transportation Revenue	This is revenue received by SOEs from the transportation of oil and gas.
Training Fees	Companies pay this fee to assist nationals in getting training in fields of study associated with the energy sector. Typically, the contribution goes to the University of Trinidad and Tobago or the University of the West Indies (or an institution decided on by the Minister of Energy and Energy Industries)
R&D Fees	These payments are used to fund research and development projects in Universities throughout Trinidad &Tobago.



Production Bonus	Companies that produce in excess of a certain threshold must make this payment having surpassed the production target. This is agreed to in both the E&P licences and the PSC.
Technical Assistance	These payments finance equipment (e.g. printers, scanners, telephones, etc.) for the Ministry of Energy and Energy Industries.
Scholarships	This payment is intended to finance the award of scholarships for training nationals of Trinidad and Tobago in fields of study associated with the energy industry.
PSC Holding Fees	Companies make this payment when they do not develop the hydrocarbons (i.e. oil/gas) that they would have found.

Table 5-11 Types of payments made to MOF-Inv – oil and gas

Payments to Ministry of Finance (Investment Division)	
Dividends paid by NGC	NGC makes these payments to the Government from its profits and retained earnings.

5.4.3.2 Other Fees

The list below represents taxes levied by the Minerals (General) Regulations, which were considered immaterial, and have therefore not been included in this report:

Table 5-12 Other fees levied by the Minerals (General) Regulations

Activity	Fee
1 Application for a New Licence	TT\$ 1,000
2 Application for Renewal of Licence	TT\$ 1,000
3 Annual Exploration Licence Fee	TT\$ 250 per hectare of Licensed Area
4 Annual Mining Licence Fee	TT\$ 250 per hectare of Licensed Area
5 Annual Processing Licence Fee	TT\$ 250 per hectare of Licensed Area
6 Application Fee for Assignment/Transfer	TT\$ 1,000

5.4.3.3 Incentives offered to oil and gas exploration and production

While companies make these payments, allowances and incentives are prescribed in the legislation such as accelerated capital allowances, investment tax credits and sustainability incentives. Capital allowances are available for the exhaustion of plant and machinery used in the production of hydrocarbons and investment tax credits and sustainability incentives allow for further investments to be made depending on the age, maturity, lifecycle of the field/reservoir. These incentives are intended to incentivise and encourage exploration and boost production.

5.4.3.4 Changes to the oil and gas legislation and Fiscal Regime

All the changes listed below have been passed into law through inclusion in the Appropriation Act for the relevant year. These Acts can be found at: <https://www.finance.gov.tt/legislation/>.

Petroleum Profits Tax

As a measure to encourage companies to invest in deep water exploration, it was proposed that the PPT for deep water exploration be reduced from 35% to 30% effective 1 January 2023.



Energy Investment Tax Credit

Currently, a 25% Investment Tax Credit is given on qualifying capital expenditure for mature land and marine oil fields and recovery projects in respect of crude oil operations. The Minister of Finance proposed that the current Investment Tax Credit Rate be increased from 25% to 30%.

Supplemental Petroleum Tax

Another legislative change proposed in the 2023 budget was an amendment to the current SPT regime with specific reference to enhancing SPT concessions for small onshore oil producers and introducing a tiered system for new oil wells in shallow waters. For FY2021 and 2022, the government increased the threshold from US\$50 per barrel to US\$75. However, for FY2022 and 2023, the Government proposed that the tax on the US\$75 trigger be imposed where the production exceeds 4,000 barrels per day. As it relates to the introduction of a tiered system, new wells in shallow water marine areas will now be subject to the following SPT rates in the table below based to on tiered price triggers.

Table 5-13 Supplemental Petroleum Tax rates

Oil price (US\$)	New Oil Wells
\$0.00 - \$50.00	0%
\$50.01 - \$70.00	15%
\$70.01 - \$90.00	20%
\$90.01 - \$200.00	20% + (0.2% x (P* - US\$90))
\$200.01 and over	42%

* P= weighted average crude oil price in US\$

Unemployment Levy update

The Unemployment Levy is a tax charged at the rate of 5% on the taxable profits of petroleum companies and is intended to be spent on social programmes targeting unemployed citizens. It is important to note that, unlike Petroleum Profits Tax, carried forward losses cannot be carried forward for this levy. The Unemployment Levy Act empowers the Minister to establish an Unemployment Fund and is audited by the Auditor General. The fund currently has a balance of TT\$9.5 billion, a 20% increase on the balance in 2021.

In 2022, the Board of Inland Revenue collected \$1.94 billion in unemployment levy inclusive of interest and recoveries of overpayment. Payments from the Unemployment Fund recorded at \$274.5 million, the first time in a decade that payments have not exceeded receipts. The payments went to the Ministry of Works and Transport (\$256 million) and the Tobago House of Assembly (\$18 million). The Auditor General's report for 2022 also confirmed that these funds transferred to these ministries were administered for the Unemployment Relief Programme.

5.4.3.5 Mining

The fiscal regime for the mineral sector refers to the taxes, royalties and other payments mining companies are required to pay to the Government.

The mining sector fiscal regime is specified in the Minerals (General) Regulations, which can be found on the MEEI website at the location specified above in section 5.4.1. on the legal framework. Mining companies are required to pay royalties, fees for competitive bid rounds, annual licence fees, licence renewal fees, rehabilitation bonds and performance bonds to the Government. The introduction of this Act in 2015 increased the rates on all of these payments. The Government stands to collect more royalties under the new royalty rates, but this depends on the effectiveness of the MEEI's efforts to collect the royalties owed.

Table 5-14 Types of payments made to government ministries – mining

Payment	
Royalty	Royalties are paid by mining companies based on the volume of aggregate extracted. The rate ranges from TT\$6 to TT\$10 per cubic metre.
Fees for Competitive Bid Rounds	This is one-time payment paid by all operators submitting a bid to explore for minerals and quarry as part of a Competitive Bid Round.
Annual Licence Fees	Operators who are awarded licences to explore, mine and process minerals pay this annually.
Licence renewal fee	Paid by operators seeking to renew their licences
Rehabilitation Bond	Used as security to properly restore quarried lands to their previous condition or to improve on the previous condition of the quarried lands.
Performance Bond	This money is held as security for the non-payment of royalties and other dues arising out of any breach of the terms and conditions of the licence.

5.5 Contract and licence allocations (EITI Requirement 2.2)

Licences in the oil and gas sector are governed by the MEEI.

The minerals sector is governed by the Minister, the MEEI Minerals Division where delegated, and the Minerals Advisory Council (MAC). For further details see <https://www.energy.gov.tt/minerals/>

The issue of unlicensed operators is a longstanding one. Although some unlicensed companies pay royalties, there is no obligation for these companies to contribute to the national purse. Additionally, several environmental problems arise through unlicensed operations, given that they fall outside of the environmental regulatory system.

5.5.1 Oil and gas bidding process

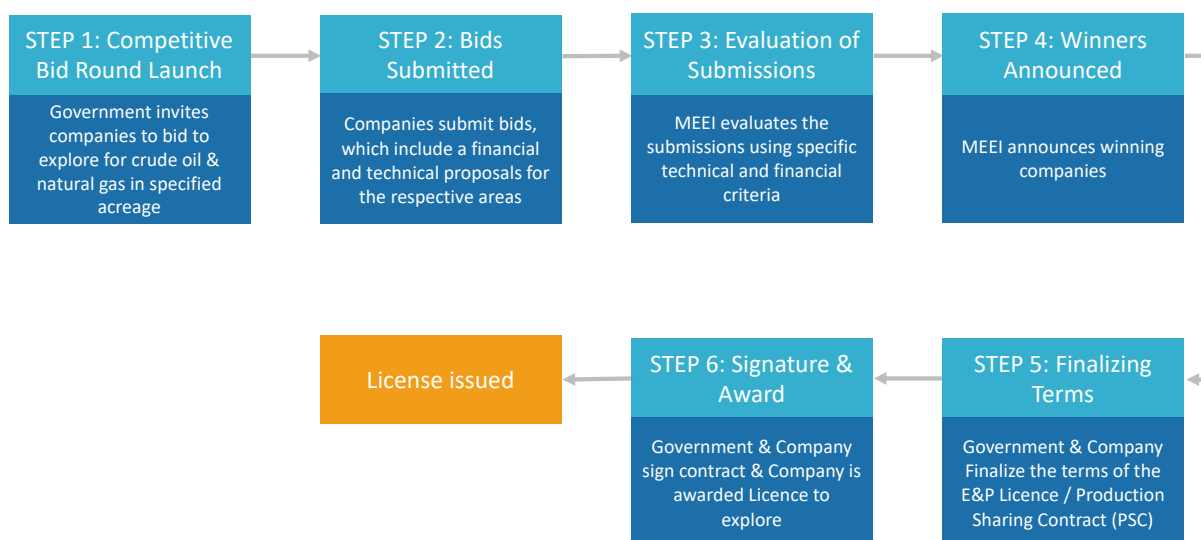


Figure 5-11 Oil and gas bidding process

After the submission deadline has passed, the MEEI holds a public ceremony for the opening of bid documents. A list of all bidders is made available.

For step 3, companies are evaluated based on their minimum exploration programmes, profit share splits and drilling programmes. Companies are assigned points for these areas and the highest scoring company is favoured. An example of this for the recent 2021 deep water bid round is available in Schedule 6 of the legal notice, found at: <https://www.energy.gov.tt/wp-content/uploads/2022/07/CBO-Legal-Notice-No.-281-of-2021.pdf>

5.5.2 Mining licence process

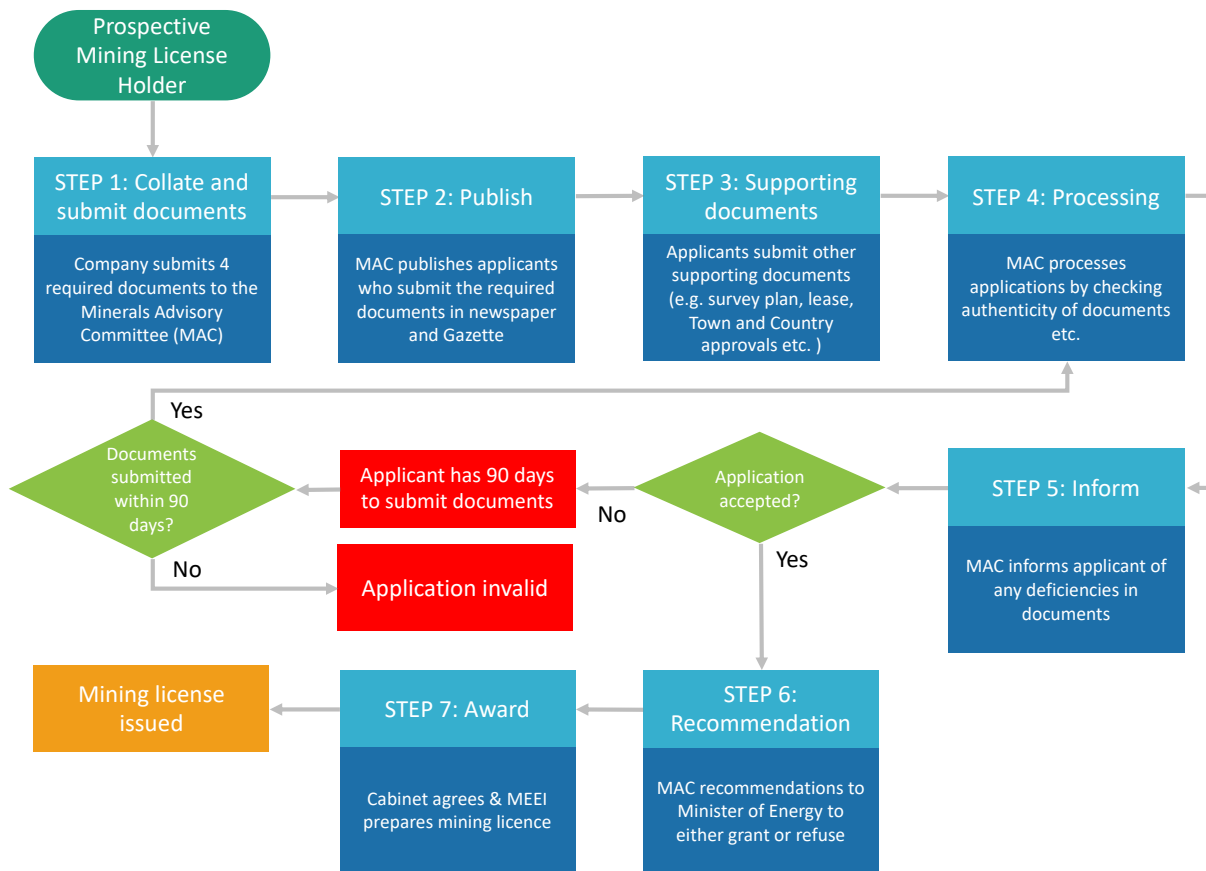


Figure 5-12 Mining licence process

See link below for additional information:

<http://www.energy.gov.tt/wp-content/uploads/2013/12/Guidelines-Flow-Chart-Mining-Licence.pdf>

5.6 Register of licences and permits (EITI Requirement 2.3)

5.6.1 MEEI register

The MEEI maintains registers of:

- Oil and gas production sharing contracts,
- Oil and gas exploration licences,
- Quarrying licences.

These registers are in the form of Excel spreadsheets and are available at: <https://www.energy.gov.tt/services/license-registers/>

For the active oil gas licences (both PSCs and exploration), all the licence holders participate in the EITI reporting process. The list of active quarrying licences includes companies that do not participate in EITI reporting.



5.6.1.1 Oil and gas production sharing contracts

This register was updated in May 2022 and underwent substantive revisions compared to the previous version. MEEI performs periodic reviews of the register. These have generally happened every 2 years, or when there are several transfers or assignments to record. TTEITI keeps track of expected changes and highlights any gaps identified to MEEI. The register provides the following information on each PSC:

- Block name,
- Block size (in hectares),
- Parties to the PSC and their percentage share,
- Date of application,
- Summary of terms,
- Summary of surrender provisions,
- Guarantees,
- Assignment, extension, renewal, amendment, termination details,
- The minimum work obligation.

The register also indicates whether the block has been relinquished or terminated. The register appears to contain complete, comprehensive and consistent information on each PSC, both active contracts and those that have been relinquished or terminated. The register would benefit from more frequent update e.g. quarterly.

5.6.1.2 Oil and gas exploration licences

This register was also updated in May 2022 but again it is not clear how frequently it is updated. The register provides the following information:

- Block name,
- Licence type,
- Parties and percentage share,
- Licence co-ordinates,
- Date of application (and effective date if different),
- Duration,
- Commodity.

This register does not provide consistent information on each licence. There are gaps in the information available. For example, for some blocks the percentage share of each party to the licence is not given. This register would benefit from ensuring there is complete, comprehensive and consistent information for each licence.

The MEEI also maintains a register of sub-licences, Under Section 24A of the Petroleum Act Chapter 62:01, a person holding a licence, (i.e. a licensee of an exploration and production licence) can issue sub-licences to a person, to engage in petroleum operations both onshore and offshore, within the licensed area. written approval from the Minister's must be obtained before a licensee can issue a sub-licence.

The sub-licence register is in PDF format and lists the sub-licensee name and the relevant block. There is no further information, such as the date the sub-licence came into force or its duration, the block's location and co-ordinates or the nature of the sub-licensee's interest. The register is dated 2010/11 and so it is unclear whether it is current. This register should be updated and expanded to include the information noted above.



5.6.1.3 Mining licence register

This register was updated in September 2022 and contains the details of ten quarry licences. Table 5-15 shows the updated list of licenced quarries. For these licences, the register contains the following information:

- Licence holder,
- Location,
- Land status (i.e. state-owned or private),
- Size,
- Mineral,
- Co-ordinates,
- Start date,
- Expiry date,
- Licence number.

This register does not appear to be a complete list of quarrying licences. The MEEI should ensure all active licences are listed and that the register is updated frequently e.g. quarterly.

Table 5-15 Quarrying licences – Ownership verification ongoing

Operator	Mine location	Mineral type	Acreage (hectares)
AGGREGATE INDUSTRIES LIMITED	Orosco Road, Matura	Sand and Gravel, State Mineral Rights - Operational	96.3173
ALESCON READYMIX LIMITED	Vega De Oropouche, Sange Grande	Sand and Gravel, State Mineral Rights - Inactive	121.4083
ARJOON GOBERHDHAN	Ravine Sable Road, Longdenville	Sand, State Mineral Rights - Inactive	2.0209
CUMANA ENTERPRISES LIMITED	25 1/2mp Toco Road, Cumana	Blue Limestone, State Mineral Rights - Inactive	1.983
DIANA RAGOONATH	Ravine Sable, Longdenville	Sand, State Mineral Rights - Inactive	2.0235
DONDI EMAMDEE	Ravine Sable Trace, Vega De Oropouche, Sangre Grande	Sand and Gravel, State Mineral Rights - Inactive	6.4582
NALINA MUNGLASINGH (now EARTH MOVERS EQUIPMENT RENTALS AND LAND DEVELOPMENT SERVICES LIMITED)	Ravine Sable Extension, Vega De Oropouche	Sand and Gravel, State Mineral Rights - Inactive	6.0704
ENAYAT RAMJOHN	Chatham Road, Cedros	Porcellanite, State Mineral Rights - Inactive	14.469
H. DOOKERAN QUARRY	Quarry Road, Guaracara	Yellow Limestone, State Mineral Rights - Inactive	8.0939
HUGH GLENROY THOMAS	Oropouche Road, Turure	Sand and Gravel, State Mineral Rights - Operational	4.0469
JOHN DICK SAWMILL AND TRANSPORT COMPANY	Caparo	Sand, State Mineral Rights - Inactive	2.8329



KENO CONSTRUCTION AND QUARRYING COMPANY LIMITED	Saunders Trace, Matura	Sand and Gravel, State Mineral Rights - Inactive	2.8328
READYMIX W.I. LIMITED	Bridle Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	40.8741
READYMIX W.I. LIMITED	Tapana, Valencia Melajo	Sand and Gravel, State Mineral Rights - Operational	194.2533
PTF MINING 2 (now RESHCO TRANSPORT LIMITED)	Verdant Vale, Arima	Blue Limestone, State Mineral Rights - Operational	12.1408
ROHAN SINGH	Rio Grande Trace, Matura	Sand and Gravel, State Mineral Rights - Inactive	1.7575
SAISCON LIMITED	Ravine Sable Road, Vega De Oropouche	Sand and Gravel, State Mineral Rights - Inactive	6.0704
SANTA RITA QUARRY LIMITED	Guaracara Road, Tabaquite	Yellow Limestone, State Mineral Rights - Operational	4.4516
SEEREERAM BROS LIMITED	Studley Park Tobago	Andesite, State Mineral Rights - Inactive	5.6657
NABBIE'S QUARRY (now SHERALIE NABBIE)	Cutucupano Road, Santa Cruz	Blue Limestone, State Mineral Rights - Inactive	4.0469
TRINIDAD CEMENT LIMITED	Mayo, Claxton Bay	Yellow Limestone, State Mineral Rights - Operational	103
VEGA MINERALS LIMITED	Vega De Oropouche	Sand and Gravel, State Mineral Rights - Operational	48.5633

Table 5-16 Quarrying licences – State ownership verified

Operator	Mine location	Mineral type	Acreage (hectares)
AADS MULTI-TASKING LIMITED	Matura	Sand and Gravel, State Mineral Rights - Operational	7.2843
ANSA McAL ENTERPRISES LIMITED	Longdenville	Clay, State Mineral Rights - Operational	84.2715
ATLAS ENERGY AND MINING CORPORATION	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Inactive	8.0939
PTF MINING LIMITED	Blanchisseuse, Verdant Vale	Blue Limestone, State Mineral Rights - Operational	12.9502
BESTCRETE AGGREGATES LIMITED	Pine Road, Matura	Sand and Gravel, State Mineral Rights - Operational	84.6378
CARIB GLASSWORKS LIMITED	Toco Main Road, Matura	Sand and Gravel, State Mineral Rights - Operational	20.6394
CARIBBEAN MINERALS AGENCY	Toco Main Road, Vega de Oropouche	Sand and Gravel, State Mineral Rights - Inactive	13.3549
CASTILLO AND HUGHES QUARRY	Block E, Tapana Road, Valencia	Sand and Gravel, State	16.4063



WORKS LTD		Mineral Rights - Operational	
CHANG'S CONSTRUCTION AND MAINTAINENCE LIMITED	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Inactive	7.6892
COOSAL'S CONSTRUCTION COMPANY LIMITED	Block B Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	38.446
COOSAL'S CONSTRUCTION COMPANY LIMITED	Block C Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	59.4901
DAR UL ISLAM	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Inactive	8.0939
DIPCON ENGINEERING SERVICES LIMITED	Verdant Vale, Arima	Blue Limestone, State Mineral Rights - Operational	16.7948
DIPCON ENGINEERING SERVICES LIMITED	Block A Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	59.8948
ESTATE MANAGEMENT & BUSINESS DEVELOPMENT COMPANY LIMITED	Coco Road, Off Cedar Hill Road, Claxton Bay	Sand, State Mineral Rights - Operational	58.276
ESTATE MANAGEMENT & BUSINESS DEVELOPMENT COMPANY LIMITED	Windsor Park, Claxton Bay	Sand, State Mineral Rights - Operational	56.6572
ESTATE MANAGEMENT & BUSINESS DEVELOPMENT COMPANY LIMITED	Indian Trail Road, Couva	Sand, State Mineral Rights - Operational	59.8948
FIRMA FABRICATION AND CONSTRUCTION LIMITED	Block F, Tractor Road, Melajo Forest Reserve, Matura	Sand and Gravel, State Mineral Rights - Operational	16.187
BARTHOLOMEW'S QUARRY	Quarry Road, Off Sosconusco #2, Upper Santa Cruz	Blue Limestone, State Mineral Rights - Inactive	2.0518
GOWRIE PERSADSINGH CONTRACTORS	Plantation Road, Valencia	Sand and Gravel, State Mineral Rights - Inactive	38.8507
HARRY PERSAD AND SONS LIMITED	Block 6, Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	36.0178
HUGH GLENROY THOMAS	Block K, Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	33.7515
HUGH PIUS LEE KING	Block H, Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	13.3549
HUGH PIUS LEE KING	Block F, Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	13.3549
KENKUR LIMITED	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Operational	8.0939



LUTCHMEESINGH'S TRANSPORT CONTRACTORS LIMITED	Block J, Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Inactive	13.193
MINERAL MINES OF TRINIDAD LIMITED	Vega De Oropouche	Sand and Gravel, State Mineral Rights - Operational	2.0234
NASAJA CONTRACTORS LIMITED	Oropouche Local Rd., Valencia	Sand and Gravel, State Mineral Rights - Operational	3.2376
NATIONAL QUARRIES COMPANY LIMITED	Verdant Vale	Blue Limestone, State Mineral Rights - Operational	47.6002
NATIONAL QUARRIES COMPANY LIMITED	Turure Road, Guaico, Sangre Grande	Sand and Gravel, State Mineral Rights - Operational	825.5767
NEVILLE RAJNAUTH	Oropouche Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	8.9033
PALO SECO AGRICULTURAL ENTERPRISES LIMITED	Parrylands, La Brea via Grants Road	Tar Sands, State Mineral Rights - Inactive	27.5192
PARAM BALBISSOON	Connector Road, Carlsenfield North, Carapichaima	Clay, State Mineral Rights - Operational	2.8329
READYMIX W.I. LIMITED	Block 3 Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	173.2092
REYNOLD PATRONG	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Operational	8.0939
ROHIT BALBISSOON	Carlsen Field South, Carapichaima	Clay, State Mineral Rights - Operational	1.2141
S&P PHAKIRA	Todds Road, Longdenville	Sand, State Mineral Rights - Inactive	6.0314
SOOKDEO CALPU	Erin	Porcellanite, State Mineral Rights - Operational	4.0469
ST. ALBAN'S SAND AND GRAVEL COMPANY LIMITED	Block 1, Matura	Sand and Gravel, State Mineral Rights - Operational	53.4197
ST. ALBAN'S SAND AND GRAVEL COMPANY LIMITED	Cumaca Road, Cumaca	Blue Limestone, State Mineral Rights - Operational	12.1408
STUDLEY PARK ENTERPRISES LIMITED (THA STUDLEY PARK QUARRY)	Studley Park, Tobago	Andesite, State Mineral Rights - Operational	10.1174
THIRBHAWON SEEOBIN	Block 2, Tapana Road, Valencia	Sand and Gravel, State Mineral Rights - Operational	8.0939



THIRBHAWON SEEOBIN	Block 3, Tapan Road, Valencia	Sand and Gravel, State Mineral Rights - Inactive	8.0939
THIRBHAWON SEEOBIN	Erin	Porcellanite, State Mineral Rights - Operational	8.1838
TRINIDAD AGGREGATE PRODUCTS (40 ACRES)	Depot Road, Longdenville	Clay, State Mineral Rights - Inactive	16.1878
TRINIDAD AGGREGATE PRODUCTS (60 ACRES)	Depot Road, Longdenville	Clay, State Mineral Rights - Inactive	24.2817
TRINITY ASPHALT PAVERS	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Inactive	8.0939
UNIVERSAL PROJECTS	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Inactive	8.0939
WARNER QUARRY	Studley Park, Tobago	Andesite, State Mineral Rights - Operational	4.0469
WATERVIS TT	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Operational	8.0939
WEST AND ASSOCIATES	Tattoo Trace, Valencia	Sand and Gravel, State Mineral Rights - Inactive	8.0939
WILSON'S QUARRIES LIMITED	Block 2, Matura	Sand and Gravel, State Mineral Rights - Inactive	53.4197
ZOETT ENTERPRISES LIMITED	Plantation Road, Valencia	Sand and Gravel, State Mineral Rights - Inactive	41.6835

Table 5-17 Quarrying licences – Private ownership verified

Operator	Mine location	Mineral type	Acreage (Hectares)
BATCHASINGH'S QUARRY LIMITED	11 1/4 km Atagual Road, Guaracara, tabaquite	Yellow Limestone, State Mineral Rights - Operational	7.2845
COOSAL'S CONSTRUCTION COMPANY LIMITED	Maracas, St. Joseph	Blue Limestone, Private Mineral Rights - Operational	78.8345
HERMITAGE LIMESTONE LIMITED	Tumbason Road, Heights of Guanapo, Arima	Blue Limestone, Private Mineral Rights - Operational	25.1841
P&R MARAJ AND SONS LIMITED	Studley Park, Tobago	Andesite, State Mineral Rights - Inactive	8.903
PIUS HOLDINGS LIMITED	Bridle Road, Valencia	Sand and Gravel, State Mineral Rights - Inactive	38.8507
RRJ LIMITED	Guaracara Tabaquite Road	Yellow Limestone, State Mineral Rights - Operational	4.0469
SAISCON LIMITED	Corosal Road, Mayo	Yellow Limestone, State Mineral Rights - Operational	8.0939



SAN ANTONIO QUARRY	Gasparillo Road, Santa Cruz	Blue Limestone, State Mineral Rights - Operational	4.8563
SEEREERAM BROS LIMITED	Cangrejal Road, Santa Cruz	Blue Limestone, Private Mineral Rights - Operational	4.0469
SIRIEKISSON SEEGOBIN AND SEEGOBIN COMPANY	Erin	Porcellanite, Private Mineral Rights - Inactive	2.0235
SPRINGBANK QUARRY LIMITED	Heights of Guanapo, Arima	Blue Limestone, Private Mineral Rights - Operational	8.0939
STOLLMEYER LTD	Guapo, Pt. Fortin	Tar Sands, State Mineral Rights - Operational	16.1878
ANEAL PANCHOO & RUSSELL CHAN	Cutucupano Road, Santa Cruz	Blue Limestone, State Mineral Rights - Operational	0.8094

5.6.2 MEEI register

MEEI provided the following data relating to the assignment and transfer of PSCs and E&Ps in the period 2019 to 2021. There were no material deviations from the legal and regulatory framework for the awards and transfer during the 2019-2021 period.

None of the transfers listed below required a transfer fee under the clause relating to the assignment. It is important to note that based on the information provided by the MEEI the licences transferred between 2019-2021 contained no clauses requiring a transfer fee be paid. However, the Model PSC published on the MEEI website requires the PSC parties to provide:-

- A guarantee for the minimum exploration programme and details of the guarantor,
- A guarantee for the other PSC obligations and details of the guarantor,
- An undertaking from the parent company of the assignee to provide necessary technical and financial resources.

The guarantee for the minimum exploration programme would not be required in cases where the PSC development is past the stage of the minimum exploration programme. However, there is no allowance in the PSC for the requirement for the guarantee for other PSC obligations or for the parent company undertakings to be dispensed with.

Where a transfer fee is payable, MEEI should obtain as a condition of granting consent a copy of any executed Deed of Assignment and Sale and Purchase Agreement for licence transfers, so that it has full information on the transfer and is able to follow up and collect any transfer fees payable.

The model Deepwater PSC published by the MEEI provides that in event of an assignment or transfer,

“For each assignment or transfer made by any entity or entities, the following rates shall apply to the amounts or value of the consideration:

For every dollar of first US\$100 million: 1%

For every dollar of next US\$100 million: 1.5%

For every dollar thereafter: 2%

The Minister reserves the right to waive this payment or any part thereof.”



In practice, not all PSCs contain this clause.

There were no transfers or assignments after 2021. However, in July 2023, the NGC announced that it had acquired Heritage Petroleum Limited's participation interests in several blocks including offshore blocks NCMA 4 (20%), Block 22 (10%) and Block 9 (100%), which are in Trinidad's North Coast Marine Area (NCMA). It also acquired Heritage's 19.5% shareholding in Point Fortin LNG Exports Limited (PFLE).

Table 5-18 Assignments of PSCs and E&Ps in 2019 to 2021

Block	Date of assignment ddmmyy y	Applicable PSC or E&P	Percentage interest assigned	Assignor	Assignee	Clause in PSC or E&P relating to assignment
3(a)	18/11/2020 effective 28/12/2018	PSC for Block 3(a) dated 22/4/2002	34.23%	Chaoyang Petroleum (Trinidad) Block 3A Limited	BHP Billiton (TRINIDAD-3A) Limited	Article 31
	2/12/2020 effective 30/12/2020		20.13%	Heritage Petroleum Company Limited	NGC Caribbean Investments Limited	
	15/6/2021		11.41%	NGC E&P (Netherlands) B.V.	NGC Caribbean Investments Limited	
2(c)	3/11/2021	PSC for Block 2(c) dated 22/4/1996	30%	NGC E&P Investments (Netherlands) B.V.	NGC Caribbean Investments Limited	Article 31
1(a)	19/8/2021	PSC for Block 1(a) dated 5/7/2005	20%	NGC E&P Investments Limited	De Novo Energy Block 1A Limited	Article 31
Trinidad Northern Areas (TNA)	26/7/2021	E&P (Public Petroleum Rights) for TNA, Trinmar Licenced Area dated 31/12/2012 and E&P (Public Petroleum Rights) for TNA, North Marine Licenced Area dated 31/12/2012	65% of the amalgamation of both Trinmar and North Marine Licence Areas	Heritage Petroleum Company Limited	EOG Resources Trinidad Limited	Clause 11
South East Coast Consortium (Deep Ibis Area)	17/6/2020 effective 1/10/2014	E&P (Public Petroleum Rights) dated 28/12/1973 and registered as No. 4434 of 1978	1.4%	EOG Resources Trinidad Limited	National Gas Company of Trinidad and Tobago Limited	Clause 13

Source: Memo from MEEI included as Annex G



5.7 Disclosure of licences and contracts (EITI Requirement 2.4)

At present contracts, licences and PSCs are confidential documents in Trinidad and Tobago based on several existing laws. A legal barrier exists within the Petroleum Act Chap. 62:01 section 35⁴ and the Freedom of information Act Chap 22:02 section 31.⁵ The applicable pieces of legislation from section 35 and section 31 (1) are Stated below:

Section 35

1. *No person who obtains information by virtue of the provisions of this Act shall disclose that information otherwise than in the discharge of his functions under this Act or for the purposes of any criminal proceedings.*
2. *Any person who contravenes this section is liable on summary conviction to a fine of fifteen thousand dollars or to imprisonment for one year.*

Section 31(1)

A document is an exempt document if its disclosure under this Act would disclose information acquired by a public authority from a business, commercial or financial undertaking, and—

- a) the information relates to trade secrets or other matters of a business, commercial or financial nature; or*
- b) the disclosure of the information under this Act would be likely to expose the undertaking to disadvantage.*

The TTEITI Steering Committee and Secretariat planned to address barriers to contract transparency in their 2021-2023 workplan and have taken the following steps to advance contract transparency:

- **Research and Advocacy:** The SC prepared a series of policy briefs⁶ aimed at a change in policy to remove legal barriers. The SC provided recommendations on amendments to the Petroleum Act calling for contract disclosure and submitted a brief to the Minister of Energy outlining the benefits of EITI legislation. The SC also recommended including EITI clauses in contract for the 2021 deep water bid round however the recommendation was not accepted/included in the model production sharing contract.
- **Public Outreach:** The SC prepared a series of articles outlining the benefits of contract transparency, analysis on contract terms and conditions as well as hosted webinars highlighting the issue.⁷

5.8 Beneficial ownership (EITI Requirement 2.5)

5.8.1 Beneficial ownership disclosure under EITI

Beneficial ownership disclosure is important because it contributes to reducing illegal activities (e.g. tax avoidance and money laundering) which have negative implications on a country's potential revenue streams. TTEITI has defined a beneficial owner (BO) as *"a living person who directly/indirectly owns a company or controls the shares or total votes, while a Politically Exposed Person (PEP) is a beneficial owner who has been entrusted with a prominent political function"*.⁸ TTEITI previously applied a threshold for reporting of at least 10% of the shares or total votes, but has now aligned the definition to that in the amended Companies Act (see below), which does not apply any threshold.

⁴ <https://www.energy.gov.tt/wp-content/uploads/2021/07/The-Petroleum-Act.pdf>

⁵ <https://www.energy.gov.tt/wp-content/uploads/2021/07/Freedom-of-Information-Act-22.02.pdf>

⁶ These are not yet publicly available.

⁷ For example, see <https://www.tteiti.com/articles/will-contract-transparency-be-beneficial-for-tt>

⁸ <https://www.tteiti.com/beneficial-ownership-register>



Participating EITI countries are required to disclose BO's and PEP's participation in extractive sector companies. The TTEITI published the country's first BO register in 2020. The register contains the details of 44 companies active in the extractive sector and can be found at: <https://www.tteiti.com/beneficial-ownership-register>

The register can be searched by the following parameters:

- Sector (oil and gas or mining),
- Company type (company name or subsidiary),
- Company name.

For each company, the register provides the following BO information:

- Company name,
- MOF-IRD number,
- Type of company ownership (e.g. listed company),
- Type of contractual arrangement (e.g. PSC),
- Registered address,
- Name of government owner (if applicable),
- Company registration number,
- Direct legal owners,
- Legal owners' website,
- Type of beneficial owner,
- Name(s) of beneficial owners,
- Link to stock exchange website for listed companies only,
- Names of any political exposed persons.

The register does not contain details of the percentage share of each beneficial owner. While the information is publicly available, it is not downloadable or in machine-readable format.

The expectation is that companies are regularly asked to update their BO information in the register, although there has not been an update requested since January 2020. The IA amended the reporting templates for oil and gas and mining companies to add a question on whether the information on the TTEITI online beneficial ownership register remains accurate and up to date. Companies that answered "no" to that question or who had not yet provided information to the register were asked to provide details of their beneficial owners. Three groups of companies subsequently confirmed that the information on the beneficial ownership registry remained up to date. These were: BP, Shell and Touchstone.

5.8.2 Legal provisions and beneficial ownership disclosure practices

The Companies (Amendment) Act 2019 (Act 6 of 2019) sets out, in sections 337A to 337D, the legal provisions on beneficial ownership applicable in Trinidad and Tobago.⁹ The intent of this Act is clear, but there are significant issues with the way in which it tries to achieve that intent.

The most significant issue appears to be the way it makes the distinction between:

- A. A person who holds a beneficial interest in shares, on behalf of the legal owners; and
- B. A person who is an ultimate beneficial owner of a company by virtue of direct or indirect ownership or control.

⁹ <http://news.gov.tt/sites/default/files/E-Gazette/Gazette%202019/Acts/Act%20No.%206%20of%202019.pdf>

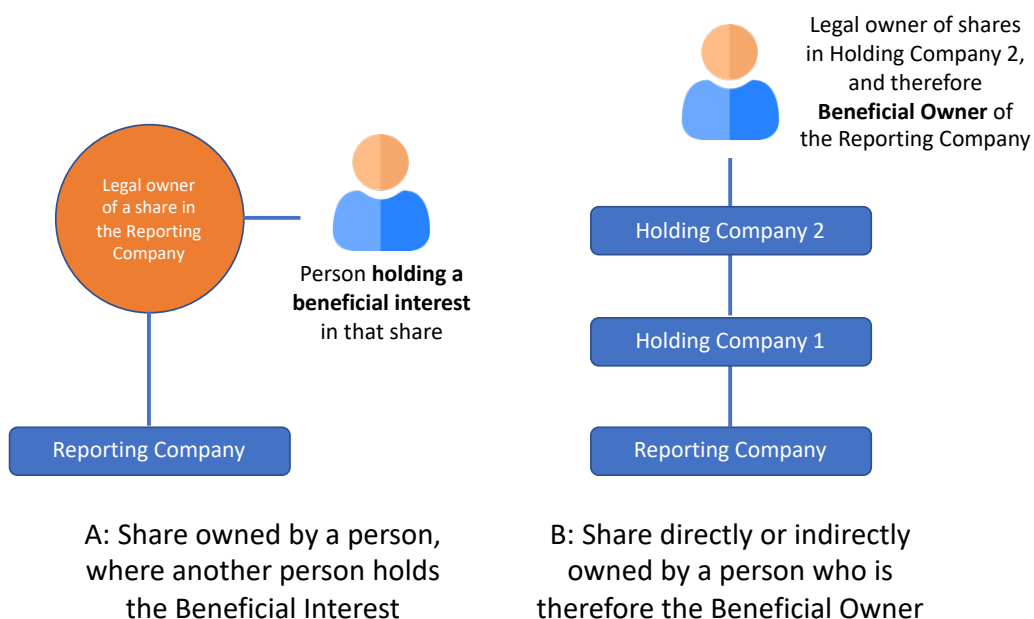


Figure 5-13 Beneficial interests vs. beneficial ownership

The provisions of the Companies (Amendment) Act 2019 include a beneficial ownership definition, an obligation on companies to identify their beneficial owners, to maintain records on their BO and to submit the information to the Companies Register.

Section 373A.(2) seeks to define a Beneficial Owner in the context of scenario B above, or similar scenarios where the shares in the Reporting Company are owned directly or indirectly (so potentially through multiple layers of holding companies) by one or more natural persons. This is aligned to the expectations of Financial Action Task Force and the way in which beneficial owners are defined under the EU AMLD and by EITI.

Companies are also obliged to submit an annual reconfirmation of their BO information and to report any changes within 30 days of the change occurring.

Section 373B.(1) and (2) then create an obligation for companies to ascertain details of those beneficial owners as defined above on at least an annual basis.

The process is then set out in Section 373C. However, that section variously refers to “beneficial interests” (implying arrangements as set out in Figure 1, diagram A above) and “beneficial owner” (implying arrangements as set out in Figure 1, diagram B above). By mixing these terms, the real obligations placed on companies become unclear, and there is a significant risk of loopholes or unintended consequences.

As a result, the obligation on companies appears to rely on those companies issuing a form to the legal holders of shares requesting that those legal owners declare if the shares are held for the beneficial interest of someone else (scenario A above). This does not necessary capture indirect ownership or control (scenario B above).

The provisions do make it clear that failing to ascertain beneficial owners is an offence for which all directors and officers of the company are liable and face fines or imprisonment. The provisions also state that failing to submit information to the register and/or failing to make a BO declaration are also offences.

The legislation also exempts companies listed on a stock exchange from the BO obligations. This appears to be intended to mitigate the significant administrative burden for a listed company, which might conceivably have hundreds of thousands of shareholders, from providing an unmanageable amount of data. However, it could have the disadvantage of resulting in listed companies, which



can be the largest and most valuable businesses operating in a country, providing no data to the register at all.

There are also some significant omissions from the legislation. The definition does not set a threshold for reporting ownership or control of a company. While the definition refers to both direct and indirect ownership and control as well as other means of ownership other than shares, the bulk of the provisions refer only to shareholders. So, the provisions do not appear to create obligations for natural persons who exercise ownership or control through other means e.g. partnerships or co-operatives.

To implement the provisions described above, the Companies Register makes available on its website the following seven forms for companies to identify their beneficial owners, submit that information to the Register and to notify any changes. However, these forms are not entirely clear as to when they are referring to a person who holds a beneficial interest and when they are referring to an ultimate beneficial owner. The forms are:

- Form 40: issued by the company to shareholders asking them to notify who holds a beneficial interest in the shares legally held in their name (if not them). So this form appears to relate to scenario A above.
- Form 41: used by those named in the company share register but who do not “hold the beneficial interest in such shares” to give details of who is the beneficial owner. So this form appears to relate to scenario B above, although it relies on Section 373C(1).
- Form 42: used by those who are the beneficial owner to declare their ownership. It is unusual for a regime to require a signed and witnessed statement from every individual beneficial owner, and although this adds credibility to the data collected, it may not be proportionate to the risk. This form does not require the beneficial owner to disclose any unique identification, such as a national identity or passport number.
- Form 43: used to notify change in BO. However, this form is completed by the shareholder in the reporting company, rather than by the company itself, which increases the administrative burden.
- Form 44: used to notify of change in level of BO in company. This form supplements Form 43, and once again requires signed and witnessed statements by the outgoing and incoming beneficial owners. There are questions of practicality here.
- Form 45: used to submit information on the beneficial owner to the register. This form does not appear to be on the RGD website.
- Form 46: for transfer of shares.

The forms can be found at: <http://legalaffairs.gov.tt/forms.php>

As a suite of forms intended to capture information on the beneficial owners of a company, these are complex and do not always capture the correct information or sufficient information to uniquely identify each beneficial owner.

The BO information collected under the Act is not publicly available. Also, it is not stored in a machine-readable format and therefore there are barriers to sharing this information with law enforcement agencies and with authorities in other jurisdictions.

5.9 State participation (EITI Requirement 2.6)

Information on revenues collected from SOEs can be found in section 5.2.3.

5.9.1 The Financial Relationship between the Government and SOEs

Government/State owned oil, gas and mining companies must be held to standards of accountability and transparency. The EITI requires implementing countries to inform the public on



the various rules and practices regarding the financial relationship between the Government and state-owned enterprises. This includes the rules and practices governing how funds are to be transferred between the SOE and the State, how retained earnings and reinvestments are to be handled as well as rules on third party financing.

The government describes how it participates in the extractive industries at: <https://www.finance.gov.tt/divisions/investments-division/>. Reports on this participation are found at: <https://www.finance.gov.tt/publications/state-enterprises-investment-programme/>.

The State Enterprises Performance Monitoring Manual developed by the Ministry of Finance addresses all these issues. It also contains rules governing inter-agency debt, the publishing of financial statements and procurement.

The Auditor General reviews the work of the Ministry of Finance’s Investment Division to ensure SOEs live up to the expectations outlined in the State Enterprises Performance Monitoring Manual. The Auditor General’s report is available at:

https://auditorgeneral.gov.tt/sites/default/files/Auditor_Generals_Report_2021.pdf

Table 5-19 State enterprises performance monitoring manual

Document	Submission Date	Receiving Agency
Strategic Plan*	Six (6) months Prior to start of Financial Year for companies receiving subventions and one (1) month for others	Investments Division and Line Ministry
Annual Budget	Six (6) months prior to start of Financial Year	Investments Division and Line Ministry
Board Minutes	One (1) week after confirmation	Investments Division and Line Ministry
Cash Statements of operations	Within three (3) weeks after month’s end	Investments Division
Quarterly Reports	End of First Month after Quarter	Investments Division
Status of Loan and overdraft portfolio	One (1) week after the end of the reporting month	Investments Division
Annual Financial Statements	Four (4) months after end of Financial Year	Investments Division and Line Ministry

Table 5-20 The financial relationship between SOEs and the Government

Issue	Rule	Practice
Transfer of funds between SOEs and the state	Section 3.1.19.1 of the SEPMM highlights the different taxes and royalty payments that SOEs are required to pay on a timely manner.	Tax and royalty payments are contractual arrangements between the MEEI and the extractive company. This therefore falls outside of the purview of the Investments Division of the MOF. Section 3.12 of the Auditor General’s Report 2017 explains that quarry operators in default of submitting arrears are not recorded or notified by the MEEI.
	Section 3.1.7 of the SEPMM outlines a dividend policy whereby SOEs are also required to pay interim dividends based on semi-annual financial results. The Minister of Finance has to agree to the distributions of profit, which ought to be disclosed in the	The Ministry of Finance is guided by the dividend policy to which the SOEs closely adhere.



	<p>companies' financial statements. The manual also states specific considerations when determining the amount of dividends that an SOE is required to pay the State.</p>	
	<p>Section 3.1.18 of the SEPMM outlines the policy on shares and transfers for State enterprises. This includes the submission of original share certificates to the Ministry of Finance and Investment Division's maintenance of State Enterprises share register.</p>	<p>All State Enterprises closely adhere to this policy and the Ministry of Finance continuously updates its State Enterprises Share Register.</p>
	<p>The dividends policy in Section 3.1.7 of the SEPMM states that SOEs with retained earnings in excess of working capital requirements may be required to pay Special Dividends.</p> <p>Section 4.2.2 of the SEPMM states that retained earnings are to be disclosed in quarterly reports submitted to the Investments Division in the Ministry of Finance. Also, refer to Appendix I of the SEPMM.</p>	<p>The retained earnings are recorded in the SOEs' Quarterly Returns Report.</p> <p>All SOEs submit Quarterly Returns Reports to the Investments division of the Ministry of Finance.</p>
Retained earnings	<p>Section 3.1.7 of the SEPMM states that SOEs with retained earnings in excess of working capital requirements may be required to pay Special Dividends. This has implications on the amount of money that can be reinvested.</p>	<p>The retained earnings are recorded in the SOEs' Quarterly Returns Report.</p>
Reinvestment	<p>SOEs must first receive approval by the Minister of Finance before taking a decision to acquire significant assets, to invest in new non-government securities, to incur any new/additional long-term debt and to enter into significant contracts. Refer to Section 3.1.14 of the SEPMM.</p>	<p>All State Owned Enterprises adhere strictly to this Policy.</p>
	<p>State Enterprises are to inform the Ministry of Finance on matters related to Inter-Agency Accounts Receivables and Payables that are unmanageable as detailed in the required Quarterly Returns Report. Refer to Section 3.1.15 of the SEPMM.</p>	<p>All SOEs in addition to the submission of Quarterly Returns Report, also inform the Investments Division of unmanageable Accounts Receivables and Payables while seeking an intervention from both MOF and the respective Line Ministry</p>
Third-party financing	<p>The Minister of Finance must approve of any Government shares to be issued. Refer to Section 3.1.18 of the SEPMM.</p>	<p>All State Enterprises closely adhere to this policy and the Ministry of Finance continuously updates its State Enterprises Share Register.</p>



Table 5-21 Government loan and loan guarantees offered to oil, gas and mining companies in Fiscal 2021

Name of state-owned enterprise	Government ownership percentage (%)	Government guaranteed loan
Lake Asphalt of Trinidad and Tobago (1978) Limited (LATT)	100%	No Government Guaranteed Loans
National Quarries Company Limited (NQCL)	100%	No Government Guaranteed Loans
The National Gas Company of Trinidad and Tobago Limited and its Subsidiaries (NGC)	100%	No Government Guaranteed Loans
Trinidad and Tobago National Petroleum Marketing Company Ltd (NPMC)	100%	No Government Guaranteed Loans
The Trinidad Petroleum Holdings Limited	100%	Seven facilities (three matured by July 2017).
Estate Management and Business Development	100%	Government Guaranteed Loans of \$214,749,300.00
Petroleum Company of Trinidad and Tobago PETROTRIN	100%	Government Guaranteed Loans of \$3,564,837,553.20

Source: Auditor General Report 2022

5.9.2 State-owned Extractive Companies (SOEs)

SOEs which are major players in the extractive industries in Trinidad and Tobago are summarised below (*oil and gas / ** minerals): -

1. National Gas Company of Trinidad and Tobago (NGC) and its subsidiaries*
2. The Trinidad Petroleum Holdings Limited*
3. National Quarries Company**
4. Lake Asphalt**

In addition, the Estate Management and Business Development Company Limited (EMBDCL) and Palo Seco Agricultural Enterprises Ltd (PSAEL) are owners of land used in the extractive sector and /or provide services to the sector, although they are not themselves active extractive companies. PSAEL is not included in the scope of this TTEITI Report while EMBDCL has agreed to participate in the EITI.

Between 2019-2021, based on information provided by the MEEI Legal Unit there were several instances where PSC and licence transfers involved SOEs. Heritage Petroleum transferred its 20% stake in Block 3A to the National Gas Company (NGC) and 65% of its interest in the Trinidad Northern Areas acreage to EOG Resources. The NGC transferred 20% of its stake in Block 1A to De Novo.

Details of the state's shareholdings can be found in the State Enterprise Investment Programme and the Licence Register: <https://www.finance.gov.tt/wp-content/uploads/2021/10/State-Enterprises-Investment-Programme-SEIP-2022.pdf>



5.9.2.1 *The National Gas Company of Trinidad and Tobago (NGC)*

The National Gas Company of Trinidad and Tobago Limited (NGC) Group is a diversified group with assets worth TT\$40 billion spread across the entire value chain. The core business of the parent, NGC, is the purchase, transmission, distribution and sales of natural gas.

NGC is the largest contributor to earnings from SOEs. The group had a 260% increase in profit of TT\$1.6 billion for the financial period ending 30 June 2022 when compared to just a profit of TT\$437 million in 2021 as a result of increased ammonia, methanol and LNG prices. The period generated revenue of TT\$15.6 billion which represented a 93% increase when compared to the same period of 2020. As of 30 June 2022, the company paid the Ministry of Finance TT\$293.3 million in dividends compared to roughly TT\$1 billion in 2018. For the NGC's financial performance see: <https://ngc.co.tt/financial-performance/>.

The NGC Group gives a full listing of its subsidiaries, the nature of their business and their percentage equity owned by the Government in its Annual Report 2019. For NGC's annual report see: <https://ngc.co.tt/wp-content/uploads/2020/10/ngc-annual-report-2020-resolute-and-resourceful.pdf>

NGC has a number of subsidiary companies:

- National Energy Corporation of Trinidad and Tobago Limited (National Energy) is 100% owned by NGC and is involved in the conceptualisation, promotion, development and management of industrial estates and port and marine facilities.
- NGC CNG Company Limited (NGC CNG) is mandated to develop the CNG market in Trinidad & Tobago by promoting CNG and the installation of a network of CNG stations as well as implementing Government incentives for the sector.
- Trinidad and Tobago NGL Limited (TTNGL) is a company incorporated to hold 39% of PPGPL and was listed on the Trinidad and Tobago Stock Exchange in 2015, to allow citizens to own a stake in the energy sector.
- NGC Pipeline Company Limited owns finances, constructs, operates and maintains a 56-inch cross-island pipeline (CIP) from Beachfield on the south-east coast of Trinidad to Point Fortin on the south west coast of Trinidad.
- Trinidad and Tobago LNG Limited holds 11.11% equity interest in Atlantic LNG 4 of Trinidad and Tobago Unlimited ("Atlantic 4") together with other shareholders. Atlantic 4 is principally engaged in the ownership of a Liquefied Natural Gas Plant in Trinidad and in the processing and sale of Liquefied Natural Gas ('LNG') and Natural Gas Liquids ('NGLs').
- NGC Trinidad and Tobago LNG Limited holds 10% ownership in Atlantic Train 1 which sells liquified natural gas ('LNG') and natural gas liquids ('NGLs'). This Company should be included
- NGC NGL Company Limited hold 51% investment in Phoenix Park Gas Processors Limited ('PPGPL').
- La Brea Industrial Development Company Limited is principally engaged in the promotion and development of an industrial estate and marine infrastructure facilities at La Brea.
- NGC Petrochemicals Limited main activity is to hold a 20% investment in Caribbean Gas Chemical Limited (CGCL) and market its methanol and DME entitlement.
- NGC E&P (Barbados) Limited provides certain material needs and services for its members (NGC E&P Netherlands Cooperatif U.A.).
- NGC E&P Investments (Barbados) Limited provides certain material needs and services for its members (NGC E&P Netherlands Cooperatif U.A.).
- Downstream Petrochemicals Research and Development Limited is principally engaged in the Management of DME and Downstream Promotion Fund.



- NGC E&P Investments Limited holds 20% interest in Block 1A Offshore Trinidad which is principally engaged in focusing on delivering low-cost natural gas to the domestic market.
- NGC Group Captive Insurance (Barbados) Limited is principally engaged providing additional insurance of various risk of its Parent (NGC) and subsidiaries assets.
- NGC Caribbean Investments Limited holds 20.13% equity in exploration, development and production of oil and gas of Block 3 (a).

All the NGC subsidiaries are registered in Trinidad and Tobago, except for

- NGC E&P Investments (Barbados) Limited (registered in Barbados)
- NGC E&P (Barbados) Limited (registered in Barbados)
- NGC Group Captive Insurance (Barbados) Limited (registered in Barbados)

NGC has a number of sub-subsidiary companies:

- Phoenix Park Gas Processors Limited (PPGPL) is principally engaged in natural gas processing and aggregation, fractionation and marketing of Natural Gas Liquids.
- NGC E&P Netherlands Coöperatief U.A 100% holds the equity interest in NGC E&P Investments (Netherlands) B.V. which holds a 30% interest in Block 2C and NGC E&P (Netherlands) B.V. which holds a 11.41% interest in Block 3A
- NGC E&P (Netherlands) B.V holds a 11.41% equity in exploration, development and production of oil and gas of Block 3A
- NGC E&P Investments (Netherlands) B.V. holds a 30% equity interest in the exploration, development and production of oil and gas of Block 2C

5.9.2.2 *Trinidad Petroleum Holdings Limited*

Despite its improvements in crude oil production, refinery throughput and bunkering, the Petroleum Company of Trinidad and Tobago (Petrotrin) continued to be challenged by serious management-created debts, manpower issues, refinery inefficiencies, aged infrastructure and frequent oil spills. In 2018, the Government ceased Petrotrin’s operations and introduced a new structure and placed it under a new holding company- Trinidad Petroleum Holdings Limited (TPHL). TPHL’s four subsidiaries are:

1. **Heritage Petroleum Company Ltd (<https://heritage.co.tt>)**: located in Santa Flora and Point Fortin, Heritage Petroleum has the responsibility for all E&P Assets, including E&P contracts, with revenue generated through crude oil sales and crude oil storage. The operations are primarily located within southern Trinidad and Tobago with non-operated assets off Trinidad’s north and east coast. In addition, Heritage also holds multiple contracts and joint venture (JV) arrangements for offshore acreages ranging from 10% to 80% interest. In most of these joint ventures, JV partners pay for the activities involved in the involvement in the exploration phase.

Table 5-22 List of Heritage Petroleum’s joint ventures 2022

Blocks		Heritage Equity	Joint Venture Partners
ONSHORE			
1	Moruga West	40.0%	Trinidad Energy Production Resources Ltd. (60%)
2	Central Block	35.0%	Shell Trinidad & Tobago Limited (65%)



3	Parrylands 'E'	25% (CVORR)	New Horizon Exploration Trinidad & Tobago Unlimited (75%)
4	Rio Claro Block	20.0%	Lease Operators Limited (80%)
5	Ortoire Block	20.0%	Touchstone Exploration (Trinidad) Limited (80%)
6	St. Mary's Block	20.0%	Range Resources Trinidad Limited (80%)
OFFSHORE			
7	Brighton Marine	45% (CVORR)	Oilbelt Services Limited (55%)
8	Point Ligoure, Guapo Bay Brighton Marine (PGB)	30.0%	Oilbelt Services Limited (70%)
9	Pelican	16.0%	EOG Resources Trinidad Limited (80%) The National Gas Company of Trinidad and Tobago Limited (NGC) (4%)
10	SECC	16.0%	EOG Resources Trinidad Limited (80%) NGC (4%)
11	NCMA-1 / Block 9 Unitised Area	19.5% (acquired by NGC)	Shell Trinidad & Tobago Limited (63.1925%) Shell Trinidad North Coast Limited (STNCL) (17.3075%)
12	TSP	15.0%	Perenco T&T Limited (70%) NGC (15%)
13	Southern Trinidad Northern Area (TNA)	35%	EOG Resources Trinidad Limited (65%)
14	Block 22	10.0% (acquired by NGC)	BG International Limited (90%)
15	Galeota	35% (Dev. Area - CVORR)	Trinity Exploration and Production (Galeota) Limited (65%)
16	NCMA 4	20.0% (acquired by NGC)	BG International Limited (80%)
17	East Brighton	30%	Primera Oil and Gas Limited (70%)
SUBSIDIARY			
	Trintomar	80%	NGC (20%)

- Paria Fuel Trading Company Ltd (<https://pariatt.co/>):** The terminal (fuel trading and product supply) activities are being undertaken by Paria Fuel Trading Company Ltd (Paria Fuel). Paria Fuel is responsible for trading and product supply, logistics, terminal operations and handling of the exports of Heritage Petroleum. The five fuels imported are Gasoline 95R, Gasoline 92R, Jet, Gasoil and Fuel Oil.
- Guaracara Refining Company Ltd:** is responsible for preservation of the refinery assets, in addition to providing utility services (i.e. water - domestic and hydrant, electricity and nitrogen) to Paria Fuel and Petrotrin.
- Petrotrin:** Petrotrin is now responsible for all legacy items that have not been transferred to one of the new operating entities, including ongoing preservation/ maintenance works, properties, lands, prioritisation of payables, legal liabilities (the validation of which is in



progress) and it will continue to support the pension plan going forward. All assets owned by the 'old' Petrotrin are still owned by the State-owned oil company (Trinidad Petroleum Holdings Ltd). On closure of the refinery the Government revealed it planned to sell or lease the facility. The Government received expressions of interest from 77 bidders. However, only 25 signed the Non-Disclosure Agreements (NDAs) and could continue in the process. Of the remaining 25 potential buyers, eight submitted Non-binding Offers (NBOs). Following the evaluation of the submitted offers five bidders were shortlisted.

Cabinet then appointed a 10-person evaluation committee with a mandate based on the following:

- Select preferred bidder
- Negotiate and finalise a binding offer
- Negotiate and execute a definitive agreement
- Initiate negotiations of critical agreements
- Negotiate any government incentives and conduct environmental audits

Patriotic Energies and Technologies Company Limited was named the preferred bidder and they were given a month to present a detailed work plan. However, the Government and Patriotic were not aligned on several issues and an agreement was not made. On the October 31, 2020, the Minister of Energy stated, "*the proposal did not address key outstanding issues and, as such, Patriotic does not meet the criteria necessary to lead to a signed contractual agreement.*" The Government is still accepting bids for the sale of the refinery.



5. **National Quarries Company Limited (NQCL, <http://nqcl.co.tt>):** National Quarries Company Limited (NQCL) is a fully state-owned enterprise that was incorporated in 1979 to ensure that the country's construction sector and Government's major development projects are adequately supplied with aggregate at a fair price. The company operates quarries, mines and sand pits, and also manufactures, imports and exports aggregate products.
6. **Lake Asphalt of Trinidad and Tobago (1978) Limited:** Lake Asphalt of Trinidad and Tobago (1978) Limited (or Lake Asphalt) is a state-owned enterprise situated in Brighton, La Brea with the responsibility of overseeing the commercial development of the world's largest deposit of natural asphalt. The company undertakes mining, refining, manufacturing and distribution of road building products and other asphalt related products. In addition to exporting asphalt, the company sells its refinery bitumen locally and internationally.



5.10 Collection and distribution of extractive revenues (EITI Requirements 5.1 and 5.2)

Extractive sector revenue collected by the Government is distributed in a number of different ways and involves several different institutions. Transparency in revenue allocations enables citizens to track whether the money from the extractive sector ends up in the national budget or is distributed to other funds or Government entities.

EITI International

5.10.1 The process of distributing extractive revenues

In Trinidad and Tobago, there is no revenue sharing formula that determines how revenues should be allocated to different priority areas (e.g. health care, security, tourism development, etc.). Generally, the Minister of Finance meets with representatives of stakeholder groups (e.g. Business Associations and Chambers) to gather information on the areas that they deem important for spending for the upcoming fiscal year. The Minister incorporates this information into the National Budget (referred to as the Appropriation Bill) which is submitted to Parliament for approval. Once the Budget is approved, the extractive and non-extractive revenues from the Consolidated Fund are allocated to the various Government Ministries and Statutory Agencies which then provide goods and services for the public.

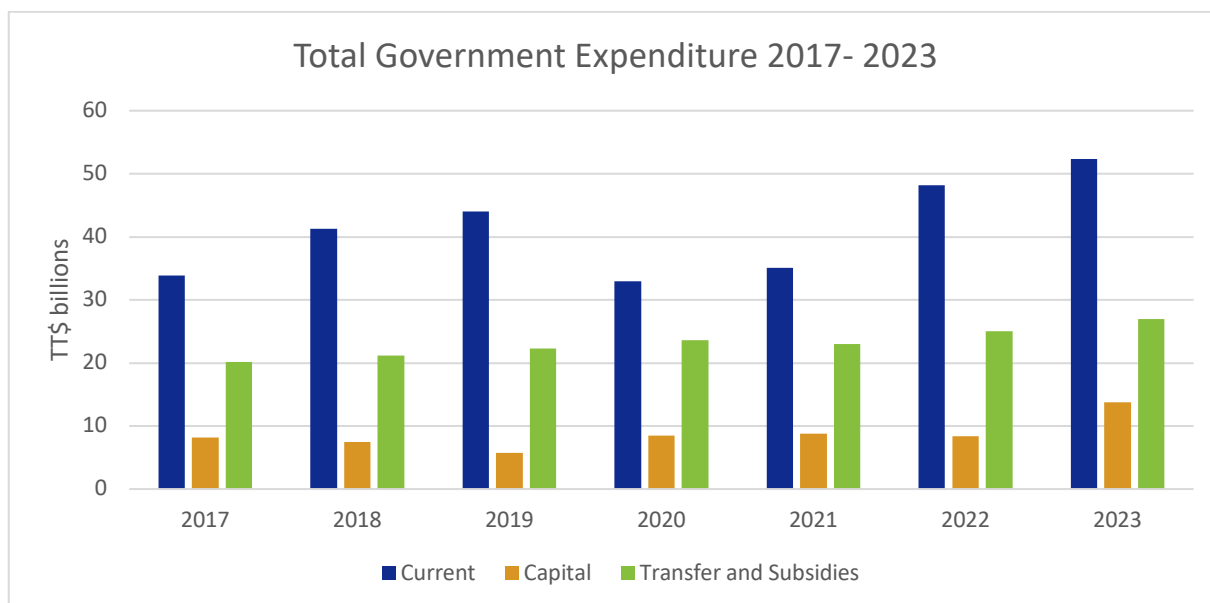
In relation to Requirement 5.1, it is important to note that Trinidad and Tobago utilises the IMF's Government Finance Statistics Manual.

Table 5-23 Total Government expenditure

Year	Current (TT\$ bn)	Capital (TT\$ bn)	Transfer and Subsidies (TT\$ bn)
2017	33.9	8.2	20.2
2018	41.3	7.5	21.2
2019	44.0	5.70	22.30
2020	32.9	8.50	23.60
2021	35.1	8.8	23.00
2022	48.2	8.4	25.00
2023	52.3	13.8	27.00

Source- Ministry of Finance, Estimates of Revenue

Note: 2022 figures are revised and 2023 is estimate



Source- Ministry of Finance, Estimates of Revenue

Figure 5-14 Total Government expenditures 2017 to 2023

5.10.2 Corruption and Mismanagement

There are established legal mechanisms and procedures to minimise corruption and mismanagement of revenues from the Consolidated Fund. The parties involved in this oversight are:

1. The Minister of Finance
2. The Auditor General
3. The Accounting Officer (appointed by the Treasury)
4. The Parliament’s Joint Select Committees. These mechanisms are detailed in the Accounting Manual prepared by the MOF’s Treasury Division, which can be found on the Auditor General’s Department webpage.

See: <http://www.auditorgeneral.gov.tt/sites/default/files/Accounting%20Manual%20Comptroller%20of%20Accounts.pdf>

5.10.3 Sub national transfers

Subnational transfers refer to the process of transferring revenues from the extractive sector between the Central Government and sub national government agencies, for instance regional and local corporations. In Trinidad and Tobago there is no statutory requirement for this practice.

Chapter 8 Section 112 (1) to (4) of The Constitution of The Republic of Trinidad and Tobago states that “All revenues or other moneys raised or received by Trinidad and Tobago ... shall ... be paid into and from one Consolidated Fund.”

The money contained in the consolidated fund is not separated into buckets based on extractive or non-extractive revenues, it is one single pool of revenues. In terms of expenditure from the fund, the Finance Minister creates estimates for the national budget which is approved by the Parliament. After the budget is approved, funds are then transferred to the various heads of expenditure which include local and regional corporations. Therefore, Requirement 5.2 does not apply to Trinidad and Tobago.



5.10.4 The Consolidated Fund

Once approved, monies from the Consolidated Fund which are all revenues including taxes, custom duties, interest and monies raised or received by Trinidad and Tobago, are then allocated by the Parliament to meet Government Expenditure. Projects and programmes by Ministries, Statutory Boards, Local Government and the Tobago House of Assembly within the Public Sector Investment Programme (PSIP) were partially funded through the Consolidated Fund for the FY2021/22. The table below outlines the total allocation to the PSIP and the amount that was funded by the Consolidated fund.

The government publishes a description of the country's budget process at: www.auditorgeneral.gov.tt. In addition, TTEITI has produced a guide for CSOs on the country's budget. This can be found at: <https://stories.tteiti.com/budget-guide/index.html>

Details of the country's budget can be found at: <https://www.finance.gov.tt/category/budget-statement/>.

Table 5-24 Public Sector Investment Programme (PSIP) 2023 – Allocation by sector

Sector and Area	Total Allocation (TT\$ m)	Consolidated Fund (TT\$ m)
Building Globally Competitive Businesses	762.3	425.0
Improving Productivity through Quality Infrastructure and Transport	2,366.5	948.3
Placing the Environment at the Centre of Social and Economic Development	55.0	53.0
Promoting Good Governance and Service Excellence	1,058.8	673.4
Putting People First: Nurturing Our Greatest Asset	1,921.7	1,079.3
GRAND TOTAL	6,164.3	3,178.9

Source: Guide to the Budget 2022

5.10.5 The Heritage and Stabilisation Fund: saving for the future generations

The Heritage and Stabilisation Fund (HSF) was created by the Heritage and Stabilisation Act, No.6. of 2007 It has three objectives:

1. Cushion the impact on or sustain public expenditure capacity during periods of revenue downturn whether caused by a fall in prices of crude oil or natural gas.
2. Generate an alternate stream of income to support public expenditure capacity as a result of revenue downturn caused by the depletion of non-renewable petroleum resources.
3. Provide a heritage for future generations of citizens of Trinidad and Tobago from savings and investment income derived from the excess petroleum revenues

The Act outlines the rules for deposits and withdrawals for the Ministry of Finance:

Deposit Rule:

- 60% of difference between actual and budgeted revenue
- For budgeted revenues, prices used for oil and gas estimates are based on defined international sources

Withdrawal Rules:

- Withdrawal permitted if annual tax revenue from oil and gas is at least 10% below budget projection
- Withdrawal could be up to 60% of shortfall but not exceeding 25% of the fund



These rules remained the same up to 2020. Amendments were made in Q1 2020 (see below). The table below shows the value of the HSF at year end 2018 to 2021.

Table 5-25 Value of the Heritage Stabilisation Fund 2018 to 2022

HSF (US\$)	
2022*	4,771,488,412
2021	5,463,893,835
2020	5,731,799,397
2019	6,255,349,599
2018	5,965,847,092

Source: Ministry of Finance

Note: *Figures for 2022 reflect the value as at the end of June and were obtained from the Ministry of Finance.

The Ministry of Finance publishes an annual report on the Fund, which includes financial statements for the year, audited by the Auditor General. The latest report is the Quarterly Report which is available at <https://www.finance.gov.tt/wp-content/uploads/2022/11/HSF-Quarterly-Report-April-2022-to-June-2022.pdf>

The Heritage and Stabilisation Fund (HSF) The total net asset value of the HSF was US\$4.77 billion at the end of the second quarter of 2022, approximately US\$528 million lower than the previous quarter's closing value of US\$5.29 billion. The Government recently made payment of US\$182 million into the HSF. This has been the second payment into the fund for the year and brings the total deposits to US\$345 million (TT\$2.3 billion) for 2022. The decline in the value of the fund, coupled with increased volatility and a highly uncertain market outlook, calls for a rebalance of the fund to preserve its capital value.

5.10.5.1 Change in Legislation

The amendment of section 15A is as follows:

(1) Notwithstanding section 15 and any other written law and subject to subsection (2), withdrawals may be made from the Fund where:

(a) A disaster area is declared under the Disaster Measures Act

(b) A dangerous infectious disease is declared under the Public Health Ordinance

(c) There is, or is likely to be, a precipitous decline in budgeted revenues which are based on the production or price of crude oil or natural gas

(2) Withdrawals under subsection (1) may be made from the fund not exceeding one and one half billion dollars at any time during the financial year.

Table 5-26 Heritage Stabilisation Fund deposits and withdrawals

	Oil Price (US\$)	Deposits (US\$)	Withdrawals (US\$)
2010		477,344,263	-
2011	94.88	451,400,519	-
2012	94.05	207,550,846	-
2013	97.98	42,414,251	-
2014	93.17	-	-
2015	48.66	-	-



2016	43.29	-	375,050,860
2017	50.8	-	252,548,048
2018	64.94	-	-
2019	56.99	-	-
2020	38.96	-	900,000,000
2021	75.03	-	893,000,000
2022	100.93	345,000,000	-

Source: MOF, HSF Quarterly Investment Report

5.10.6 The Social Sector Investment Programme

The goal of the Social Sector Investment Programme (SSIP) is to meet the social protection needs of the population. As a result of the Covid-19 pandemic, there has been a slight decrease in the number of programmes being implemented. For FY2022, initiatives reflected efforts by the Government to stabilize and stimulate the economy especially in the face of exogenous world events such as the Ukraine/Russia war, and climatic conditions while trying to promote and secure national recovery. During FY2022, several Social Sector Ministries expended approximately 97% to 100% or more of their budgeted allocations. The table below highlights key social programmes that aim to address a range of social issues, and to promote sustainable human and social development under sector ministers and agencies. Senior Citizens' Pension (SCP) continues to record the highest expenditure and showed an upward trend from 2017-2022. The second highest expenditure recorded is the Disability Assistance Grant (DAG) which has also experienced an upward trend since 2018.

Table 5-27 The Social Sector Investment Programme

Programme	Actual Expenditure TT\$ thousands				Revised Estimates of Expenditure for 2022
	2018	2019	2020	2021	
Community-based Environment Protection & Enhancement Programme (CEPEP)	447,998	353,540	400,400	443,874	425,755
Disability Assistance Grant (DAG)	513,472	565,698	613,074	622,603	620,000
Government Assistance for Tertiary Expenses (GATE)	434,300	435,000	435,000	320,000	400,000
National Schools Dietary Services Limited	203,302	239,200	179,558	12,000	88,908
On the Job Training (OJT) Programme	175,896	237,722	313,595	271,804	260,656
Public Assistance Grant (PAG)	391,386	356,876	488,251	353,121	356,000
Senior Citizens' Pension (SCP)	3,553,245	3,846,556	4,062,736	4,236,563	4,300,000
Food Support Programme	139,930	153,125	314,034	217,949	177,150
Unemployment Relief Programme (URP)	272,155	281,472	281,472	258,719	280,000
TOTAL	6,131,683	6,469,189	7,088,119	6,736,634	6,908,470

Source: Ministry of Social Development and Family Services, Social Sector Investment Programme 2020, 2021, 2022 and 2023.

Data back to 2014 can be found the TTEITI Report covering fiscal years 2019 and 2020.



5.10.7 Fuel subsidies

5.10.7.1 The current fuel subsidy regime

Since 1974, motorists in Trinidad and Tobago have been enjoying the use of transportation fuels at prices below the open market price, implemented through the Petroleum Production Levy and Subsidy Act (PPLSA). Both the Government and exploration and production (E&P) companies share the burden of the fuel subsidy by paying Paria Fuel Trading Company the difference between the actual selling price and the subsidised price. In Trinidad and Tobago, the fuel subsidy was not based on an individual's income levels but was universally applied.

Over several years the Government has been reducing the subsidy on fuel which resulted in price increases the table below shows these changes from 2015 to present. In April 2022, fuel prices increased as shown in the table below. The price of premium gasoline and super gasoline was adjusted by TT\$1 per litre, to TT\$6.75 and TT\$5.97 per litre, respectively while the price of diesel was only increased by 50 cents.

Table 5-28 Super gasoline and diesel prices

Year	Super Gasoline Price increase (per litre)	Diesel Price Increase (per litre)
	TT\$	TT\$
2015 Q3	\$2.70 - \$3.11	\$1.50 - \$1.72
2016 Q2	\$3.11 - \$3.58	\$1.72 - \$1.98
2016 Q3	\$3.58	\$1.98 - \$2.30
2017 Q3	\$3.58 - \$3.97	\$2.30 - \$3.41
2018 Q4	\$3.97 - \$4.97	\$3.41
2020	\$4.97	\$3.41
2021 Q1	\$4.97	\$3.41
2022 Q1	\$5.97	\$3.91
2023 Q1	\$5.97	\$3.91

Source: Ministry of Finance

The increase in fuel prices is primarily due to the burden of the cost of the fuel subsidy to the Government. The Government's subsidy liability was an estimated TT\$726 million at the end of FY2018 but this amount increased to an estimated TT\$2.1 billion at the end of 2022. At the end of Q1 of 2023, the subsidy liability stood at an estimated TT\$214 million.

Table 5-29 Subsidy claims, levy payments and Government liability

Calendar Year	Subsidy Claims	Levy Payments	Outstanding Government Subsidy Liability
	TT\$	TT\$	TT\$
2011	4,410,393,680.25	684,173,443.41	3,726,220,236.84
2012	4,547,950,572.74	629,129,076.23	3,918,821,496.51
2013	4,336,107,784.84	626,523,244.84	3,709,584,540.00
2014	3,796,600,645.83	576,382,330.79	3,220,218,315.04



2015	1,656,850,198.45	288,743,995.93	1,368,106,202.52
2016	589,427,986.85	221,153,258.60	368,274,728.25
2017	805,510,951.84	281,287,911.52	524,223,040.32
2018	1,042,266,408.77	316,019,033.13	726,247,375.64
2019	491,496,985.85	246,549,775.71	244,947,210.14
2020	148,002,912.90	127,925,712.48	20,077,200.42
2021	710,366,556.05	279,340,905.08	431,025,650.97
2022	2,575,398,140.35	388,669,455.55	2,186,728,684.80
2023 YTD Mar	301,393,277.69	83,793,225.82	217,600,051.87

Source: MEEI

The petroleum fuel subsidy was implemented in 1974 to cushion the burden of high oil prices on consumers and was seen as a way to share newfound oil wealth with citizens. In the 1974 model, Petrotrin (then Trintoc) provided fuel to the distributors (NP) at a wholesale price which was lower than international selling prices. The distributors, NP (and later UNIPET) would sell to dealers at the Government regulated (subsidized) prices, which included a fixed margin. Dealers at the gas stations would then sell to the public at the fixed pump price. The difference between the wholesale price from Petrotrin and the international price was the subsidy value. This subsidy was refunded to Petrotrin by the Government.

Historically, the burden of the subsidy was shared by the Government and oil and gas E&P companies. Under the Petroleum Levy and Subsidy Act, E&P companies that produce in excess of 3,500 barrels of oil per day are required to pay a levy equivalent to 4% of their gross income. Thus, the Government's share of the subsidy was the amount in excess of the 4% cap. To date, between 2011-March 2023, Government's outstanding fuel subsidy liability totalled TT\$21.3 billion.

The government subsidy liability amounted to an estimated TT\$2.1 billion for 2022 due to an increase in global energy prices. For the same period, levy payments was an estimated TT\$389 million. Both the liability and levy payments for 2022 have been the highest recorded amount since 2014. For the first quarter of 2023 Government recorded an estimated subsidy liability of TT\$218 million with levy payments totaling an estimated TT\$84 million. Over several years, the Government has been reducing the subsidy on fuel through prices increases at the pump. which has resulted in price increases. In 2021, the Government outlined plans to liberalize retail fuel prices at the pump and the Government also signaled its intentions to privatize gas stations and fully phase out the fuel subsidy. The Government outlined these proposed changes to the fuel subsidy mechanism in the Finance Bill 2021.

In the proposed new model, Paria Fuel Trading Company will continue to purchase fuels at current international prices. The company would then add its margin, terminalling fees, distribution and other costs to determine its wholesale price to marketing companies (Unipet and NP). Unipet and NP, as marketing companies, would purchase fuel from Paria at this wholesale price plus value added tax. The retail prices charged at gas stations would be this wholesale price plus a margin. Clauses 9 and 10 of the Finance Bill 2021, outline these key features, and the bill states that only marketing companies that purchase fuel from refineries or traders will be allowed to sell to gas stations.

The proposed model will differ from the old model in several ways. Firstly, there will be no fixed retail margin which allows gas stations to price competitively. For the first time prices at the pump will fluctuate in line with international prices. The Ministry of Energy will also publish the wholesale price and international prices which would allow the public to make comparisons between these and the prices at the pump. It is noteworthy that Government will retain the flexibility to maintain the subsidy on certain fuels such as diesel as well as fix the wholesale price. This would allow a measure of control over these prices.



Another difference in the proposed model is the introduction of a fuel levy. This tax is to be paid monthly by any marketing company selling fuels wholesale to gas stations. The levy kicks in once oil prices are below US \$65 per barrel. The amount of levy to be paid will fluctuate based on the movement of international oil prices between a US \$0-65 range as well as the set wholesale price, the marketers’ margin and the volume of fuel sold by marketers to gas stations.

To date, this new model has not been adopted by the Government.

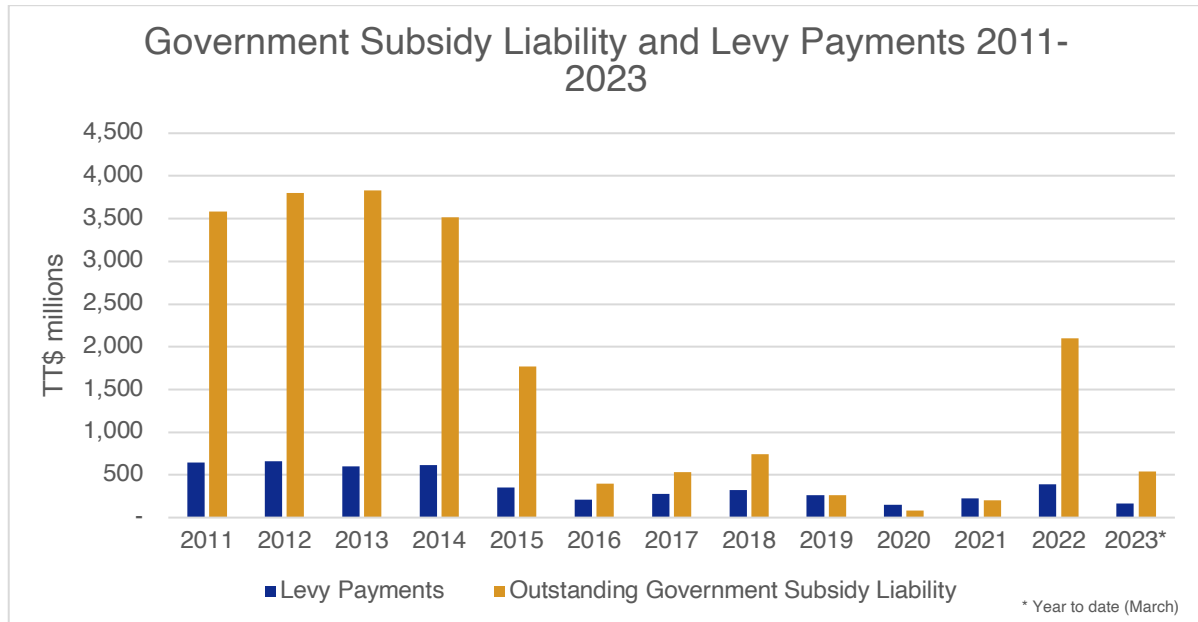


Figure 5-15 Government subsidy liability and levy payments 2011 to 2023

5.11 Infrastructure and barter arrangements in the extractive sector (EITI Requirement 4.3)

Oil, gas and mining companies sometimes provide the Government with loans, grants or infrastructure works in exchange for oil and gas concessions (e.g. rights to drill in a Block). However, this practice does not occur in T&T. Some state companies may spend on infrastructure work as part of their Corporate Social Responsibility programmes or based on the Government’s rural development policy. Such expenditure is disclosed as “Social Expenditure” in the EITI report.

Infrastructure and barter arrangements are not included in any oil, gas or mining sector laws including in the primary pieces of legislation namely the Petroleum Taxes Act, Minerals Act 2000, Minerals (General) Regulations 2015. There are also no provisions for these arrangements in PSCs or E&P Licences.

5.12 Social and environmental expenditures (EITI Requirement 6.1)

Requirement 6.1 states:

“Where material social expenditures by companies are mandated by law or the contract with the government that governs the extractive investment, implementing countries must disclose these transactions.

Where material payments by companies to the government related to the environment are mandated by law, regulation or contract that governs the extractive investment, such payments must be disclosed.”



The Steering Committee has determined that there were no such arrangements applying in FY 2021. For more details, see the materiality determinations for 2021 attached as Annex C.

The SC agreed to the following definition of Social Payments/Expenditure at the 55th SC meeting on 21 May 2015:

“Social payments/expenditure is the provision by public and private extractive sector and related companies of benefits to and financial contributions targeted at communities, civil society organizations, households and individuals. Such benefits can be cash transfers or direct (in-kind) provision of goods and services but shall exclude advertising and/or promotional costs related to the expenditure.”

These payments are reported and not reconciled. Companies disclosed on a voluntary basis any discretionary social expenditure in total for the fiscal year via the reporting templates. Companies’ contribution to social expenditure focuses on funding sporting, musical, educational and capacity building initiatives. The companies with the largest contributions to social expenditure include BP, Shell and the NGC. These companies support steel pan orchestras, youth football, cricket and athletic leagues, micro funding for entrepreneurs, adult literacy campaigns and support for educational programmes promoting STEM. The NGC’s Sustainability Report also outlines its CSR initiatives and is available at <https://ngc.co.tt/wp-content/uploads/2021/06/2020-Sustainability-Report-1.pdf>. Table 5-25 below summarises the amounts reported.

Table 5-30 Social expenditure by company

Company	2021 social payments (TT\$)
BP Trinidad and Tobago LLC Trinidad Branch	12,500,000
CEG Goudron Trinidad Limited	5,000
EOG Resources Trinidad Limited	1,258,900
Heritage Petroleum Company Limited	668,893
Lease Operators Limited	258,851
The National Gas Company of Trinidad and Tobago	1,126,529
Perenco T&T Limited	262,855
Woodside Energy (Trinidad - 2C) Limited	452,964
Shell Trinidad and Tobago Limited	11,218,220
Hydrocarb Trinidad Limited	140,000
Total	27,892,212

Companies not represented in the table above did not report any discretionary social expenditure.

5.13 Transportation revenues (EITI Requirement 4.4)

The NGC subsidiary NGC Pipeline Company Limited (NGCPL) is the only company to report transportation revenues. See Section 6.5 for further details. NGCPL receives these revenues for capacity in gas pipelines under the Cross Island Pipeline Gas Transportation Agreement dated 1 May 2007. Companies shipping gas through NGCPL pipelines are billed one month in advance and based on agreed amounts reserved on the pipeline by each shipper.

The table below sets out the total revenues that NGC received in FY2021. Shippers make payments in US\$. NGC via the data collection template reported the total amount received in US\$ and the TT\$ equivalent.



Table 5-31 NGCPL total transportation revenues for 2021

	US\$	TT\$
2021	52,560,610	354,661,292

In addition, companies reported their transportation tariffs. These figures include all payments, not just those to NGCPL, and so do not correspond to the revenues reported above.

Table 5-32 Transportation tariffs reported by companies for 2021

Company	2021 transportation tariffs TT\$
BP Trinidad and Tobago LLC Trinidad Branch	12,300,180
BP Trinidad Processing Limited	81,331,816
BG International Limited	8,200,132
Trinidad and Tobago LNG Limited	26,124,090
Total	127,956,218

5.14 Auditing and accounting (EITI Requirement 4.9)

Requirement 4.9 of the EITI Standard 2019 states that:

“The expectation is that government and company disclosures as per Requirement 4 are subject to credible, independent audit, applying international auditing standards.”

Participating oil and gas companies were requested to provide copies of their audited financial statements (AFS) covering FY2021.

In the oil and gas sector, AFS were obtained for the following SOEs:

- The National Gas Company of Trinidad and Tobago Limited – available at:
<https://ngc.co.tt/media/publications/>
- Heritage Petroleum Company Limited - available at:
<https://trinidadpetroleum.co.tt/investor-relations/financial-statements/>
- Petroleum Company of Trinidad and Tobago Limited – summary financial statements up to 2022 are published online.

The financial statements provided by private companies are detailed in Annex D. These findings are summarized below.

Table 5-33 Audited financial statements

		Number of companies
		2021
SOEs	Provided current audited financial statements	5
	Did not provide audited financial statements	0
Other companies	Supplied audited financial statements for the local company	20
	Do not produce audited financial statements for local subsidiary, audited group financial statements provided	13
	Failed to provide audited financial statements	5
TOTAL		43



Table 5-34 Audit status of financial statements 2021

		Independent audit under International Standards on Auditing (ISA)	2021 audited Financial Statements	Unqualified audit opinion
Government agencies	MOF-IRD	No	N/A	N/A
	MOF-Investment Division	No*	N/A	N/A
	MEEI	No*	N/A	N/A
SOEs	NGC	Yes	Y	Y
	Heritage	Yes	Y	Y
	Lake Asphalt	Yes	N	N/A
	National Quarries	Yes	N	N/A
	Estate Management & Business Dev't	Yes	N	N/A
Private companies	Some (see 5.14.4 below)			

No* - These are audited in accordance with International Standards of Supreme Audit Institutions (ISSAI)

The financial statements, which have been subjected to independent audit, are deemed credible.

5.14.1 Government reporting

The duties and powers of the Auditor General include the following:

1. The Auditor General shall examine, inquire into and audit the accounts of all accounting officers and receivers of revenue and all persons entrusted with the assessment of, collection, receipt, custody, issue of payment of public moneys, or with the receipt, custody, issue, sale, transfer or delivery of any stamps, securities, stores or other State property.
2. The Auditor General shall satisfy himself that:
 - all reasonable precautions have been taken to safeguard the collection of public moneys and that the laws, directions and instructions relating thereto have been duly observed;
 - all issues and payments were made in accordance with proper authority and that all payments were property chargeable and are supported by sufficient vouchers or proof of payment;
 - all money expended has been applied to the purpose or purposes for which the same was granted by Parliament and that such expenditure conforms to the authority which governs it and has been incurred with due regard to the avoidance of waste and extravagance;
 - essential records are maintained and the rules and procedures framed and applied are sufficient to safeguard the control of stores and other State property.

Using the powers enshrined in the Exchequer and Audit Act Chapter 69:01 of the laws of the Republic of Trinidad and Tobago, the Auditor General audits MOF-Inv and MEEI.

For the period 2019 and 2020, minimum audit work was done on the accuracy of gas production, oil production, royalties and minimum rent. The petroleum impost was audited 100% as this is done as a separate financial statement and includes some verification of the annual administration. Expenditure of money received from government by the MEEI is verified on a sample basis during the annual audit.



The Auditor General audits MEEI. During the reconciliation process, amendments were required to the information provided by MEEI due to omissions or errors, suggesting the need for amendments to the control environment in operation at the government entities. Audits conducted on a sample basis are designed to detect only material errors. A thorough audit of the accounting systems will detect control weaknesses which, when strengthened, would impact the accuracy of information flows. The Auditor General had not done an interim (controls) audit in 2000.

The Auditor General is not granted access to MOF-IRD's revenue records in order to conduct an audit. This is due to statutory confidentiality restrictions within Sections 4(1) and 4(2) of the Income Tax Act. The information provided by MOF-IRD is therefore not subjected to an independent audit. Likewise, the IA could not refer to MOF-IRD, any questions on templates it received from participants. On at least one occasion, there was evidence to suggest errors on the template produced by MOF-IRD. The existence of an error does not suggest a weak control environment as it depends on its nature, frequency, materiality and genesis.

The Auditor General audits MOF-Inv which has, via its templates, provided information on SOE dividends, which, during 2019 and 2020, were received from only one SOE. This information was corroborated by documentation and information provided by the SOE on its template. In FY2018, only NGC paid a dividend confirmed by the company's independently audited accounts.

One (1) SOE in the mining sector did not produce audited financial statements for 2019 and two (2), for 2020. Additionally, one SOE in the oil industry received a qualified independent auditors' opinion for 2019 and has not yet produced audited financial statements for 2020 as at the date of this report. This impacts the IA's assessment of MOF-Inv's compliance with its mandate as a monitoring agent of State Enterprises, which includes:

- Monitoring the adherence to the performance criteria established for all state Enterprises,
- Commissioning operational and management audits of State Enterprises, and
- Preparing economic and financial appraisals of State Enterprises.

5.14.2 SOE reporting

5.14.2.1 Oil and gas

The 2021 financial statements for the following five (5) SOE's were audited by firms of independent auditors, and the opinions thereon were unqualified:

- The National Gas Company of Trinidad and Tobago
- NGC E&P Investments (Netherlands) B.V.
- NGC Pipeline Company Limited
- Trinidad and Tobago LNG Limited
- Heritage Petroleum Company Limited

5.14.2.2 Mining

The 2021 financial statements for the following two (2) SOEs were not audited by firms of independent auditors and therefore, were not provided:

- Lake Asphalt Trinidad & Tobago (1978) Limited
- National Quarries Company Limited

The MOF-Inv publishes the State Enterprises Performance Monitoring Manual (SEPM), which may be found at:

<https://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>



The Manual sets out various guidelines for performance monitoring, oversight and compliance, including:-

- Performance Monitoring,
- Strategic Plans,
- Annual Operating Budgets
- Project Management Protocol,
- Risk Management,
- Audited Financial Statements,
- Administrative Reports,
- Board Minutes,
- Additional Monitoring Indicators,
- Monitoring Process Flow,
- Monitoring and Evaluation,
- Reporting,
- Cash Statements of Operations,
- Quarterly Returns,
- Loan/Overdraft/Investments in Securities Portfolios and Litigation Proceedings,
- Performance Financial Indicators,
- Revenue and Expenditure,
- Supplementary Public Sector Investment Programme, and
- Compliance.

With regard to audited financial statements, State Enterprises are required to submit:-

- Audited Financial Statements one (1) electronic copy and three (3) originals to the Minister of Finance within four (4) months of their financial year end. These reports are to be laid in Parliament and subsequently submitted to the Public Accounts and Enterprises Committee for consideration.
- Copies of their Management letters issued by Statutory Auditors.

According to the Companies Act Chap. 81:01, the directors of a company shall call an annual meeting of shareholders not later than eighteen months after the company comes into existence, and subsequently not later than fifteen months after holding the last preceding annual meeting. The act goes further to state that the directors of a company shall place before the shareholders at every annual meeting of the shareholders of the company:

- comparative financial statements relating separately to the period that began on the date the company came into existence and ended not more than twelve months after that date, or, if the company has completed a financial year, the period that began immediately after the end of the last period for which financial statements were prepared and ended not more than twelve months after the beginning of that period; and the immediately preceding financial year;
- the report of the auditor, if any; and
- any further information respecting the financial position of the company and the results of its operations required by the articles of the company, its By-laws, or any unanimous shareholder agreement and any information required to be reported under section 93(6).



5.14.3 PSC auditing

MEEI has provided updated information on the number of PSC audits due, conducted and outstanding for the calendar year 2019, 2020 and 2021, a summary of which is given below:-

Table 5-35 PCS audit statistics 2019 to 2021

	Revenue	Cost
Audits outstanding as at December 2019	79	304
□ Quarterly audits due in 2020	32	75
□ Audits completed in 2020	(1)	(70)
Audits outstanding as at December 2020	110	309
□ Quarterly audits due in 2021	28	68
□ Audits completed in 2021	(8)	(47)
Audits outstanding as at December 2021	130	330
Scheduled audits in progress to June 2022	10	76

Source: MEEI

The PSC Audit Unit of the Ministry of Energy and Energy Industries is responsible for monitoring and auditing amounts due and paid by PSC operators, ensuring compliance with the terms and conditions of the PSCs.

The PSC Audit Unit completed the following:

Table 5-36 PCS audit 2019 to 2021

Year	Number of Revenue Audits	Number of Expenditure Audits
2019	68	53
2020	33	0
2021	22	28

Source: MEEI

During the conduct of the audits, the PSC Audit Unit disallowed several expenses as follows:

Table 5-37 PCS disallowed expenditure 2019 to 2021

Year	Value of Disallowed Expenditure (US\$ m)
2019	10.4
2020	65.3
2021	46.9

Source: MEEI

Continuation of these audits has been facilitated by the 2021 renewal of three-year contracts for the personnel within the PSC Audit Unit.



5.14.4 Reporting companies

5.14.4.1 Oil and gas

Thirty-eight (38) private companies and five (5) SOEs in the oil and gas sector were asked to provide a copy of their 2021 audited financial statements. Details of the responses are set out in Annex D. Of the private companies, twenty (20) produced company audited financial statements, thirteen (13) produced group audited financial statements and five (5) did not provide any audited financial statements. Of the SOEs, all five (5) provided audited financial statements for 2021.

Of the twenty-three (23) private companies which provided audited financial statements or group financial statements, all independent auditors' reports were unqualified. Of the five (5) SoEs which provided audited financial statements in 2021, all bore unqualified independent auditors' reports.

However, if a component is clearly insignificant to the group on account of size or complexity, or if a component is perceived to have a low risk of material misstatement of the group financial statements, then the audit focus will not be directed toward that component. The impact is that limited if any audit work would be done on components which are insignificant to the group, thereby providing a very low level of assurance to those who depend on the issue of an unqualified group auditors' report for comfort on the truth and fairness of component information.

Group financial statements aggregate the financial information of components that are under common control. The audit of group financial statements requires the group auditor to determine significant components of the group and to engage enhanced auditing procedures thereon.

Table 5-38 Audited financial statements in the oil and gas sector - 2021

	No. of companies	Payments (TT\$)	% of total
SOEs providing AFS	5	2,955,726,107	31.57%
SOEs not providing AFS	0	-	0.00%
Private company providing AFS	20	2,695,842,427	28.80%
Private company providing group AFS	13	3,453,589,313	36.89%
Private company not providing AFS	5	255,973,398	2.73%
Total	43	9,361,131,245	100.00%

5.14.4.2 Mining

Three (3) SOEs and four (4) private companies within the mining sector were asked to participate. Three (3) SOEs and two (2) private companies submitted information on pre-designed templates. The other two (2) private companies, despite having signed a memorandum of understanding with regard to the TTEITI, did not provide the required information during the course of the preparation of this report.

The three (3) SOEs and two (2) private companies in the mining gas sector that provided template information, were asked to provide a copy of their 2021 audited financial statements. Details of the responses are set out in Annex D. None of the three (3) SOEs provided audited financial statements while both private companies did, despite the Laws of the Republic of Trinidad and Tobago not requiring private companies to produce audited financial statements.



Table 5-39 Audited financial statements in the mining sector - 2021

	No. of companies	Payments (TT\$)	% of total
SOEs providing AFS	0	0	0.00%
SOEs not providing AFS	3	1,377,527	19.91%
Private company providing AFS	2	5,357,364	77.43%
☐ Private company providing group AFS	0	0	0.00%
☐ Private company not providing AFS	2	184,250	2.66%
Total	7	6,919,141	100.00%

5.14.5 Assurance procedures adopted for EITI reporting in 2021

As the EITI reporting is not considered an audit, no assurance procedures were adopted. Discrepancies detected were brought to the attention of the relevant parties for resolution.

All parties providing completed reporting templates were required to sign the document as a means of acceptance of responsibility for their preparation, thereby affording the IA a level of assurance that a level of review was conducted into their accuracy and completeness.

All government departments signed the declarations on the EITI templates in accordance with the instructions.

All companies and SOEs signed the declarations on the EITI templates in accordance with the instructions.

5.15 Export data in the extractive sector (EITI Requirement 3.3)

The government publishes data on the volume of oil and gas exports at: <https://www.energy.gov.tt/publications/>

5.15.1 Oil & gas

5.15.1.1 Oil Export

Oil export volumes decreased between 2021 and 2022 by 1.2 million barrels. The main reason for this decline is a fall in production from Heritage Petroleum from 14,064,304 in 2021 to 12,394,565 in 2022. However, the value of crude oil exports increased to US\$ 1.9 billion in 2022, due to soaring oil prices as a result of geopolitical tensions. As of June 2023, crude oil export volumes averaged at 10,247,714 barrels, just marginally lesser than it averaged around the same period in 2022. The Central Bank reports export values in calendar years.

Table 5-40 Oil and gas export volumes – 2017-2022

Energy Export Volumes		
	Crude Oil (Barrels)	LNG (mmBtu)
2017	9,971,693	565,502,280
2018	8,047,023	637,378,645
2019	21,298,352	646,009,003
2020	18,409,859	497,763,833
2021	21,681,344	341,926,543
2022	20,656,554	404,615,639
2023 year to date (June)	10,247,714	201,393,624

Source: MEEI



5.15.1.2 LNG Export

LNG export volumes increased by 15% from 2021 to 2022. This is due to a significant increase in export demand for LNG. Amid dwindling Russian Gas supplies, Trinidad and Tobago’s sales of LNG to Europe increased drastically for 2022. As a result, LNG export values increased by more than 60% for 2022. As of June 2023, LNG export volumes stood at 201,393,624 mmbtu which indicates an increase when compared to the same period in 2022 at which time export volumes averaged at 200,493,904 mmbtu.

Table 5-41 Oil and LNG export volumes – 2018-2023

Energy Export Values (US\$mn)		
	Crude Oil	LNG
2018	618.9	2,502.5
2019	1,375.8	2,036.5
2020	850.3	1,075.0
2021	1,075.0	1,022.3
2022	1,960.3	2,609.7
2023 year to date (June)	793.9	-

Source: Central bank of Trinidad and Tobago

Note: Data for 2023 is from Jan-March

5.15.2 Minerals

The Minerals Division of the MEEI confirmed that most minerals produced in Trinidad and Tobago are used domestically and not exported, the only exception is asphalt.

Based on figures from the Central Statistical Office (CSO), in 2022, 5.1 million kilogrammes of asphalt was exported, valued at TT\$15.1 million. For 2020, there was 8 million kilogrammes of asphalt exports valued at TT\$17.3 million. It is important to note that the 2022 figures are provisional figures and will be adjusted pending further verification from the CSO.

Trinidad and Tobago’s asphalt originates from the Pitch Lake in La Brea and state enterprise Lake Asphalt oversees the production at its facility in La Brea.

The data for exports can be found at the Harmonised System section of the CSO’s website: <https://cso.gov.tt/subjects/international-trade/>

5.15.3 The calculation and verification of export volumes and values

The calculation and verification of export volumes and values is a collaborative effort between, the Central Bank of Trinidad and Tobago (CBTT) and the Central Statistical Office (CSO). The CBTT conducts direct surveys of oil and gas companies to ascertain the volumes exported on a quarterly basis and uses benchmark prices to calculate export values. The Customs and Excise Division also provides data on export volumes to the CSO generated from its ASYCUDA system. To verify these export volumes, the CBTT and the CSO compare/reconcile their figures. Periodically, the CBTT will also liaise with the MEEI to verify consistency with export data compiled by the MEEI.

In addition, the CBTT uses global benchmark prices to calculate export values and liaises with the CSO when preparing its reports such as the Annual Economic Survey.

A description of these procedures is not publicly available. Export data is available on the Central Bank’s website at: <https://www.central-bank.org.tt/publications/latest-reports>



5.16 Environmental impact of extractive activities (EITI Requirement 6.4)

In 2019, the EITI Standard was updated to include material environmental payments made by companies as well as contextual information relating to environmental monitoring. The specific environmental requirements of the 2019 EITI Standard are provided in the accompanying box.

Trinidad and Tobago has always included environmental disclosures in its reports and started an environmental reporting pilot project in 2023 (see results below).

As the nature and scope of TTETI's environmental reporting continues to evolve, it will help to play an important role in monitoring national performance on its climate obligations and add to the knowledge bank for research projects and sharing of best practice within the industry.

The specific requirements of the 2019 EITI Standard are as follows:

- Requirement 6.1 “Social and environmental expenditures by extractive companies” mandates the TTEITI to undertake
- Disclosure of material payments by companies to the government related to the environment
- A procedure to address data quality as agreed upon by the multi-stakeholder group
- Development of a reporting process for discretionary social and environmental expenditures that are deemed material by the multi-stakeholder group
- Requirement 6.4 “Environmental impact of Extractive industries” encourages the TTEITI to provide
- Overviews of relevant legal provisions and administrative rules and practice related to environmental management and monitoring of extractive investments
- Information on regular environmental monitoring procedures, administrative and sanctioning processes of governments, as well as environmental liabilities, environmental rehabilitation, and remediation programmes.

5.16.1 Environmental Legal and Policy Frameworks

Trinidad and Tobago's legal framework for environmental regulation is extensive and is guided mainly by the Environmental Management Act Chapter 35:05 (EM Act), which includes several pieces of legislation that are a key part of regulating extractive industry activities – the Certificate of Environmental Clearance (CEC) Rules 2001, the Water Pollution Rules 2019 (which replaced the Water Pollution Rules 2001), the Air Pollution Rules 2014 and the Noise Pollution Control Rules 2001. The Environmental Management Authority (EMA) was established under the EM Act and serves as the main national environmental regulator of development activities, including that of the extractive sector. Further details can be found on the EMA's website at: <https://www.ema.co.tt>

The EMA, through the EM Act and its subsidiary legislation, aim to ensure that the environmental impact of development, extractive activities included, are managed and minimized. The National Environmental Policy, 2018, is also a critical instrument, as it provides a framework for environmental management in Trinidad and Tobago and provides a set of principles that will guide and ground any future policies that may have an impact on environmental or natural resource management.

Extractive activities are also governed by a range of other national laws and policies that seek to hold extractive companies and actors accountable to best practice, so that the chances of negative impacts to people and the environment are lessened. Some of these laws and policies include:

- The Minerals Act Chapter 61:03 (2000 amended 2014),
- Ministry of Energy and Energy Industries (MEEI) Guidelines on approval for offshore petroleum infrastructures,
- Petroleum Act, Chapter 62:01, and all relevant subsidiary legislation thereunder,
- Oil Pollution of Territorial Waters Act, Chapter 37:03,
- Fisheries Act, Chapter 67:51,
- Conservation of Wildlife Act, Chapter 67:01,



- Marine Area (Preservation and Enhancement) Act, Chapter 37:02.

Trinidad and Tobago is also party to many international treaties and conventions that have helped shape national legislation and help keep the country accountable in international arenas for policies or practices that may impact the natural environment, including those related to the extractive sector. These include the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, the United Nations Convention on Biological Diversity (CBD) and the Montreal Protocol.

A comprehensive list of international treaties and conventions related to the environment to which Trinidad and Tobago is a part can be found in the schedule to the Revised National Environmental Policy (2018).

5.16.2 Environmental Permitting and Compliance

Certificate of Environmental Clearance Rules: Since the enforcement of the CEC Rules in 2001 (and up to March 2020), a total of 276 CECs were issued to oil and gas companies; and 101 were issued to quarries. Extractive industries collectively accounted for 11% of all CECs issued by the EMA since the CEC Rules were enforced in 2001.

In the ten-year period between 2010 and 2019, the majority of CEC applications for oil and gas exploration (73%) and production (83%) have successfully resulted in the issuance of CECs. However, in the case of mining a proportionately higher percentage of quarrying applications are still pending clarification (37.5%) or have resulted in a decision being taken that a CEC was not required for the activity to proceed (16.5%).

If the activity is expected to result in significant impacts on the environment, as determined by the EMA's Standard Operating Procedure, the CEC applicant will be required to conduct an Environmental Impact Assessment (EIA). Since 2001, the EMA has required 173 of all extractive industry CEC applications (oil & gas, and quarries) to prepare an (EIA), roughly 45% of all CEC applications for extractive activities since 2001.

At present, the EMA's accounts do not distinguish between CEC- and EIA-related fees applicable to extractive industries, and fees received from any other type of activity, making future reconciliation of these payments from companies to the EMA difficult under the 2019 EITI Standard. All fees collected enter an organisational consolidated fund.

Water Pollution Rules: The Water Pollution Rules, 2019, aims to protect the freshwater systems of Trinidad and Tobago from pollution. Over the period 2007 to 2019, and under the WPR 2001, twenty-two (22) water pollution permit applications were received from extractive industries. Of these 22 applications, a total of twelve (12) permits were issued by the EMA. Eight (8) water pollution permit applications have been received from extractive industries under the new Water Pollution Rules 2019, with the first permit being issued on July 7, 2020. These new rules follow the Polluter Pays Principle (PPP) which means that the more you pollute, the more you should pay to manage the impact on the environment of that pollution.

Air Pollution Rules: Like the Water Pollution Rules, 2019, the Air Pollution Rules, 2014, seek to control the emission of air pollutants known to have negative impacts on the environment and human health. As of March 2020, only one (1) application for an air pollution permit was received from an extractive industry company under the APR2014, and a determination is pending (EMA, 2020).

Compliance Data: Section 63(2) of the EM Act allows the EMA to issue a written Notice of Violation (NoV) to the holder of any environmental permit or CEC, where the EMA believes that the person/ entity is in violation of the environmental requirements(s) within the permit/ CEC. Additionally, the EMA can issue an NoV for failure to comply with the environmental requirements laid down in Section 62 of the Environmental Management Act (2000). For example, pursuant to Section 62(f) you can be served with a NoV for failure to apply for a CEC.



Following the issuance of a NoV, the EMA may cancel the NoV or establish an agreed resolution in writing - a Consent Agreement, that typically includes measures/actions to be taken to address the violation. If the person/entity is unable to respond to the NoV in specified time or is unable to resolve with the EMA all the matters specified in the NoV, the EMA may issue what is called an Administrative Order under Section 64 of the EM Act.

Fourteen (14) Notices of Violation were issued to extractive industries between 2010 and July 2020. Of these, eleven (11) Consent Agreements were reached; and three (3) Administrative Orders were issued. The single largest penalty enforced as a result of the issuance of NoVs was the fine of TT\$20,000,000 charged to Petrotrin in 2013 for an oil spill in the La Brea area.

5.16.3 Oil Spills

Trinidad & Tobago’s national oil spill contingency plan is available at:

https://www.energy.gov.tt/wp-content/uploads/2013/11/National_Oil_Spill_Contingency_Plan_2013.pdf

5.16.3.1 Oil Spills Update

In 2022, there was a marked increase in both land and marine oil spills with spills registering a seven-year high. There were 199 land and 86 marine oil spills. This represents an 11 percent and 48 percent year on year increase in both land and marine oil spills compared to 2021.

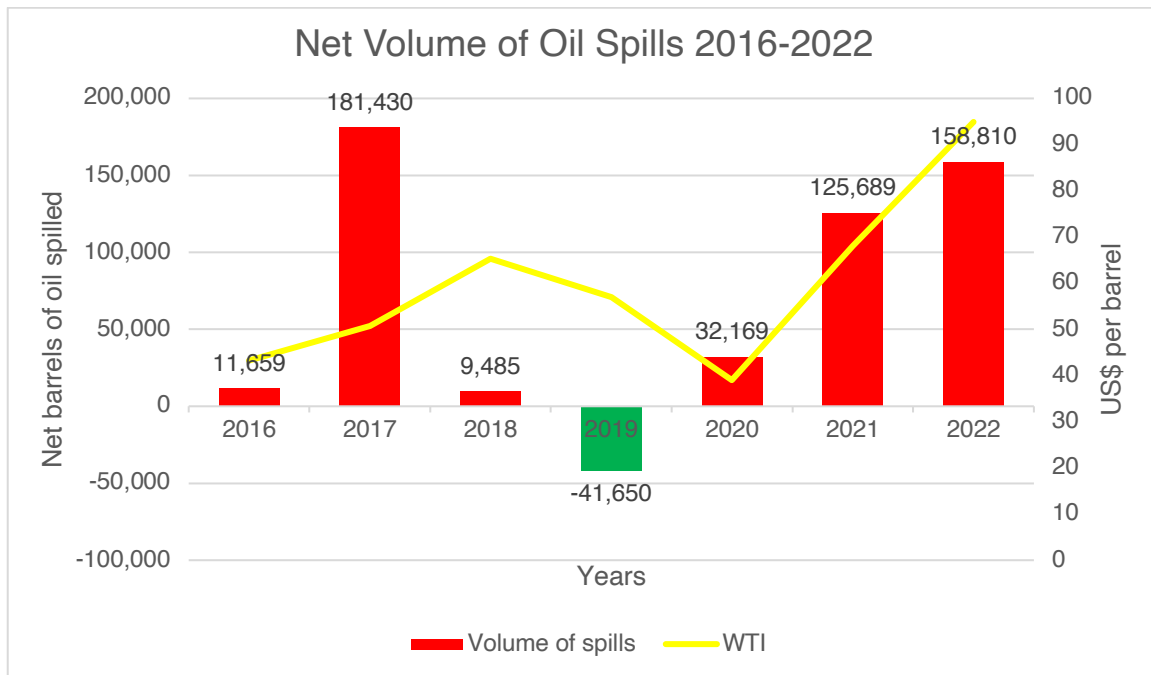
Between 2016-2022, there were 1,121 oil spills in Trinidad and Tobago. During this period 73% of all spills occurred on land. Forest Reserve/Fyzabad, Los Bajos/Palo Seco/ Santa Flora and Grand Ravine/Guapo/Pt Fortin/Cedros/Icacos were the areas onshore with the most incidents.

The MEEI’s volume threshold for reporting a spill is one (1) gallon. One barrel of oil is 42 gallons. Between 2016-2022, 91,081 barrels spilled with 83,479 recovered. This equates to 3.8 million gallons spilled and 3.5 million gallons recovered. The value of oil spilled between 2016-2022: Net (after deducting recovered barrels) was TT\$3.2 million and Gross (without deduction of recovered barrels) was TT\$32.7 million.

It is important to note that the EMA calculates fines for spill events. Spill costs escalate based on volume spilled and recovery rates and there is no spill value threshold for triggering escrow use. The MEEI has plans to improve its spill monitoring capabilities by purchasing early detection radar systems.

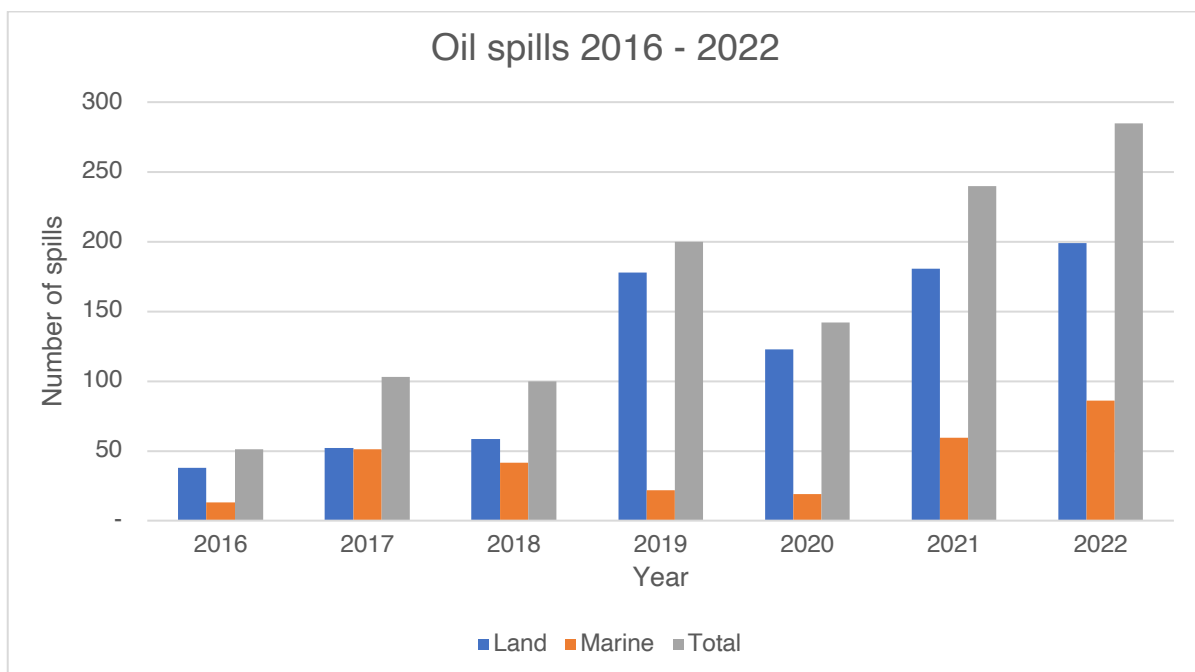
Table 5-42 Table - Oil spills 2016 to 2022

Year	Summary of Oil Spills
2016	51(38 land and 13 marine)
2017	104 (51 land,52 marine, 1 land & marine)
2018	100(58 land,41 marine, 1 land & marine)
2019	200(175 land and 25 marine)
2020	60(49 land, 10 marine and 1 land & marine)
2021	240 (179 land, 58 marine, 3 land & marine)
2022	285 (199 land, 86 marine)



Source: MEEI & US EIA

Figure 5-16 Net volume of oil spills 2016-2022



Source: MEEI

Figure 5-17 Oil spills 2016-2022

5.16.4 Abandonment Provisions

5.16.4.1 Systems for monitoring, decommissioning and clean up

Decommissioning provisions are contained in the licences issued to operators in the oil and gas sector. The operator is required to send their Decommissioning Plans to the MEEI. Prior to decommissioning, approval from the MEEI is required and any other Government institution having jurisdiction. Oversight of decommissioning is conducted by the relevant Division of the MEEI based



on the type of infrastructure. For instance, oversight for wells is under Contract Management Division, for pipelines it would be POMD and DPMD, and for offshore platforms – POMD.

Monitoring is conducted by daily reports on the activity submitted to the MEEI and site visits. Mechanical Engineers, Environmental Officers and Petroleum Inspectors primarily are involved in these activities. With respect to oil spills, the POMD has a Pipeline and Oil Loss Section with Petroleum Inspectors who monitor clean-up of oil spills.

For the Point Lisas Estate, from an operational point of view POMD reviews any Decommissioning plan, monitoring is done by both POMD and DPMD. Chemical Engineers, Environmental Officers and Petroleum Inspectors are involved in these activities.

The Petroleum Act outlines the fines and penalties all licensees must pay related to a breach of their obligations (including environmental considerations and abandonment provisions). There were no fees paid in the year under consideration.

5.16.4.2 Rehabilitation and Performance Bonds

MEEI provided information on rehabilitation bonds outlining the total value of the bonds and whether the bonds were used by the state for rehabilitation. The rehabilitation and performance bonds are mandated for any licensed company based on the Minerals (General) Regulations 2015. Approximately, 30 quarries submitted bonds valued at TT\$17.2 million for the period 2008 to present. However, none of these bonds have been used by the state for rehabilitation. Performance bonds are currently valued at TT\$6.6 million and similarly have not been used for payment of unpaid royalties.

The purpose of the Green Fund is to finance civil society and community group projects that focus on remediation, reforestation, environmental education and public awareness of environmental issues and conservation of the environment. The fund is bankrolled by company contributions to the Green Fund Levy. This levy/tax is paid by companies to the Board of Inland Revenue at a rate of 0.3 percent on their gross revenue, sales or receipts.

At the end of FY2022, the balance in the Green Fund was TT\$9,720,676,261.60. The Fund grew by 15% year on year between 2021 and 2022. Green Fund disbursements for projects in 2021 and 2022 were TT\$5,261,482 and TT\$1,209,401 respectively. Based on EITI Reports, between fiscal 2010-2022, upstream companies contributed TT\$1,323,650,396 to the Fund, roughly 14% of the total value to date. There are strict rules for disbursements/withdrawal from the Fund. According to the Miscellaneous Taxes Act Chapter 77:01 and the Green Fund regulations, the Government cannot withdraw from the fund for non-environmental or social projects.

Table 5-43 Green Fund Levy

Year	Green Fund Balance (TT\$)	Cumulative Disbursements (TT\$)	Disbursements (TT\$)
2007	1,146,191,464	-	-
2008	1,593,301,307	-	-
2009	1,906,841,159	-	-
2010	2,221,298,122	10,624,516	10,624,516
2011	2,581,557,614	16,104,660	5,480,144
2012	2,916,148,341	28,018,352	11,913,692
2013	3,252,186,048	61,655,386	33,637,034
2014	3,565,863,827	129,327,747	67,672,361
2015	3,789,261,585	251,754,734	122,426,987
2016	4,396,918,503	255,817,443	4,062,709



2017	5,190,253,514	265,444,890	9,627,447
2018	6,002,631,525	266,212,205	767,315
2019	6,946,131,930	279,861,478	13,649,273
2020	7,632,357,484	282,242,664	2,381,186
2021	8,438,216,227	287,504,146	5,261,482
2022	9,720,676,262	288,713,547	1,209,401

Source: Auditor General Annual Reports¹⁰

5.16.5 Green Economy and Energy Transition

Trinidad and Tobago has a unique position in the global energy transition and climate change space. The country has several opportunities to play an important role both regionally and globally. But, there are also challenges to overcome. With natural gas touted as the gateway fuel for the transition, the country has the twin challenge of producing more gas to serve its domestic petrochemical industry and exporting LNG to its global clientele. Also, as an energy intensive small island developing state living up to global commitments on reducing greenhouse gas emissions ties into the country's own green economy policies, regulations and procedures. Trinidad and Tobago has already committed, through the Paris Climate Change agreement, to reduce its industrial, power generation and transport sector emissions by 15% by 2030.

In absolute terms, this means reducing cumulative emissions by 103 million tonnes of CO₂ equivalent (MtCO₂e), inclusive of emissions from the industry sector of 72 MtCO₂e. As at 2018, it was reported that total GHG emissions in Trinidad and Tobago amounted to approximately 45 MtCO₂e; of which 60% were attributable to the industry sector.

According to the country's Third National Communication to the United Nations Framework Convention on Climate Change (UNFCCC) several initiatives have commenced to help the country meet its targets. These include:

- The development of a monitoring, reporting and verification system for tracking national greenhouse gas emissions and a forecasting model to project emissions to 2050
- The development of an integrated resource and resilience plan which focuses on expansion planning and climate and vulnerability assessments
- The development of a feed-in tariff
- An update of the National Climate Change Policy to align with the Paris accord targets
- The development of a just transition workforce policy to address any socio-economic issues

Currently there are plans to amend the Environmental Management Authority Act to include a provision making it mandatory for major emitters to disclose their GHG emissions. As part of an environmental reporting pilot project, the TTEITI Steering Committee also requested companies share more detailed disclosure of environmental indicators, including their emissions. The National Gas Company of Trinidad & Tobago (NGC) was the only company to participate in the pilot project, and they are also the first company globally to disclose granular emissions data within the EITI framework. The company divulged information on scope 1 GHG emissions (CO₂, methane etc); resource/energy use (water, electricity, oil and natural gas consumption); air and water pollution permits; certificates of environmental clearance and environmental impact assessments; fines and notices of violations; best management practice to reduce its carbon footprint and improve energy efficiency. The NGC's pioneering efforts aligned with their strategic focus on a green agenda. The company currently publishes sustainability reports using GRI Standards and uses its website to provide information on regional renewable energy policy and business opportunities.

As part of the pilot project, NGC disclosed several important pieces of information related to their emissions and plans to mitigate emissions that prompt a deeper analysis of trends. The NGC's CO₂ emissions and methane emissions grew from 4,732 tonnes and 4,365 tonnes of CO₂

¹⁰ <https://www.auditorgeneral.gov.tt/latest-reports>



equivalent respectively in 2019 to 6,718 tonnes and 22,315 tonnes of CO2 equivalent in 2021. These disclosures point to the impact of Covid-19 on operations as it relates to both emissions and energy consumption (See figures 5-18 and 5-19). In 2021, the increase in CO2 was due to increased combustion from flaring while there was an incident where methane was released leading to a spike in methane emissions. Importantly, in its submission, the NGC also showed steps the company is taking to reduce GHG emissions and improve energy efficiency – whether improving methane measurement and control systems, undertaking energy audits or funding reforestation programmes etc.

Touchstone disclosed information for 2022 and similar to the NGC also publish sustainability reports annually. For 2022, the company emitted 741 and 151,060 tonnes of CO2 equivalent in scope 1 CO2 and methane emissions respectively. The company also disclosed its scope 2 CO2 emissions for 2022, registering 439 tonnes of CO2 equivalent. In 2022, the company consumed 1.04 million kilowatts in electricity and 8.2 million litres of water for its operations.

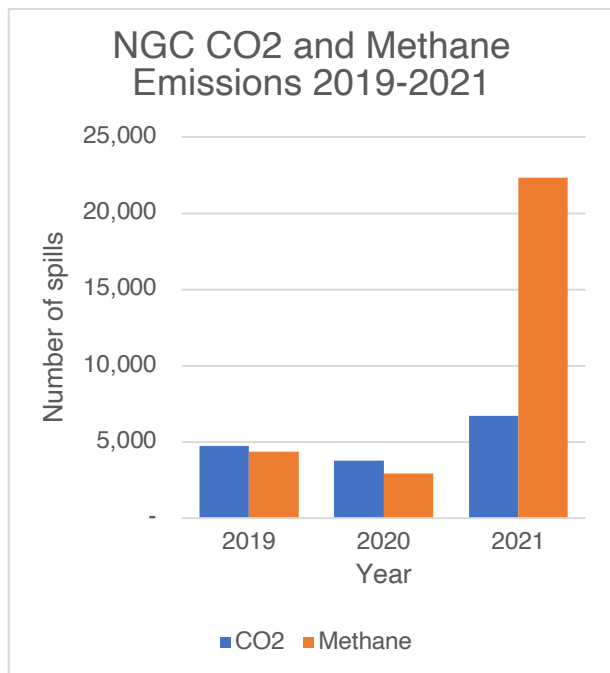


Figure 5-18 NGC CO2 and methane emissions 2019-2021

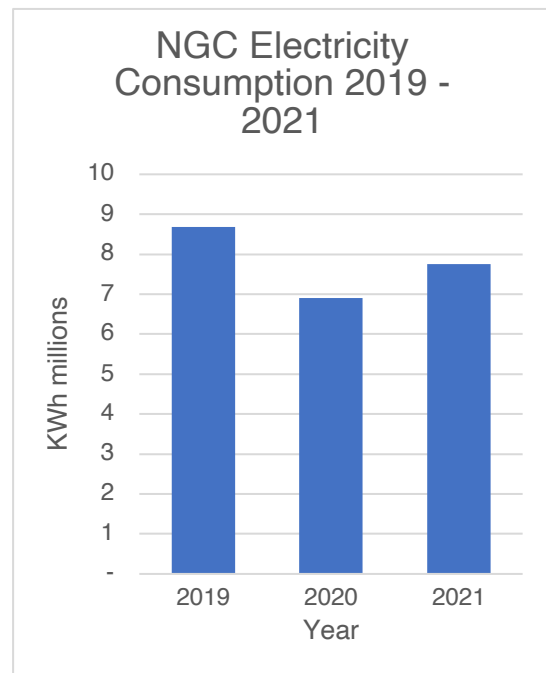


Figure 5-19 NGC electricity consumption 2019-2021

5.16.6 Renewable Energy Projects and Policy Development

According to the EMA’s Annual Report for 2021, nine (9) Certificate of Environmental Clearance (CEC) applications were made for renewable energy projects. Below is a snapshot of some of the major projects, policy frameworks and legislative plans that will help the country attain its targets.

Solar Projects

In April 2023, a sod turning ceremony signalled the start of construction on Trinidad and Tobago’s first utility scale solar power project. The successful proposal to build two commercial scale solar power projects was submitted by a consortium comprising Lightsource bp, bp and Shell Trinidad and Tobago.

The undertaking consists of two projects:

Brechin Castle Solar Project



- Generating 92.2 Megawatts
- Equivalent energy needs of 31,500 homes
- 587 acres of land
- 123,000 tons of carbon dioxide emissions saved

Orange Grove Solar Project

- Generating 20 Megawatts
- Equivalent energy needs of 7,000 homes
- 148 acres of land
- 27,500 tons of carbon dioxide emissions saved

These projects will ensure that 10% of Trinidad and Tobago’s electricity generation will come from renewable sources. Other RE projects include an EV Solar Carport, a Schools and Community Centers RE project and the installation of a 1.4MW Solar PV System at Piarco International Airport.

Brechin Castle and Orange Grove solar projects

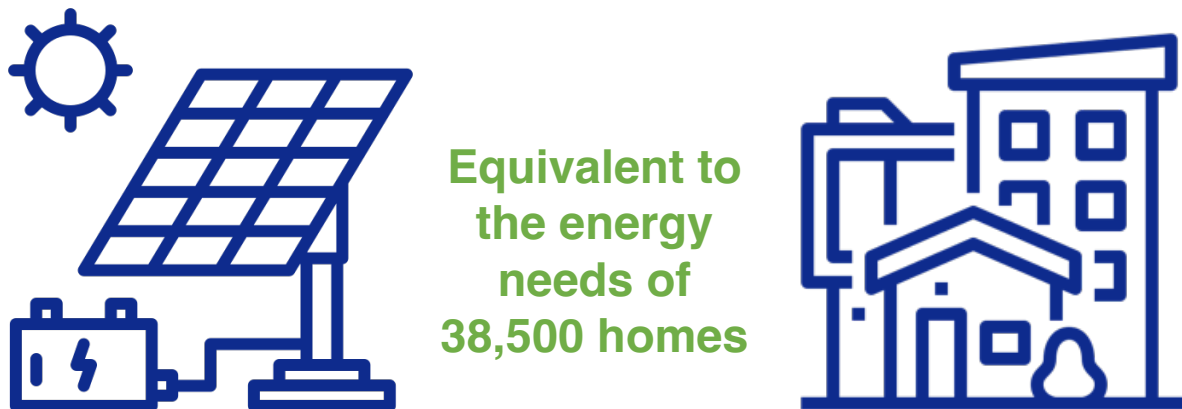


Figure 5-20 The impact of solar projects

Wind Power

A draft strategy was commissioned by the EU for developing a wind industry in Trinidad and Tobago. The strategy covers the period until 2035 and identified that there was a potential for 2.75 gigawatts of wind power onshore and 32 gigawatts offshore. The study also identified sites for both onshore and offshore projects ranging from sites in the North and North East Coast area (Blanchisseuse and Toco) to offshore the South East coast in Galeota and the South East Coast of Tobago in Crown Point.

The study identified gaps in legislation and the need for the TTEC Act, EMA Act, Town and Country Planning Act to be amended. These amendments would ensure the regulation of the wind sector is optimal and that there is little regulatory overlap to add bureaucracy to the process of licensing and monitoring wind projects. Importantly, the strategy also noted that a Wind Resource Assessment Project needs to be the next major step to provide “bankable data” on wind power potential in specific areas.

Trinidad and Tobago subsidizes electricity and the current cost is US\$0.5 cents per kilowatt hour. The project provided analysis outlining the levelized cost of electricity (LOCE) from these potential projects. The strategy stated, “The analysis was done considering a 50 MW wind energy project



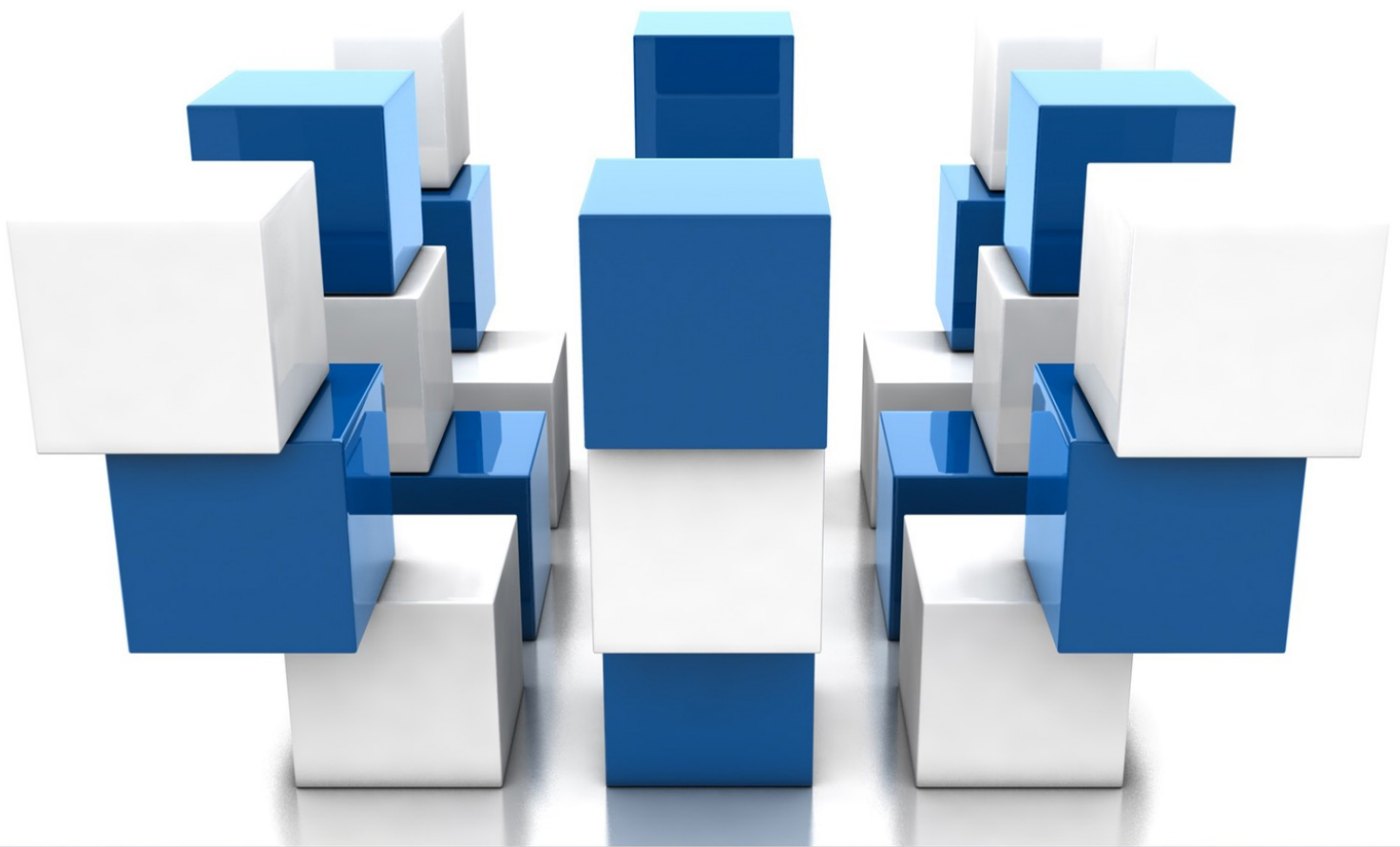
PKF
Chartered Accountants
& Business Advisors
PKF LIMITED



MICHAEL BARRON
Consulting 

for each location on shore and a 200 MW project offshore. The resulting LCOE for the onshore locations is in the range of US\$45-85/MWh whereas for the offshore LCOE in the range of US\$120-175/MWh.”

The strategy highlighted that Trinidad and Tobago can tap into the capacity of its oil and gas human labour force to help kickstart the wind project development as the skills are complementary.





6 Reserves and production data for the extractive sectors

6.1 Oil, gas and mineral reserves

In previous TTEITI reports reserves information drawn from the Ryder Scott Reports¹¹ reserves were classified into three groups namely:

1. Proved Reserves - very likely to be recoverable, can be produced and sold with 90% degree of certainty.
2. Probable Reserves - less likely to be recoverable, 50% probability that it can be produced and sold.
3. Possible Reserves – least likely to be recoverable, 10 % probability it can be produced and sold.

The 2020 audit of the oil and gas reserves for Trinidad and Tobago used the new international reserve standard in Trinidad and Tobago for the second time which was last revised in 2018 and introduced the new terms Technically Recoverable Resources, as well as P1 + C1 Resources. This standard was introduced by The Society of Petroleum Engineers in 2018. Under the new standard contingent resources were added (C1, C2, & C3) these describe commercial contingencies. Contingent resources are if a resource volume is awaiting approval of a development plan or for the necessary infrastructure to be built. Proved reserves, probable reserves and possible reserves are now called P1, P2 and P3 respectively but there is no change to their degree of certainty. Additionally, the combination of the p and c values are now referred to as technically recoverable resources.

Technically Recoverable Resources

1. P1 (proved reserves) + C1 (contingent resources)
2. P2 (probable reserves) + C2 (contingent resources)
3. P3 (possible reserves) + C3 (contingent resources)

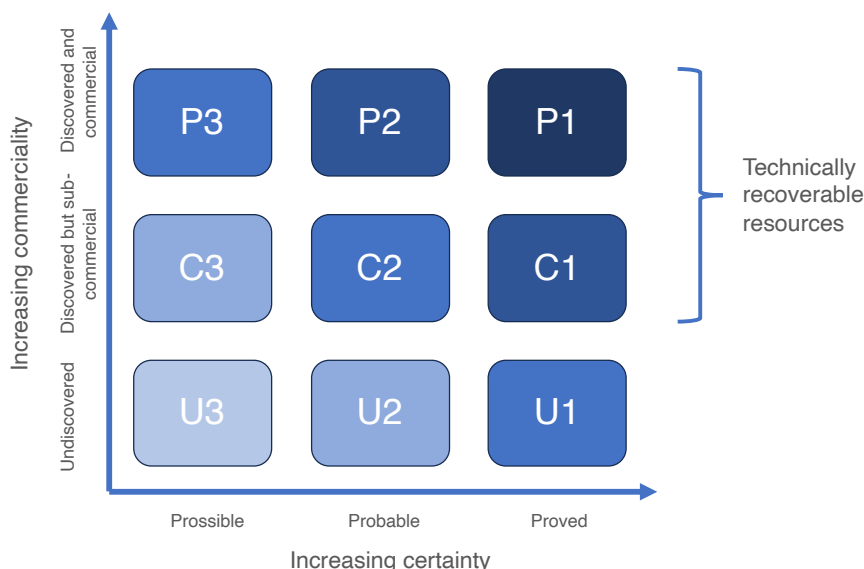


Figure 6-1 Proven, probable and possible reserves

¹¹ Links to the Ryder Scott presentations can be found here: <https://www.energy.gov.tt/feature-address-by-minister-of-energy-and-energy-industries-at-the-presentation-of-the-gas-audit-results-for-the-year-end-2020-and-official-launch-of-the-2021-deepwater-bid-round/>



6.1.1 Oil Reserves

An audit of the crude oil resources as at, 31 December 2018 was conducted by Netherland, Sewell and Associates. The oil reserves of the country have increased from the 2012 audit:-

- Proved reserves increased from 199.5 to 220.1 million barrels
- Probable reserves increased from 85.8 to 99.7 million barrels
- Possible reserves increased from 124.8 to 135.5 million barrels

Additionally, unrisked prospective resources have increased by 773.4% from 2012 levels to 3.2 billion barrels. Approximately 90% of these resources are from deep water blocks TTDA 3 and TTDA 5.

6.1.2 Gas Reserves

The 2020 Ryder Scott audit showed 56% of volume replacement in proven gas fields was achieved in 2020, as compared to 113% in 2019. With respect to Total Unrisked Technically Recoverable Resources, a consistent upward trend was observed from 2016 to 2019 with a small decline in 2020. This is primarily due to the significant decline in gas production between 2019 and 2020 as well as the Covid-19 pandemic which caused project delays. There was also a small decline in P1 + C1 Technically Recoverable Resources formerly referred to as Proved Reserves while P2 + C2 Resources, formerly referred to as Probable Reserves showed a 5.4% increase. Between 2019 and 2020, Exploration Resources increased by almost 10% due to prospects identified by the Ministry. Highlights of the 2020 Audit were:

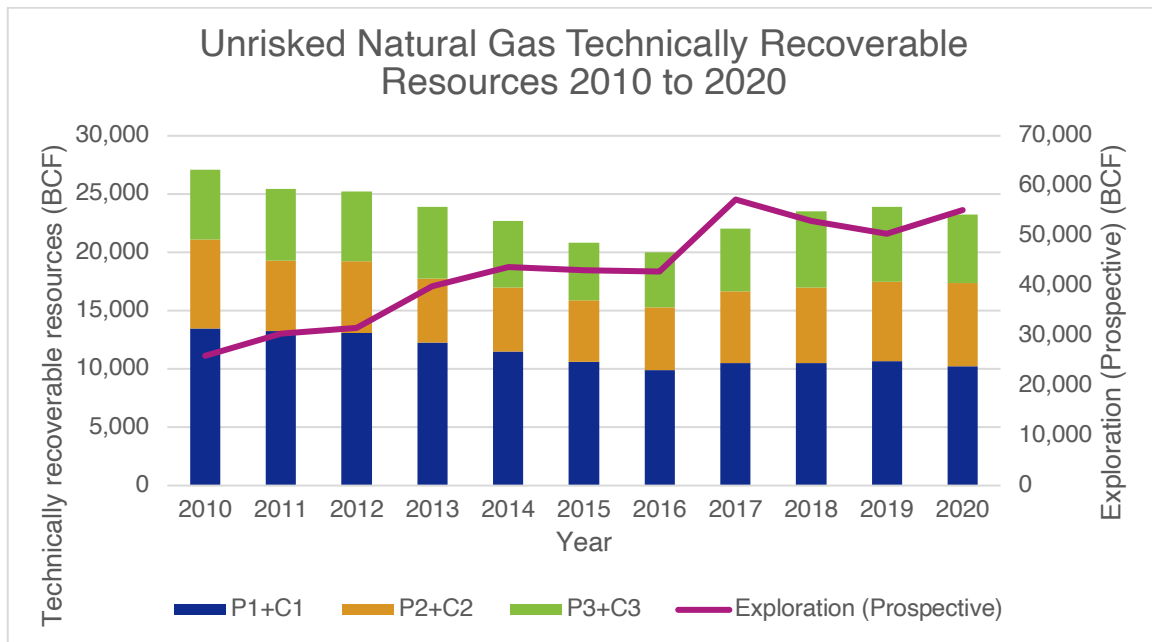
- Upward reserve adjustments for fields located in the Mahogany and Amherstia hubs due to TROC
- Further migration of resources to the P1 + C1 category due to Cassia offshore compression project
- Significant volumes added from BHP's Bele field as a result of updated mapping
- bpTT successful in Ginger exploration well from 2019 to early 2020
- There was a negative revision in the Bounty field due to the results of the B-3 well for Shell
- There was a positive revision in the Parula field for EOG

For 2022, the schedule of activities include an independent assessment of the Royston discovery by Touchstone in the Ortoire Block as well as remapping and revaluation of reserves of BHP's Delaware and Bongo fields, Shell's Cassra and Orchid fields and bpTT's Matapal field.

Table 6-1 Natural gas reserves (TCF)

Category	2017	2018	2019	2020
P1+C1	10.52	10.53	10.68	10.22
P2+C2	6.13	6.47	6.80	7.16
P3+C3	5.39	6.51	6.41	5.89

Source: MEEI, Ryder Scott Report



Source: MEEI¹²

Figure 6-2 Unrisked natural gas technically recoverable resources 2010 to 2020

The above data was presented by the Minister of Energy and Energy Industries in late 2021. He cited the reason for the uptick in prospective resources in 2020 as being the result of leads and prospects identified by the Ministry in the lead up to the launch of a competitive bidding round.

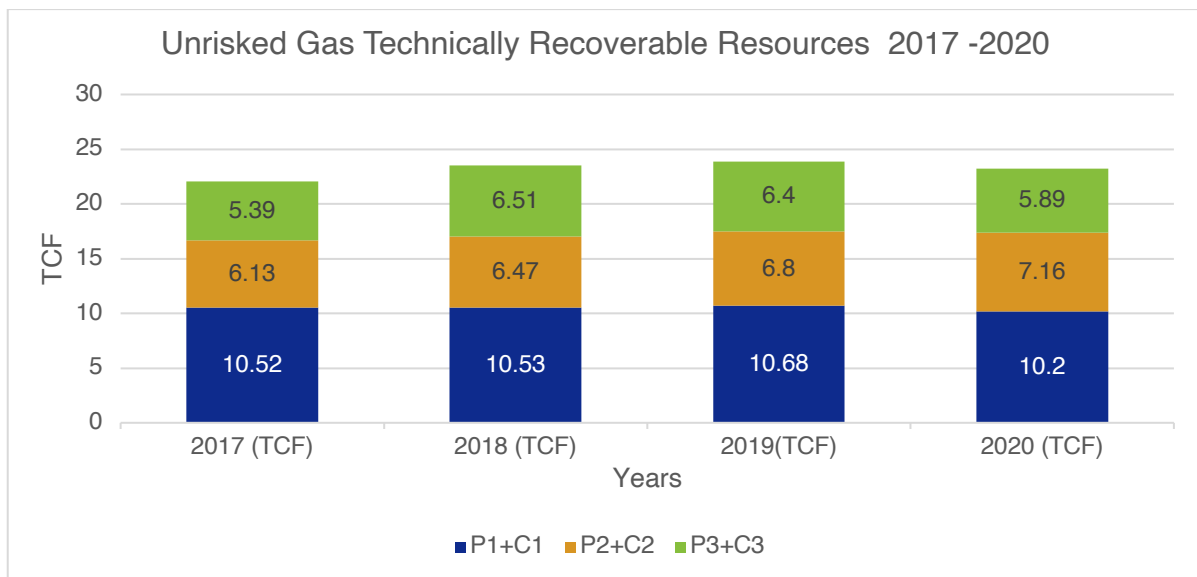


Figure 6-3 Unrisked gas technically recoverable resources 2017 to 2020

¹² <https://www.energy.gov.tt/wp-content/uploads/2021/12/MEEI-YE2020-Press-Conference-Presentation-12-14-2021.pdf>



6.1.3 Mineral reserves

There is no recent data available for Trinidad and Tobago's mineral reserves. The 2018 EITI report outlined this issue and the table below illustrates the reserve findings from the 2013 study. Assessments of the country's mineral resources are conducted every ten years.

Table 6-2 Mineral reserves

Mineral Type	Acreage (Square Kilometres)	Reserves (Millions of Metric Tonnes)
Sand and Gravel	52	326
Blue Limestone	3.5	53
Clay	1.8	9.8
Plastering Sand	11.7	39.2
Yellow Limestone	0.8	26.1
Porcellanite	1.1	6.5
Andesite	0.5	6.5
Total	71.4	467.1

Source: MEEA SEIA Study 2013

6.2 Exploration in the extractive sector

In an effort to boost dwindling declining reserves, the MEEI held Bid Rounds for new Acreage in 2022. Further details can be found at: <https://www.energy.gov.tt>

On 8 July 2022, the Nearshore and Onshore competitive bid rounds was opened for a period of 6 months, which concluded on 9 January 2023. A total of 16 bids were received for 8 of the 11 blocks. Primera Oil and Gas, a subsidiary of Touchstone Exploration was the company bidding on most (five) of the blocks. No bids were received for Cory D, Cory F and South West Peninsula Offshore. In May 2023, the decision to award licenses for 6 of the 8 blocks were made. The official results for the Onshore and Nearshore bid rounds are yet to be announced. However, two companies have officially announced their awards. Trinity Exploration & Production was awarded the Buenos Ayres block and Touchstone Exploration's subsidiary, Primera Oil and Gas won the Cipero onshore block.

Table 6-3 Competitive bid rounds 2004 to 2022

Date	Number of Blocks on offer	Number of bids received	Number of PSC/ Licences signed
July-2022	11 Nearshore and Onshore	16	6
Dec-2021	17 deepwater	4	-
May-2019	6 shallow offshore	3	-
Mar-2014	6 deepwater	3	2
Oct-2013	3 onshore	11	3
Sep-2012	6 deepwater	12	4
Feb-2011	11 deepwater	5	3
Sep-2010	7 shallow offshore	6	5
Nov-2006	8 on and nearshore 3 shallow offshore	14	2
Dec-2006	8 deepwater	1	0
Jan-2004	10 shallow offshore	18	6

Source: Energy Chamber



There were several other significant developments in the exploration activity in both marine and land areas. The third quarter of 2022 saw an improvement in energy sector production, primarily driven by an increase in natural gas production. This increase in natural gas production was primarily due to the start-up of the Barracuda project in 2021 and the Colibri project from Shell. Production from bpTT’s Matapal project in 2021 and DeNovo’s Zandolie project in 2022 also boosted production.

In 2023, EOG Resources Trinidad Ltd outlined its decision to drill approximately 20 wells by the end of 2025, including the Mento joint venture project with BPTT. Trinity Exploration and Production Limited’s ABM-151 well in the Brighton Marine block, offshore the West Coast of Trinidad, successfully returned to production in March 2023. The well is currently producing at a rate of 140 bopd.

BPTT plans to develop its Cypre gas project and drilling started in 2023 with first gas expected in 2025. Cypre will be bpTT’s third subsea development. It will include seven wells and subsea trees tied back into bpTT’s existing Juniper platform and is expected to deliver 250-300 mmscf/d at its peak.

Upstream activity in the past year has experienced an increase in levels between 2021 and 2022. There was an increase in the number of well completions, development wells as well as exploration wells between 2021 and 2023. Heritage Petroleum Co. Limited was responsible for the 4 development wells drilled for 2022, For 2023 thus far, the average number of development wells was higher in comparison to the last three years with Heritage Petroleum Co. Limited accounting for the majority. Rig days are a leading indicator of upstream activity. However, there was a marginal decline in rig days from 1,116 in 2021 to 1,044 in 2022. The table below gives a snapshot of the upstream activity between 2020-2023.

Table 6-4 Upstream activity 2020 to 2023

Upstream Activity Indicator	2020	2021	2022	2023*
Rig days	822	1,116	1,044	434
Exploration Wells	8	4	8	1
Development Wells	12	15	27	21
Well Completions	10	20	23	20

*For 2023, only information up to May 2023 was available

6.3 Production data in the extractive sector (EITI Requirement 3.2)

The MEEI publishes annual oil and gas production data on its website at: <https://www.energy.gov.tt/data/historical-oil-and-gas-production-data/>. It also publishes a monthly bulletin which contains production information. These can be found at: <https://www.energy.gov.tt/publications/>. The annual data can be downloaded as an Excel spreadsheet but the monthly data is only available in PDF format.

Trinidad and Tobago experienced a less sharp decline of 2.5% in the energy sector for 2022 primarily due to a decline in the production of crude oil. According to the Central Bank’s Economic Bulletin January 2023, natural gas supplies are expected to increase due to key upstream energy sector projects and is anticipated to counter the fall in crude oil production.

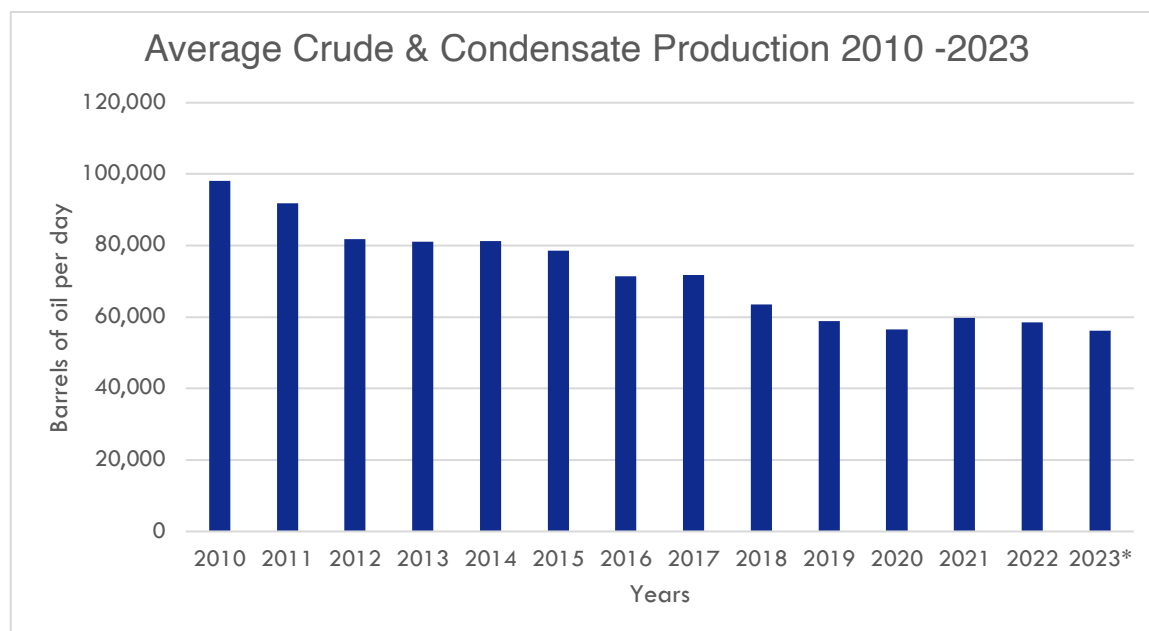
The accurate recording and capture of production data by companies and government are essential in ensuring that production-based payments are accurate.



6.3.1 Oil production

6.3.1.1 Production volume

The Trinidad and Tobago oil industry is over 100 years and as a result oil fields have matured over time. Average crude and condensate production marginally decreased from 59,850 bopd in 2021 to 58,436 bopd in 2022. Heritage Petroleum Company Limited continues to be the largest producer of oil with its share of production increasing by just 1% in with an average of 34,486 bopd for 2022.



Source: MEEI Consolidated Monthly Bulletins

*For 2023, only information up to March 2023 was available

Figure 6-4 Average crude and condensate production 2010 to 2023

Oil and gas prices are at their highest in over seven years. Due to low production levels which have been negatively affecting the country's oil and gas revenues in general, Trinidad and Tobago has not been able to fully maximize the benefits of these high prices through higher revenues. However, revenues for 2022 are still expected to reach a nine-year high. While the country is still recovering from the impacts of the Covid-19 pandemic, high costs of production and development continue to impede oil production. The Government has projected that oil production will increase to 85,00 barrels per day by 2024 and to 104,000 barrels a day by 2026.

Table 6-5 Producers of crude oil in T&T

Producers of Crude Oil in T&T	2018	2019	2020	2021	2022	2023*
bpTT	11%	11%	12%	8%	7%	8%
Heritage Petroleum Company Limited	59%	57%	62%	58%	59%	61%
Perenco	17%	18%	16%	14%	15%	15%
Woodside (formerly BHP)	7%	7%	8%	11%	6%	-
Other	6%	7%	8%	8%	13%	17%

Source: MEEI Consolidated Monthly Bulletins

*For 2023, information up to March 2023 was available



6.3.1.2 Production value

The market value of crude oil production is calculated by multiplying total annual oil production volumes by the corresponding year’s average annual WTI (West Texas Intermediate) price stated in US\$ per barrel. It is important to note WTI prices are used as proxy for the basket of local crude which at times is priced lower than WTI. Between 2021 and 2022, the total market value for crude oil production increased. Though total oil production declined as a result of an overall decrease in production by Heritage Petroleum Company Limited, this was countered by the high oil prices for 2022. The market value of local crude produced increased from US\$1.4 billion in 2021 to US\$2 billion in 2022. As oil prices settle in 2023, based on an average outlook for the first quarter of the year, total annual production is estimated to decline as well as market value, accordingly.

Table 6-6 The market value of local oil production 2016 to 2023

	Total annual oil production	Average WTI Price (US\$)	Market value (US\$)
2016	26,092,390.00	43.14	1,125,734,422.89
2017	26,210,891.01	50.88	1,333,719,346.54
2018	23,175,675.00	64.94	1,504,989,708.38
2019	21,480,615.00	56.99	1,224,180,248.85
2020	20,613,010.00	39.16	807,205,471.60
2021	21,845,250.00	68.13	1,488,316,883.00
2022	21,329,140.00	94.9	2,024,135,386.00
2023*	20,495,115.00	77.47	1,587,756,559.00

Source: MEEI & US EIA

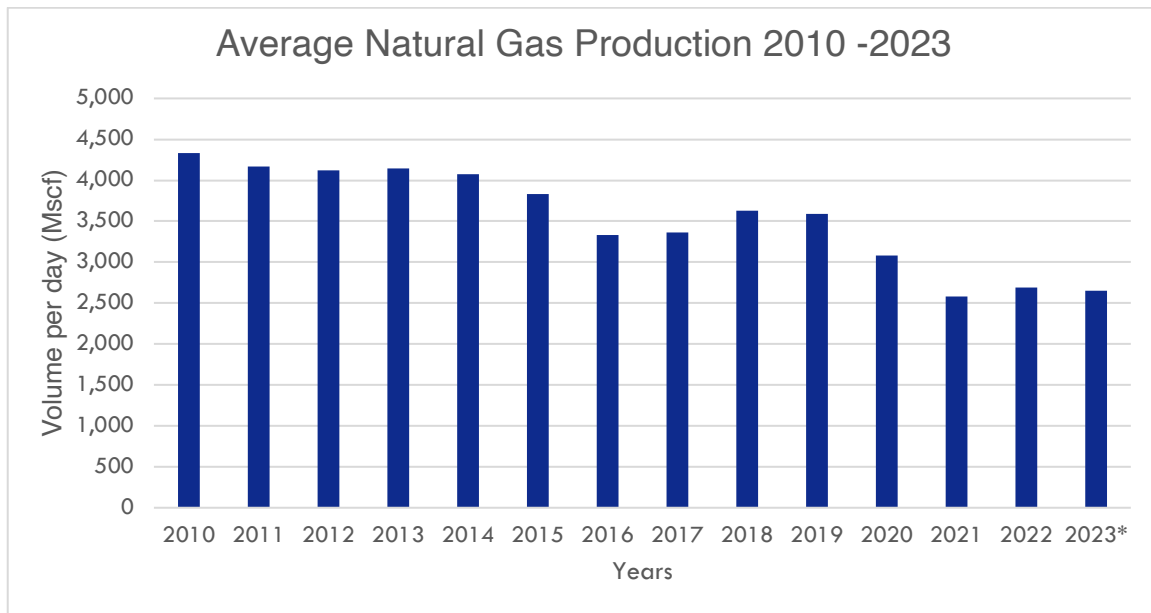
Note 2023 figures: Based on an average from the first quarter of 2023

6.3.2 Gas production

6.3.2.1 Production volume

The second largest contributor to GDP, natural gas exploration and extraction, will continue to improve as activity in the energy sector picks up through key projects such as the Shell Trinidad and Tobago’s Colibri, DeNovo’s Zandolie and bpTT’s Cassia Compression.

In 2021 natural gas production averaged 2579 mmscf/d. This is the lowest production level for the past decade. However, from 2022 to March 2023, production has slowly but steadily increased. This is attributed to an increase in production from Shell, as the company’s averaged daily production increased from 494 mmscf/d in 2021 to 661 mmscf/d in 2022, representing a 29% improvement. Though bpTT suffered technical setbacks in 2022, the company remains the largest producer of natural gas. In November of 2022, bpTT confirmed that its Cassia C development, the company’s first offshore compression platform and largest offshore facility, safely delivered first gas. The company is hoping to increase production in 2023, especially given the successful completion of the first phase of its “small pools” drilling campaign which began in October 2022. Natural gas production has remained within the same range for the first quarter of 2023, in comparison to the same period for 2022.



Source: MEEI Consolidated Monthly Bulletins

Figure 6-5 Average natural gas production

Table 6-7 Producers of natural gas

Producers of Natural Gas in T&T	2018	2019	2020	2021	2022	2023*
BHP	11%	11%	12%	14%	-	-
Woodside	-	-	-	-	13%	12%
bpTT	57%	53%	55%	48%	47%	46%
EOG	13%	13%	10%	14%	12%	10%
Shell	16%	19%	20%	19%	25%	28%
Other	3%	3%	4%	4%	3%	4%

Source: Ministry of Energy and Energy Industries (MEEI), Consolidated Monthly Bulletins

Note 2023 figures: Based on an average from the first quarter of 2023

New Gas Production Outlook

- ❑ BP Cassia-C project increase of 300 mmscf/d
- ❑ BP Cypre project increase of 250-300 mmscf.d
- ❑ BHP/Woodside’s Calypso Project to produce 600 mmscf/d
- ❑ Shell Trinidad and Tobago’s Barracuda and Colibri in 2021 and 2022 combined additional 450 mmscf/d
- ❑ Shell Trinidad and Tobago’s Manatee development to deliver first gas in the second half of the current decade, producing between 350 mmscf/d and 700 mmscf/d.

6.3.2.2 Liquefied Natural Gas

Atlantic LNG (ALNG) continues to be the largest user of natural gas in Trinidad and Tobago. The company liquefies natural gas from upstream gas producers in its liquefaction plants in Point Fortin. The liquefied natural gas (LNG) via tankers leaves for various destinations around the world from



the country's only export facility. bpTT and Shell are the largest players in the upstream and are the two major shareholders in ALNG. NGC is also a shareholder of ALNG in Trains 1 and 4, as well as an offtaker via its subsidiary TTLNG. ALNG 1 has a merchant arrangement while Trains 2,3 and 4 have a tolling arrangement.

Train 1 has not been in operation since 2020 and requires 250mmscf/d of gas for efficient operations. In December 2022, following a restructuring of ALNG and under the new agreement, the facility now operates as a single, utilised facility with one ownership structure. However, as of 2023, ALNG still only operates at 70% capacity.

Regarding other users of natural gas there is also an unmet demand from the second largest user of natural gas, the petrochemical sector. The NGC provides gas to the petrochemical sector as fuel and feedstock and has been unable to meet this demand due to a decline in supply. This demand supply imbalance has impacted relations between NGC and its customers for future contracts. However, with the decline in natural gas use for 2022 the petrochemical sector has seen an increase in gas used to fuel and provide feedstock for its plants.

Table 6-8 Users of natural gas

Users of Natural Gas	2018	2019	2020	2021	2022	2023*
LNG	57.0%	57.3%	56.8%	42.7%	47.1%	48.6%
Petrochemical	30.7%	31.9%	31.9%	42.6%	38.7%	37.5%
Power Generation	7.1%	7.4%	8.2%	10.1%	10.1%	9.8%
Iron and Steel	1.3%	1.4%	1.3%	1.8%	1.5%	1.6%
Other	3.8%	1.8%	3.3%	2.8%	2.4%	2.5%

Source: MEEI

Note 2023 figures: Based on an average from year to date May 2023

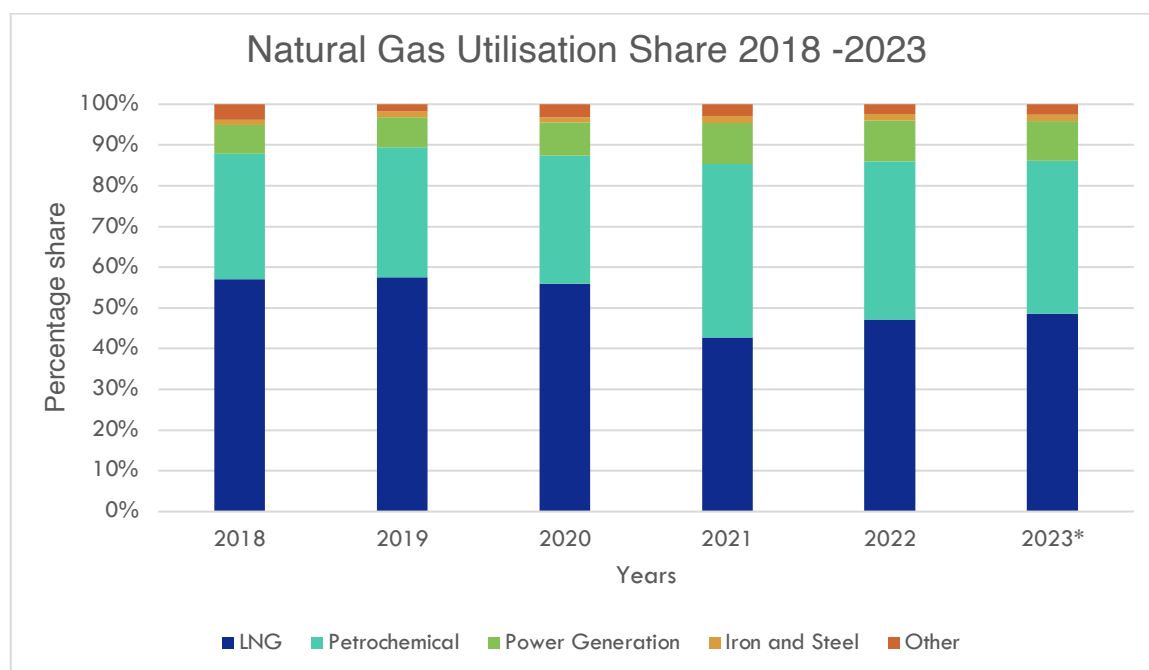


Figure 6-6 Natural gas utilisation 2018 to 2022



Table 6-9 LNG production

LNG Production (mmBtu)	
2016	551,917,619
2017	565,502,280
2018	637,377,722
2019	646,009,003
2020	497,763,833
2021	341,926,543
2022	404,615,639
2023 YTD May	170,781,384

Source: MEEI

6.3.2.3 Production value

The market value of LNG produced in Trinidad and Tobago is calculated by multiplying the annual LNG production by the average LNG Free on Board¹³ (Point Fortin) prices quoted in US dollars per mmBtu. It should be noted that these are estimates based on benchmark prices and are not the certified value. Annual LNG production increase between 2021 to 2022. FOB prices also increased between 2021 and 2022. The increase in production coupled with higher prices resulted in an increased market value between 2021 and 2022. LNG prices in 2022 have been the highest since 2016 as a result of global supply issues. Subsequently, 2022, recorded the highest LNG market value over the last seven years.

Table 6-10 Market value of local LNG production 2016 to 2022

	Annual LNG production (mmBtu)	Avg. Annual Point Fortin FOB (US\$ per mmBtu)	(US\$) Annual market values
2016	551,917,619	2.59	1,431,920,386
2017	569,941,679	3.34	1,901,833,393
2018	637,377,722	3.85	2,453,904,229
2019	646,009,003	3.16	2,041,388,449
2020	532,630,134	2.0	1,065,260,268
2021	341,926,543	3.91	1,336,932,783
2022	404,615,639	6.45	2,609,770,872

Source: MEEI, Minerals Division

6.3.3 Petrochemical production

6.3.3.1 Production volume

Ammonia

Ammonia production has been on a downward trajectory since 2020, with a decline from 5,066,346 MT to 4,509,563 MT as of 2022. Apart from plant maintenance and plant closures which continue to affect production levels, the country has benefitted from significant revenue increase due to soaring ammonia prices in 2022. However, prices began moderating by the third quarter of 2022, and remain under pressure as of the first quarter of 2023. With the global increase in natural gas prices, further cutbacks in production of ammonia is anticipated.

¹³ This Free on-board price is the average price of all of the LNG sold for each Atlantic entity/Train, as each Train has its own particular pricing formula.



Methanol

Methanol production declined marginally in 2022. Production was lower in 2022 due to unplanned outages and higher operating rates. There are two major methanol plants in Trinidad, namely Atlas and Titan. However, since 2020, Titan has been out of operation and is idled indefinitely due to natural gas constraints.

Table 6-11 Petrochemicals production

Year	Ammonia Production (MT)	Methanol Production (MT)
2018	4,974,911	5,081,259
2019	5,444,338	5,671,815
2020	5,066,346	4,258,818
2021	4,929,765	5,510,230
2022	4,509,563	5,493,895
2023 YTD May	1,726,560	2,308,916

Source: MEEI

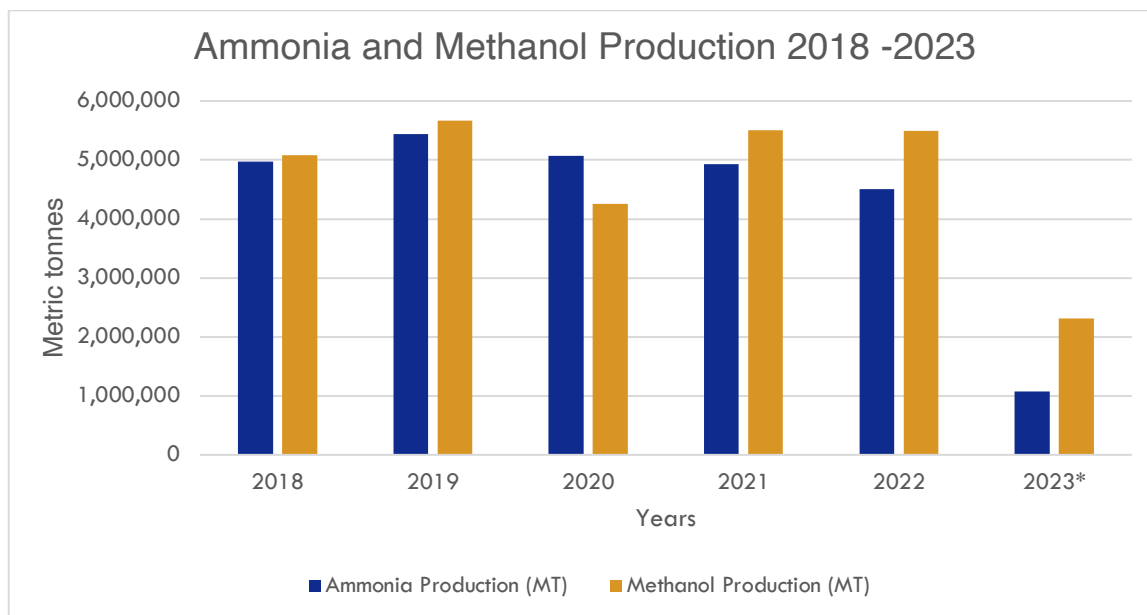


Figure 6-7 Petrochemicals production

6.3.3.2 Production value

The estimated market value of ammonia production is calculated by multiplying the annual average Caribbean Ammonia market price per metric tonne (US\$) by the corresponding total ammonia production volume. Similarly, the annual average Methanol Rotterdam price per metric tonne (US\$) is multiplied by total methanol production volumes to obtain market values of methanol production.

In 2022 the total market value for both ammonia and methanol production, increased significantly due to increases in domestic production and increased commodity prices. This has been the highest recorded value since 2017.



Table 6-12 Petrochemical market value and prices

	Market Value of Ammonia Production (US\$)	Caribbean Ammonia Price (US\$/MT)	Market Value of Methanol (US\$)	Rotterdam FOB price (US\$/MT)
2017	1,205,650,886	239	1,661,429,569	334
2018	1,340,134,055	276	2,007,626,603	395
2019	1,154,199,656	212	1,361,777,412	268
2020	418,244,352	188	1,256,351,310	295
2021	2,696,581,455	547	1,103,238,451	503
2022	5,019,143,619	1113	3,054,605,620	556

Source: MEEI

6.3.4 Mineral production

6.3.4.1 Production volume

The volumes of minerals are quantified utilising an honour system whereby the operator submits the quarterly production reports to the Minerals Division. The royalties to be paid are calculated from the information on these reports and submitted to the Internal Audit Unit which conducts checks of the record books of the operator at their offices. There are challenges in analysing mineral production volumes because of the sparsity of data reported (for instance no data reported for andesite). Furthermore, the data shows volumes that are lower than previous years. The Minerals Unit of the MEEI provided the following explanations:

1. There is a trend of Quarterly Report submission lapses, which are generally approximately 3-6 months after the quarter has completed.
2. Simple delinquency by the operators has been an issue with which the Unit is seeking to address.
3. There is not a designated person assigned to deal with royalties and production compilation and the Quarry Management Officers are currently liaising with quarries to identify operational issues to address the challenges in data collection.

Table 6-13 Mineral production 2017 to 2020

Minerals	Year	Production m ³
ANDESITE	2017	-
	2018	-
	2019	125,844
	2020	87,703
BLUE LIMESTONE	2017	79,540
	2018	-
	2019	214,580
	2020	286,583
CLAY	2017	134,819
	2018	122,422
	2019	121,944
	2020	109,388
PORCELLANITE	2017	31,613
	2018	23,169
SAND	2017	251,967
	2018	-
	2019	7,432
	2020	16,000
SAND AND GRAVEL	2017	648,701
	2018	375,467
	2019	879,901.87
	2020	649,817
YELLOW LIMESTONE	2017	507,319
	2018	23,227
	2019	608,213
	2020	432,003.78
TAR SAND	2017	45,643
	2018	37,896



	2019	23,060
	2020	12,457

	2019	65,126
	2020	25,590
ASPHALT	2017	5,551
	2018	8,137
	2019	5,134
	2020	4,230

Source: MEEI, Minerals Division

6.3.4.2 Production value

A single market value of mineral production cannot be determined since there is no benchmark price of minerals sold on the local market. In addition, updated price and production value data for Lake Asphalt's products are not available.

6.3.5 Calculating and verifying production values and volumes

6.3.5.1 Oil & gas volumes

The MEEI has taken steps to map out its process for verifying oil and gas production. The net volumes of crude oil, condensate and natural gas, either sold or transferred during the month, are calculated by meters that are calibrated on a monthly basis.

The operators print out the production data generated by the computers in the format required by the MEEI. These reports are forwarded to the Contract Management Division (CMD) for their review. The CMD reviews the production reports monthly, if there are any issues these are raised with company representatives for clarification.

The Measurement Unit is charged with ensuring that measurement systems are approved and calibrated. The Unit uses a weekly inspection schedule for witnessing a sample of the calibrations taking place in the field. Personnel in the CMD use PROD Forms which represents the fiscalized production data received from operators. Daily production is first tallied by Petroleum Engineer Assistants (PEAs) using daily production reports submitted by operators— total in barrels (bbls) per operator is tallied on a daily basis. If there are visible variances that may be of concern, PEAs will then contact the relevant Petroleum Engineer (PE) to identify reasons which are indicated in a Report. This is considered preliminary production.

Monthly production is estimated by the PEA III using this daily production tallied for the previous month, total in barrels and barrels of oil per day (bopd) per operator. Companies typically send in fiscalised production by the third working day in the following month and this is used as final production and cross checked with other production reports when received. (figures are usually the same). As final monthly production reports are submitted by the operators (first by email), the above figures change from preliminary to corrected and indicated as such and is final production. PEA's check to ensure all relevant forms are received, by email, in signed hard copy and the totals on relevant forms are the same e.g., PROD 1 and 1a. Data from the production reports (PROD 1a) is then entered in excel spreadsheets by the PEA I. This is done by the operator by field (for both calendar and fiscal formats). If there are any queries to address, this is done by the PE's in CMD.

For verification of royalties, the Downstream Petroleum Management Division performs an internal quality check by cross referencing the CMD production and company submissions. They also receive price information from companies, including the realized prices, to ensure royalty payments are in line with production.



6.3.5.2 Mineral volumes

The volumes of minerals are quantified utilising an honour system whereby the operator submits the quarterly production reports to the Minerals Division. The royalties to be paid are calculated from the information on these reports and submitted to the MEEI Internal Audit Unit which conducts checks of the record books of the operator at their offices.

Currently, there is no system in place to independently verify mineral production volumes. The MEEI's Minerals Division has started procuring Unmanned Aerial Systems (UAS) commonly known as drones to independently verify mineral production volumes. The UAS would allow the Minerals Division to conduct volumetric surveys for the calculation of volumes of minerals removed from the ground for the verification of mineral production and royalties owed by licensees to the State. The drone system will be operational by Q2 2024.

6.4 Sale of the state's share of production or other revenues kind (EITI Requirement 4.2)

6.4.1 In-kind revenues from oil and gas companies

Under the terms of the model deep water Production Sharing Contract (PSC) the government is entitled to a share of the oil and gas produced. Further, the government, and each partner, shall take its share "*in kind*". In the case of gas, there are sales agreements for each PSC providing for the sale of gas produced to NGC (or to/via Atlantic LNG), so the government receives value for its share in cash by this mechanism. In respect of oil (and, if applicable, condensates), this is delivered to the export points (and previously, in some instances, to the Petrotrin refinery) where it is sold with each party receiving its share of the proceeds.

In addition, according to the model E&P licences, royalty is due on all oil and gas produced. Usually, this liability would be settled in cash, but the model contract provides that GoRTT is entitled to receive royalty in kind – i.e. as a volume of oil or gas. MEEI has stated that there were no revenues in kind between 2016 and 2020. NGC has confirmed that the Royalty gas arrangement ended in 2015. All monies owed to GoRTT from PSC arrangements are paid in full each month as invoiced by the Operator. For a detailed explanation see section 4.5 of the 2016 EITI Report.

6.4.2 Volume and value of state's share of production

One of the main objectives of the TTEITI is to report on the return Trinidad and Tobago gets in exchange for its oil and gas. Requirement 4.2 requires that the volumes and revenue received are disclosed. Through EITI reporting this is the second year running first time that the value of the state's share has been available to the public. For 2021 and 2022, the value of the state's share was US\$ 452,586,787 and US\$1,260,176,659, a 78% increase. This was earned from sales of 761,478 barrels of oil and 124,775 mmscf of gas in 2021 and 1,585,266 barrels of oil and 163,742 mmscf of gas in 2022.

For 2019 and 2020, the value of the state's share was US\$299,980,678 and US\$238,548,090, a 20% decline. This was earned from sales of 679,782 barrels of oil and 99,410 mmscf of gas in 2019 and 553,190 barrels of oil and 72,360 mmscf of gas in 2020. In 2018 the Government earned US\$315,938,511 from sales of 732,119 barrels of oil and 91,168 mmscf of gas.

6.4.3 Sale of the state's share of production

Energy commodity trading companies are not transparent regarding the value or volume of the first trade. NGC cites confidentiality issues concerning the identity of purchasers of LNG cargoes. These trading companies purchase barrels of oil, LNG cargoes and minerals from one country and sell them to its customers, sometimes, at a significant mark up.



In 2014, The Trafigura Group, one of the world’s leading energy commodity trading companies, started publicly disclosing what it paid to SOEs such as Petrotrin and NGC for their cargoes. The company now reports the actual value and volume of products purchased from energy SOEs in all EITI implementing countries in which it operates. For the years of 2018 and 2019 payments made to the Government are shown via the following SOE’s Petroleum Company of Trinidad and Tobago Limited, Heritage Petroleum Company Limited and Trinidad and Tobago LNG Limited, a subsidiary of NGC. However, in 2020 and 2021, Heritage Petroleum Company Limited was the only SOE to trade with Trafigura. In 2020 and 2021, Heritage Petroleum earned US\$5.7 and US\$109.6 million dollars respectively from Trafigura for sale of its crude. In 2019, Heritage Petroleum earned US\$91 million dollars from Trafigura for sale of its crude while NGC earned US\$13 million dollars for sale of its LNG cargoes.

Trinidad and Tobago does not use swap agreements or resource-backed loans in the energy sector.

Table 6-14 Value and volume of refined products and gas commodity trades

Year	Company	Product Type	Volume (thousand tonnes)	Volume (thousand barrels)	Volume (mmBtu)	Value (US\$)
2014	Petrotrin	Refined	154.62	1,000.25	-	80,790,676.98
2014	NGC	Gas		1,643.43	9,531,881.00	105,594,826.78
2015	Petrotrin	Refined	571.07	4,381.83	-	277,672,794.92
2015	NGC	Gas		1,174.92	6,814,558.00	42,993,109.17
2016	Petrotrin	Refined	1425.94	10,586.01	-	506,148,765.69
2016	NGC	-	-	-	-	-
2017	Petrotrin	Refined	1965.78	13,905.16	-	758,650,634.46
2018	Petroleum Company of Trinidad and Tobago Limited	Refined	810.1	6,440.1	-	508,426,152
2018	Petroleum Company of Trinidad and Tobago Limited	Crude Oil	71.1	494.5	-	31,553,423
2018	Heritage Petroleum Company Limited	Crude Oil	70.4	482.6	-	22,035,327
2019	NGC	Gas	77.07	670.47	3,776,207	13,043,680
2019	Heritage Petroleum Company Limited	Crude Oil	150.00	1,029.80	-	69,057,652
2020	Heritage Petroleum Company Limited	Crude Oil	19.65	214.26	-	5,721,997
2021	Heritage Petroleum Company Limited	Crude Oil	230.45	1,579.16	-	109,615,070

Source: Trafigura Responsibility Report, Various Years

6.5 Transactions related to state-owned enterprises (EITI Requirement 4.5)

The National Gas Company of Trinidad and Tobago Limited (NGC) is the sole purchaser, aggregator and seller of natural gas in Trinidad and Tobago’s domestic natural gas-based energy sector. Through its investments, subsidiaries and associated companies, the company is indirectly



involved in the development of industrial port and site infrastructure, the production and marketing of Liquefied Natural Gas and Natural Gas Liquids, and upstream gas and oil exploration and production.

NGC is principally engaged in the purchase, aggregation, transportation and distribution of natural gas to industrial users. According to its website <https://ngc.co.tt/>, the network, which has a capacity of 4.4 bcf/d comprises 1,000 km of onshore and marine pipelines. This extensive distribution network, which ranges from 2-inch to 36-inch diameter pipelines, delivers gas to petrochemical and heavy industrial plants at Point Lisas; the light industrial/manufacturing sector; the commercial sector and various gas stations which are equipped for the sale of CNG.

NGC provided information on quantities of gas purchased from producers in fiscal 2021, as set out in the table below.

The FY 2019/2020 EITI report included some details of contracts put in place to replace those expiring. No further information on the details of these contracts was provided by NGC for this report. It is important to have this information in support of the quantitative data below, and further discussions will be had on this for the next EITI report.

For details of government transfer of funds to SOEs for capital projects under the Public Sector Investment Programme, see: <https://www.finance.gov.tt/wp-content/uploads/2021/10/Final-PSIP-October-6-2021.pdf>



Table 6-15 NGC gas purchases 2021

Full legal name of party from whom gas purchased - Producing block	Full legal names of all parties to the contract (NGC and other parties)	Contract date: Date signed Date from Date to (see note above)	Payments made by NGC to? (block operator name or detail if more than one)	Quantity purchased 2021 (mmscf)
BHP Billiton (Trinidad 2C) Ltd - Block 2C	Gas Sales Contract by and among BHP Billiton (Trinidad - 2C) Limited., Total E&P Trinidad B.V., Talisman (Trinidad) Ltd. And The Minister of Energy & Energy Industries and The National Gas Company of Trinidad and Tobago Limited	24/07/2008 24/07/2008 22/04/2021 22/04/26	BHP Billiton (Trinidad 2C) Ltd; Chaoyang Petroleum (Trinidad) Block 2C Limited; Minister of Energy and Energy Affairs; NGC E&P Investments (Netherlands) B.V.	119,657,069
BHP Billiton (Trinidad 3A) Ltd - Block 3A	Gas Sales Contract by and among BHP Billiton (Trinidad - 3A) Limited., Heritage Petroleum Ltd, The Minister of Energy & Energy Industries, NGC E&P BV and The National Gas Company of Trinidad and Tobago Limited	21/07/2020 21/07/2020 21/04/2026	Gas Sales Contract by and among Woodside (Trinidad - 3A) Limited, NGC Caribbean Investment Ltd, The Minister of Energy & Energy Industries and NGC E&P BV	
BP Trinidad & Tobago LLC	Gas Sales Contract Between The National Gas Company of Trinidad and Tobago Limited and BP Trinidad and Tobago LLC	01/05/2017 01/01/2019 31/12/2023	BP Trinidad & Tobago LLC	213,137,386
EOG Resources Trinidad Ltd.	Contract for the Sale and Purchase of Natural Gas By and Between EOG Resources Trinidad Limited, U(a), U(b), Block 4A and The National Gas Company of Trinidad and Tobago Limited	19/10/2020 01/09/2020 31/12/2026	EOG Resources Trinidad Ltd.	111,264,507
Shell Trinidad & Tobago Ltd - Blocks 6, 5A and E	Gas Sales Contract Between The National Gas Company of Trinidad and Tobago Limited and Shell Trinidad and Tobago Ltd.	31/10/2019 01/01/2020 31/12/2024	Shell Trinidad & Tobago Ltd	52,161,320
DeNovo (Zandolie) - Block 1A	Gas Sales Contract Between The National Gas Company of Trinidad and Tobago Limited and Denovo Energy Block 1A	30/07/2021 30/07/2021 4 years	DeNovo Energy Block 1A Limited	27,606,919



DeNovo (Iguana)	Gas Sales Contract Between The National Gas Company, NGC E&P Investments Ltd. of Trinidad and Tobago Limited and Denovo Energy Block 1A	29/08/2018	DeNovo Energy Block 1A Limited	
- Block 1A		29/08/2018 8 years		
				523,827,201





7 Reconciliation results 2021

7.1 Introduction

Three (3) government entities and fifty-one (51) oil and gas companies (of which five (5) were SOEs) were invited to participate in the reconciliation. Forty-nine reported the financial and non-financial flows between companies and government as determined by the TTEITI Steering Committee. MOF-IRD did not provide information for six (6) companies. Therefore, reconciliations were done on forty-three (43) companies.

The basis of selection of participating entities and flows can be found in Section 4.2 of this report.

7.2 Crude oil & natural gas

7.2.1 Payment reconciliation between extractive entities and government agencies

A summary of the results of the FY2021 reconciliations is set out below. Detailed schedules are included as Annex E.



Table 7-1 Payments reconciliation 2021 – Oil and gas

Company	Receipts reported by government			Payments reported by companies				Analysis of reconciling items		
	Original	Adjustments	Adjusted total per Government	Original	Adjustments	Adjusted total per Company	Reconciling items	Foreign exchange differences	Timing differences	Unidentified receipt
	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$
Amoco Trinidad Gas BV Trinidad Branch	11,179,159	0	11,179,159	11,179,159	0	11,179,159	0	0	-	-
BP Trinidad and Tobago LLC Trinidad Branch	1,384,058,459	(9,133,459)	1,374,925,000	1,374,925,001	0	1,374,925,001	(1)	(1)	-	-
BP Exploration Operating Company Limited - Trinidad Branch	496	0	496	496	0	496	0	0	-	-
BP Trinidad Processing Limited	0	31,988,011	31,988,011	31,988,012	0	31,988,012	(1)	(1)	-	-
BP Group	1,395,238,114	22,854,552	1,418,092,666	1,418,092,668	0	1,418,092,668	(2)	(2)	-	-
CEG Goudron Trinidad Limited	212,524	0	212,524	212,524	0	212,524	0	0		
CEG Group	212,524	0	212,524	212,524	0	212,524	0	0		
BG International Limited	29,229,828	19,650,241	48,880,069	48,839,096	0	48,839,096	40,973	40,973	-	-
Shell Trinidad and Tobago Limited	938,779,042	276,941,333	1,215,720,375	1,210,326,043	5,683,815	1,216,009,858	(289,483)	(289,483)	-	-
Trinling Limited	3,645,841	0	3,645,841	3,645,841	0	3,645,841	0	0	-	-
BG 2/3 Investments Limited	0	0	0	0	0	0	0	0	-	-
Shell Gas Supply Trinidad Limited	12,626,812	0	12,626,812	12,626,812	0	12,626,812	0	0	-	-
Shell Trinidad Central Block Limited	25,921,794	0	25,921,794	25,921,530	693	25,922,223	(429)	(429)	-	-
Point Fortin LNG Exports Limited	20,030,846	0	20,030,846	19,056,206	984,514	20,040,720	(9,874)	(9,874)	-	-
Shell Trinidad 5A Limited	44,275,848	(10,812,975)	33,462,873	33,465,187	0	33,465,187	(2,314)	(2,314)	-	-
Shell Trinidad and Tobago Resources SRL	41,254,934	0	41,254,934	41,254,934	0	41,254,934	0	0	-	-
Shell Trinidad Block E Limited	205,267,234	0	205,267,234	205,465,407	0	205,465,407	(198,173)	(198,173)	-	-
Shell Trinidad North Coast Limited	141,913,007	0	141,913,007	141,913,007	0	141,913,007	0	0	-	-



Shell Group	1,462,945,186	285,778,599	1,748,723,785	1,742,514,063	6,669,022	1,749,183,085	(459,300)	(459,300)		
Woodside Energy (Trinidad-2C) Limited	1,015,207,173	87,729,136	1,102,936,309	1,103,104,428	478,819	1,103,583,247	(646,938)	(646,938)	-	-
Woodside Energy (Trinidad-3A) Limited	76,332,425	5,573,110	81,905,535	81,851,772	93,331	81,945,103	(39,568)	(39,568)	-	-
Woodside Energy (Trinidad Block 14) Limited	10,798,443	5,875,267	16,673,710	16,493,196	233,594	16,726,790	(53,080)	(53,080)	-	-
Woodside Energy (Trinidad Block 23A) Limited	16,751,242	2,871,008	19,622,250	17,456,353	2,238,724	19,695,077	(72,827)	(72,827)	-	-
Woodside Energy (Trinidad Block 3) Limited	35,473,092	1,185,074	36,658,166	36,630,931	96,957	36,727,888	(69,722)	(69,722)	-	-
Woodside Energy (Trinidad Block 5) Limited	30,310,614	3,876,993	34,187,607	27,789,991	6,468,415	34,258,406	(70,799)	(70,799)	-	-
Woodside Energy (Trinidad Block 6) Limited	2,988,229	704,606	3,692,835	1,128,186	2,581,382	3,709,568	(16,733)	(16,733)	-	-
Woodside Group	1,187,861,218	107,815,194	1,295,676,412	1,284,454,857	12,191,222	1,296,646,079	(969,667)	(969,667)	-	-
De Novo Energy Block 1A Ltd	260,274,958	0	260,274,958	260,106,303	168,227	260,274,530	428	428	-	-
De Novo Group	260,274,958	0	260,274,958	260,106,303	168,227	260,274,530	428	428	-	-
EOG Resources Trinidad 4(A) Unlimited	298,495,241	2,282,077	300,777,318	300,777,318	0	300,777,318	0	0	-	-
EOG Resources Trinidad Limited	738,430,759	0	738,430,759	738,430,759	0	738,430,759	0	0	-	-
EOG Resources Trinidad- U(A) Block Limited	306,150,767	0	306,150,767	306,150,766	0	306,150,766	1	1	-	-
EOG Resources Trinidad U(B) Block Unlimited	22,689,958	0	22,689,958	22,948,151	(258,203)	22,689,948	10	10	-	-
EOG Group	1,365,766,725	2,282,077	1,368,048,802	1,368,306,994	(258,203)	1,368,048,790	12	12	-	-
Hydrocarb Trinidad Limited	155,736	0	155,736	155,736	0	155,736	0	0		
Hydrocarb Group	155,736	0	155,736	155,736	0	155,736	0	0		
Lease Operators Limited	14,815,249	509,200	15,324,449	15,324,448	0	15,324,448	1	1	-	-
Lease Operators Group	14,815,249	509,200	15,324,449	15,324,448	0	15,324,448	1	1		



The National Gas Company of Trinidad and Tobago	1,290,891,772	66,609,661	1,357,501,433	1,433,730,511	(75,205,695)	1,358,524,816	(1,023,383)	(1,023,383)	-	-
NGC E&P Investments (Netherlands) B.V.	470,129,986	0	470,129,986	470,129,986	0	470,129,986	0	0	-	-
NGC Pipeline Company Limited	62,735,058	0	62,735,058	62,491,052	244,006	62,735,058	0	0	-	-
Trinidad and Tobago LNG Limited	37,070,320	0	37,070,320	37,070,320	0	37,070,320	0	0	-	-
NGC Group	1,860,827,136	66,609,661	1,927,436,797	2,003,421,869	(74,961,689)	1,928,460,180	(1,023,383)	(1,023,383)	-	-
Perenco T&T Limited	217,980,698	5,719,861	223,700,560	256,122,552	(32,416,526)	223,706,026	(5,466)	(5,466)	-	-
Perenco Group	217,980,698	5,719,861	223,700,560	256,122,552	(32,416,526)	223,706,026	(5,466)	(5,466)	-	-
Repsol Angostura Limited	105,240	179,092	284,332	284,332	0	284,332	0	0	-	-
Repsol Group	105,240	179,092	284,332	284,332	0	284,332	0	0	-	-
Primera Oil & Gas Limited	10,940,465	839,899	11,780,364	11,747,381	33,032	11,780,413	(49)	(49)	-	-
Touchstone Exploration (Trinidad) Ltd	2,125,756	0	2,125,756	2,125,756	0	2,125,756	0	0	-	-
Touchstone Group	13,066,221	839,899	13,906,120	13,873,137	33,032	13,906,169	(49)	(49)	-	-
Heritage Petroleum Company Limited	1,022,344,384	5,944,926	1,028,289,310	1,956,175,631	(928,076,945)	1,028,098,686	190,624	190,624	-	-
Heritage Group	1,022,344,384	5,944,926	1,028,289,310	1,956,175,631	(928,076,945)	1,028,098,686	190,624	190,624	-	-
Oilbelt Services Limited	14,874,331	1,664,615	16,538,946	16,535,166	0	16,535,166	3,780	3,780	-	-
Trinity Exploration & Production (Galeota) Limited	16,717,286	27,748,563	44,465,849	42,570,150	1,903,569	44,473,719	(7,870)	(7,870)	-	-
Trinity Exploration and Production (Trinidad and Tobago) Limited	27,620,247	(27,620,247)	0	0	0	0	0	0	-	-
Trinity Exploration Group	59,211,864	1,792,931	61,004,795	59,105,316	1,903,569	61,008,885	(4,090)	(4,090)	-	-
Total	8,860,805,254	500,325,991	9,361,131,245	10,378,150,430	(1,014,748,292)	9,363,402,138	(2,270,893)	(2,270,893)	-	-



7.2.2 MEEI payments from profit share to MOF-IRD for taxes from PSCs

The MEEI reported the profit share received from the PSC reporting companies for each reporting period. The MEEI uses a portion of the profit share receipts to make payments to the MOF-IRD for PSC company taxes. A comparison between profit share received by MEEI and the taxes paid to the MOF-IRD on behalf of PSC companies is set out in the table below. This is not a reconciliation, but rather disclosure of amounts received and the portion paid as taxes.

Table 7-2 MEEI payments from profit share to MOF-IRD for taxes from PSCs

Company	MEEI declared taxes paid to MOF-IRD on behalf of company	Profits share received from PSC company as reported by MEEI
	2021 (TT\$)	2021 (TT\$)
Amoco Trinidad Gas BV Trinidad Branch	10,980,711	0
BG International Limited (Block 22)	6,472,667	0
BG International Limited (Blocks 5C & 5D)	14,823,673	0
Woodside Energy (Trinidad-2C) Limited	12,780,856	340,111,172
Woodside Energy (Trinidad Block 3A) Limited	8,544,649	0
Woodside Energy (TTDAA Block 3) Limited	25,790,980	0
Woodside Energy (Trinidad Block 14) Limited	6,143,150	0
Woodside Energy (Trinidad Block 23A) Limited	6,143,150	0
Woodside Energy (Trinidad Block 29) Limited	6,778,200	0
Woodside Energy (Trinidad Block 5) Limited	16,072,687	0
Columbus Energy Bonasse Limited	50,237	0
DeNovo Energy Block 1A Limited	7,353,940	90,165,464
EOG Resource Block 4(a)	5,909,999	87,727,133
EOG Resource Block U(a)	12,190,888	185,991,011
EOG Resource Block U(b)	18,057,764	4,445,580
EOG Resources Trinidad Limited	4,424,863	0
Heritage Petroleum Company Limited	26,653,213	0
Lease Operators Limited	563,043	0
NGC E&P Investments (Netherlands) B.V. (Block 2C)		0
Oilbelt Services Limited	810,435	0
Point Fortin LNG Exports Limited	0	1,725,757
Primera Oil & Gas Limited	4,475,098	0
Shell Trinidad - Block 5A	10,358,703	0
Shell Trinidad - Block E	677,970	204,247,933
Shell Trinidad and Tobago Limited (Block 6 & NCMA 1)	10,936,658	741,785,837
Shell Trinidad and Tobago Limited (NCMA 4)	5,683,816	0



Shell Trinidad and Tobago Resources SRL Block 5A	0	29,939,413
BHP Billiton Petroleum (Trinidad Block 28) Limited	13,556,400	0
Atlantic LNG 2/3 Company of Trinidad and Tobago limited	3,860,380	0
Atlantic LNG 4 Company of Trinidad and Tobago Limited	3,246,761	0
Shell Trinidad Central Block Limited	4,118,239	0
The National Gas Company of Trinidad and Tobago	0	1,032,614,645
Trinity Exploration and Production (Trinidad and Tobago) Limited	5,297,517	0
TOTAL	252,756,647	2,718,753,945

7.2.3 MEEI payments from profit share to MOF-IRD for taxes from PSCs

MEEI submitted payments to MOF-IRD on behalf of participants. MOF-IRD stated the amounts received from MEEI on behalf of participants. These payments and receipts are reconciled below.

The figures reported by the MEEI are also reconciled against the payments reported by the PSC companies as having been made on their behalf by the MEEI.

Table 7-3 MEEI payments to MOF-IRD on behalf of PSCs reconciled to company data

	2021 TT\$
Payments reported by MEEI	1,983,305,224
Payments reported by companies	2,027,426,281
Discrepancies	(44,121,057)

Discrepancies	2021 TT\$
Omissions by participants	1,621
Omissions by MEEI	(44,122,678)
Discrepancies	(44,121,057)

The figures reported by the MEEI are also reconciled against the payments reported by the PSC companies as having been made on their behalf by the MEEI.

With regard to PSC Holding Fees, none was waived in 2021. These fees are usually reduced by the participant's market development costs. If such fees are to be waived, the Minister or the Ministry (MEEI) has the authority, granted through the letter of the specific contract.

7.2.4 Production reconciliation

Production was reported by

1. Companies
2. MEEI Commercial (PSCs only)



3. MEEI Downstream and Retail Marketing Group (PSC and E&P gas)
4. MEEI Energy Information Management & Technology Division (PSC and E&P oil)

The results of the production reconciliations between 1, 3 and 4 as above are as follows:

Table 7-4 Production reconciliation 2021 – Oil and gas

Company	Oil Production 2021			Gas Production 2021		
	MEEI barrels	Company barrels	Difference	MEEI mmscf	Company mmscf	Difference
bp Triidad & Tobago LLC (Trinidad Branch)	1,806,264	1,806,264	0	449,054,815	449,054,814	1
CEG Goudron Trinidad Limited	66,539	66,539	0	30,376,271	30,376,271	0
De Novo Energy Block 1A Limited	182,298	182,298	0			0
EOG Resources Trinidad Block 4A			0	10,591,895	10,591,895	0
EOG Resources Trinidad U(B) Block Unlimited	2243	2243	0	1,101,162	1,101,161	1
EOG Resources Trinidad U(A) Block Unlimited	999	999	0	27,476,680	27,476,680	0
EOG Resources Trinidad Limited	954144	954144	0	88,633,545	88,633,546	-1
Hydrocarb Trinidad Limited	79,295	79,295	0			0
Lease Operators Limited	638,799	638,799	0			0
Perenco Trinidad and Tobago Limited	2,965,946	2,965,946	0	5,457,217	5,457,217	0
Primera Oil and Gas Limited	61,893	61,893	0			0
Touchstone Exploration (Trinidad) Limited	423,862	423,862	0			0
Shell Trinidad and Tobago Limited	10,091	10,091	0	138,399,119	138,399,119	0
Shell Trinidad 5(A) Limited	3	3	0	4947	4947	0
Shell Trinidad Block E Limited	407	407	0	40,188,438	40,188,438	0
Shell Trinidad Central Block Limited	132,420	132,420	0	10,661,568.00	10,661,568.00	0
Heritage Petroleum Company Limited	10,469,233	10,469,233	0	6,111,352	6,111,352	0
Trinity Exploration and Production (Galeota) Limited	408,399	408,399	0			0
Oilbelt Services Limited	720,671	720,670	1			0
Woodside Energy (Trinidad-2C) Limited	1,303,822	1,303,821	1	123,473,343	123,473,343	0
Woodside Energy (Trinidad - 3A) Limited	580491	580491	0	2,245,409	2,245,409	0
Total	20,807,819	20,807,8173	2	933,775,761	933,775,760	1

7.2.5 Escrow

According to Article 37 of the Model PSC Contract 2018, from the date of the first Commercial Discovery, the Minister and Contractor shall agree to establish an interest bearing escrow account in the name of the Minister at a financial institution determined by the Minister to accumulate cash reserves for use to fund against possible pollution and eventual abandonment of wells and decommissioning of facilities related to Petroleum Operations in the Contract Area. The Contractor shall pay twenty five (25) cents in the currency of the United States of America per Barrel of oil equivalent produced into said escrow account from the date of first production.



Within sixty (60) days after cessation of Production or the sooner relinquishment of some or all of the Contract Area, Contractor shall carry out to the Minister's satisfaction a programme for abandonment and decommissioning of facilities agreed with the Minister for all installations and pipelines provided by Contractor under this Contract that the Minister elects not to have delivered up to him. The approved budget for carrying out the approved abandonment and decommissioning of facilities programme shall be provided for by monies paid into the escrow account. If the escrow amount is insufficient to complete the approved programme or environmental remediation, Contractor shall pay all such additional required costs.

The Minister may at his sole discretion access funds from the escrow account in the event that Contractor fails to (i) effect environmental clean-up, or (ii) properly abandon wells, or decommission facilities to the satisfaction of the Minister. Where the Minister accesses the escrow account as aforementioned during the term of the Contract, Contractor shall be required to pay into the account the sum used for said purposes within sixty (60) days.

Below is a schedule of the escrow accounts in US\$.

Table 7-5 Schedule of escrow accounts

Account name	Balance at 30 Sept 2020 US\$	Receipts from companies 2021 US\$	Interest received 2021 US\$	Disburse- ments 2021 US\$	Balance at 30 Sept 2021 US\$
Petrotrin and BG T'dad Central Block Ltd	6,708,501	403,645	-	-	7,112,146
Petrotrin - Balata East Shallow Horizons	146,650	6,056	-	-	152,706
Petrotrin - Cruse Horizons	7,656,933	550,204	-	-	8,207,137
Petrotrin - Guapo Oropouche Brighton	4,412,904	174,826	-	-	4,587,730
Petrotrin - Herrera horizons	10,703,067	698,050	-	-	11,401,117
Petrotrin - Mayaro Guayaguayare Horizons	1,399,753	95,741	-	-	1,495,494
Primera Oil & Gas Ltd - Fyzabad	44,067	-	-	-	44,067
Primera Oil & Gas Ltd - Palo Seco Block	59,939	-	-	-	59,939
Petrotrin and Beach Oilfield Ltd - South West Peninsula	127,951	-	-	-	127,951
Trinidad Northern Areas (Trinmar) Public Petroleum Rights, Petroleum Company Trinidad & Tobago	11,823,997	1,788,185	-	-	13,612,182
EOG Resources Trinidad Block U(A) Osprey Field	22,872,974	-	-	-	22,872,974
EOG Resources Trinidad Block 4(A) Offshore	21,137,354	-	-	-	21,137,354
Trinity Exploration and Production (Galeota) Limited, Galeota Area, Public Petroleum Rights	1,233,648	102,425	-	-	1,336,073
Point Ligoure - Guapo Bay - Brighton Marine Block	368,220	13,577	-	-	381,797
Guapo Bay - Brighton Marine Block Trinidad (Offshore) Block	941,341	13,428	-	-	954,769



Petrotrin & Massy Energy - Moruga West Block, Public Petroleum Rights	556,627	-	-	-	556,627
MEEI - Primera & Heritage - Ortoire Block (Onshore)		3,340	-	-	3,340
TOTAL	90,193,926	3,849,477	-	-	94,043,403

7.3 Minerals

7.3.1 Payment reconciliation between extractive entities and government agencies

Table 7-6 Summary of payments reconciliation 2021 – Mining

Company	2021		
	Adjusted totals		Reconciling items (TT\$)
	Government (TT\$)	Company (TT\$)	
National Quarries Company Limited	337,766	337,766	-
Lake Asphalt Trinidad & Tobago (1978) Limited	475,136	475,136	-
Hermitage Limestone Limited	184,250	184,250	-
Trinidad Cement Limited	4,647,592	4,647,591	1
Estate Management Business Development	564,625	564,624	1
Readymix Limited	709,772	709,772	-
FW Hickson & Co Ltd	0	0	-
TOTAL	6,919,141	6,919,139	2

Table 7-7 Payments reconciliation 2021 – Mining

Company	Receipts reported by government			Payments reported by companies		
	Original	Adjustments	Adjusted total per Government	Original	Adjustments	Adjusted total per Company
	(TT\$)	(TT\$)	(TT\$)	(TT\$)	(TT\$)	(TT\$)
National Quarries Company Limited	337,766	0	337,766	337,766	0	337,766
Lake Asphalt of Trinidad & Tobago (1978) Limited	475,136	0	475,136	517,630	(42,494)	475,136
Hermitage Limestone Limited	184,250	0	184,250	184,250	0	184,250
Trinidad Cement Limited	4,647,592	0	4,647,592	4,417,760	229,831	4,647,591
Estate Management Business Development	564,625	(1)	564,624	612,848	(48,224)	564,624
Readymix Limited	709,772	0	709,772	709,772	0	709,772
FW Hickson & Co Ltd	0	0	0	0	0	0
TOTAL	6,919,141	(1)	6,919,140	6,780,026	(139,113)	6,919,139



7.3.1.1 Lake Asphalt of Trinidad & Tobago 1978 Limited

The reconciling difference of TT\$ 42,494 was determined to have arisen from payments made after the reporting period being included in the current, as well as an inadvertent omission.

Table 7-8 Lake Asphalt of Trinidad and Tobago (1978) Limited reconciling differences

Nature of reconciling item		Amount TT\$
Green Fund Levy	Paid after the reporting date	(18,625)
Business Levy	Paid after the reporting date	(37,249)
Royalties	Paid after the reporting date	(14,220)
Royalties	Inadvertent omission of receipt A480800	27,600
TOTAL		(42,494)

7.3.1.2 Trinidad Cement Limited

The reconciling difference of TT\$ 229,831 was determined to have arisen from inadvertent omissions as shown below.

Table 7-9 Trinidad Cement Limited reconciling differences

Nature of reconciling item		Amount TT\$
Green Fund Levy	Inadvertent omission of receipt R1288797184	102,923
Business Levy	Inadvertent omission of receipt R1288797184	126,908
TOTAL		229,831

7.3.1.3 Estate Management Business Development Company Limited

The reconciling difference of TT\$ 48,224 was determined to have arisen from inadvertent omissions as well as a payment made after the reporting period, as shown below.

Table 7-10 Estate Management Business Development Company Limited reconciling differences

Nature of reconciling item		Amount TT\$
Green Fund Levy	Inadvertent omission of receipt R1204182016	3,662
Business Levy	Inadvertent omission of receipt R1204182016	6,475
Business Levy	Inadvertent omission of receipt R667311104	850
Royalties	Inadvertent omission of receipt A480923	63,998
Royalties	Paid after the reporting date	(123,209)
TOTAL		(48,224)



7.3.1.4 FW Hickson & Co Ltd

F.W. Hickson & Co. Ltd. Provided reporting templates with no payments made to any party in relation to its operations during 2021. Likewise, the MEEI reported receipt of no payments from this company. No templates were received through the company from MOF-IRD, against which the reported '\$nil' balances could be juxtaposed for reconciliation.

7.3.2 Production

Table 7-11 Production reconciliation - Minerals

Company	2021		
	MEEI (Tonnes)	Company (Tonnes)	Difference (Tonnes)
National Quarries Company Limited	466,632	466,632	0
Lake Asphalt Trinidad & Tobago (1978) Limited	0	7,108	(7,108)
Hermitage Limestone Limited	165,236	107,219	58,017
Trinidad Cement Limited	414,446	414,446	0
Estate Management Business Development Company Limited	99,701	130,503	(30,802)
Readymix Limited	317,292	317,292	0
TOTAL	1,463,307	1,443,200	20,107

Where no production is included in the table above, the company and/or MEEI did not provide any information.

7.3.3 Escrow

Poor regulation in past years led to indiscriminate quarrying, severe land degradation, loss of valuable flora and fauna, pollution of watercourses and reduced coastal water quality through sediments being transported to the sea. Environmental rehabilitation is therefore critical.

Although the mining industry does not have abandonment provisions in the form of an escrow, similar to that which exists in the oil and gas sector, according to the Minerals Act, Chapter 61:03 (Act 61 of 2000), every person to whom the Minister has decided to issue a licence shall, before the issue of the licence, deposit with the Director a bond in the form of a Rehabilitation Bond in such amount and form and subject to such conditions as may be prescribed for the proper rehabilitation of the land for which the licence is to be issued. The amount of the bond shall be determined having regard to the potential environmental impact that is likely to be caused by the mining operation for which the licence is issued.

Where the licensee commits any breach of the terms and conditions, the Minister may forfeit the bond deposited and costs and damages arising out of the breach shall be recovered as a debt due to the State.



7.4 Other matters

7.4.1 Amounts due and paid from PSCs

PSC payment received by MEEI are used to make myriad payments to MOF-IRD on behalf of participants. These payments, which are monitored by the Commercial Evaluation Division at MEEI, include:

- Supplemental Petroleum Taxes
- Petroleum Profits Taxes
- Unemployment Levy
- Corporation tax (if applicable)
- Business Levy

PSC is also used to make payments to MEEI on behalf of participants. These payments, which are monitored by the Accounting Unit at MEEI, include:

- Transfer Fees
- Ent Provisions
- Annual Administration Charges
- Training
- Research and Development Costs
- Production Bonus
- Technical Assistance

The PSC information provided by MEEI is summarised in the table below:

Table 7-12 PSC payment reconciliation 2021

Block	Operator	Balance due/(overpaid) at 31-Dec-20	2021 transactions		Balance due/(overpaid) at 31-Dec-21
			Amounts due	Amounts paid	
		US\$	US\$	US\$	US\$
BLOCK 1(A)	DeNovo	(11)	1,084,559	(1,092,857)	(8,309)
BLOCK 2(C)	Woodside Energy(BHP)	213	1,990,563	(1,990,564)	212
BLOCK 4(A)	EOG	2	1,240,254	(1,240,300)	(44)
BLOCK 5(B)	ATGB V	2,492	1,658,815	(1,658,403)	2,904
BLOCK 22	BG International	116,302	1,492,718	(1,493,062)	115,958
BLOCK 23(A)	BHP	2,935	1,530,029	(2,149,138)	(616,174)
BLOCK 3(A)	Woodside Energy(BHP)	4	1,307,035	(1,319,008)	(11,969)
BLOCK 5(A)	Shell	992	1,587,209	(1,587,209)	992
BLOCK 5(C)	BGI	92,684	1,460,090	(1,417,336)	135,438
BLOCK 5(D)	BGI	337,782	1,320,783	(1,203,080)	455,485
BLOCK E	Shell	-	100,000	(100,000)	-
BLOCK MOD U(A)	EOG	(6)	1,858,746	(1,858,855)	(115)
BLOCK MOD U (B)	EOG	1	1,311,333	(1,310,845)	489
BLOCK NCMA1	Shell	4,742	1,900,915	(1,900,679)	4,978
BLOCK NCMA 4	BG International	115,354	1,309,006	(1,319,428)	104,932
BLOCK TTDA 14	BHP	33,820	1,457,441	(1,431,215)	60,046



BLOCK TTDAА 28	BHP	-			-
BLOCK TTDAА 29	BHP	(7)	2,000,000	(2,000,000)	(7)
BLOCK TTDAА3	BHP	(3)	5,463,335	(5,462,876)	456
BLOCK TTDAА5	BHP	(9)	4,378,544	(4,378,626)	(91)
BLOCK TTDAА 6	BHP	19	625,653	(625,677)	(5)
Total		707,306	35,077,028	(35,539,158)	245,176



8 Recommendations

This section provides the following:

1. The update and assessment on the implementation of Recommendations from prior years EITI Reports,
2. The update on implementation of the seven Corrective Actions from Trinidad and Tobago's Validation Report,¹⁴
3. New recommendations i.e. those arising from the FY2021 EITI Report. These are divided into the following categories:
 - a. For the Steering Committee and the National Secretariat,
 - b. For government agencies,
 - c. For reporting companies,
 - d. For civil society organizations.

Table 8-1 below provides a summary of all these Recommendations and Corrective Actions. The full text of prior year Recommendations and of the Validation Report Corrective Actions and Recommendations can be found in the relevant EITI Report referenced in the table. The table provides a reference to the relevant section of this report, the subject of the Recommendation or Corrective Action, its current status, the EITI Report in which it originally appeared and the relevant reference in that report. Previous EITI reports can be found at: <https://www.tteiti.com/publications>

The current status of each Recommendation or Corrective Action is based on the following scale:

- Little/no progress: there has been no significant developments since the publication of the FY2019/20 EITI Report,
- Some progress: actions to address the Recommendation have been completed since publication of the FY2019/20 report but further actions are required to close out the Recommendation or Corrective Action,
- Cleared: the Recommendation has been fully addressed since publication of the FY2019/20 EITI Report
- New: Recommendation made in the FY2021 EITI Report.

Some of the Recommendations carried forward from the FY2018 report are long standing and were first made in previous EITI reports e.g. those related to the Auditor-general. There is also some overlap between prior year Recommendations and those from the Validation Report. A number of themes are evident in the two sets of Recommendations, including:

- The need to address constraints to reporting caused by confidentiality issues,
- Beneficial ownership,
- Contract transparency,
- SOE governance and reporting,
- The completeness and accuracy of the license cadastre,
- Reporting on the mining sector.

¹⁴ Trinidad & Tobago 2022 Validation Report, Assessment of Progress in Implementing the 2019/20019 EITI Standard, Outcome of the Validation of Trinidad & Tobago, EITI, March 2023, <https://eiti.org/documents/trinidad-and-tobago-2022-validation-report>



In our Recommendations arising from this report, we focus on those issues as well as Recommendations that arise from our findings in conducting the data collection and reconciliation process.

Table 8-1 Summary of Recommendations and Corrective Actions

See sub-section below	Subject of Recommendation	Status	EITI Report	EITI Report Ref
Prior year Recommendations				
8.1.1	Confidentiality issues acting as a barrier to transparency	Some progress	2018	6.2.1
8.1.2	Auditor General staff numbers	Little/no progress	2018	6.2.2
8.1.2	Audit of MOF-IRD records by Auditor General	Some progress	2018	6.2.2
8.1.2	Auditor General assurance over EITI reporting	Little/no progress	2018	6.2.2
8.1.2	MEEI to improve monitoring of amounts due under PSCs and E&P	Little/no progress	2018	6.2.2
8.1.2	Audit of extractives SOEs	Some progress	2018	6.2.2
8.1.3	Introduction of provisions into all new licences/PSCs for companies to adhere to TTEITI requirements	Little/no progress	2018	6.2.6
8.1.4	MEEI to maintain publicly available license register with timely and comprehensive information	Some progress	2018	6.2.7
8.1.5	MEEI to enact a plan to bring licensing in mining sector up to date	Little/no progress	2018	6.2.9
8.1.5	MEEI to expedite drone technology procurement	Some progress	2018	6.2.9
8.1.6	Review of accuracy of data on the petroleum register	Some progress	2018	6.2.11
8.1.7	Integrity of the reconciliation process	Cleared	2019/20	8.3.1
8.1.8	Legislative reform	Little/no progress	2019/20	8.3.2
8.1.9	Regulatory enforcement	Little/no progress	2019/20	8.3.3
8.1.10	Mineral reserves	Little/no progress	2019/20	8.3.4
8.1.11	Beneficial ownership	Some progress	2019/20	8.3.5
8.1.12	Contract transparency	Little/no progress	2019/20	8.3.6
8.1.13	Gender reporting	Cleared	2019/20	8.3.7
8.1.14	Mainstreaming	Some progress	2019/20	8.3.8
Validation Report Corrective Actions and Recommendations				
8.2.1	Requirement 2.4.a: disclose full text of all contracts and licenses in force since 1 January 2021	Little/no progress		p29
8.2.2	Requirement 2.3.b: licence cadastre	Little/no progress		p32



8.2.3	Requirement 2.5: beneficial ownership	Some progress	p35
8.2.4	Requirement 4.2: commodity trading	Little/no progress	p39
8.2.5	Requirement 3.2: production values	Some progress	p41
8.2.6	Requirement 4.8: publish reports within 2 years	Some progress	p46
8.2.7	Requirement 4.9.b.iii: statement on reliability and comprehensiveness of data	Some progress	p46
Recommendations arising from FY2021 EITI Report			
For the Steering Committee and the National Secretariat			
8.3.1.a.	Workplan	New	
8.3.1.b.	Engagement with the Auditor-General	New	
8.3.1.c.	Removing Confidentiality Constraints	New	
8.3.1.d.	Engagement with MEEI on the license cadastre	New	
8.3.1.e.	Engagement with Mining Sector	New	
8.3.1.f.	Conduct Beneficial Ownership Refresher Training	New	
8.3.1.g.	SOE transparency	New	
8.3.1.h	Additional participant companies	New	
For government agencies			
8.3.2.a.	Role of Auditor-General	New	
8.3.2.b.	MEEI consistency of reporting	New	
For reporting companies			
8.3.3.a	Familiarize with 2023 Standard	New	
8.3.3.b.	Take action on contract transparency	New	
8.3.3.c.	Beneficial ownership	New	
For civil society organizations			
8.3.4.a.	Familiarize with 2023 Standard	New	
8.3.4.b.	Use of EITI data	New	

8.1 Prior year Recommendations

8.1.1. Confidentiality issues acting as a barrier to transparency

There has been limited progress on engagement with MOF-IRD due to two changes in Chairman.

There were three activities relating to legislative or contractual changes:

1. A Cabinet note on EITI legislation,
2. A note to the Honourable Minister Young on the inclusion of EITI clauses in contracts,
3. A recommendation to MEEI on suggested changes to the Petroleum Act.

The Government did not accept recommendations for embedding EITI into oil and gas model deep water agreements. They are still considering both the Cabinet note on EITI legislation and EITI clauses in mining licenses.

The volumes of the Government share of production on a disaggregated basis are not being disclosed on grounds of confidentiality.



NGC agreed to disclose transportation revenue for 2019 and 2020, and the template issued to NGC was amended to facilitate the collection of this data. However, NGC does not disclose information on LNG sales which we understand is due to confidentiality clauses contained in the sales contracts.

8.1.2. Auditor-general assurance

The recommended engagement with the Auditor General (AG) has taken place. There have been separate meetings between TTEITI and MOF-IRD and the AG. The TTEITI Steering Committee met with members of the TTRA Board on July 10. The TTRA will effectively replace the MOF-IRD by Q2 2024. During the discussions, the TTRA agreed to work with the TTEITI to advance revenue transparency on key issues including assurance of TTRA data by the Auditor General.

However, the recently proclaimed Trinidad and Tobago Revenue Authority legislation includes clauses that allow the AG access to the MOF-IRD/TTRA accounts and records for audits. Sections 33 (2) and (3) state:

“The Auditor General shall have access to all books of accounts, records, documents, assets and information held by the Authority...

‘...Subject to section 8(1)(g), nothing in subsection (1) precludes the Auditor General from performing a management or comprehensive audit of the operations and activities of the Authority.’”

Following a request submitted by TTEITI to the MEEI Commercial Evaluation Division (CED) information was provided for 2019 and 2020 with respect to the following:

1. Minister’s Share payments received for 2019 and 2020,
2. Financial Obligations payments received for 2019 and 2020,
3. Methodology for determining Signature Bonus.

Since the 2019-2020 Report, the AG has been invited to and attended TTEITI training workshops, and is to be invited to SC meetings where technical issues relating to oil, gas and mining sectors will be discussed. The AG continued to cite staff shortages as an obstacle to EITI related activities.

8.1.3. EITI Requirements embedded in licence terms

See above 8.1.1.

8.1.4. Licensing data and procedures should be up to date and improved

The MEEI’s legal unit updated the oil and gas and mining register using EITI Requirements. Gaps were identified by TTEITI Secretariat and the MEEI updated the oil and gas license register reflecting the majority of changes necessary. The mining sector register was last updated in 2020 as no new licenses have been awarded since. The MEEI legal unit also provided information on the transfers and assignments for 2019-2021.

8.1.5. Mining sector

The Steering Committee held a Mining Sector Forum, but decided to retain the mining sector at a pilot stage for 2019 and 2020.



TTEITI had increased engagement with companies through a Communications Strategy including with SOEs. See 8.3.1.e above for further details. EMBD a mining/quarrying sector SOE has agreed to participate in this report and submitted information for the 2021 report.

The Minerals Division of MEEI is challenged in confirming the production volumes at each quarry in order to determine Royalties. Currently, the Minerals Division has limited capacity for internal checks. Recently, four (4) geologists joined the Minerals Division and have been checking the geology of the quarries and collecting monthly data to assist in quantifying production volumes. This technical capacity has helped and has been augmented by the use of free satellite imaging software. However, this has not been ideal because of inherent time lags. For the purposes of the Minerals Division, real-time information is key.

The Division's operations are also stymied by the lack of vehicles, as physical verification requires access to the quarries.

The Division is in the process of obtaining unmanned aircraft systems (UESs) or drones to assist in the rapid collection of data. Where using traditional methods, surveying a twenty (20) acre plot would take a day of interruptions to the continuation of operations at a quarry, the use of a drone would reduce that period of half of an hour. With the engagement of new technology, there would be limited reliance on production figures from quarry operators, as the Division would have the capacity for verification against internally generated data.

8.1.6. Petroleum licence register

A gap analysis was carried out by TTEITI alongside a legal representative from MEEI. Gaps were identified in the data, with the most common omissions being the date of application for the license and the duration of the licence. See above 8.1.4 on licence cadastre.

8.1.7. Integrity of the reconciliation process

The sharing on MOF-IRD data for this report was achieved through a physical handover of templates in the way it had been done before Covid-19. While this achieved the objective of securing MOF-IRD provided data from participating company interference, it remains less practical that MOF-IRD being able to provide the templates directly to the IA in electronic form.

8.1.8. Legislative reform

Discussions still to take place between TTEITI and the Attorney General's office.

8.1.9. Regulatory enforcement

It is TTEITI's stated intention to include a scoping study in the next work plan. The work plan is still to be developed.

8.1.10. Mineral reserves

TTEITI has discussed this with MEEI, but there is no agreement to commission a mineral reserves study. MEEI has cited cost as the reason why a study cannot be undertaken. We recommend that TTEITI explores this further and whether a case can be built for funding to be made available either from GoRTT or externally.



8.1.11. Beneficial ownership

The IA amended the reporting templates for oil and gas and mining companies to add a question on whether the information on the TTEITI online beneficial ownership register remains accurate and up to date. Companies that answered “no” to that question or who had not yet provided information to the register were asked to provide details of their beneficial owners. This question and follow up clarification questions to some companies revealed the need to update the register in some cases.

The TTEITI Secretariat also provided information on BO disclosures for companies that bid on blocks for the 2023 onshore bid round.

8.1.12. Contract transparency

There has been little progress on advancing contract transparency as legal barriers remain in place.

8.1.13. Gender reporting

The reporting templates for the 2021 Report included a form to collect disaggregated employment data, and the information collated has been disclosed in this report.

8.1.14. Mainstreaming

The TTEITI SC set a target of 30% of data to be mainstreamed. The current level of mainstreamed data is 47%. The SC intends to include further actions on mainstreaming in the work plan it is developing.

8.2 Validation Report Recommendations and Corrective Actions

8.2.1. Requirement 2.4.a: disclose full text of all contracts and licenses in force since 1 January 2021

Actions to address this action will be included in the next workplan.

8.2.2. Requirement 2.3.b: licence cadastre

Actions to address this action will be included in the next workplan.

8.2.3. Requirement 2.5: beneficial ownership

The TTEITI Secretariat also provided information on BO disclosures for companies that bid on blocks for the 2023 onshore bid round.

8.2.4. Requirement 4.2: commodity trading

Actions to address this action will be included in the next workplan.



8.2.5. Requirement 3.2: production values

Information on natural gas production and the share used for power generation, LNG, and petrochemicals has been included in Section 5 of this report.

8.2.6. Requirement 4.8: publish reports within 2 years

Publication of this report will occur within the two-year reporting window. The current IA is also contracted to produce the next report for FY2022. Work on this report will start as soon as the FY2021 is published in order to maintain the reporting schedule.

8.2.7. Requirement 4.9.b.iii: statement on reliability and comprehensiveness of data

This report contains a statement on the reliability and comprehensiveness of the data. A similar statement will be included in future reports.

8.3 Recommendations arising from FY2021 Report

As a result of the work conducted to prepare this report for FY2021, the Independent Administrator makes the following Recommendations in order to drive further progress in ensuring transparency and accountability in Trinidad and Tobago's extractive sector and to ensure that the country continues to implement the EITI Standard in line with best practice.

We have divided the Recommendations into the following sections to reflect the constituency to which they are addressed:

- Steering Committee and National Secretariat,
- Government agencies,
- Reporting companies,
- Civil society organizations.

8.3.1. Recommendations for the Steering Committee and National Secretariat

8.3.1.a. Workplan

Requirement 1.5 of the EITI Standard 2019 states, "*The multi-stakeholder group is required to maintain a current work plan which is fully costed and aligned with the reporting and Validation deadlines established by the EITI Board.*" This Requirement has been rephrased in the EITI Standard 2023 but places a similar obligation on the MSG.

At the time of preparation of this report, the TTEITI Steering Committee did not have in place a fully approved workplan that met all the Requirements of the EITI Standard. Aside from the need to meet the EITI Standard and to ensure that progress is maintained on implementing EITI in the country, there is a particular need for a workplan in order to set out:

- The actions, budget and responsibilities for addressing the corrective actions from the Validation Report, and
- The actions, budget and responsibilities for ensuring that Trinidad and Tobago moves towards meeting the EITI Standard 2023 by January 2025 (the deadline set by the EITI Board).

We therefore recommend that the Steering Committee at the earliest opportunity approves and publishes a workplan that details the actions, budget and responsibilities for:



- Continuing the implementation of EITI in the country, including addressing Recommendations from prior years EITI Reports,
- Addressing the corrective actions from the Validation Report,
- Progressing towards meetings the 2023 version of the EITI Standard.

8.3.1.b. Engagement with the Auditor-General

Recommendations regarding the role of the Auditor-General in providing audit and assurance of government processes, e.g. MEEI systems and SOEs have featured in successive TTEITI annual reports with little progress being made on closing out these Recommendations. However, engagement is on-going, and some progress has been made as noted above in Table 8-1. Complete closure of these long-standing Recommendations requires long-term solutions and sustained engagement. We do not think it is helpful to continue carrying forward the prior year Recommendations when the Steering Committee and National Secretariat have little influence over the Auditor-General.

Therefore, we recommend that the prior year Recommendations related to the role of the Auditor-General are retired and replaced with this Recommendation and Recommendation 8.3.2.a below.

Further, we recommend that the Steering Committee and the National Secretariat continue to pursue engagement with the Auditor-General as a matter of priority. The purpose of the engagement is to:

- Persuade the Auditor-General to make audit and assurance of the MEEI and extractive sector SOE a matter of priority,
- Provide evidence and arguments that the Auditor-General can use to secure any additional resources that it requires,
- Strengthen awareness in the Auditor-General's office of the benefits that EITI implementation brings in terms of transparency and accountability.

8.3.1.c. Removing Confidentiality Constraints

In a similar manner to the Recommendations regarding the role of the Auditor-General, there is a long-standing Recommendation regarding confidentiality constraints on EITI reporting. More recently, a study on contract transparency in the Latin American and Caribbean implementing countries and the Validation Report, highlighted the considerable gap between Trinidad and Tobago's practice on contract transparency and the EITI Standard's Requirements. Furthermore, the 2023 Standard introduces reporting on some matters that are likely to prove sensitive in the Trinidadian context and be subject to confidentiality constraint such as reporting of reserves and future revenue forecasts, disaggregated by company.

Therefore, we recommend that the Steering Committee commission a scoping study on how to reduce or even remove confidentiality constraints for reporting, including on contract transparency, reserves and other potentially sensitive issues.

We also make a Recommendation on this subject for Reporting Companies, see below, Recommendation 8.3.3.b.

8.3.1.d. Engagement with MEEI on the licence cadastre

As noted in Table 8-1 above, some progress has been achieved regarding MEEI maintaining an online license cadastre that is accurate and up to date. However, there does not yet appear to be a process in place to ensure that the cadastre is maintained on a regular basis or could form part of Trinidad & Tobago's systematic disclosure of information (mainstreaming).



We recommend that the Steering Committee and National Secretariat maintain engagement with MEEI on the importance of ensuring the license cadastre for both the oil and gas sector and the mining sector is key up to date and accurate on a regular basis.

8.3.1.e. Engagement with Mining Sector

The Steering Committee and National Secretariat have made progress in expanding the number of mining companies that are in scope for EITI reporting. While the mining sector does not make the same level of contribution to the economy as the oil and gas sector, in some ways it has a more direct impact on communities, as mining and quarrying activities are conducted near communities, whereas much of the oil and gas sector is located offshore. There has also, it appears, been less emphasis on ensuring compliance and accountability in the sector e.g. on licensing.

Therefore, we recommend that the Steering Committee and National Secretariat maintain their high level of engagement with the mining sector. This should include engagement with the relevant government agencies responsible for mining affairs. The aim of this engagement should be to encourage more mining companies to participate in the EITI process and therefore lead to improvements in the quantity and quality of data available on the sector and contribute to increased accountability in the mining sector.

8.3.1.f. Conduct Beneficial Ownership Refresher Training

TTEITI is achieving progress in bringing greater transparency to the beneficial ownership of companies in its extractive sector. To be effective, this information must be accurate and up to date. An innovation for the data collection process for this report was the inclusion on the reporting template of a question for reporting companies to confirm that their details on TTEITI's beneficial ownership registry remained up to date. As noted above in section 5.8.1 some companies failed to respond to this question. In addition, there are new reporting companies, particularly in the mining sector.

In order to strengthen awareness of the importance of keeping beneficial ownership information up to date and of the EITI requirements in this regard, we recommend that TTEITI organize refresher training for reporting companies on beneficial ownership transparency. This training would include:

- The EITI Requirements,
- The importance and benefits of accurate and up to date beneficial ownership information, and
- The process for submitting and updating beneficial ownership information.

We make a related recommendation for reporting companies, see below, Recommendation 8.3.3.c.

8.3.1.g. SOE transparency

SOEs play an important role in Trinidad & Tobago's extractive sector. The 2023 updates to the EITI Standard make more demands on all reporting companies, including SOEs. At the same time, there is concern about the level of governance and accountability in the SOE sector in Trinidad and Tobago. EITI implementation in the country would benefit from a more systematic approach to SOE transparency.

Therefore, we recommend that the TTEITI Steering Committee commission a scoping study on enhancing SOE transparency and accountability.



8.3.1.h. Additional participant companies

The TTEITI Steering Committee should continue to assess the participant companies and whether this list should be expanded. In particular there are seven Trinity Group companies identified in 4.2.7.3 above which the Steering Committee should consider for inclusion in future EITI reports.

8.3.2. Recommendations for Government Agencies

8.3.2.a. Role of Auditor-General

The Auditor-General can play a crucial role in promoting transparency and accountability in Trinidad and Tobago's extractive sector, especially through the audit and assurance of the government agencies responsible for the sector.

We recommend that the Auditor-General give priority to conducting audits and assurance activities in this sector, which is so crucial for the Trinidad and Tobago economy. We also recommend that the Auditor-General dedicate sufficient resources to this work.

8.3.2.b. MEEI consistency of reporting

Payments of Royalties and License Fees reported by the Minerals Division of MEEI were at variance with those reported by the Accounting Division of the same entity.

In order for the Minerals Division to provide information on a similar basis, we recommend that there is regular communication and transfer of information between Divisions. This will permit consistency within the MEEI and add credibility to reports generated from the various Divisions.

8.3.3. Recommendations for Reporting Companies

8.3.3.a Familiarise with 2023 Standard

The EITI Board made 16 key updates to the Standard in 2023, of which half directly concern reporting companies. These updates could create more reporting obligations on reporting companies and place more of a burden on reporting companies as part of the EITI implementation process.

We recommend that all reporting companies familiarize themselves with the 2023 version of the EITI Standard, understand the new reporting obligations and the implications for them.

8.3.3.b. Take action on contract transparency

As noted above, contract transparency is one of the significant gaps in Trinidad and Tobago's implementation of the EITI Standard. Reporting companies can play a role in addressing this gap. Reporting companies are party to the contracts which are required to be disclosed under the EITI Standard. Reporting companies can show leadership and waive confidentiality provisions to facilitate the disclosure of contracts.

We recommend that reporting companies adopt a leadership position on this issue and work proactively with TTEITI and the government to enable contract transparency in the country. This should include analyzing the implications of disclosing contracts, understanding any commercial risks to disclosure and examining which parts of contracts could be disclosed without causing adverse impacts.



8.3.3.c. Beneficial ownership

Reporting companies play a central role in ensuring the availability of accurate and up to date beneficial ownership as they provide the information. It is therefore crucial that they play a role in ensuring the information remains accurate and up to date and therefore can be used effectively.

We recommend that reporting companies:

- Notify the TTEITI National Secretariat when there is a change in the companies' ownership,
- Ensure that the relevant questions and reporting templates are completed fully and accurately,
- Participate in any training offered by TTEITI.

8.3.4. Recommendations for Civil Society Organizations

8.3.4.a. Familiarise with 2023 Standard

As noted above, the EITI Standard has undergone substantial updating in 2023. This provides new opportunities to enhance transparency in Trinidad and Tobago's extractive sector and new challenges for EITI implementation.

In order for CSOs to take advantage of these opportunities and contribute to overcoming the challenges, we recommend that CSOs familiarize themselves with the updated version of the EITI Standard. This will allow them to contribute to the Steering Committee's workplan and play a central role in monitoring progress towards implementation.

8.3.4.b. Use of EITI data

Since Trinidad and Tobago first became an implementing country in 2011, the EITI reports produced since that time have disclosed a great deal of information on the extractive sector in the country. This includes financial data, production information and non-financial information such as beneficial ownership. These datasets provide a valuable source for analysis and use to advocate for policies to improve governance, transparency and accountability.

We recommend that CSOs make more strategic use of this information to develop and advocate for policies to benefit the Trinidad and Tobago's social and economic development. This could include use of the data to raise awareness of the benefits that the extractive sector has brought to the country and the implications of climate change policies.