

**NATIONAL ASSEMBLY**  
**MINUTES OF PROCEEDINGS**  
**OF THE 70<sup>TH</sup> SITTING OF THE NATIONAL ASSEMBLY OF THE SECOND**  
**SESSION (2002-2005) OF THE EIGHTH PARLIAMENT OF GUYANA HELD**  
**AT 2.00 P.M.**  
**ON THURSDAY, 20<sup>TH</sup> OCTOBER, 2005**  
**IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS,**  
**BRICKDAM, GEORGETOWN**

**MEMBERS OF THE NATIONAL ASSEMBLY (68)**

**Speaker (1)**

The Hon. Hari N. Ramkarran, S.C., M.P., Speaker of the National Assembly

**Members of the Government (37)**

**(i) People's Progressive Party/Civic (34)**

**(ii) Non-elected Ministers (2)**

**(iii) The United Force (1)**

The Hon. Samuel A.A. Hinds, M.P., Prime Minister and Minister of Public Works  
and Communications

Hon. Reepu Daman Persaud, O.R., J.P., M.P., Minister of Parliamentary Affairs

The Hon. Clement J. Rohee, M.P., Minister of Foreign Trade and International Co-operation

The Hon. Harripersaud Nokta, M.P., Minister of Local Government and Regional Development

The Hon. Gail Teixeira, M.P., Minister of Culture, Youth and Sport

The Hon. Dr. Henry B. Jeffrey, M.P., Minister of Education

The Hon. Saisnarine Kowlessar, M.P., Minister of Finance

The Hon. Shaik K.Z. Baksh, M.P., Minister of Housing and Water

The Hon. Rev. Dr. Ramnauth D.A. Bisnauth, M.P., Minister of Labour, Human Services and  
Social Security

The Hon. Clinton C. Collymore, M.P., Minister in the Ministry of Local Government and  
Regional Development

The Hon. Satyadeow Sawh, M.P., Minister of Fisheries, Other Crops and Livestock  
(Region No. 5 - Mahaica/Berbice)

\* The Hon. S. Rudolph Insanally, O.R., C.C.H., M.P., Minister in the Office of the  
President with responsibility for Foreign Affairs

\* The Hon. Doodnauth Singh, S.C., M.P., Attorney General and Minister of Legal Affairs

The Hon. Dr. Jennifer R.A. Westford, M.P., Minister of the Public Service

The Hon. C. Anthony Xavier, M.P., Minister of Transport and Hydraulics (Absent- on leave)

The Hon. Bibi S. Shadick, M.P., Minister in the Ministry of Labour, Human Services and  
Social Security (Region No. 3 - Essequibo Islands/West Demerara)

\*\* The Hon. Manzoor Nadir, M.P., Minister of Tourism, Industry and Commerce

The Hon. Carolyn Rodrigues, M.P., Minister of Amerindian Affairs

The Hon. Dr. Leslie S. Ramsammy, M.P., Minister of Health

Mr. S. Feroze Mohamed, M.P., Chief Whip

Mr. Cyril C.L. Belgrave, C.C.H., J.P., M.P. (Region No. 4 - Demerara/Mahaica)

Mr. Donald R. Ramotar, M.P.

Mr. Husman Alli, J.P., M.P. (Region No. 7 - Cuyuni/Mazaruni)

Mr. Komal Chand, C.C.H., J.P., M.P.

Mrs. Indranie Chandarpal, M.P.

Mr. Bernard C. DeSantos, S.C., M.P. (Region No. 4 - Demerara/Mahaica)

Mrs. Shirley V. Edwards, J.P., M.P.

Mr. Odinga N. Lumumba, M.P.

Mr. Heeralall Mohan, J.P., M.P. (Region No. 2 - Pomeroon/Supenaam)

Mr. Ramesh C. Rajkumar, M.P. (Region No. 6 - East Berbice/Corentyne)

Dr. Bheri S. Ramsaran, M.D., M.P.

Mrs. Philomena Sahoye-Shury, C.C.H., J.P., M.P.,  
Parliamentary Secretary, Ministry of Housing and Water

Mrs. Pauline R. Sukhai, M.P. (Region No. 1 - Barima/Waini)

Dr. Moti Lall, C.C.H., M.P.

Mr. Zulfikar Mustapha, M.P.

Mr. Neendkumar, M.P. (Region No. 4 - Demerara/Mahaica)

Mr. Khemraj Ramjattan, M.P. (Region No. 6 - East Berbice/Corentyne)

\*Non-Elected Minister

\*\*Elected Member from The United Force

**Members of the Opposition (30)****(i) People's National Congress/Reform (27)**

Mr. Robert H.O. Corbin, M.P. , Leader of the Opposition

Mr. Winston S. Murray, C.C.H., M.P.

Mrs. Clarissa S. Riehl, M.P., Deputy Speaker of the National Assembly

Mr. E. Lance Carberry, M.P., Chief Whip

Mr. Ivor Allen, M.P. (Region No. 2 - Pomereroon/Supenaam)

Mrs. Deborah J. Backer, M.P.

Mr. Deryck M.A. Bernard, M.P.

Mr. C. Stanley Ming, M.P.

Mr. Vincent L. Alexander, M.P. (Region No. 4 - Demerara/Mahaica)

Mr. Basil Williams, M.P.

Mrs. Volda A. Lawrence, M.P.

Dr. Dagleish Joseph, M.D., M.P.

Miss Amna Ally, M.P. (Region No. 5 - Mahaica/Berbice)

Miss Sandra M. Adams, M.P. (Region No. 10 - Upper Demerara/Berbice)

Mr. Jerome Khan, M.P. (Absent - on leave)

Dr. George A. Norton, M.P. (Absent - on leave)

Miss Myrna E.N. Peterkin, M.P. (Region No. 4 - Demerara/Mahaica) (Absent - on leave)

Mr. James K. McAllister, M.P. (Region No. 3 - Essequibo Islands/West Demerara)

Dr. Carl Max Hanoman, M.P.

Miss Lurlene A. Nestor, M.P. (Region No. 4 - Demerara/Mahaica) (Absent - on leave)

Mr. Abdul Kadir, J.P., M.P. (Region No. 10 - Upper Demerara/Berbice)

Mr. Ricky Khan, M.P. (Region No. 1 - Barima/Waini)

Mr. Raphael G.C. Trotman, M.P. (Absent)

Mrs. Rajcoomarie Bancroft, M.P. (Region No. 8 - Potaro/Siparuni)

Mr. Nasir Ally, J.P., M.P. (Region No. 6 - East Berbice/Corentyne)

Miss Judith David, M.P. (Region No. 7 - Cuyuni/Mazaruni)

Miss Genevieve Allen, M.P. (Region No. 4 - Demerara/Mahaica)

**(ii) Guyana Action Party/Working People's Alliance (2)**

Mrs. Sheila V.A. Holder, M.P. (Absent - on leave)

Mrs. Shirley J. Melville, M.P. (Region No. 9 - Upper Takutu/Upper Essequibo)

**(iii) Rise, Organise and Rebuild Party (1)**

Mr. Ravindra Dev, M.P.

**OFFICERS**

Mr. Sherlock E. Isaacs, Clerk of the National Assembly

Mrs. Bibi Baldeo, Principal Assistant Secretary (F)

**COMMENCEMENT OF SITTING**

The sitting commenced at 2.08 p.m.

**PRAYERS**

The Clerk read prayers.

**OATH OF A NEW MEMBER**

**(i) Resignation of Mr. J. Ronald Gajraj**

**(ii) Election of Dr. Moti Lall, C.C.H.**

The Speaker informed Members that Mr. J. Ronald Gajraj had resigned as a Member of the National Assembly, with effect from 30<sup>th</sup> September, 2005, and that following his call upon the representative of the list of candidates in which Mr. Gajraj's name was included, he was informed that the name of Dr. Moti Lall, C.C.H., had been extracted from the said list and that Dr. Moti Lall, C.C.H., was on the 18<sup>th</sup> October, 2005, declared to be an elected Member of the National Assembly to fill the vacancy.

5.

The Speaker stated that before Dr. Moti Lall, C.C.H., could take part in the proceedings of the Assembly, he would have, as required by Article 167 of the Constitution, to make and subscribe the oath of Office.

As Dr. Lall, was present, the oath was administered to him by the Clerk.

### **ANNOUNCEMENTS BY THE SPEAKER**

The Speaker, on behalf of Members of the Assembly and himself, congratulated Dr. Lall, upon his election to the Assembly and extended best wishes to him.

#### **(i) New Lounge and Restroom Facilities for Members of Parliament**

The Speaker announced that the refurbishing of the new Lounge for Members, replacing the old Committee Room, had been completed.

He stated that the Restroom facilities had also been completely refurbished and that a notification in connection with the new facilities had been circulated to Members.

The Speaker asked Members to assembly in the new Lounge for a brief function at the commencement of the suspension of that day's sitting.

#### **(ii) Seat of Mr. Raphael Trotman, M.P.**

The Speaker informed Members that he had received a letter that day from the Leader of the Opposition suggesting that the seat of Hon. Member Mr. Raphael Trotman, M.P., be declared vacant pursuant to Article 156 (3) of the Constitution and that the matter would be considered and reported to the National Assembly in due course.

**PRESENTATION OF PAPERS AND REPORTS, ETC.**

(1) **By the Speaker of the National Assembly:**

Advisory Papers on Needs Assessment of the Guyana National Assembly prepared by Mr. James Pender, Senior Parliamentary Consultant/Advisor.

(Circulated)

(2) **By the Prime Minister:**

(i) Reports of the Auditor General to the Members of the National Frequency Management Unit on the Financial Statements for the years ended 31<sup>st</sup> December, 1993, 1994, 1997, 2000, 2001, 2002 and 2003.

(Circulated)

(ii) Report of the Auditor General to the Members of the Post Office on the Financial Statements for the year ended 31<sup>st</sup> December, 1997.

(Circulated)

(iii) Share Subscription and Purchase Agreement by and among Cambior Inc. and the Cooperative Republic of Guyana and National Industrial and Commercial Investments Limited and Omai Bauxite Mining Inc..

(Circulated)

(iv) Management Agreement among the Linden Mining Enterprises, Ltd., and Omai Gold Mines Limited.

(Circulated)

(v) Mineral Agreement among the Cooperative Republic of Guyana and Cambior Inc. and Omai Bauxite Mining Inc.

(Circulated)

7.

- (vi) **Lignite Restructuring Project Agreement among the Republic of Guyana and Linden Mining Enterprises, Ltd., and Cambior Inc.**

(Circulated)

- (vii) **Shareholders Agreement by and among Cambior Inc. and National Industrial and Commercial Investments Ltd. and Omai Bauxite Mining Inc.**

(Circulated)

- (viii) **Report of the Auditor General to the Members of the National Frequency Management Unit on the Financial Statements for the period 1<sup>st</sup> December, 1990 to 31<sup>st</sup> December, 1991.**

(Circulated)

- (ix) **Reports of the Auditor General to the Members of the National Frequency Management Unit on the Financial Statements for the years ended 31<sup>st</sup> December, 1992, 1995, 1996, 1998 and 1999.**

(Circulated)

(3) **By the Minister of Home Affairs:**

- (i) **The National Registration (Residents) (Amendment) Regulation 2005.**

(Circulated)

- (ii) **The National Registration (Amendment) Regulation 2005.**

(Circulated)

(4) **By the Minister of Finance:**

- (a) Annual Report and Statement of Accounts of the Guyana Revenue Authority for the year ended 2003.

(Circulated)

- (b) Loan Contract No. **1548/SF-GY** between the Government of Guyana and the Inter-American Development Bank signed on May 27, 2005 for US\$23,000,000 for the Health Sector Program.

(Circulated)

- (c) Loan Contract No. **1554/SF-GY** between the Government of Guyana and the Inter-American Development Bank signed on June 6, 2005 for US\$37,300,000 for the Moleson Creek - New Amsterdam Road Project.

(Circulated)

- (d) Loan Contract No. **1604/SF-GY** between the Government of Guyana and the Inter-American Development Bank signed on June 17, 2005 for US\$5,000,000 for the Institutional Development Sector Facility Public Management Modernisation Program (PMMP).

(Circulated)

- (e) Loan Agreement No. **17/SFR-GU** between the Caribbean Development Bank and the Government of Guyana signed on January 31, 2005 for US\$500,000 for the Natural Disaster Management - Immediate Response (Severe Floods).

(Circulated)



- (f) **Government Concessional Loan Agreement China Eximbank GCL No. (2005) 1** between the Ministry of Finance of the Government of Guyana and the Export-Import Bank of China signed on January 25, 2005 for Renminbi Yuan Y270,000,000 for the Design and Supply of the Co-Generation Plant under the Skeldon Sugar Modernisation Project.

(Circulated)

- (g) **Caribbean Development Bank (CDB) Debt Relief Agreement** dated December 15, 2000 with the Government of Guyana for US\$5,500,000 in net present value (NPV) terms under the Enhanced HIPC Framework.

(Circulated)

- (h) **Heavily Indebted Poor Countries Initiative Debt Initiative (HIPC DI) Agreement No. 006A-GY** between the Government of Guyana and the International Fund for Agricultural Development (the Fund) dated May 10, 2004 for an additional amount of SDR889,881 in net present value (NPV) terms under the Enhanced HIPC (E-HIPC) Debt Initiative framework.

(Circulated)

- (i) **European Commission Debt Relief Agreement** dated August 2, 2004 with the Government of Guyana for Euro8,600,000 in net present value (NPV) terms under the Enhanced HIPC Framework.

(Circulated)

- (j) **Inter-American Development Bank (IDB) Debt Relief Agreement** dated March 17, 2004 with the Government of Guyana for US\$65,100,000 in net present value (NPV) terms under the Enhanced HIPC Framework.

(Circulated)

- (k) **Bilateral Agreement No. 890-GUY-GUYPC6** dated June 24, 2004 implementing the Paris Club Agreed Minute on the Consolidation of the Debt of Guyana signed on January 14, 2004 between the Export Development Canada (EDC) of Canada and the Government of Guyana for US\$1,398,225.80.

(Circulated)

- (l) **Bilateral Agreement No. 75/204** dated May 25, 2004 implementing the Paris Club Agreed Minute on the Consolidation of the Debt of Guyana signed on January 14, 2004 between the Government of the United Kingdom and the Government of Guyana for 15,120,806.57 and US\$28,824,011.73 (Equivalent to a total of 34,024,729.84).

(Circulated)

- (m) **Bilateral Agreement** signed on May 19, 2004 between the Government of the Kingdom of Denmark and the Government of Guyana on the reduction of the debt of the Republic of Guyana to the Kingdom of Denmark for US\$1,071,409.39 pursuant to the Agreed Minute signed in Paris on January 14, 2004 as a result of the meeting on the Consolidation of the Debt of Guyana.

(Circulated)

- (n) **Bilateral Agreement** signed on September 6, 2004 between the Government of Guyana and the Government of the French Republic on the consolidation of the debt of the Republic of Guyana for US\$1,058,823.05 and EUR299,755.74 with a view to implementing the recommendations of the Agreed Minute of the Paris Club signed on January 14, 2004 and the French Debt Initiative for the Heavily Indebted Poor Countries.

(Circulated)

- (o) **Bilateral Agreement signed on June 24, 2004 between the Government of United States of America and the Government of Guyana regarding the cancellation of debt owed to, guaranteed by, or insured by the United States Government in accordance with the recommendations contained in the Agreed Minute on the Consolidation of the Debt of Guyana signed on January 14, 2004 for US\$35,947,749.60.**

(Circulated)

- (p) **Bilateral Agreement signed on December 3, 2004 between the Government of the Federal Republic of Germany and the Government of Guyana on the cancellation of foreign debt of the Republic of Guyana for EUR12,316,164.06 with reference to the Agreed Minute on the Consolidation of the Debt of Guyana signed in Paris on January 14, 2004.**

(Circulated)

- (q) (i) **Bilateral Agreement between the Government of Guyana and the Government of the Russian Federation on the settlement of the debt of Guyana to the Russian Federation on previously granted credits for US\$1,220,638.15 signed on December 22, 2004 in compliance with the terms of the Agreed Minute on the Consolidation of the Debt of Guyana signed in Paris on June 25, 1999.**

(Circulated)

- (r) (ii) **Amendment to the Agreement between the Government of Guyana and the Government of the Russian Federation on the settlement of the debt of Guyana to the Russian Federation on previously granted credits for US\$277,939.31 signed on December 22, 2004 in compliance with the terms of the Agreed Minute on the Consolidation of the Debt of Guyana signed in Paris on January 14, 2004.**

(Circulated)

12.

- (s) Cancellation Letter dated June 2, 2004 from Atradius Dutch State Business (formerly known as Nederlandsche Credietverzekering Maatschappij NV (NCM) and Gerling (NCM) of the Netherlands to the Government of Guyana regarding the implementation of the Agreed Minute of the Paris Club dated January 14, 2004 for US\$265,451.44 and EUR3,696,132.15 (Equivalent to the total of US\$4,732,227.14).

(Circulated)

- (t) The Customs Duties (Amendment) Order 2005.

(Circulated)

- (u) Financial Paper No. 4/2005 - Supplementary Estimates (Current and Capital) totalling \$970,605,112 for the period 2005-06-22 to 2005-10-14.

(Circulated)

- (v) Financial Paper No. 5/2005 - Supplementary Estimates ( Capital) totalling \$4,360,003,429 for the period ending 2005-12-31.

(Circulated)

**The Minister of Finance named the next sitting of the National Assembly for the consideration of the Financial Papers.**

- (5) By the Minister of Labour, Human Services and Social Security:

Proposal on the following Convention which was adopted by the International Labour Conference at its 91<sup>st</sup> Session held in June, 2003;

- Seafarers' Identity Documents Convention (Revised) 2003, No. 185.

(Circulated)

(6) By the Minister of Agriculture(ag):

Annual Reports of the Guyana Sugar Corporation Inc. for the years 2001 and 2002.

(Circulated)

(7) By the Minister in the Ministry of Local Government and Regional Development:

The Valuation for Rating Purposes (Amendment) Regulations 2005.

(Circulated)

**QUESTIONS TO MINISTERS**

**For Written Replies**

1. **ELECTRICITY GENERATION PLANT ON THE WASHER POND ROAD AT LINDEN**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following question:

Would the Prime Minister say if the Environmental Protection Agency has given its approval for OMAI, or any other corporate entity, to build and operate an Electricity Generation Plant on the Washer Pond Road at Linden?

*(Notice Paper No. 203 (Q114 Opp109) published on 2005-06-30)*

**Written reply submitted by the Hon. Prime Minister**

Yes. OMAI Seviles Inc. (OSI), a subsidiary of OMAI Gold Mines Ltd., was granted an Environmental Permit Reference No. 2004 0716 - OSLOO issued on September 27, 2004 by the Environmental Protection Agency under the Environmental Protection Act, No. 11 of 1996. That Environmental Permit authorized OSI to construct and operate an Electricity Generation Plant at Linden, Region #10 subject to certain terms and conditions detailed in the Permit.

A copy of the related Environmental Permit is attached at Annex A.

2. **ENVIRONMENTAL IMPACT ASSESSMENT**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following question:

Would the Prime Minister say, if an Environmental Impact Assessment was conducted for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden?

*(Notice Paper No. 204 (Q115 Opp110 published on 2005-06-30)*

**Written reply submitted by the Hon. Prime Minister**

In accordance with Part IV of the provisions of the Environmental Protection Act, No. 11 of 1996, OSI submitted to the EPA, an application for an environmental permit dated July 15, 2004. As permitted by law the EPA determined that an Environmental Impact Assessment was not required for the electricity generation plant project. A notice that this project was exempt from the requirement of an Environmental Impact Assessment was published in the Guyana Chronicle newspapers of July 23, 2004. Any person who might have been affected by the exemption from the requirement for an EIA was entitled to lodge an appeal against the EPA's decision with the Environmental Assessment Board within sixty (60) days of publication of that notice. No appeal was filed.

A copy of the Notice to the Public is attached as Annex B.

3. **ENVIRONMENTAL IMPACT STUDY**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following questions:

Would the Prime Minister say:

- (i) If an Environmental Impact Study was done, in accordance with the established EPA guidelines, for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden?

- (ii) If the Environmental Impact Study, for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden, was done by an EPA approved Consultant or Contractor?
  
- (iii) If the Environmental Impact Study, for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden, was made available to the public, in accordance with the guidelines established by the EPA, prior to the holding of Public Consultations as part of the approval process for the Environmental Impact Assessment?

***(Notice Paper No205 (Q116 Opp111) published on 2005-06-30)***

**Written replies submitted by the Hon. Prime Minister**

- (i) The Environmental Protection Act speaks to an “environmental impact assessment” but sets no requirement for an “environmental impact study.” Having regard to the information on the project submitted to the EPA by OSI, the developer, including an Environmental Management Plan dated August 6, 2004, the EPA determined that an Environmental Impact Assessment was not required for the construction and operation of the electricity generation plant.
  
- (ii) Given the response to (i) above this question does not arise.
  
- (iii) In view of the response to (i) above, public consultations were not required.

4. **PUBLIC CONSULTATIONS**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following questions:

Would the Prime Minister say:

- (i) If Public Consultations were held, as legally required, as part of that EPA process for the approval of the Environmental Impact Assessment for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden?
- (ii) When and where the Public Consultations were held, as part of the approval process for the Environmental Impact Assessment, for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden?
- (iii) How many persons attended the Public Consultations, as part of the approval process for the Environmental Impact Assessment, for the new Electricity Generation Plant being built by OMAI on the Washer Pond Road at Linden?
- (iv) If the verbatim or other record of the proceedings of the Public Consultations can be laid in the National Assembly?

*(Notice Paper 206 (Q117 Opp112) published on 2005-06-30)*

**Written replies submitted by the Hon. Prime Minister**

- (i) The EPA determined that an Environmental Impact Assessment was not required; therefore the issue of public consultations did not arise.
- (ii), (iii) and (iv) These issues do not arise.



5. **ASSETS OF LINMINE**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following questions:

Would the Prime Minister say:

- (i) Who represented the interests of the owners of the assets of LINMINE, the people of Guyana, in the negotiations with CAMBIOR for the privatization of LINMINE?
- (ii) How much of the US\$30M has OMAI secured prior to the transfer of the assets of LINMINE to them?
- (iii) If all of the Scrap Metals which were part of LINMINE's assets, within and outside of the Bauxite Plant fence, will be handed over to OMAI at privatization?

*(Notice Paper No. 207 (Q118 Opp113) published on 2005-06-30)*

**Written replies submitted by the Hon. Prime Minister**

- (i) Three distinct groups represented Government at the succeeding stages:
  - In early 2002, a team led by Mr. Winston Brassington, Head of the Privatization Unit, Mr. Winston Jordan and Mr. P.Q. DeFreitas negotiated the Linmine Restructuring Project Agreement (referred to as the Heads of Agreement) signed in June 2002, between the Government, CAMBIOR and Linmine. That agreement, among others, will be laid in the National Assembly.
  - The final documents, consistent with the Heads of Agreement, were negotiated by the Privatization Unit staff led by Mr. Winston Brassington and supported by outside legal counsel as required. Additional support was provided by Linmine and specifically Mr.

Horace James, Chief Executive Officer, LINMINE Secretariat in reviewing the Feasibility study and other documents. Mr. Robeson Benn, Commissioner, Guyana Geology and Mines Commission led the process for the approval and finalization of the Mineral Agreement and related matters.

- Finally, the Privatisation Board reviewed and approved the transactions and sought Cabinet's approval of the process.
- Throughout the process, the Prime Minister, Mr. Samuel Hinds, who has responsibility for the Mining Sector was kept aware of progress, issues and difficulties; and provided policy direction. Key decisions were determined by Cabinet.

(ii) US \$20M was secured by Omai Bauxite Mining Inc. (OBMI) prior to the transfer of assets as at December 8, 2004 as follows:-

**Phase One**

- Cambior Inc. - US \$5M in cash
- Cambior Inc. - US \$5M plus in equipment
- CLICO - US \$10M loan from CLICO Investment Bank Limited.

The implementation of the original investment program of US \$30M is premised on retained earnings and cash flows being applied for capital investment, in addition to the Cambior investment and CLICO loan, with the said investment occurring over the first 2 years. At this time, Cambior is achieving the year 3 production plans of the initial Business Plan and is looking to add additional investment to that originally stated.

Additionally, Cambior/Omai Services Inc. (OSI) secured by April 30, 2005 the following for electricity:

- OMAI - US \$2.2M - value of equipment transferred.
- CLICO - US \$10M further loan (US \$8M from CLICO Investment Bank Limited and US \$2M from Cambior Inc.),

(iii) No. These scrap metals form part of the retained assets managed by the Linmine Secretariat.

6. **IMMEDIATE INVESTMENT OF US\$30M IN LINMINE**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following question:

Would the Prime Minister say, whether CAMBIOR is still required to abide by the terms and conditions contained in the original MOU wherein OMAI is obligated to mobilize an immediate investment of US\$30M in LINMINE?

*(Notice Paper No. 208 (Q119 Opp114) published on 2005-06-30)*

**Written reply submitted by the Hon. Prime Minister**

As answered in the aforementioned Notice Paper No. 207 (Q118 Opp113), the initial investment of US \$30M from Cambior is being implemented over the first 2 years from equity, debt, and internally generated cash flow. The original arrangement for investment through debt of US \$20M was modified to allow the same total investment, implemented over 2 years rather than one year, with the debt financing portion of the investment reduced and part of the investment financed by internally generated funds. Both shareholders of Omai Bauxite Mining Inc., have agreed that no dividend will be paid in the first 5 years of the project. In addition, Omai Bauxite Mining Inc., intends to expand the investment commitment.

20.

The performance of OBMI indicates that these commitments are on track or ahead of schedule, as evidenced by much greater level of production and employment than originally forecasted in the first year.

7. **OMAI'S PROJECTED BAUXITE PRODUCTS PRODUCTION**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following questions:

Would the Prime Minister say:

- (i) On the basis of OMAI's projected bauxite products production over the next 20 years, why was it necessary for the GGMC to include Block 37 as part of the reserves being assigned to the new company?
- (ii) If the GGMC, as the custodians of the Nation's Bauxite Patrimony, has included any provision, in the agreement with OMAI, to repossess any reserves which the company cannot demonstrate that it will beneficially utilise within its 20 years projected production?

*(Notice Paper No. 209 (Q120 Opp115) published on 2005-06-30)*

**Written replies submitted by the Hon. Prime Minister**

- (i) The long term strategic plan of OBMI includes pursuing sale of metallurgical and chemical grades of bauxite. Block 37 has been made available to enable this long term development.
- (ii) Agreements of this nature never include clauses on repossession for two reasons: (i) the fundamental principle of beneficial occupation is addressed in the Mining Act and Regulations which provide for challenges to properties which are not beneficially occupied; and (ii) due to Guyana's track record of nationalization, particularly in bauxite, the inclusion of any reference to repossession would serve as a disincentive to investment.

8. **INTELLECTUAL PROPERTY OF LINMINE**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following question:

Would the Prime Minister say, what is the value of the Intellectual Property of Linmine which has been included in the assets handed over to OMAI?

*(Notice Paper No. 210 (Q121 Opp116) published on 2005-06-30)*

**Written reply submitted by the Hon. Prime Minister**

The privatization of LINMINE was in the nature of an ongoing operation and in such case the knowledge of employees, operating records and reports carry through to the new company without a specific value. One may envisage that there is an implicit valuation embedded with other considerations which adds to the attractiveness of the venture.

9. **FORMER EMPLOYEES OF LINMINE**

Mr. Abdul Kadir, M.P., asked the Hon. Prime Minister the following question:

Would the Prime Minister say, how many former employees of LINMINE were rehired by OMAI since 1<sup>st</sup> August, 2003?

*(Notice Paper No. 211 (Q122 Opp117) published on 2005-06-30)*

**Written reply submitted by the Hon. Prime Minister**

As at June 2005, 675 Guyanese were employed in the total operations of OBMI and OSI, of which 374 or 55% are former Linmine employees. In respect of the bauxite operations, of the 248 employees, 236 or 95.2% are former Linmine employees.

**STATEMENTS BY MINISTERS**

**Damages to Sea Defences in Regions 2, 3, 4 and 5 and Government's response**

The Prime Minister made a statement on the damages caused to sea defences in Regions 2, 3, 4 and 5 by unusually forceful waves and the Government's response thereto.

**REQUEST FOR LEAVE TO MOVE THE ADJOURNMENT OF THE ASSEMBLY ON  
DEFINITE MATTERS OF URGENT PUBLIC IMPORTANCE**

**Renewal of contract between the Government of Guyana and the Canadian Bank Note**

A request by Mr. Robert Corbin, M.P., to move the adjournment of the Assembly to discuss the renewal of the contract between the Government of Guyana and the Canadian Bank Note to operate the Guyana Lottery Inc., was withdrawn.

**INTRODUCTION OF BILLS**

**Presentation and First Readings**

1. **ENVIRONMENTAL PROTECTION (AMENDMENT) BILL 2005 - Bill No. 14/2005**

The Prime Minister, on behalf of the Government, presented the following Bill which was read the first time:

A BILL intituled AN ACT to amend the Environmental Protection Act 1996.

2. **NATIONAL REGISTRATION (AMENDMENT) (No. 2) BILL 2005 - Bill No. 15/2005**

The Attorney General and Minister of Legal Affairs, on behalf of the Government, presented the following Bill which was read the first time:

A BILL intituled AN ACT to amend the National Registration Act.

**PUBLIC BUSINESS**

**BILL - Second Reading**

**ITEM 1 - AMERINDIAN BILL 2005 - Bill No. 13/2005 published on 2005-08-03**

The Minister of Amerindian Affairs moved the second reading of the following Bill:

A BILL intituled AN ACT to provide for the recognition and protection of the collective rights of Amerindian Communities, the granting of land to Amerindian Communities and the promotion of good governance within Amerindian Communities.

*(Read a first time on 2005-08-04)*

**SUSPENSION OF SITTING**

At 4.00 p.m., the sitting was suspended for refreshments.

**RESUMPTION OF SITTING**

At 5.04 p.m., the sitting was resumed.

The Minister of Amerindian Affairs continued and concluded her speech.

The following Members spoke to the motion:

Mr. Basil Williams,  
The Prime Minister,  
Mrs. Pauline Sukhai,  
Mr. Ravindra Dev,  
The Minister of Local Government and Regional Development,  
Mrs. Clarissa Riehl,  
The Minister of Tourism, Industry and Commerce,

Mrs. Shirley Melville,  
The Attorney General and Minister of Legal Affairs,  
and  
Mr. Vincent Alexander.

Thereafter, the Minister of Amerindian Affairs replied.

The Bill was read a second time.

On a motion by the Minister of Amerindian Affairs, the Bill was referred to a Select Committee.

**MOTION**

**ITEM 2 - CONFIRMATION OF THE CUSTOMS DUTIES (AMENDMENT) ORDER 2005**

The Minister of Finance moved the following motion:

BE IT RESOLVED:

That this National Assembly, in accordance with section 8 of the Customs Act, Chapter 82:01, confirm the Customs Duties (Amendment) Order 2005, which was made on 21<sup>st</sup> September, 2005, under section 8 of the Customs Act, Chapter 82:01, and published in the Official Gazette dated 21<sup>st</sup> September, 2005.

*(Notice Paper No. 221 (M87 Govt 80) published on 2005-10-05)*



The following Members spoke to the motion:

Mr. Winston Murray,

The Minister of Foreign Trade and International Cooperation

and

The Minister of Tourism, Industry and Commerce.

Thereafter, the Minister of Finance replied.

The motion was then put and carried.

**ADJOURNMENT**

At 10.48 p.m., on a motion by the Minister of Parliamentary Affairs, the Assembly was adjourned to Thursday, 27<sup>th</sup> October, 2005.



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**HON. HARI N. RAMKARRAN, S.C., M.P.,**

**Speaker of the National Assembly**

**PARLIAMENT OFFICE,**

**Public Buildings,**

**Georgetown.**

**20<sup>th</sup> October, 2005.**