



NATIONAL ASSEMBLY  
OF THE PARLIAMENT OF  
THE CO-OPERATIVE REPUBLIC  
OF GUYANA

# OFFICIAL REPORT

*PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE FIRST SESSION (2020-2021) OF THE TWELFTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE DOME OF THE ARTHUR CHUNG CONFERENCE CENTRE, LILIENDAAL, GREATER GEORGETOWN*

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34<sup>TH</sup> Sitting

Thursday, 29<sup>TH</sup> December, 2021

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**PARLIAMENT OFFICE  
HANSARD DIVISION**

*The Assembly convened at 10.35 a.m.*

*Prayers*

*[Mr. Speaker in the Chair]*

**MEMBERS OF THE NATIONAL ASSEMBLY (71)**

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\*Hon. Manzoor Nadir, M.P.,  
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+ **Cabinet Member**

\* **Non-Elected Speaker**

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\* **Non-Elected Minister**

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*[Absent – on leave]*

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*[Virtual Participation]*

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*[Virtual Participation]*

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Mr. Jermaine Figueira, M.P.,  
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Wismar, Linden.

Mr. Devin L. Sears, M.P.,  
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Wismar, Linden.

**(ii) A New and United Guyana, Liberty and Justice Party and The New Movement (ANUG, LJP & TNM) (1)**

Mr. Lenox R. O’Dell Shuman, M.P.,  
Deputy Speaker of the National Assembly,  
St. Cuthbert’s Mission,  
Soesdyke Linden Highway.

*[Virtual Participation]*

**Officers (2)**

Mr. Sherlock E. Isaacs, A.A.,  
*Clerk of the National Assembly,*  
*Parliament Office,*  
*Public Buildings,*  
*Brickdam,*  
*Georgetown.*

Ms. Hermina Gilgeours,  
*Deputy Clerk of the National Assembly,*  
*Parliament Office,*  
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## ANNOUNCEMENTS BY THE SPEAKER

**Mr. Speaker:** Hon. Members, I have a few announcements this morning.

### Apology for Delay in Commencement of Sitting

First, let me apologise for the little delay in the start. We had a little issue with the technical feed from the Arthur Chung Convention Centre (ACCC). All is rectified now. I trust that everyone had a very wonderful 'X-mas' and is ready to continue the work of the people.

### Congratulations to Members of Parliament and Executive of the People's National Congress

I have two other announcements. First, my congratulations to all those Members of Parliament (MPs) and the executive of the People's National Congress (PNC) who were elected to serve on their executive.

### Petition Received from Clerk of the National Assembly

Finally, at 9. 32 a.m., I received from the Clerk of the National Assembly a petition from the Deputy Speaker of the House. Unfortunately, I did not have an opportunity to peruse that petition and, as such, we would have to deal with that at another sitting.

## REPORTS FROM COMMITTEES

### The following Report was laid:

- (1) Third Report of the Committee on Appointments in relation to the Appointment of Members to the Police Service Commission.

*[Minister of Parliamentary Affairs and Governance and Government Chief Whip - Chairperson]*

## PUBLIC BUSINESS

### GOVERNMENT BUSINESS

### BILLS – SECOND AND THIRD READINGS

**Mr. Speaker:** Hon. Members, we will now proceed with the second reading of the Local Content Bill 2021 – Bill No.21/2021, which was published on the 15<sup>th</sup> December, 2021. I now invite the Hon. Minister of Natural Resources.

#### (1) Local Content Bill 2021 – Bill No. 21/2021

A BILL intituled:

“AN ACT to provide for the implementation of local content obligations on persons engaged in petroleum operations or related activities in the petroleum sector; to prioritise Guyanese nationals and Guyanese companies in the procurement of goods and services for the enhancement of the value chain of the petroleum sector; to enable local capacity development; to provide for the investigation, supervision, co-ordination, monitoring and evaluation of, and participation in, local content in Guyana; to promote competitiveness and encourage the creation of related industries that will sustain the social and economic development of Guyana; and for other related matters.”

*[Minister of Natural Resources]*

**Minister of Natural Resources [Mr. Bharrat]:** Thank you, Mr. Speaker. Good morning, everyone. I rise to move that the Local Content Bill 2021 – Bill No. 21/2021, published on 2021-12-15, be now read a second time.

Today is indeed a landmark day for the people of Guyana and for the country as a whole. It is a day when together, as Government and Opposition, we will pass the Local Content Bill. It is a Bill that speaks to benefits for Guyanese from the oil and gas sector. There have been many questions around the country, rightly so, by Guyanese as to how they can benefit directly from the oil and gas sector. Today, the Local Content Bill will answer those questions. It is our hope that the Opposition will see it necessary to support the Local Content Bill since it is a Bill that speaks directly to the transformation and upliftment of people's lives, and since it speaks towards benefits being derived for Guyanese from the oil and gas sector. There may be comments that the Bill may be a bit too late and that there was no consultation. The very Opposition that is echoing those sentiments was in Government from 2015- 2020. One would recall that oil was discovered in Guyana in 2015. Our first lift or production started in December, 2019, when the A Partnership for National Unity and Alliance for Change (APNU/AFC) was in Government. Unfortunately, and it is a known fact, there was no framework to manage the oil and gas sector. There was none when we took Office in August, 2020. There was no proper local content policy in place when we took Office in 2020. Worst yet, there was nothing of a draft Bill on local content when we took Office in 2020.

What was done by the APNU/AFC in the five years when oil was discovered oil and when production started? Nothing,

Mr. Speaker; nothing. There was nothing to manage the sector and there was nothing to derive benefits for Guyanese. To say that it is too late, during 2015 to 2020... and as we would say in Guyana:

“while the grass was growing, the horse was starving.”

We are seeking to address that today with the passage of the Local Content Bill in this general Assembly. As we know it, the Opposition was busy from 2018 to August 2020. It was busy trying to rig elections and to stay in power, illegally, rather than to craft policies and table Bills that would bring benefits from the oil and gas sector to our Guyanese brothers and sisters. Before I go further, I wish to thank His Excellency, President Mohamed Irfaan Ali, for his insights and guidance. As you would recall, when he took Office in August of 2020, he immediately set up a high-level panel to start the consultations in September, 2020. The high-level panel chaired by Mr. Shyam Nocta included a number of prominent Guyanese such as Mr. Carl Greenidge, Mr. Floyd Hanyes, Mr. Carville Duncan, and a few others who carried out consultations throughout the entire country. We did not stop there. One would recall that the first draft of the Bill was presented in this very building, this Dome that we are in today, by none other than His Excellency the President of the country, where we held, again, a widespread consultation with every single stakeholder throughout the country, including the private sector, the operators and civil society.

We did not stop there; we continued. We continued with consultations with the team at the Ministry of Natural Resources. We also received a number of submissions from groups around the country. Unfortunately, only yesterday we received a submission from the Opposition even though they were invited to do so a while back, especially with Mr. Carl Greenidge being a part of that high level panel that was established by His Excellency in September of 2020. To say that there was no consultation is not justified. It is totally wrong to say that there was no consultation. Only recently, a few weeks ago, we had another consultation at the Pegasus Hotel. It was led this time by the Vice President, Dr. Bharrat Jagdeo. That involved the private sector, again, and the operators. We spent over a year consulting with the various groups across the country, especially the private sector, the operators and civil society. The Local Content Bill that is presented to the National Assembly is a Bill that represents the views of all those who were consulted. It is a working document; it is a living document. No Local Content Bill can remain static in any country in the world. Nothing in the

Local Content Bill is cast in stone because, as we continue to access our capabilities and our capacity, of course, we will have to change targets and make changes to the Schedule in the Local Content Bill.

Further, I wish to also thank the Vice-President for his guidance and his stewardship in crafting this Bill to finality. I also wish to thank the team from the Ministry of Natural Resources and the Attorney General and his team from the Ministry of Legal Affairs, who worked tirelessly to ensure that we have a working Bill presented in the National Assembly in 2021 and passed with the support of all also in 2021. Many may ask why is it that the Local Content Bill is so important and why is it that we need to ensure that we put a Local Content Bill in place and not only a policy. It is because we cannot... [*Interruption*].

Mr. Speaker, at least, we now have a board for the Guyana Power and Light Company (GPL). I know for 2018, 2019 and, I think, 2020, there was no board. We have a board where there is transparency and accountability, and it is not a one man who is running the company. That is why our Government has started the gas-to-energy project which will address this old problem. We can use that as a catalyst to truly realise local content in Guyana. We decided that we are not going to stop at a policy, but we are going to move towards having a legislation in place to ensure that the IOCs, the contractors and the sub-contractors ensure that businesses trickle down to Guyanese and Guyanese businesses, and to ensure that Guyanese are directly employed in the oil and gas sector in key positions and not only as labourers and as security.

10.50 a.m.

The local content legislation will ensure that the oil companies are compelled, that the contractors and the subcontractors are compelled to employ Guyanese and that they are compelled to ensure that they do business with Guyanese businesses. We even went further to ensure that we put a definition of what a local company really is. We did not want to leave it vague and at the discretion of people. We wanted to ensure that there is a definition in the legislation or in the Bill to describe or say exactly what a local company is. It is clear in the Bill. I believe that the Bill is so clear and so simple that every single Guyanese can understand what is in it. Every single Guyanese will know that there is nothing hidden in this Bill. It is as clear as day and it is simple to understand. There is no hidden agenda by our Government; everything is plain and simple. I am sure that Members of the

Opposition read the Bill – well, I hope that they did read the Bill – and that they understand the Bill properly, too, and that they will support it.

It is stated in the Bill that a Guyanese business must have at least 51% ownership and that a Guyanese must have at least 51% voting rights. We did not stop there. We did not stop there because we realised that people can be used as economic rent or people can front for international companies, like it is happening in some countries around the world. We did not stop there to say that a Guyanese must have 51% of the shares. We went further to say that 75% of the managerial staff in the company must be Guyanese. We went even further to say that 90% of the other staff must be Guyanese as well. That is in the Local Content Bill. Fifty-one percent of the company must be owned by a Guyanese or a Guyanese national, 75% of the managers and senior staff must be Guyanese, and 90% of the other staff employed in the organisation must be Guyanese. That is the length to which we went to ensure that our Guyanese brothers and sisters are beneficiaries of the oil and gas sector.

The companies, our local companies, will be allowed to register. We will create the local content secretariat at the Ministry of Natural Resources. That is the body that will monitor local content, that will do enforcement, and that is the agency that will do the assessment also. The Bill speaks to the creation of a local content secretariat which will be headed by a director. Upon the passage of this Bill in the National Assembly today, with the support of all and the assent of the President, it means that we will start to create this unit, which we will call the local content secretariat, which will be headed by a director. The first task of the local content secretariat will be to create the registers – two registers, as a matter of fact. One register will speak to human resources employment and seeking employment for people. People or young Guyanese who are trained and those who would like to undergo training will be on that register to seek employment in the oil and gas sector.

The second register will register all of our local businesses in the various sectors. Whether you are a farmer, whether you do catering, whether you are in a pest control business, whether you are in welding and fabrication or any other related field that you can offer services to the oil and gas sector, you will be registered with the local content secretariat. The first task of that secretariat is to create those two registers – one that deals specifically with human resources employment, and the second which deals with the registration of the businesses that will offer goods and

services to the oil and gas sector. The integrate oil companies (IOCs), the contractors and subcontractors will then be asked to prepare and submit a master local content plan. The master plan is a five-year plan that will speak to three areas – the subplans: one, employment; two, capacity development; and three, procurement. The master plan and the annual plan will be subdivided into three subplans or three subcategories: one that deals specifically with employment, one that deals with procurement, and one that deals with capacity development.

Upon the submission of the master plan, which is a five-year plan, every year the companies will be required to submit an annual plan for review by the secretariat and approval by the Minister. These plans will help us to do as Guyanese and as a Government to further understand the oil and gas sector, to understand what the requirements in the sector are in terms of human resources, what skillsets are needed, for our local businesses to understand what goods and services are needed, what quality of goods and services are needed, and also to recognise areas where we need to build capacity, and for us, as a Government in partnership with others, to develop capacity. Over a period of time, we can change that Schedule to ensure that more and more benefits come to Guyanese. I want to say, too, that there may be 40 areas in the Schedule that targets were set for, but, as I mentioned earlier, it is not cast in stone. It is a working document. There are many other areas where we can develop skill. There are many other areas, I am sure, in which we will develop skill over the next few years which will be added to that Schedule. We have even put in the Bill... And we have made it easy for the Schedule or for changes to be made to that Schedule by simply doing an order and a negative resolution in the National Assembly. It will not be difficult for us to make changes. We have a listening ear. We will keep engaging the private sector and the other bodies to ensure that we know what is needed and what capacity we have.

Crafting the Local Content Bill was not an easy task, as you would realise, because the oil and gas sector – and we have to be honest – is new to all of us. The oil and gas sector is new to Guyana. We may be very familiar with logging, mining, agriculture, and other sectors, but we are not as familiar as we should be in the oil and gas sector. The Local Content Bill will help us to fully understand the day-to-day operations of the oil and gas sector and to know what skillsets are needed, what goods and services are needed on a day-to-day basis, and what certification is required for our local companies so that they can start to build their capacity. We needed to start somewhere.



It is true, too, that I do not believe we have ever done an assessment of our capacity, an assessment of what we truly have in-house or in Guyana; what capacity our local businesses have to offer goods and services; how many trained persons we have in Guyana who can work directly in the oil and gas sector, especially in the technical and managerial positions. We have never really done that assessment. We have had to base our Schedule on the number of consultations that were held with the private sector, with operators, and with the many other groups that had contributed over the last year or so. The Schedule there is based purely on consultations and knowledge of our local capacity and knowledge of what we have in country. I think the Georgetown Chamber of Commerce and Industry (GCCCI) and the private sector have committed to doing, or they have been trying for a while now to do a capacity assessment. So, for us to come to the National Assembly and say that we should have put 100% here or we should have included this in the Schedule may or may not be right, because we do not have a true assessment of what capacity we have. With the target set and the timeframe given... because, in that, schedule, all of the IOCs and the contractors will have until December, 2022, to reach those targets. It means that, by the ending of 2022, we will be in a better position to know exactly what we have in Guyana in terms of capacity within our human resource base and also capacity among our local private sector.

We need to be honest and straight-up, because we need to recognise, too, that we have challenges of our own. We lack capacity in many areas within the oil and gas sector. There are certain services that we cannot offer now as a country. So, we need to recognise our limitations, we need to accept it and we need to build capacity. That is the key area here, Mr. Speaker. I believe this Bill will highlight the areas in which we need to build capacity. That, I believe, is one of the high points of the Local Content Bill. Some may say that the Schedule should be different, but we are basing it on consultation and basing it on our knowledge of what we have. I want to say to the people of Guyana, and with the Opposition's support, that we will keep changing that Schedule. We will keep changing that schedule and we will also keep adding different services to that Schedule based on our capacity. As we build capacity, we are willing, as a Government, to make changes to the Schedule, with support from the Opposition.

The subplans, as I mentioned before, will help us to recognise what capacity we have and where we need to do training. For example, the employment subplan will speak specifically to

the skills and competencies that we need in the oil and gas sector. It will also anticipate the shortages of skillsets in the Guyanese workforce and where we need to fill the gaps. It will identify training areas or areas that we need to do training. The subplans that will be presented by the companies will help us, as a Government and as a country, to ensure that we truly develop capacity so that Guyanese and Guyanese businesses could benefit from the oil and gas sector. Also, within this Bill, we will establish what we had termed an inter-agency advisory committee. However, we received 14 proposed amendments from the Opposition benches, from the Hon. Mr. Patterson. We considered those 14 amendments. As a Government, we are always willing to listen and we are always willing to work with anyone who is willing to work with us, especially in the development of the oil and gas sector. I can speak specifically to the natural resources sector, and I want to say clearly that the natural resources of this country do not belong to me or to the Government of Guyana. The natural resources of this country belong to the people of Guyana, the people who we represent, and the people who elected us to be here today to represent them. If there are suggestions from any group, including the Opposition Members, that will strengthen the Local Content Bill and will add to bringing more benefits to Guyanese, we are open to that.

*11.05 a.m.*

It is unfortunate that we only received it yesterday. Further, it is disappointing that we showed up with our Chief Whip this morning at 9.30 a.m. to hold a meeting with Members of the Opposition only to be told that only two persons were here and that we should deal with it on the floor. We were willing to meet – myself, the Chief Whip, the Senior Minister in the Office of the President with Responsibility for Finance and the Attorney General and Minister of Legal Affairs. We were here since 9.15 a.m. waiting on the Members of the Opposition so that we could meet and discuss the 14 amendments that they are proposing for the Local Content Bill. I believe somehow that the excitement is getting to them and that they are getting the Natural Resources Fund Bill 2021 mixed up with the Local Content Bill. We are debating the Local Content Bill 2021 right now. These amendments, which are signed by the Hon. Member, Mr. Patterson, are for the Local Content Bill. In the spirit of inclusiveness, regardless that the Opposition did not show up, we went ahead and tabled 10 of the 14 amendments proposed by the Opposition. We have the amendments here that they proposed, which we accepted, because the amendments will strengthen the Bill. What do we want as a Government? We

want a strong Local Content Bill. We want a Bill that would bring benefits to Guyanese. If your contribution will do that, we will accept it. I am happy to say that we tabled 10 of the 14 recommendations made by the Opposition. Unfortunately, there were a few that we could not agree to, for example, a citizen should only be by birth. We cannot go against the Constitution in agreeing to that.

Speaking about the inter-agency advisory committee, there was a recommendation that we should have a local content oversight committee. We agree, but we will call it the local content advisory committee. We agreed to that and many other amendments. For example, for that same committee, a number of agencies were proposed to be on that committee. We agree to that. We do not have a problem with the National Toshio's Council, we do not have a problem with the Guyana Bar Association, we do not have a problem with a representative from the local petroleum organisation, and we do not have a problem with a Parliamentary Opposition's representative either. We are accepting that a Member of the Parliamentary Opposition should be on this local content advisory committee. We tabled that, and we have said that, yes, we agree that one of the Members of Parliament (MPs) from the opposite side will sit on the local content advisory committee to ensure that this Bill is fully implemented so that Guyanese can benefit from. That is the bottom line, and that should be the objective of all of us here regardless of which side we sit and which political party we are part of. Our main objective here should be to ensure that Guyanese benefit from the oil and gas sector. That is why we believe...

**Mr. Speaker:** This morning I have been quite laxed. I have heard the words 'damn', 'shame', and now I am hearing the word 'thief'. Please, let us confine ourselves to parliamentary language. Hon. Minister, please continue.

**Mr. Bharrat:** Thank you, Mr. Speaker. Further, we are accepting that the local content register, the two registers that I spoke about, one that deals with employment and the other that deals with goods and services, should be published on the Ministry's website or in the media. We have accepted that, and we have tabled that. Also, there is an amendment or proposal that the President should appoint the chairman of that committee, and that the committee appoint or elect the vice-chairman. We agree to that, and we have no problem with that. These are some of the amendments that were proposed by the Opposition, and I think it was distributed to all of the Hon. Members. We, as a Government, accepted them because we see these amendments as strengthening the

Bill, and that is what we want. We want to ensure that we have a strong Local Content Bill.

Further, we also tabled an additional four amendments. One will speak to the Partnership Act to ensure that Guyanese are represented here, and the other one will speak to equal payments for Guyanese once the skillset corresponds to any foreign or expat worker. That is critical and that is key. We cannot have a Guyanese who holds the same qualifications and skillset as an expat being underpaid or receiving a different remuneration. That is why we added this to the Bill to ensure that Guyanese with similar skillset are paid the same salaries or receive the same remuneration as the expat workers. That is something that our Guyanese have been calling for, and our brothers and sisters working in the oil and gas sector have been asking us to include it. We listened to them, and we included that in the Local Content Bill 2021. Further, again, based on consultations, we propose to change, in the Schedule, the accounting services. We propose to rename it the local accounting services and change it from 20% to 90%. Similarly, for the local insurance, we propose to change it from 90% to 100% because we realise, based on consultation, that there is capacity.

This just shows how open and transparent we are, and how willing we are to make changes to the Schedule once we know that there is capacity to deliver quality goods and services. We said to the private sector that no way the Local Content Bill will be tabled in Parliament to give a monopoly, or to create a monopoly, or to allow Guyanese businesses to supply or to provide mediocre services. We have to be careful about that too, because we want our local businesses to be competitive, both in price and quality, so that they can compete regionally and internationally. Oil companies will not come to us and complain that, because of this legislation, they are forced to buy substandard goods, or that they are forced to employ people who are not qualified. We want our people to be competitive, and our businesses must be competitive regionally and internationally. Also, our people must be trained and qualified and have the requisite skillset to function effectively and efficiently in the oil and gas sector. That is our intention as a Government, and that is the only way we see that people will truly benefit from the oil and gas sector.

Of course, as one would expect, and as our Guyanese brothers and sisters would expect, in this Bill, we must have penalties. We cannot tell one that one has to achieve a 90% target on local accounting services, and, at the end of the year, one only achieved a 50% target. What do we do as a

Government? Would we just give a tap on the back or a tongue lashing? No. We believe that there should be penalties so that there is adherence to the local content legislation. In the Bill, there are some penalties ranging from \$1 million to \$50 million. We are saying to the oil companies, the licensees or the contractors that, if they do not fulfil the target set out in this legislation or if they do not attempt to do so, they are going to be fined \$50 million. If there are people – and we have to be careful about this – trying to front for Guyanese businesses or Guyanese are being used as economic rent, then there is a penalty for that too. If people supply incorrect or inaccurate information to the local content secretariat, there must be a fine or a penalty too because we cannot tolerate that. It means that, if someone is fronting, they are depriving a legitimate Guyanese business of truly enjoying the benefits in the oil and gas sector.

As expected, we have penalties ranging from \$1 million to \$50 million for different offences in the Local Content Bill. My Colleagues... and I am sure the Attorney General, who has been integrally involved in crafting this Bill, will expand further on some of these areas that I touched on, then, of course, I will be given the opportunity, through you, to wrap up at the end of this debate. I wish to say that we expect the Local Content Bill will be supported by all Members of this National Assembly, because it is a Bill that will truly bring benefits to Guyanese. It is a Bill that was needed, I think, three or four years ago. We should have already had a local content legislation in place by now. I know in January, 2020, the Opposition hurriedly launched a local content policy, but we could not use that policy. We could not even use that policy to draft a Bill. In January, 2020, when it was an illegal Government... it discovered oil in 2015. They took Office in 2015, and production started in December, 2019. Basically, between 2015 to 2019, nothing was done to manage the sector. No framework was put in place to ensure that this sector was managed efficiently.

Since we are speaking about moneys and oil moneys, what about the \$18 million bonus? We are asking about that also. That is what we should get answers for. Many of you were not there in the National Assembly, but I was here. I heard that it was a gift, that they did not know about it, and that it was in an account somewhere to fight Venezuelans. We heard all sorts of stories in this very National Assembly. Many of you were not there. Maybe you should go back to the *Hansard* and you will see that questions were asked, and those were the answers provided. They thought the money was a gift. They did not know. Within a year and a half, because of us and the media, there was acceptance that there

was an \$18 million bonus. They said that they did not know and that they thought that it was a gift. When we talk about transparency and accountability we have to start from there. Nothing was done in those four or five years to manage the oil and gas sector. Nothing was done. A Petroleum Commission Bill was tabled sometime in 2017, which gave the Minister all the power. All of us in the National Assembly – again some of you were not there so you do not know – agreed that it should go to a special select committee. Where is it? It is probably still in the special select committee with dust and cobweb on it right now. Not a single meeting was held by that special select committee to discuss it. It shows that there was no interest by the APNU/AFC to build a proper framework or to build the architecture to manage the oil and gas sector. The no confidence motion was passed in December, 2018.

11.20 a.m.

Production started in December, 2019 and then a lopsided policy was presented in January, 2020, one month before elections. To say what? To say, 'oh, we have a policy'. A policy is that - a policy. We are moving further today to have this Bill supported and passed in this National Assembly so that people could benefit from the oil and gas sector. People out there are crying out for benefits. When the Opposition was in Government, we heard so much about first oil and how the money would be distributed and what would be done with all of the oil money, yet, people out there are crying out and still asking how they are going to benefit from the oil and gas sector. The answer to that is in this Bill. As a matter of fact, the answer to that will be debated today in both Bills, the Local Content Bill No. 21 of 2021 and the Natural Resource Fund Amendment Bill 2021, Bill No. 20 of 2021. That is the answer to our people who have been crying out for wanting to know how they will truly benefit from the oil and gas sector.

Mr. Speaker, I wish to thank you, and I ask that the Bill, after the debate, is unanimously passed in this National Assembly. Thank you. [*Applause*]

**Mr. Speaker:** Thank you, Hon. Minister. The question is proposed that the Bill be read a second time. Hon. Member, Mr. David Patterson, you have the floor.

**Mr. Patterson:** Mr. Speaker, I would like to commence my contribution to the Local Content Bill No. 21 of 2021 by stating, unconditionally, that we on this side of the House are in full support of local content legislation. Local content governance is much needed, and, if applied correctly, could allow more Guyanese nationals and Guyanese companies the

opportunity to participate and benefit from the emerging oil and gas economy. On that front, I would like to commend the Minister for bringing this Bill to the House. I must, however, highlight that bringing a Bill to the House for approval by the National Assembly is only one piece of the puzzle. Another important piece is consultation with stakeholders, not only civil society organisations, but also with the Parliamentary Opposition. Input from all sectors would ensure that we have a Bill that addresses all the potential loopholes and is nationally accepted, which is a hallmark of a functioning democracy.

The Opposition was never invited to share our perspectives. The Minister will rightly claim that the Private Sector Commission (PSC) and other such bodies were given the opportunity to provide their inputs. However, we in the Opposition were only provided with copies of the Bill on the 16<sup>th</sup> December, 2021, a mere 13 days ago. During this two-week period, we have several unanswered questions which we will put. I will go on the record – we were invited to a meeting at short notice at 9.30 am this morning. That is what the Government considers as consultation with the Parliamentary Opposition, 30 minutes, 1,800 seconds. The Parliamentary Opposition represents over 200,000 voters. Do you know what that translates to? It translates to less than 100<sup>th</sup> of a second per voter. That is what they consider as consultation, 30 minutes. The Minister goes on about how he invited and [*inaudible*] to come to a meeting to discuss it.

What is even worse, there is amendment number two, they came prepared. They called us to the meeting to tell us what they are going to do. It was not a consultation. He said ‘look’, and he made a big *hmm and haa* that they accepted 10 of the 14 amendments. They had already tabled and submitted, and decided what they were going to do, so they called us to tell us what they are going to do, *tek um* or *lef um*. That is what they would like to call consultation. One thousand eight hundred seconds for the Parliamentary Opposition and they are going to get up and say, ‘oh, we had consultations’. However, during the two weeks, we have several unanswered questions. Even given this short time period, we have proposed several amendments, I will get to that. To ensure that the country has a Local Content Bill worthy of Guyanese, on behalf of the Opposition, I would like to urge the Minister to send this Bill to a special select committee for the attention that such a significant piece of legislation needs. We, on this side of the House, are willing to work 24/7 to ensure that we could complete our examination in the shortest possible timeframe, thus, returning to this House with a Local Content Bill that is unanimously accepted. My job here is simple, I

will present the Opposition’s general views and concerns on the Bill, while my Colleagues will expand on specific areas of concern during their presentations.

The first issue we have a concern with is the Caribbean Community (CARICOM). We have concerns and require clarification and confirmation from the Government that this Bill will not conflict with other international treaties. Guyana is a signatory to the revised Treaty of Chaguaramas, and article seven of that treaty, Non-Discrimination states:

“Within the scope of application of this Treaty and without prejudice to any special provisions contained therein, any discrimination on grounds of nationality only shall be prohibited.”

We are signatories to that. When they were last in Government, they signed it and said that they were committed to it. Nowhere in this Bill is any reference made to our obligations under this Treaty. Before the advent of oil and gas, Guyanese had been favourably welcomed and benefited from opportunities in the CARICOM region. We were afforded opportunities to expand our goods and services in sister CARICOM countries. While a case could be made during these periods, individuals and companies from sister countries also benefited from access to the Guyanese market. We in the Opposition would like assurances from the Government that the country would not face any legal challenges from our CARICOM sisters and brothers after the passage of the Bill, if it is passed without amendments. The Caribbean Community has already signalled to the Opposition that this Bill is in conflict with the Treaty. I see the Attorney General is speaking after us, and we know that, as a country, we have faced tremendous, hefty fines imposed by the Caribbean Court of Justice (CCJ) for our conflict and violation with the Treaty. The Attorney General would have to get up and assure us, and, of course, it will be on the record.

Another general concern that we have, the Local Content Bill No. 21 of 2021 is heavy in administrative requirements. There is a master register, there is a master local content plan, sub plans, annual bills, annual plans, *et cetera*. We are concerned, and, of course we did not get an opportunity to express our concerns. We are concerned that, in attempting to have a good Bill in a hurry, we may have created a bureaucratic nightmare to administer, which would be counterproductive to the original intentions to ensure Guyanese participation through the monitoring of activities in the sector.

Mr. Speaker, we have a concern Sir, there is an organisation called the Centre for Local Business Development and there is no mention anywhere about this Centre for Local Business Development. This Centre is currently the portal where Guyanese businesses gain access to jobs in the oil and gas sector controlled by the ExxonMobil Corporation. With the passage of this Bill, will that organisation become obsolete? The Centre for Local Business Development was introduced to the country as a Centre to assist local businesses to develop sufficiently to facilitate them winning contracts. It started out as an enhancement; however, it has evolved to a procurement agency. One has to register with that agency, and they invite, they do not award, they inform and invite procurements. Will Guyanese businesses still be required to register with this agency or would the secretariat now take that opportunity. This needs to be clearly resolved for all stakeholders.

Small businesses generally, this Bill caters for Guyanese companies and Guyanese individuals. I have seen amendments for the Partnership Act. For companies, the Bill mentions companies incorporated under the Companies Act. However, as you would know, we have several businesses operating under business names in accordance with the Business Names (Registration) Act, and that Act allows either a sole trader or partnership. Further, there are other legal entities carrying out businesses, so with the amendment in place, there are now companies under the Partnership Act and individuals. Obviously, under the business name, there are only small businesses, what happened to partnership arrangements under that with this Bill. The Government consulted with the Private Sector Commission, the big boys, the big companies, but they have omitted to speak to the small man, hence, we are seeking information on their behalf. Obviously, if we had an opportunity, they did not make one, we want to propose that this Bill has a local content fund so that the small man, the small businesses could be trained or access training funds and things like that, but we did not have the opportunity to put them forward. When we pass a Bill, it should be for the benefit of all, not only a few. With specific reference to the Bill, these are some other areas of concern. We tabled an amendment, the interpretation that a ‘Guyanese national’ should mean a citizen of Guyana by birth. We did not do that wildly, because we know Guyanese as a whole have travelled abroad and have gained privileges and benefits of citizenships in other countries.

11.35 a.m.

The difference is though, when they gained citizenship, they went through a transparent and open process, not here in

Guyana, Sir. There has long been rumours of corrupt practices within the naturalisation process, Sir. This Government alone, since it came into power has approved over 250 naturalisation of citizens. Two hundred and fifty persons could benefit from this Bill, Sir. *[Interruption]* I want to ask a general question. It does not matter, Sir. I have a big voice. How many of us have stood in the Immigration line at the Cheddi Jagan International Airport, Timehri (CJIA) for nationals and see an individual, I would not call their nationality, go up in the line for nationals, presents a Guyanese passport, cannot even speak English and needs an interpreter? I know there is no requirement to speak English, but the process is what we are ....

We, on this side feel that this may be an opportunity for Guyana to now, through the agency that issues citizenship, to now go into what is called, ‘economic citizenship’. One just passes a bribe and passes a thing and one will be able to be naturalised. One will even fall into the Local Content section. We are not against naturalisation and naturalised citizens. Sir, it is the process. We have a concern. There is no limitation to dual citizenship. Tom Jones from some other country could still retain his citizenship from whatever country. He could speak to the right person at the Ministry of Home Affairs and become a naturalised citizen. He could *blow cane and whistle*. That is what we have a concern with. That is why we proposed amendments. There is no secret. This National Assembly knows that we will have to address our Immigration Laws at some stage in time. Until then, we have made that proposal. Sir, there is another issue which we have a concern with which the Government has not seen fit to dictate to us that they will accept. The question of if one is refused entry unto this Local Content Register, obviously one now has to be registered. There is no recourse, and we have a concern about that. I know like poor Mr. Duncan and Mr. Mahipaul, if they put up their names they would not get through. If Mr. David Patterson from the Opposition puts up his name... It is a way to discriminate against persons who are not supporters of the Government. We made a simple amendment that there must be a review process where we could appeal. Of course not; they never found favour in that.

The Opposition also asks that, on the passage of this Bill, companies should be prohibited to enter into contracts longer than three years, without the express written permission of the secretariat. We asked for that amendment to be in for a specific reason. You could choose any one of the schedules. What is the use of Guyanese companies, for example machinery which we do not have as the law becomes effective? Three years after we go, we train our people, we

purchase the machinery, and we are now able to compete. However, the ExxonMobil Corporation or whatever company would have awarded a 10-year contract. Even though we have acquired the skills, we cannot have access to those contracts because they have a long-term... The ExxonMobil Corporation has already awarded a 10-year contract to a sub-contractor. We are saying limit them unless there are special reasons. At the end of the third year, whatever contract it is, the Guyanese companies can now compete because it is all nice and good on paper saying that we got 75% of the contracts, but, of course, the Government does not want that. Why is that? Obviously, our suspicion over on this side of the House is that if friends and families will get 10-year contracts now and so, the small man and all of his investments go to nought.

The Hon. Minister mentioned that the Government wants a what they are now calling it a Local Content Advisory Committee. The Minister did not even take the time to explain to this House what they are going to advise on. From the construct of the committee, it seems as though it is a full-time working committee because, obviously, the President himself is appointing the Chairman only now because of the amendment. I have heard in the press the Government is saying that the Secretariat will be staffed by highly professional individuals. What is it that they will be advising on? We thought it better on this side of the House that there should be an oversight committee. A committee that could overlook what is going on and make recommendations rather than have an advisory committee. If you want to have any technical advisory, that could have been a sub-committee of the overall Advisory Committee. We put that proposal in. Of course, the Government has rejected that. Sir, I see that they woke up. I know that the Hon. Member, Mr. Shuman, is here. They never realised that they did not even cater for our Indigenous peoples.

**Mr. Speaker:** [Inaudible].

**Mr. Patterson:** Pardon?

**Mr. Speaker:** [Inaudible].

**Mr. Patterson:** Thank you, Sir. They did not even realise, in their haste, they did not consult with the Indigenous peoples', so we put that in. The Parliamentary Opposition put it in. Hold on a second, Sir, we took out..., Of course, the original Bill has in it almost every Government department or Ministry. We are wondering why. What is the use of having a hand-picked Local Advisory Committee and then you stack it with employees from the Ministry? What is the use, Sir? This

is supposed to be a full-time thing. We said it will be better to expand it to be a more oversight committee and take it from the civil society. Of course, that is why we put the parliamentary... Then, of course, they have accepted. Do you know who they have not accepted, Sir? The Guyana Association of Professional Engineers (GAPE). Why not? Do you know who they have not accepted that we proposed? The Transparency International (TI). Those are the agencies which they just decided ... That is why they were calling us for the consultation, the 1,800 seconds consultation, to tell us that the Transparency International got knocked out, the GAPE got knocked out and that they do not like them; that they do not talk for us, they do not represent us and that we do not have anybody to send. They said that they will come here to talk to us.

We also made a recommendation which was not accepted. This was based on the experiences of the Public Procurement Commission (PPC) – a brand new commission that was set up. They spent an extremely long time setting up their procedures, even getting a staff and a building. We said to the Government that a one-year tenure is not practicable. We must hire staff. There is no procedure. This is totally new. We said that the members should be appointed for a minimum of two years. Of course not; they never accepted that. I just quickly want to go to some of the recommendations that we would have made. I still have 22 minutes. Sir, is that right? We go to the First Schedule – Rental of Office Space. The Government has rental of office space in their Schedule – rental of office space in the Co-operative Republic of Guyana. They have 90%. We in the Opposition here want to know why. Why do we need an expatriate to come to Guyana to build an office to rent to the ExxonMobil Corporation? We are asking why. There is no explanation as to why, as if we in Guyana *stupidee*. We cannot build a building and rent it for money.

Accommodation Services (apartments and houses). There is a plethora of speakers after. They will explain to the Guyanese public why Guyanese cannot own their own – it is a way of empowerment – and rent apartment and houses. Why do we need expatriates to come and rent houses? We had an issue with Surveying. Surveying is a wide discipline. There are about at least 8 or 9 branches of surveying. We are saying that you just do not make a provision unilaterally for the entire surveying position. If there is any unique... I could understand the seismic surveys are what the oil company is doing offshore.

Land surveying is 75%. We have a whole Land Surveying Board and things like that. With this 75% that they have here, it captures all of that. We are saying that you should at least break it down and the specialist ones you could attribute to. For all the rest, we are equally capable and very capable. Guyanese and Guyanese nationals and companies are doing that.

Construction Work for Buildings – onshore, No. 7. in the Schedule, is 50%. We are wondering why. We have been building. Our contractors are very capable of building their buildings. If there is anything technical, like specialists, I do not know what kind of specialists and what they can do, for example, fire-fighting equipment. They could hire a sub-contractor like they do.

The Hon. Attorney General and Minister of Legal Affairs is building a palais of eight storeys, and he is using a local contractor. Are you now saying that, when you get up, you will tell them that you are dissatisfied with the local contractor? We have the capacity here. What we should do is allow our local contractors to build the buildings. If they need to, they can sub-contract it. I will give you a little story. When the ExxonMobil Corporation signalled to our Administration that they were considering building their headquarters, which is being done now, they initially said that they were in negotiation with an expatriate company, which is true. You can check. Myself at the then time, Minister of Public Infrastructure, said exactly what I am saying here – that we would not agree. It is not a wharf, or it is not a technical building that our local contractor cannot do. Do you know what they ended up doing – they gave it to one of our local contractors. He then sub-contracted other persons. That is what you call empowerment.

11.50 a.m.

Quickly, there are a couple of others – Janitorial and Laundry Services, Sir. Sweeper/Cleaners, 90%. Are we saying to our Sweeper/Cleaners that, right now, they are untrainable? That we cannot train them, put them in their personal protective equipment – PPEs – and teach them janitorial services. Do we need expatriates to come and help us clean toilets, *et cetera*? We do not know how to do that.

Catering services – we have already approved for them to bring in the food. We are importing food. We need expatriates to tell us how to cook it and cater. We on this side propose all of those companies to be fully Guyanese.

Trucking – there is nothing technical about trucking. There is nothing technical and I challenge any one of you to tell me the technicality of trucking. It is owning the equipment, having a driver and fleet management, *et cetera*. Trucking – our Guyanese people can get together and form a trucking association like they did in the United States (US). Why do we need expatriates to come and help us move sand and bricks? Why? All one has to do is buy a truck. One could rent a truck. One could go to the bank. If the trucking company or the ExxonMobil Corporation needs fleet management services, they could hire persons – hire someone. There is nothing technical about driving a truck to Soesdyke to collect sand and return to dump it. Why is it that we need expatriates? Why are we only at 90%?

Industrial cleaning... I have seen and I have acknowledged that you have moved Local Insurance Services up to 100%. They have been providing that service to us for years. Accounting Services... Local Legal Services is at 90%. Why? The Attorney General can stand, he is speaking next. He could tell his Colleagues why he does not see fit, or why he does not think they are competent enough to get a contract. If they need any specialists' area, they could hire it in. That is what is done elsewhere. Engineering; local advertising – why is it that we need to have international companies come and advertise? I think that we are all fed-up of seeing advertisements with Caucasians saying come visit Guyana. [An Hon. Member: *(Inaudible)*] Yes. Come visit Guyana. What is wrong with our local people?

While we commend and support local content legislation, on behalf of the Opposition, we are asking that this Bill be sent to a special select committee where we can deliberate on it, and pass and return it to this House with an unanimously agreed upon legislation. I thank you. [Applause]

**Attorney General and Minister of Legal Affairs [Mr. Nandlall]:** Mr. Speaker, I have often remarked that our generation, this generation of Guyanese, is the most fortunate of Guyanese in our country's history. We have a history of poverty. We have a history of impoverishment and underdevelopment. It is the first time in the history of our country that we have a real opportunity of living the quality of life that we deserve. This piece of legislation is indeed historic, and it is intended to be part of a network that is designed to ensure that every Guyanese benefits from our multibillion oil and gas sector. Therefore, it behoves every Member of this House to support this Bill.

I have heard the question of consultation. When one listens to the Hon. Member, Mr. Patterson, if one is not aware of the history, one would have thought that when Mr. Patterson was in Government he had passed a most comprehensive piece of local content legislation. There was not even a draft in the Attorney General's Chambers. Not even a draft. We have put a comprehensive Bill to this House. It was not an easy task to *put pen to paper* in relation to this Bill. As the honourable subject Minister said, we are dealing with a brand-new sector, highly technical, highly sophisticated, highly complex and we are also dealing with the question of assessing our local capacity in an area that we have absolutely no experience in for the first time. Yet, we are criticised, simply, for a Schedule that we have made clear will vest... The Minister is empowered with the discretionary elasticity to change that Schedule whenever we see that we have the capacity.

I say this with the greatest of respect, my Friend's understanding of the legal service that is required for this sector, I daresay, is quite simplistic. Ninety percent. I do not think that my Friend has ever seen one of these contracts or one of the joint venture arrangements or the other technical legal documents that have to be executed in this sector. Perhaps that is why he made the comments that he made. As we have repeatedly said, this Bill is a work-in-progress. It is not the end-all. That is why we have that Schedule, and that Schedule has that ministerial discretion. We will change it. The Hon. Member spoke about ensuring that the ExxonMobil Corporation got a local contractor to build the building. Why did he allow the building to be built in the first place? If one is speaking about local content? Why allow the building to be built and owned by the ExxonMobil Corporation? He does not answer that question. He is dealing with the contractor. That type of nit-picking is totally unwarranted in this very important exercise of local content.

We have a definition of what a Guyanese company is and who a Guyanese citizen is. A Guyanese citizen is defined by our Constitution and by the Guyana Citizenship Act. My Friend would like us to limit Guyana's citizenship to birth only. That is only one aspect or one way by which one gets citizenship. There is citizenship by marriage. There is citizenship by naturalisation. There is citizenship by descent. This type of myopic recommendation that he is making is highly discriminatory. Yet, he speaks about discrimination within the Treaty of Chaguaramas, but does not recognise that he is discriminating against Guyanese in violation of our fundamental rights and freedom in Guyana. That is the type of presentation that is completely lacking competence and substance.

Trinidad and Tobago has a local content policy for over 40 years and it never ran afoul of the Treaty of Chaguaramas. Suriname has local content and they are a part of the Common Market and the Common Economy. There is no issue of violation of the Treaty of Chaguaramas. We looked at The Kingdom of Norway, which was part of the European Union (EU), and there was no conflict there. We looked at Africa – Nigeria, Uganda, Ghana which all have African organisations that are similar to CARICOM. There was no conflict with those legislation. It is not that we did not address our minds to this. We have addressed our minds to it and when the issue arises, we will deal with it. We will deal with it. One has the Government's assurance that we have addressed that issue and we will deal with it at the appropriate time. The other point that the Hon. Member made is concerning sole traders. He said that businessmen operating under a trade name or a business registration name are not caught by the definition. Again, that is a highly simplistic understanding of the definition. The business name is simply the name under which one trades or the style under which one trades. The human being behind the business is a human being, a sole trader, a private individual – that person must be a Guyanese citizen. We included partnership because there are law firms that are partners, there are accountants that are partners, and they may not have been covered by the definition we have for companies. We have addressed that.

Only last night, Sir... Only last night... They are speaking about consultation, let me deal with that. As the Hon. Minister of Natural Resources said, we had an entire year of consultation by a team established by His Excellency, the President. We then invited a high-level team from Ghana with whom we held a series of consultations. We also had a professor from Ghana with whom we consulted. We then met with the sector. We met with every major organisation or business interest in Guyana. The insurance sector, the Bar Association of Guyana, the manufacturing sector, the contractors, the accountants, the insurance people. We met with every sector and took their recommendations on board. We did not have to actually meet them, they wrote us. The Hon. Member is saying that we did not consult with them. Those persons wrote us. Why did you not write? Why did you not write? The Bill took a very long time to be completed after several iterations and after several rounds of consultations. I was just making the point that only late last night we took several recommendations on board from the accountants and the insurance company. That is how we raised the threshold in those two sectors and made some other adjustments. Late last night, we were also working until 1.00



a.m. on the Hon. Member's amendments which he tabled and sent to us on 28<sup>th</sup> December. Only yesterday he sent it, yet we took it on board. Out of about 14, we have incorporated about 12 and there is no gratitude. No recognition.

The Hon. Member spoke about an appeal tribunal. He believes... he called the Hon. Member Mahipaul's name, according to him, Mr. Mahipaul will turn up with his Guyanese passport to be registered at the local register and, for some reason, they will chase him. That was the analogy that he gave. Is this the type of debate that we are having in the House? Then he wants to have an appeal tribunal to which Mr. Mahipaul can go to and appeal. When we incorporate a definition of who a Guyanese is or what a Guyanese company is into the law and there is any violation of that law, the aggrieved citizen has recourse to the courts. That is how democracy works. Why would you like a tribunal in there to perform legal functions? That tribunal may very well be accused of trespassing upon the 'separation of powers' because that tribunal will be determining a matter of law. Issues of law are to be determined by the Judiciary. We have judicial review; we have a constitutional court; and we have a Civil Court that will deal with these issues. According to him, we set up a tribunal. When a person is aggrieved by the decision of that tribunal, where does it go? Does one continue to build an alternate court system? One still has to go back to the court. That argument of the Hon. Member must be rejected as out of hand. It makes no sense.

12.05 p.m.

Sir, let me get to the Bill itself. We were very careful. The Hon. Member spoke about family and friends. I do not know which Bill he has read. This Bill speaks to competitive bidding in a public procurement process. Right through the Bill speaks about that. I do not know how in that statutory matrix, one could dole out contracts to friends and families, the way the Hon. Member did with the Demerara Harbour Bridge contract for \$160 million. He took that contract to Cabinet and got the Demerara Harbour Bridge Corporation to pay for it. That is doling out to friends and families. That is corruption. We do not do that in this Government. We have legislated a public procurement process in the Bill with which all contractors, all licensees and all operators in the sector must comply. They could only get sole sourcing with the permission of the Minister, and they have to satisfy very specified and specific grounds before they could get sole sourcing. They cannot get sole sourcing once their service or skill is available in Guyana. That is the kind of framework that is in this Bill to protect our local people, our local

industries and companies. I do not know which organisation the Hon. Member consulted because we consulted right across the board, and we have the full support of every major organisation in this country.

Now, granted, everyone believes that they could provide 100%. Any sector you go to, everyone believes that. If you speak to the lawyers, they believe they could provide 100%. If you go to the doctors, they believe they could provide 100%. If you go to the accountants, they believe they could provide 100%. As a Government, we have to assess the sector. We have to ensure that the sector works. That is why we have added that kind of discretion in the Minister to change it by order and not by amendment. So, we do not have to come through any protracted legal or statutory process to get these schedules amended. Once we have the capacity, we are going to change it. We have the local people at heart. This is our Bill. You did nothing. So, do not come and accuse us of short-changing locals when you did nothing for them in the form of legislation. Every Guyanese is aware of what is taking place in this country. In our consultations with the private sector, they said that they begged you all for about three years to pass this Bill because of what was taking place across the length and breadth of Guyana, with foreigners coming into the country and invading and taking over the sector. They were buying all the river lands on the East Bank of Demerara, taking over the contracting services and bringing in the heavy-duty equipment to the exclusion of Guyanese. We responded to that. We were alive to those atrocities and those are being addressed in this Bill.

The Hon. Member spoke about the institute of business development which is an institute established by the oil company. If you want to hear about incest, speak to the private sector. We spoke with them. They detailed to us the litany of stories of discrimination, of neglect and of how they were ostracized from getting a fair opportunity to participate in that same organisation you spoke about. We spoke to the people – the aggrieved parties – and that is what they told us. So, yes, this secretariat will...I do not know if it is going to replace that because that is not our organisation. This secretariat is an apparatus of the State. It will assume the State's responsibility of ensuring that register is maintained and that every Guyanese who wants to participate in the industry is recorded in that register. The register will be made public. Most importantly, also, we did not make it mandatory for every Guyanese to go on the register. A person going on the register is optional, but if he/she makes the decision not to go on the register, then his/her services will not be counted as local content. The other issue that the Hon. Member raised is

about...I cannot remember. This Bill speaks about the two plans – the local content master plan and the local content annual plan. Inherent in those plans is an obligation for the oil sector as well as the State to continuously build capacity. We will continue to build the type of capacity that is required for this sector. At some point in time, hopefully, we will be completely self-sufficient in the sector. Until then, we have to leave that window of opportunity.

My Friend spoke about fixed term contracts. Now, the way this Bill is structured allows...First of all, all existing contracts will not be interfered with because we respect the sanctity of contracts. That is a very important principle that we embrace as a Government. All existing contracts will not be affected by the Schedules. There is a one-year period in which the Schedules will take their full force. Once that happens, then the machinery will begin, and the secretariat will begin to do it work. We did not draft this Bill in a vacuum. We looked at Trinidad and Tobago. We looked at Ghana. We looked at Nigeria. We looked at Uganda. We looked at Sierra Leone. We looked at Norway. We looked at the best practices learned from those jurisdictions. We tried, as far as possible, to incorporate them into this Bill. What we have here is, perhaps, in the opinion of at least the Ghanaians...they said that we have one of the best bills they have seen in this part of the world. We also had to deal with the question of how to treat with an activity since the Bill speaks to petroleum operations for Guyana. We had to address our minds, for example, to a company operating within Guyana but has to carry out a contract or build some type of equipment in Singapore. We had to deal with those kinds of complex issues. Do you impose, in that instance, local content? Would that construction taking place in Singapore, to be used in Guyana, for an operator in Guyana, be considered local content? These are very complex issues that we had to spend a long time to address to find a workable solution. We would be the first to say that we do not pretend that this is the perfect Bill, but it is the best first opportunity that I think we could have put forward. Every single Guyanese's interest was protected. The paramount consideration in this Bill is to ensure that Guyana and Guyanese benefit, in a most maximum way, from the operations here.

We had a long discourse, for example, with the insurance people because we know that the insurance sector in Guyana cannot really deal with the mammoth nature of the insurable interests that are associated with this sector. We took guidance from the Insurance Act which states that all risks that originate in Guyana must be insured in Guyana. It is

guidance from that Act that caused us to raise the threshold to 100%. Then, the bankers may be aggrieved. They may not be satisfied because they believe that they could provide all the services, but they cannot. We are talking about a multi-billion-dollar industry. Our banking sector simply cannot provide all the services. If you ask them, they will tell you yes. That is the kind of balance one has to strike in a government because one wants the sector to work. For example, we spent a lot of time in relation to accommodation, hotels in particular. Do we put 100% local hotels? We decided not to. In fact, we decided to leave out hotels, simply because we have in the pipeline about eight or nine five-star branded hotels that are schedule to come here. If they see that we have put 100% hotel accommodation in the Local Content Bill, that is the end of the exercise. They would not invest here. We want those investments. Later on, we could change. We have to be alive to all of these realities, all these competing interests, all these necessities and craft a bill that strike a delicate balance to ensure that we have a workable bill and a workable framework. This was not a fly-by-night effort.

My Friend spoke a lot about his contributions and amendments. Do you know what the amendments were? For one of them, he wanted to change a name. He wanted to change Inter-Agency Committee to Local Content Oversight Committee. How profound. You heard his mouth just now, as though he had something earth shattering. We accepted it. In my view, it makes no difference but, importantly, we accepted a recommendation from the Hon. Member to expand the agency. We have included organisations like the National Toshias Council; we have included the Guyana Bar Association; we have included a nominate from the Parliamentary Opposition; and we have included representatives from the local petroleum organisations. [**Mr. Ramjattan:** *(Inaudible)*] No, I agree, apart from the name change; he wanted a deed poll. This is substantive and we have accepted it. The other one is that the Hon. Member wanted the vice chairperson of the committee to be elected. That is neither here nor there. We accepted that. He had some other consequential changes which we have accepted.

Let me go back to the definition of a company. We said 51% of the shares, but we did not leave it there. Having 51% of the shares could also mean that one does not have the requisite voting power; we included that. We have embraced the concept of beneficial ownership to ensure that we get to the real owners. Then, of course, there is management of the companies also. We recognised that one could have 51% shares but does not run the company. We put a percentage of

the management. For the non-skilled labour force, we have a very high percentage to ensure that Guyanese predominate.

One organisation wanted us to draw a distinction between local content and national content. The reason was that the organisation wanted to exclude Guyanese who are not living in Guyana. On what basis should we do that? On what basis should we tell a Guyanese living in the diaspora that he/she cannot come, partake and participate in business opportunities in Guyana? We cannot manage a country with those kinds of discriminatory streaks; we cannot. That is why we have rejected, out of hand, the suggestion to confine citizenship to birth. How could we do that when a person could acquire citizenship under the Citizenship Act by way of naturalization, marriage or descent? If one of a person's parent is a Guyanese, that person is entitled to be registered as a Guyanese. The Constitution and the laws of the country state that. You cannot violate the Constitution with an ordinary law. Mr. Ramjattan will advise him. We could not accept those aspects of what he proposed. I heard him make a number of criticisms of the Bill. I thought the paper that he shared with us constituted what his contributions are to the Bill, but he had some fresh thoughts this morning because half of the things that he said are not part of his proposals.

12.20 p.m.

We could not have looked at them. This morning, I heard him make a big issue... Last night, they agreed to meet with us in that room to have a discussion. We were prepared to allow them to table their own amendments. We were prepared to allow them to do that, to give them a real opportunity. You did not even turn up to the meeting. Then, you came here and was measuring seconds, minutes and hours, when only last night you sent us your proposals. I do not intend to go clause by clause into the Bill. This Bill captures all the important tenets to make local content work in Guyana. As I said, this is our first attempt at it. Let me speak about the transparent nature. All the reports, the annual plan and the five-year plan are all going to be made public so that Guyanese could see what the plans of these companies are and could start to build capacity. We have in the Bill, of course, that we will exclude confidential information and proprietary information. Other than those two exceptions, every component of those plans will be made public, and Guyanese could pull them down from the website or obtain a copy from the Ministry, study them and start to work to build capacity. The local content register will also be publicised. It is a public document. It is so persons would know who are on the local content register. It is not any hide and go seek game. Everyone who is there,

their capacity is stated, their skill is stated or the services that they are offering would be documented on that local content register. That would be available across the globe for every Guyanese, living wherever, to have a look at that document. Fair opportunity is given for one to register.

The secretariat is going to be a very important institution. It is the secretariat that will manage this Bill when it becomes law. The secretariat will act only upon the policy directions of the Minister. In fact, the draft that the consultant had produced to us had a preponderance of power located in the Minister. We removed that and we put it into the secretariat, a secretariat that would be staffed by technical people. They will be running the show, basically, under the general supervisory direction of the subject Minister. There is no other way to do it.

For this Bill, I see a whole long list of speakers. What is there to speak about this Bill other than to laud it? Would somebody come here and speak about trucking service again? We have addressed that. If we have the trucking service, we will change that tomorrow. We did an assessment of the sectors. We talked to the people who are providing the services. They do not have the capacity now. They will get it. When they get it, we will change it. Somebody called the name of a contractor from Trinidad and Tobago. That contractor has capacity, and he has built-in contracts already. It is not that we are oblivious to these realities. We spent days and days talking about these things, discussing them with the various sectors and understanding what capacity they have and what they could provide. We had to bring their expectations down to acceptable levels too. It was not an easy exercise. As I said, every sector believes that it could provide 100%. Do you know what the oil sector's position is? They want no local content. They want freedom to reign. There are two extremities. There is a local sector that wants 100% and then there is the sector itself that wants no local content. We have to bridge that gap in an intelligent way and in a fair and equitable way. That is what we have done in this Bill. As I said, it is our first attempt at it, and we are going to constantly improve it. We have put in it built-in mechanism to give the Minister fluidity and flexibility in adjusting the Schedules when we think that we have the capacity. There is nothing sinister and there is nothing ill-motive about this Bill. This Bill represents the conscience of this country. This Bill protects Guyanese and every single Guyanese, as far as I am aware, is proud of this Bill. I commend this Bill to the National Assembly. Thank You very much. *[Applause]*

**Mr. Speaker:** Thank you, Hon. Attorney General. Hon. Members, this is a good time to take the suspension for one hour.

*Sitting suspended at 12.25 p.m.*

*Sitting resumed at 1.51 p.m.*

**Mr. Speaker:** Thank you, Hon. Members. Please be seated. Hon. Member, Bishop Juan Edghill, you have the floor. Members, speakers will get 20 minutes without any extension from now.

**Minister of Public Works [Bishop Edghill]:** Thank you very much, Mr. Speaker. I rise to lend support to my distinguished Colleague, the Hon. Mr. Vickram Bharat, by making my contribution to the Local Content Bill, Bill No. 21/2021. I would like to begin my contribution for the benefit of all those who are listening. This Bill is designed to provide for the implementation of local content obligations on persons engaged in the petroleum operations or related activities in the petroleum sector. It is intended to prioritise Guyanese nationals and Guyanese companies in the procurement of goods and services for the enhancement of the value chain of the petroleum sector. It is designed to enable local capacity development to provide for investigation, supervision, coordination and monitoring and evaluation of and participation in local content in Guyana. It is intended to promote competitiveness and encourage the creation of related industries that will sustain the social and economic development of Guyana, and for other related matters.

I join with my Colleagues, who spoke earlier, to endorse that this piece of legislation, which we are debating today, is a piece of legislation that makes some very bold statements. Bold enough to say that we welcome foreign direct investment, we welcome foreign companies, including major oil companies, to Guyana, and we welcome their investments and the opportunities that they bring. This piece of legislation is saying we are welcoming you to Guyana and we are welcoming you to invest, but we are not going to do so at the expense of Guyanese and Guyanese nationals. It is also making a bold statement that Guyana is open for business. The PPP/C Administration, led by President, Dr. Irfaan Ali, while we facilitate and encourage business in Guyana, we will fulfil our mandate by ensuring that Guyanese interests are served while we are in Office. This piece of legislation guarantees the Guyanese people of that. This piece of legislation that I stand to support, which was brought by my Hon. Colleague, says boldly to all Guyanese, in the

hinterland, the riverain areas and in the urban centres, that our oil wealth must bring prosperity for all Guyanese and mechanisms must be put in place – and we are putting those mechanisms in place – to ensure that poverty is eradicated, and that all Guyanese not only benefit from charity, but Guyanese must benefit from opportunities.

While we were in Opposition and the A Partnership for National Unity Alliance For Change (APNU/AFC) was in Government, I recall that the big conversation was oil money transfers – how much every family should get and how much the Government should give to every person and the rest of it. This Bill is beyond reaching out to vulnerable groups and providing transfers. This Bill makes room for Guyanese to get involved in real opportunities where *the sky is the limit*. It is not limited by a government transfer. Entrepreneurs, Guyanese businesses, Guyanese companies, and Guyanese who are interested in joining the cadre of people for national development must be able to receive opportunities for the development of Guyana. We are facilitating development, not exploitation. As I make my contribution here, today, I want to assure Guyanese, all my brothers and sisters, wherever they are located and where they are listening from, that this piece of legislation is admittedly not perfect, but it is our first and best attempt, at this time, to provide a framework and safeguard to ensure that what I have just outlined become a reality for Guyanese. Why legislation and not just policy? Why not just a white paper? This Bill highlights what ought to happen, how it should happen and what are the consequences if it does not happen. That is what is important. This is not just talk. This Bill carries with it the real teeth of enforcement. The Hon. Vickram Bharat, when he spoke in presenting the Bill, reminded us that there are penalties, ranging all the way up to \$50 million, for persons who do not comply with actions that are stated in this Bill.

*1.59 p.m.*

The man in the street, members of the private sector, the ordinary worker, the young man who is graduating soon from the university, and those who are sharpening their entrepreneurial skills would ask the question, what is in it for me? Well, let me take the time to tell you what is in it for you. This Bill guarantees employment for Guyanese. We came to Government by telling the nation to put us in Office and we will create at least 50,000 new jobs. Mr. Speaker, I happen to be the gazetted Minister with responsibilities for some sectors and agencies. I can tell you, as a result of oil and gas, what are some of the impacts in terms of the growth that is taking place in Guyana and why this Bill is necessary to

safeguard those jobs. Before oil and gas, we saw about seven to 10 ships making calls at port Georgetown on a weekly basis. Today, we have an average of 52 ships making calls at port Guyana. There is an expansion in the maritime sector. With just one floating production storage and offloading (FPSO) vessel in play right now, and with the service ships which have to go out and come in, the supplies and the rest of it, there is a major development. It would appear that the contribution made by the Hon. Member, Mr. Patterson, was because he was thinking that Guyana would remain a one FPSO vessel operation with 110,000 barrels of oil a day offshore Guyana. He is not thinking down the line about, six, eight, 10, or 12 FPSO vessels that are out there which could allow us to produce 1.5 million barrels of oil per day. We have to look when we are making a framework of what is happening.

We have a new development, in Guyana, in the aviation sector. Rotary craft has to be out and in our airports. That is with one FPSO vessel. When you have several offshore Guyana, more companies will have to come to get people out and in, using helicopter services and the rest of it. It means that more people will have to be fed and more people will have to be accommodated. When they are on rotations, there must be apartments and places for them to stay. If there are apartments, these will have to be maintained. There will need to be landscaping. More people will need fruits and vegetables. More people who will be staying in the hotels will need tomatoes and cucumbers. We do not need the canned stuff coming to Guyana. We need our farmers to be able to provide their services to those places to ensure that they are getting part of the pie. When we talk about employment, we are talking about the taxi drivers being able to provide transportation services. A man must be able to move. That is what I want to say to the taxi driver. You must move from just merely a hustle of trying to give a drop here and you must be able to invest in several cars and provide executive services for the oil companies. That must be for Guyanese. It must not be a company coming from Trinidad and Tobago to Guyana provide that service to an oil company. It must be a Guyanese that is doing that.

The service providers, whether it is for hair, nails and all the rest of it, must be local people. We must be able to create employment in every sector. So, it is not just the people who are going on board. It is not just the people who are working on the supply vessels. It is not just the people who are directly linked to operations offshore Guyana. More companies are coming to Guyana. Through the Sea and River Defence Board, we have offered at least eight no-objections. For the

development of shore bases and other facilities, there will be laydown yards. People will have to drive the forklifts and work the trucks with high arms. There are a whole host of activities that will be taking place. Do you know what we are saying? *Do not take your eyes and pass Guyanese* to bring people from Ukraine, Argentina, and Peru to do a job when there are Guyanese here in Guyana who could be trained and developed to do that same job. The PPP/C Administration is making a bold statement, by the presentation of this Bill today, that we are safeguarding the employment opportunities that will become more and more available for Guyanese to benefit and prosper in Guyana. That is why everyone should support this Bill.

Secondly, this Bill guarantees skills development. It is a new sector. While we have rice, sugar, bauxite, gold and the other labour-intensive activities which provided for our financial and economic development, in the oil sector, there will be labour-intensive skills but there is also high-level skills that have to be developed. We want to ensure that our technical and vocational institutes and our University of Guyana understand the need for these skills so that Guyanese could be trained and participate meaningfully in Guyana's development. This Bill also provides for the local procurement of goods and services. We are not in a buy-local campaign, but we are saying that once things are available in Guyana, it must be purchased here. Our farmers, manufacturers, agro-processors and those who provide those services must be able to get an opportunity.

This Bill provides and guarantees that there must be the building of capacity for local suppliers and contractors. I heard Mr. Patterson, a little earlier, talking about small contractors and there being nothing to facilitate those who just merely have a business registration and name. Well, this environment that we are going into and where Guyana is going, you start there. We must see several people coming together and forming conglomerates. We must see small businesses merging. While you compete, you complement and build capacity so that you will be able to compete. That is the fifth thing that I want to emphasise that this Bill will promote. It will enhance competitiveness. Whenever there is competition, two things you control – one, price and two, quality. Guyana will become a provider of high-quality goods and services because we have to compete. We will ensure that the tide rises in Guyana where quality is concerned – quality in construction, quality in services, and quality in delivery. We must be able to see that happening. I support this Bill because of these reasons.

Mr. Speaker, just allow me a few moments to conclude my presentation by rebutting something that Mr. Patterson said. Mr. Patterson said that this Bill will see discrimination against Guyanese – the Government will discriminate against Guyanese. It is either you do not comprehend, or you did not read. This is regulating the private companies. The Government will not be doing the hiring. We will have a secretariat where there will be a register and where there will be monitoring and evaluation. It is the private companies that will have to hire, and we will check to ensure that they are in compliance. He went on to say further that we will see family and friends getting all the work. I do not know if Mr. Patterson is aware of who are really friends and families. I would like to remind him that, in the acquisition and the procurement of three metal Mettler Toledo Weigh-in-Motion (WIM) systems... This report that I still have from the forensic audit indicates that, while he was the Minister of Public Infrastructure and the General Secretary of the Alliance For Change (AFC), he handed a contract to the Political Advisor and Strategist of the A Partnership for National Unity/Alliance For Change's (APNU/AFC's) campaign. Up until now, those scales have not been delivered to Guyana. That is what is called friends and families. I have the report here with me. So, we must be careful when we say things like this.

While I am happy that the Hon. Member, Mr. Patterson, said that the Opposition is supporting the Bill, it would appear that his remarks are against people in the diaspora. We know that there are Guyanese living in the United States of America (USA), Canada, England and some countries in the Caribbean who have dual citizenship. They work out there and they want to invest. Guyana only has 750,000 people at home. Sooner or later, we will have to come to this National Assembly with a policy on immigration to facilitate labour in Guyana. Guyanese must be able to be the first beneficiaries, whether they are at home or abroad. So, the message to the diaspora is that you are welcome home to participate in Guyana's development and oil wealth. We say to all our colleagues in the diaspora – come home and participate.

Finally, Mr. Speaker, regarding this Bill, there is one thing that stood out to me. It is the fact that not only the Minister of Natural Resources, Mr. Bharrat, who is responsible for petroleum would have to have a register and do monitoring, but the Bill sets out to do something about which everybody should be proud. The secretariat has a responsibility to mount public education and awareness campaigns. That is important. That must be able to tell the single mother and the people in the riverain and hinterland communities how they could

register, participate and meaningfully benefit from this local content legislation.

Mr. Speaker, I lend full support to this Bill. I call upon all my Colleagues, who seem to be absent at this time but may be listening, to support this Bill. Certainly, the call for this Bill to go to a special select committee is without merit. You go to a special select committee to do consultations. We have done the consultations before. It has already been done. We know what the grievances are. We know what the issues are. We know what the recommendations are. This piece of legislation represents the wishes of the majority of the people of Guyana. I ask that it be passed today and supported by all in this House. Thank you very much. *[Applause]*

**Mr. Speaker:** Thank you, Hon. Member Bishop Juan Edghill. The next speaker is the Hon. Member, Mr. Deonarine Ramsaroop.

**Mr. Ramsaroop:** Thank you, Mr. Speaker. Sir, I am honoured to speak on this Local Content Bill 2021 – Bill No.21/2021. It is the Bill that speaks on local content for the petroleum sector. It is a Bill that is supposed to build the capacity of Guyanese citizens and businesses. It is a Bill that is to ensure that our current and future generations are secure. It is a Bill that ought to show transparency and accountability in our procurement system. It is a Bill that is to set the economic framework of our people. I support a local content bill for Guyana but the way in which it is drafted, it is a total betrayal. Allow me to explain that. Right here, we have listened and heard that meetings were held up to last night and there were considerations given to at least 10 clauses that we asked to be put into this Bill.

2.14 p.m.

Sir, when we came here, we learnt that, and they will do this in a short space of time. That is the reason we are calling for this Bill to go to a special select committee. It is so that we can sit, take our time and draft the necessary clause that will benefit all. Sir, I want to talk about the consultation that the Hon. Member, Mr. Vickram Bharat, spoke about. I will go straight to the accounting services and the 20% that was there. I listened to the Attorney General (AG) who said that they moved it to 90% because of the recommendation that came from us. When the AG proposed to have the percentages that they want it to be in this Local Content Bill... Let me go through the description. They had the tax reform preparation – 75%, they had the payroll services – 100%, they had the accounting support services – 100%, the tax advisory – 60%, the financial advisory – 50%, and

accounting and finance employment – 50%. What they did was to lump it together and call it accounting services and put it at 20%. I am grateful that they have taken our recommendation and made it 90%. I am very pleased that the Government has taken that recommendation on board.

The Minister spoke about Guyanese businesses having, at least, 51% ownership in terms of the company, 21% share. If one looks at Uganda's Local Content Policy, one will see that, with the first Local Content Bill they presented, everything was circled and focused on the citizens of Uganda. They had that 40% of sub-contractors should be given to the citizens of that country. For example, it is like the subcontractors shore base that we have here. The subcontractors who shore base will hire here, 40% should be Guyanese. When you want to talk about Guyanese, that is what you do. Sir, let me further expound on the Uganda Local Content Policy because it shows that they value their citizens. When it comes to contract, a certain amount is reserved for the local citizens and companies and, for some of the contracting of contracts, it is mandatory; let me repeat, it is a mandatory requirement for foreign entities to sub-contract 40%, which I spoke about, and the liability. The AG talked about insurance and said that, last night, there were meetings about insurance companies and so on. The liabilities with the contracting party not being transferred to the local company will cushion the insurance that the AG mentioned, which cannot take on the responsibility of these oil companies. That it will do.

Sir, again, the Guyanese companies will not benefit from the sub-contractors as laid out in section 9 and 10 of this Bill. There are no percentages allocated here as compared to the Ugandans, Sir. In the policies that the APNU/AFC had, there was 30%. When I look back at the Bill, the word 'sub-contractors' is too vague. It needs to be clearer and to be defined further. When we spoke about the influx of foreign businesses coming to Guyana, we have some examples, like with Trinidad and Tobago, where many companies are coming here. They are using our Guyanese people who are working in Trinidad and Tobago to come here, register the business, put it under their names and work with that. That is where they circumvent the entire system. That is what we want to guard against when we talk about the birth of Guyanese, and I do understand that. Unless we have a clearly defined local content policy, Guyanese will lose in the long hall. That is the reason I will recommend that we move this to a special select committee.

Let me move on to the education sector. When it comes to the Local Content Policy, education and training are the key factors for the development of our human resources. Although it is mentioned in sections 14 and 15 of this Bill No. 21, it does not speak to a timeline. That is absent here. One cannot want to bring the training and the transfer and technology and not put a timeline to it. It can be two years, three years or five years, but if a timeline is put to it then it would be better. For example, we had the first floating production storage and offloading (FPSO) vessel that we could not provide the entire technical skill that was required. We should have already prepared our technical institutes to develop that skill so that, when the second FPSO vessel comes, we would be able provide at least 70% of the skilled workers. Despite my urge to have a Local Content Bill for Guyana, this one that is set before us is far from the reality. Our current and future generation will not only benefit in time to come. Therefore, I recommend that this Bill be put before the special committee, so that we could deliberate and have what is missing... and make the Bill complete, as the AG clearly points out, for all Guyanese.

Sir, I really wanted to speak more about what is missing. I am happy that our Members on the other side are agreeing to many of what we want to say. Sir, I therefore urge that you consider putting this Bill... to have more discussion and to put in the clause that will benefit all. Thank you very much. [Applause]

**Mr. Speaker:** Thank you, Hon. Member. Hon. Minister Oneidge Walrond, it is your turn.

**Minister of Tourism, Industry and Commerce [Ms. Walrond]:** Mr. Speaker, I rise to support the Bill for local content which has been brought to this House by my Colleague, the Minister of Natural Resources.

It goes without saying that all the work that we do here in the National Assembly is important. The Constitution provides that the House is the primary entity in which the sovereignty of the people is exercised. Despite the unquestionable importance of our work here in the Assembly, much of this work is the routine business of Government. We legislate mostly, incrementally. We respond to routine developments endeavour to keep the legal framework of our country in step with contemporary standards, practices, norms and expectations. Even when we bring brand new legislation to this House to implement novel policies, they are many times an air of normality and continuity along a lineal path of the development. Once in a while, perhaps no more than once or

twice in a generation, there comes a time when a Bill is laid in this august Assembly, which is so fundamental in importance and exceptional in nature, that it takes its place amongst the seminal developments in the history of our country. It will be no exaggeration to say that this Bill is such a Bill. This Bill is such a Bill because it states, henceforth, that it will be the law of this land in which Guyanese must participate and benefit from the exploitation of what is proven to be one of the most significant oil discoveries on the entire planet in contemporary times.

I reiterate that, henceforth, this will be our law. It will not be our wish, it will not be merely policy, neither will it be hope or dream. It will be law. Guyanese, individuals and firms will be conferred with legally enforceable rights of participation in this lucrative economic sector. Those who operate oil and gas concessions will come under a legal obligation to set aside business and employment for Guyanese nationals. This Bill, therefore, delivers the framework for the total transformation of our economy which will help to catapult us into the ranks of the developed world. It is a landmark Bill, a game changer and truly an exceptional opportunity to shape the course of our history. It is for this reason that I am disappointed that our Friends, on the other side of this House, appear to be taking a very ordinary approach to what is, in reality, an extremely extra-ordinary development. Instead of rising to the occasion, we have the same old, same old; opposed for the record, perfunctory criticism, facile amendments offered.

I wish to deal with some specifics of this Bill so as to demonstrate this transformative impact of which we on this side speak. As my Colleagues before me noted, in this Bill, we have provided for local content obligations in 40 distinct sectors and sub-sectors. Of these 40 sectors, there are 26 for which minimum local content obligation is 50% or more; there are 20 sectors for which the obligation is 75% more; there are 13 sectors at 90% or more local participation; and in four sectors, the provision is 100%. That is to say that these are reserved exclusively for Guyanese. By any stretch of the imagination, in the context of an economy that is the fastest growing economy in the world, this Bill, with these provisions, must be recognised as significant, consequential and impactful. Hundreds of Guyanese businesses have the opportunity to access markets, which just did not exist for them before, in a meaningful way. Thousands of these citizens will have access to employment opportunities. This access comes at a time when the prospects are extraordinary by any conceivable standard. To put these developments into perspective, we may recall, not so long ago, the conventional

wisdom was that our economy needed to sustain a growth of 6% or 7% per year, over a period of about two decades, in order for us to achieve an acceptable standard of development.

Last year, even in the stultifying strangleholds of the Coronavirus disease 2019 (COVID-19) pandemic and the stagnation which was brought to our nation for almost half of a year by the election fiasco, our economy grew by 43%. This year, we are on track to grow by almost 20%. Even the perennial professional pessimist on the other side of this House must admit that the one seemingly elusive 6% or 7%, on which economic transformation was premised, now seems eminently feasible and achievable. In other words, that future we dreamed about not so long ago is here today; it is here now, and it is within the future of now that we bring this historic Bill to this House for the benefit of our people. Despite the fact that this Bill, in its provisions, is aimed at the oil and gas sector, these benefits that we speak about will not be limited to that sector. While all eyes may be firmly set on the opportunities within the sector, which has obviously generated a direct consequence of enacting this Bill, there is another equally important potential effect of this Bill. That effect is a potential of our firms to use the foothold provided by the oil and gas sector to become established, to grow and to develop into truly competitive entities in regional and global markets.

2.29 p.m.

This is possible because some of the sectors earmarked are readily amenable to being developed into vibrant export-oriented sectors to serve industries outside of the petroleum industry and companies outside of Guyana. I speak here particularly to sectors such as engineering and machining, accounting and legal services, environmental studies and services, among others. These and other sectors promise viability beyond the petro-driven expansion. The provision for these sectors in this Bill is manifest evidence of our Government's commitment to sustainability in the post-petroleum economy, and of our foresight in providing for future generations. To continue with specifics, despite its brevity, this is a holistic and comprehensive Bill, for its benefits are not aimed only at the level of the firm. This Bill, once enacted, will directly impact hundreds, if not thousands, of Guyanese, because it also imposes obligations on licensees, contractors and subcontractors to give first preference to qualified Guyanese nationals for direct hiring. Moreover, it does not allow these companies to simply throw up their hands and acclaim that Guyanese are not qualified or



experienced. In the event of a lack of Guyanese possessing the skills and necessary experience in the areas that the local content obligations exist, it requires these companies to make provisions for training Guyanese to fill the available positions, and for them to work alongside foreign nationals and for periods to be approved by the Minister until the experience deficit is overcome.

We did not only impose the obligations on the operators in the sector. The Bill also has comprehensive arrangements for scrutiny and monitoring of compliance with its provisions, in order for us to ensure that we meet the intended objectives of direct benefit to Guyanese workers and firms. It makes provisions for a well-defined framework within which companies must give timely notice to the public of impending procurement and employment needs, so as to enable locals to make plans and preparations to supply the market. There is a rigorous regime of reporting that will allow for the monitoring of compliance with requirements and commitments. Last but not least, in order *to give teeth* to these measures, there are provisions for consequential financial penalties for non-compliance.

In conclusion, I wish to say a few words on some of the amendments that have been proffered by our Friends on the other side of the House. I must say that, despite acquiescing to a few of the proffered amendments, we are, in general, quite disappointed with what appears to be a lack of effort, on the whole, put into them by the Hon. Members on the other side. For example, the proposed amendment to the First Schedule, which seeks to provide for extremely high levels of local content right off the bat, seems calculated simply to pander to populism with no regard for the economic consequences to local consumers. One does not need to be an Economist to understand the unacceptably high risk of eminent harm and injury to consumers from immediately setting local content obligations at the level proposed by the Opposition. The likely result of such actions, especially, would be for all or substantially all of available supplies of goods and services, in those areas, to be directed to the oil and gas sector, thus leading to escalating prices for Guyanese consumers. It is already becoming difficult to find construction workers. The price of accommodation is increasing, thus, we as a Government, have to be careful to manage the transition to avoid dislocation in the local economy. Our Friends on this side of this honourable House cannot have it both ways. They cannot want to make political hay over price increases yet come to this very House and propose inherently inflationary measures. For us to acquiesce to such measures would be the height of irresponsibility.

Another proposed amendment with which we will fundamentally disagree is that which seeks to restrict local content to people who are Guyanese by birth only. The Hon. Attorney General alluded to the unconstitutionality of these provisions. We have a fundamental difference in principles with our Friends on the other side on this matter as it would create a moral quagmire that a second class of citizen... and, indeed, it would literally create second class citizens, something which our Government committed... as we are to inclusiveness, are unable to countenance much less support. In passing, some of my other Colleagues noted, on other occasions, that sometimes we get the feeling that the Opposition would like us to pretend that the years 2015 to 2020 simply never happened. We hear, for example, that the immigration laws are loose and there are possibilities of corrupt practices in the naturalisation process. This is coming to us from a party which created an entirely dedicated ministry for citizenship and operated it for five years. Now, you are indicting your own system. It is difficult to square that history with the present claim that we have systems so weak, and to such an extent, that it merits creating second class citizenship which will have the effect of excluding some Guyanese from participating in our economy.

As I close, I wish to remind the Members on the other side and, indeed, all Guyana that the first announcement of finding high-quality oil in commercial quantities offshore Guyana was made on 20<sup>th</sup> May, 2015, a mere four days into the term of the Office of the APNU/AFC Coalition; four days, Mr. Speaker, four days. But, if you listen to our Friends on the other side of this House, you would be excused for thinking that announcement was made four years after, leaving them with no time to do anything about it. The reality is that, after that signal announcement was made known to Guyana and the world, the Coalition had an entire five years and then some. Those were years in which, if they were really serious and committed to the development of the people, they had ample time and opportunity to do something about it. In those five years, we heard a lot of talk about local content. We saw no action and no implementation because there was no commitment from those who now cry tears for local content. We, on the other hand, have brought this Bill to this floor of this Assembly well within two years of coming into Office – 16 months, in fact. Within 16 months of coming into Office, we have moved, enshrined to law, the right of participation for all Guyanese in this oil and gas economy. I wish to repeat that our commitment to be enshrined in law is for the right of participation to be conferred on all Guyanese. This is best

exemplified by the obligation in the Second Schedule of the Bill, which mandates companies to ensure, and I quote:

“equal treatment and opportunity be afforded to all Guyanese nationals irrespective of race, political opinions, colour, creed, age, disability, marital status, sex, gender, language, birth, social class, pregnancy, religion, conscience, belief or culture or geographical location in Guyana”

There is no doubt that our commitment is to all Guyana. Those who doubt our commitment to ‘One Guyana’ need look no further than the provisions of this Bill. And, if in doubt about the alternative on offer, they can scour the *Hansard* to see what commitment to local content was offered by our Friends, on the other side, in the five years they occupied the Government benches.

Mr. Speaker, I am conscious of the weight of responsibility that is on all of our shoulders with the advent of this historic and momentous Bill. I support it, wholeheartedly, and I recommend it, unreservedly, to this honourable House. I thank you. [*Applause.*]

**Mr. Speaker:** Thank you, Hon. Minister. I now call on Hon. Member Mr. Shurwayne Holder to make his contribution.

**Mr. Holder:** Mr. Speaker, I would like to first extend season’s greetings to my Colleagues in Parliament and to all Guyanese. I trust that the season brought joy to the hearts of many, notwithstanding the economic and other pressures endured by the population at the hands of this PPP/C Government.

Over the last decade, the issue of local content has become the epicentre of focus and debate in all extractive industries, more so in the oil and gas industry. Most countries in the modern era are enacting laws to make mandatory for all stakeholders... It has become a very critical issue, due to the fact that, in today’s commercialised society, every country wants its citizens to capture commanding heights of its economy, thus assisting to keep its wealth within its borders, while providing much needed employment. For poor, developing countries like Guyana, it is even more critical. Before the discovery of oil, the local industries were the drivers of economic activity and development. However, with a population of just over 750,000, and with bountiful resources at our disposal, our country remains underdeveloped. We are yet to attain the minimum level of development that would eradicate poverty and raise the standard of living for all Guyanese to an acceptable standard.

It is in this context that the Guyanese people expect that their Government, Opposition, and all stakeholders work in unison to ensure that there is rapid growth and development executed in such a way that allows for the lives of the poor and vulnerable to be elevated in an equitable manner.

As a responsible Guyanese elected to represent the interest of all Guyanese, and as the alternative Government, the APNU/AFC Coalition will support, in principle, any legislation that is intended to improve the lives of Guyanese. When there is a Government that shows contempt for the Guyanese people, attempting to shove an important piece of legislation down our throats without any proper consultation – in fact, none whatsoever with the Opposition, which is supported by more than half of this nation – then there will be conflict. There will be conflict. We will robustly oppose any attempt to control and dominate the Parliament and to any contemptuous behaviour drawn on the Guyanese people by this dictatorial Government. I do not believe that the Guyanese people are surprised with anything this Government does anymore. In fact, I believe that the public is just disgusted with their exceptional level of poor governance.

2.44 p.m.

We are heading into a full-fledged dictatorship here in the Parliament, which is a pillar of democracy. They brought this and several other important Bills to the National Assembly to pass into law after tabling it less than two weeks ago, forcing it into law by way of their one-seat majority. We do recognise the departure of Cde. Shuman. That cannot be the democracy the PPP/C so often pretends to champion. The PPP/C claims to be democratic at elections time but, when it gets into Office, its *modus operandi* is one of domination and control of every aspect of governance. I believe that democracy and good governance eludes the PPP/C and should not be spoken of by them. I say to the Guyanese people that this attempt to hurriedly and callously force this Bill through the Parliament, without proper consultation, opens the flood gates for corruption and a lack of transparency. In fact, it is undemocratic and does great injustice to what the Guyanese people want and what should be achieved by any local content legislation.

When one looks at the Bill, one gets the impression that it was hurriedly put together with no real abstract reasoning. It comes over as a copy and paste document. It ignores our specific situation in Guyana and the need for transparency and accountability. It is against this backdrop, the alternative

government, the APNU/AFC, proposed a slew of amendments to this broken Bill. It recommends that this Bill be sent to a special select committee so as to provide for greater scrutiny and input from not only the Parliamentary Opposition but, more importantly, civil society and the general public at large. This oil does not belong to the PPP/C. It belongs to the Guyanese people and, as such, they are the ones who must be allowed to determine how they must benefit from it.

I want to look at some specific clauses in this Bill. When one looks at clause 6 (1)... Hon. Member, Mr. McCoy, look at clause 6 (1) and you will see that it is evident that the PPP/C has no interest in transparency and accountability. Just look at it. In fact, if they did, then they would have looked at international standards, especially those obtained in countries like Norway, which has extremely good local content policies with very robust measures. It is then that the PPP/C would have understood why it is absolutely necessary to publish the local content register – transparency, and accountability. If they were interested in transparency and accountability they would have placed a timeframe for companies to receive their certificate of registration after they applied as stated in clause 6 (2). I dare say that the PPP/C is not interested in promoting and protecting the interest of the Guyanese people, but, rather, in the interest of big companies, their friends, and their own pockets.

Clause 13 (2) allows the contractor or subcontractor to merely notify the secretariat of entering into a proposed contract. They can then proceed to use exempt percentages in the First Schedule to enter into lifelong contracts, thus short-changing the local providers of good and services. The PPP/C wants to escape scrutiny in every instance but, at the same time, try to hoodwink the Guyanese people by making provisions in the Bill for an inter-agency advisory committee. They make the claims of having an independent body advising them. When one examines clauses 21 to 24, which describes the methodology used for the composition of that committee, it clearly shows that every member of the committee will be handpicked by the President, from who chairs that committee right down. To make matters worse, at clause 9, it gives the President eight different reasons to remove any member of that committee. I am reading what was put to this National Assembly and not what was hurriedly put this morning and submitted to this National Assembly.

Given the behaviour of the PPP/C over the last year, especially in the case of their assault on constitutional bodies like the Police Service Commission (PSC) where there was

an arbitrary dismissal of the Chairman, one has to be naïve to even entertain the thought that the PPP/C would hesitate to remove anyone who opposed them or share a different view. In the case of the amendments to the Natural Resources Fund Bill, for example, where oversight, transparency and accountability is even more critical, the PPP/C is doing the same thing as it is doing here with this Bill. While the PPP/C makes the claim that there would be a board of directors to exercise oversight of the fund, when one examines that Bill carefully, one will recognise that the intent of the PPP/C is to table a legislation in such a manner that allows them to select who will be the members of the board and simply determine its composition. This obviously, along with other clause in that Bill, allows for the PPP/C to withdraw whatever amounts of moneys they desire for whatever reason they determine, essentially pillaging and plundering our oil money, the people's money.

This presentation is on local content and the benefits the Guyanese people deserve. But, it does not mean I cannot draw reference to the other Bills. There are numerous other deficiencies in this Bill, too much to mention. For example, if one looks at clause 18, it allows for the secretariat to submit a detailed report evaluating the local content activities and achievements or nonachievements of contractors, subcontractors, *et cetera*. However, instead of the Minister tabling this report, clause 18 [**Mr. McCoy:** You did not read the Bill.] Yes, I have read the Bill. I read the Bill! I read the Bill! Clause 18 (3) allows the Minister to submit his or her own tailored report. If the words 'cause a report' is replaced with 'cause the report', then he or she will have no choice but to table it. That is the deceptive ways of this PPP/C Administration.

Clause 8 and 10 speaks to the submission of a annual plan within 60 days and a five-year local content master plan within four months, respectively. After the agreement is made between the Government and the contractor, should the... [**Mr. McCoy:** *(Inaudible)*] Listen. Should the annual plan, at minimum, not be submitted at, what I would call, the procurement stage before any agreement is made? Should the contractor not have his plan presented to you before? Some Members on the opposite side clearly do not know what they are talking about. This Bill was hurriedly prepared.

It is evident. Another example of the callous way in which this Bill was crafted is in clause 17 (1). The contractor is required to submit performance reports within 45 days of the commencement of the calendar year. [**An. Hon. Member:** *(Inaudible)*] Just listen, my Friend. So, again, you can end up

with a new contractor submitting a report before he or she submits any local content plan. It is nonsensical.

Another major observation is that this Bill does not, in any form or fashion, seek to empower our Indigenous people or similar vulnerable groups. This, to my mind, is shocking and appalling. The PPP/C took over from the APNU/AFC Coalition. The APNU/AFC's key agenda was to bridge the gap between the hinterland and the coastland. This PPP/C Government is showing them scant disregard. The Indigenous people and their representatives must sound their voices and their disapproval of this.

In concluding, I would describe this Bill as wholly deficient and say that it would not present the best opportunities for our people. Moreso, in its current form, it sets the foundation for a lack of proper oversight, corruption and discrimination. I want to make this very clear to the Members on the opposite side. I am not prepared, and the APNU/AFC is not prepared to accept this contempt that the PPP/C continues to show for the Guyanese people. We demand that this Bill be sent to a special select committee where it can be properly and completely interrogated, and where a proper Bill, which will satisfy and represent the will of the Guyanese people, can emerge. I thank you. *[Applause]*

2.59 p.m.

**Mr. Speaker:** Thank you, Hon. Member. We would now invite the Deputy Speaker to make his contribution.

**Deputy Speaker [Mr. Shuman]:** Mr. Speaker, can you hear me?

**Mr. Speaker:** Go Ahead Hon. Deputy Speaker.

**Mr. Shuman:** My apologies Sir, a little bit of connectivity issues. Mr. Speaker, first let me thank you for this opportunity to add my voice to this debate on such an important topic. I do not intend on being long nor long winded, as I think much could be said with very little. First, I wish to commend the Government on bringing this Bill to the House, even though five years late and overdue, it is commendable, and I see it as a huge positive to national development. I start my presentation in the preamble of the *Constitution of Cooperative Republic of Guyana* that states:

“Value the special place in our nation of the Indigenous Peoples and recognise their right as citizens to land and security and to their promulgation of policies for their communities;”

I read this in conjunction with articles 14 and 15 of the said Constitution. At this juncture, I must express my dissatisfaction with its lack of inclusion of Indigenous Peoples, our previously provided inputs into this important piece of legislation that were not taken on board. I sincerely hope that this is only an oversight and not a deliberate act. One must look at not only consultations, but meaningful consultations. For what seems like an eternity, Indigenous Peoples have struggled and continue to struggle to become part of any mainstream economic model in Guyana. The procurement system, by design, is prohibited to us entering the public system to undertake tax funded works in our very own communities. In many cases, labour in Indigenous communities is exploitive and operate at basement levels in terms of treatment and real dollar value. For example, Kato Secondary School, or any school built in any Indigenous community for that matter, at an estimated cost of roughly \$1.3 billion to build a school, the surrounding communities saw less than \$20 million circulated in their respective economies. Such a massive amount with so little contribution to the local economy. There was little done to build capacity in the community, giving them an opportunity to undertake contracts of their own. There is a bridge still under construction in Paramakatoi, where around eight cement posts were left erected for years with the bridge incomplete. The school fence in our community is falling apart in a mere three years after being put up. Sand from our community was used in a tune of over \$11 million by a contractor and the village did not get a cent.

Pick any community and we see the examples of poor workmanship, exploitation and communities that are struggling to deal with it. The villagers cannot take pride in these works because they were never meaningfully engaged in these developments, and all given to coastland contractors who go into these communities, exploit their resources and labour, and leave the communities to struggle when they are gone. To us, a local content law should be comprehensive and inclusive. It must take into consideration that Indigenous peoples are already marginalised and are not actively participating in the oil and gas sector, and, therefore, make provisions for their alternative livelihoods. The International Labour Convention (ILO) 169, which Guyana has not yet ratified on Indigenous and tribal peoples, and the United Nations (UN) Declaration on the Rights of Indigenous Peoples Free Prior and Informed Consent recognises various fundamental rights of Indigenous Peoples. The ethnic concept has been adopted by international finance corporations and other international entities.

The output of such a process is typically an impact and benefit agreement or a community development agreement. When Indigenous communities have a right to negotiate with companies based on the principal of the ethnic, agreements tend to include commitments to local Indigenous content, training and enterprise development options at haste. Take for example, many Indigenous communities live on the margins of poverty, and are excluded from bidding on projects because they do not have access to the requisite information, the opportunity to be trained in the process, and the Procurement Act does not define their roles in their own development. Rather, it leaves predominantly people on the coast access to bidding on work in Indigenous communities that community members are perfectly capable of doing. Guyana is [*inaudible*] with examples such as schools, roads, bridges, airstrips and even down to washrooms.

The Local Content Policy (LCP) should be an instrument to drive change in the Procurement Act to permit Indigenous communities first preference in bidding on works and projects in and adjacent to their communities. This will help with the intellectual capacity and economic empowerment of Indigenous peoples and their communities. It would also transform communities as they start to build local capacity and could work as lead-ins to them engaging in the oil and gas sector. Alternatively, in the immediate transitional period, the LCP should define that over 75% of the labour force, and, where possible, 51% of projects by value must go to respective communities. Where necessary, all materials should be sourced locally and just as importantly, paid for.

Historically, communities see their assets such as lumber, loam, rocks, clay and water being used without the appropriate finances for these projects being transferred or paid to the communities. Further, it would show some prudence in Government's economic inclusivity to designate a predetermined percentage, possibly 11% representative of their population, of works to Indigenous peoples to help as they are decades behind the coast in terms of intellectual and economic growth. When we build it, we take pride in taking care of it and could hold our own accountable. The benefits to the Indigenous community from addressing local content at an organic level, creates the regime that would see communities move from survive to thrive.

Local content should be looked at not only in the macroeconomic nature of such a law, but also the microeconomic drivers of strong, sustainable, village economies. I have heard that the Local Content Bill No. 21 of 2021 is a dynamic and evolving Bill. I was told that the

Constitution is also dynamic and evolving, but look at the process to have this revised. The Amerindian Act No. 6 of 2006 is also an evolving document but look at the battle to even have it addressed. We have an opportunity to ensure that Indigenous peoples are looked at in a more meaningful way, not only through the lens of the oil and gas sector, but through the lens of development, intellectual and economic growth, diversity, and sustainability as we prepare for the future needs of the country. I recently read that Guyana and Suriname will be oil producers for the next 100 years. For Indigenous peoples to participate in that industry it would require tremendous growth, investment and capacity building, and it is important that the Local Content Bill No. 21 of 2021 takes that into consideration in recognition of what the preamble of the Constitution states. I further lay before this honourable House, article 149 (6) of the Constitution which reads:

“Nothing contained in or done under the authority of any law shall be held to be inconsistent with or in contravention of this article to the extent that the law in question makes provision-

...for the protection, wellbeing and advancement of the Amerindians of Guyana.”

This begs the question, where in this proposed law is the advancement of the Indigenous peoples cradled? That the National Toshias Council (NTC) was recently listed to a party, to a schedule, is quite remarkable, but we have seen what was done with the NTC's nominee on the Law reform Commission and the seriousness with which the NTC was taken on that one. One could only hope that these symbolic gestures are not hallowed. I am aware that the Government is cautious about not cooling the economy and hamstringing foreign investment, I get that. However, it is critical that Indigenous communities are included in any bill that has a direct impact on our communities and our livelihoods, and I ask that after this Bill is passed, and I know it will, that the Government takes urgent steps to include Indigenous peoples in a meaningful way in this important piece of legislation, and that they set a timeframe for such a review. I compliment and commend the Government for putting forward this Bill, and I look forward to the rest of the debates. Thank you. [*Applause*]

**Ms. Ferguson:** Mr. Speaker, I trust that you and your family and, also, Members of this honourable House had an enjoyable holiday season. Most importantly, we know what the season represents, it is all about Jesus Christ, Amen.

I do not intend to be long because I think my Colleagues who came before me did an excellent job in putting forward the position of the Opposition. However, I rise this afternoon to add my voice and contribute to the Local Content Bill No. 21 of 2021, tabled in the National Assembly. The legislation or the Bill is timely to ensure that Guyanese benefit and their rights are protected regarding the petroleum industry. The enactment of such legislation should not only be narrowed to the petroleum industry, and you would have heard several of my Colleagues made reference to that, and also the Deputy Speaker, not so long ago.

3.14 p.m.

It should also cater for other areas. I know that the Hon. Member, earlier, in his presentation and Colleagues coming after him on that side of the House, did make reference to the document being a work-in-progress. There have been many talks of consultations not being done. We have before us here a draft piece of Bill. However, unfortunately, I must underscore that the main Parliamentary Opposition was not afforded the opportunity to participate in the consultation process during the putting together of this piece of document. Earlier in the day, we were all lectured in this honourable House that the David Granger led Administration or the A Partnership for National Unity/Alliance For Change (APNU/AFC) – the Coalition Government did absolutely nothing to ensure that a local content bill was brought before this honourable House. May I remind this honourable House that, when we came into Government in May, 2015, Mr. Speaker, we eventually discovered oil. There was no legislation in place or policy in place. What the David Granger led Administration did was to commence working on ensuring a complete Energy or Petroleum Policy when it came to the oil here in Guyana. We must be able to give credit where credit ought to be given. [Mr. McCoy: That was a magazine.] Whether it is a magazine or whatever, however you want to describe it, it is a policy.

Cde. Speaker, I also want to let you know that, despite the Coalition Government devising a policy, I know for a fact, and like many other Guyanese who are unaware of the Local Content Bill being debated here today... We heard of the 180 agencies that were actually consulted during the consultation process in March, 2021. We had speakers coming just before myself and other Colleagues from the opposite side of the House, but they were not as brave enough as me to stand before this honourable House and, like many Guyanese on social media, to show us what your local policy looks like. I also want to say that, in this Local Content Policy of the

Coalition Government, I know for a fact that there are many principles and there are three sections of this Policy. Section I speaks about the 'Introduction'; Section II speaks about the 'Policy Context', its 'Objectives and Principles'; Section III speaks about the 'Policy Implementation'. I challenge any one of them across the aisle to say to me – in putting together your Policy or your Bill, whether you were able to use something from this APNU/AFC Policy. We lead and you follow.

I came across this piece of information that I found interesting and which I am willing to share with my Colleagues in this honourable House. It is a case of the Oil and Gas Industry in Ghana which is the Wider Working Paper 2018/152 from the United Nations University (Unu-Wider), authored by Charles Ackah and Asaah S. Mohammed, dated December, 2018. This is what they had to say:

“Local content and local participation policy and legislation have come to stay in Ghana’s oil and gas industry. The policy and legislation have been described largely as adequate, promising, and necessary to promote local content and local participation in the oil and gas industry.

Implementation of the policy and legislation has, however, produced mixed results, according to industry stakeholders and researchers. Evidence on the ground suggests some level of compliance ....”

[Mr. McCoy: (Inaudible)] Probably I am attending your funeral.

“...by international oil companies to implement the policy and legislation on local content. Some Ghanaian companies have been awarded contracts to provide essential services and goods to these companies during exploration and production.

Several factors, however, militate against effective implementation of the policy and legislation. Notable among these are the low capacity of local firms, discrimination against local firms by international oil companies through vertical integration, and the weak regulatory capacity of the Petroleum Commission to enforce local content implementation.

Vigorous capacity building of local firms, affirmative actions for local firms and employees, and legislative reviews are recommended to enhance the

implementation of local content and local participation in Ghana's oil and gas industry.”

Let me clarify for the record. When the Coalition Government ascended to Office in 2015, I made that point earlier, and oil was discovered and announced, there was an evident absence of both legislations to address local content and the Natural Resources Fund. However, in the interest of the people, the Coalition Government commenced working on both documents, hence a comprehensive policy on Guyana Petroleum Sector Local Content Policy was completed and presented in January, 2020. I just shared with you the various Sections contained in this Policy. In the National Assembly, we cannot compare or contrast the Coalition's Local Content Policy with what the People's Progressive Party/Civic (PPP/C) Regime claimed to have done sometime in March, 2021. The Ministry of Natural Resources claims to have consulted with one 180 agencies, under the signature of the Technical Assistant to the Minister. Nevertheless, today we have before us in this National Assembly, Bill 21 of 2021 to debate, without being afforded courtesy copies of the Policy on Local Content done by the Regime to conduct an analysis and assessment of whether the document has met the litmus test.

Mr. Speaker, I will be bold and unapologetic. This Bill, No. 21 of 2021 lacks pertinent and critical elements, such as how training ought to be done, and methods of procurement of items and supplies. My Colleague, the Hon. Member Patterson, who raised this issue, the Centre for Local Business Development, when enacted, what role will it be playing? Therefore, in my view it gives the Minister, whoever he or she is or will be, full powers to be the final arbitrator from employment through to review and approving of all documents to be submitted by contractors, subcontractors and licensee. Therefore, the Hon. Minister will be operating as a Chief Executive Officer (CEO) just as he is currently doing, busy in the affairs of the Ministry's day-to-day operations.

I would now like to turn my attention to the actual Bill before us. I would want to specifically look at Part II of the Bill. Part II, Section 4, which speaks to the Duties of the Minister, this is what it states here:

“The duties of the Minister shall include –

- (a) the approval or refusal, after consultation with the Secretariat, of a Local Content Master Plan and a Local Content Annual Plan, or modifications to an approved Local Content Master Plan or Local Content Annual Plan”.

This goes right through to Section (g). The point I want to make here is – I have concerns. Why is it that the Minister will be responsible for the hiring of the Director and all the other Members to complement the Secretariat? Why is it that the Minister will be involved in probably reviewing or assessing work plans submitted by contractors and subcontractors? I do believe that this is total dictatorship. What should happen as recommended by our team here, is that a committee be established where that body will be vested with all the powers to ensure that the staff, whether it is the Director and all the other staff, are employed in the Secretariat.

Again, Section 5 of the Bill speaks to the Local Content Secretariat. As I said before this is too much power rested in the hands of the Minister.

Section 5 (3) states:

“The Minister may employ such persons as are necessary for the purpose of carrying out the functions of the Secretariat at a remuneration and on such terms and conditions as the Minister shall determine”.

There is where I have a problem, Sir. This is more administrative work than policy work. Again, I would like to recommend that these duties be vested in the hands of, whether an inter-agency committee or some local content committee. I also want to make a quick point here. The speaker before me, the Hon. Deputy Speaker, made reference to the Indigenous peoples not being a part of this Local Content Act. What I do know is, when the Coalition went into Government, despite us not having, whether a local content policy or a local content legislation, we at the Ministry of Public Infrastructure started to engage Indigenous communities – the leaders – on where the airstrips are, and we were able to ensure that they played a role in maintaining the airstrips within their communities. The other thing we were able to do, where local content is concerned is to go down into the Pomeroon River. There is a community called Ykinipe, known as Akawini. There was the PPP/C's side, and the perceived PNC's side.

3.29 p.m.

What did they do pre-May 2015 when they were in Government? They did the landing for the PPP/C side but the landing where the PNC supporters were, they discriminated against those people. What did we do as a Government? We engaged the communities. We were able to allow the

communities to source the materials from the communities and they were the very materials that were used to construct that – it is a very lengthy stelling – which caused the then Government over \$20 million. We made it possible through local content. Earlier we heard about Trinidad and Tobago and Suriname on their Natural Petroleum Bill. My research has proven that both Trinidad and Tobago and Suriname do not have local content legislation. What is guiding them right now is a local content policy. That is what they have. With you bringing a local content legislation or a bill, some 16 months into Government, Sir, this *does not smell good*. It does not augur well for the ‘small man’ who has a business. It does not augur well for the small contractors and I can go on and on.

Cde. Speaker, in the interest of time, I will now wrap up my presentation and to say to you, as I prepare to close my submission, I do so knowing that in good faith and as a servant leader to the 218,000 persons the Guyana Elections Commission (GECOM) gave to the Coalition Opposition, I cannot endorse nor support this piece of legislation in its current construct. It does not truly represent the ordinary Guyanese who ply their trade in the busy downtown Georgetown, who have cottage industries in their communities. No representation of what and how Guyanese in the rural communities will benefit. What mechanism does the Government have in place for assisting Guyanese in their quest to be *part and parcel* of the oil and gas industry? I, however, join with my Colleagues on this side of the House in recommending the Local Content Bill No. 21 of 2021 to a special select committee for further consultation with the Opposition and other individuals or stakeholder bodies for their participation and inclusion. Mr. Speaker, I rest my case. Thank you very much. [*Applause*]

**Senior Minister in the Office of the President with Responsibility for Finance [Dr. Singh]:** I rise to offer my own voice of support to my distinguished Colleague, the Hon. Minister of Natural Resources and others on this side of the House, who have, thus far, spoken in favour of and commended to the House, the Local Content Bill 2021, Bill No. 21 of 2021. I do believe that we had, and perhaps still have, an almost unique opportunity today as a legislature to put Guyana and the Guyanese people first. Essentially, that is what this Local Content Bill seeks to do.

Just so that we all are on the same page, this Bill seeks to secure for Guyanese nationals, Guyanese companies and other corporate entities, a minimum level of business across various categories of inputs to be procured or otherwise

employed by companies, licensees and contractors operating in the oil and gas sector. For the benefit of the broader and general Guyanese public, the Bill lists in its First Schedule 40 categories – 40 sectors and sub-sectors – of business activities starting from rental of office space, accommodation services, equipment rentals, pipe welding, *et cetera*, all the way down to local marketing and advertising services – public relations. For each of those categories of goods and services, for each of those sectors and subsectors, the Bill stipulates that by the end of 2022, all licensees, operators, contractors operating in the oil and gas sector must be buying a minimum percentage and the percentages are listed. In the case of rental of office space operators in the oil and gas sector must buy a minimum of 90% of their inputs under that category from Guyanese nationals and Guyanese companies.

Sir, you may ask why I belabour this point? One may be forgiven for thinking that this is an obvious point. Why would I utilise my scarce minutes to explain that this is what this Bill seeks to do? I do so for the following simple reason... We can quibble whether Government and stakeholders, or Government and Opposition, or whoever else. We can quibble about whether it should be 90 or 95, or 95 or 100. We can quibble about whether it should be 5 or 10, but, for every day that we quibble, oil and gas companies operating in Guyana are procuring goods and services without the obligation to procure those goods and services from Guyanese businesses. One cannot possibly, in good conscience, with a straight face and a credible voice, come to this House and say one is concerned about Guyanese nationals and Guyanese companies getting business from the oil and gas sector, but then, simultaneously, engage in every tactic and strategy that one possibly can in delaying the enactment of this Bill. The two do not go together. Do you know why? Even if this Bill went to a special select committee and came out of that committee after a month, during the course of that month oil and gas companies would have rented office spaces, they would have purchased accommodation services, they would have done surveying, they would have done pipe welding, they would have done local marketing and advertising, they would have procured local legal services, they would have procured accounting services and Guyanese companies and Guyanese nationals would have missed out on those opportunities. [**Mr. Holder:** (*Inaudible*)].

As a matter of fact, I heard commentary that we did this hurriedly. I heard someone say... I think it was the Hon. Member – newly elected Chairman of the People’s National Congress, the Hon. Member, Mr. Shurwayne Holder – who



came here and almost in an accusatory tone said that we did it in a hurry. Do you know what? Yes. We did it in a hurry. We would like to get it into the law in a hurry because we want Guyanese landlords to be able to rent their accommodations. We want Guyanese welders to be able to get welding businesses. We want Guyanese accounting firms to get accounting business. We want Guyanese lawyers to get legal business. So, yes, we did it in a hurry.

Of course, Sir, the concept of moving swiftly to enact legislation that would secure the interests of Guyanese companies and Guyanese nationals must, of course, elude a party in Government who spent five years... I believe it was one of my Colleagues on this side of the House who said it was not... I think they counted how many days it was. I think it was Minister Walrond who said it. It was not five years after they came into Office that oil was discovered. It was mere days. I think it was less than a week. **[Bishop Edghill: It was four days.]** I think it was four days. They spent five years and did absolutely nothing. Someone said it was a magazine that the Hon. Member Annette Ferguson was waving. I do not know whether it was a magazine or not. I would be interested in seeing a copy of what was produced. The Hon. Member Annette Ferguson waved a piece of paper and said we had a policy. **[Mr. McCoy: A magazine.]** A magazine or a brochure or a booklet. A booklet. A beautifully printed booklet but guess what? It did not have... **[Ms. Ferguson: (Inaudible)].** Whatever it is and whatever its contents may be it did not have the force of law. It had no authority. It was unenforceable and it did not protect the interest of Guyanese businesses and Guyanese nationals. Do not come to this House and wave your sterile magazine. Do not come to this House and wave your sterile magazine that had not a shred of authority and that is perhaps, not even worth the paper that it is printed on. Do not come and wave your sterile piece of paper. Would you like to see our policy? Our policy is written in law. In another hour or two it will be enacted by this National Assembly and in a matter of days will be assented to by His Excellency, the President. Immediately thereafter, it will be gazetted in the National Assembly, brought into law, made operational, have the force of legal authority, be binding on operators and be beneficial to Guyanese nationals and Guyanese companies. Do not come here and speak condignly that we are in a hurry. We are in a hurry to work in the interest of Guyanese people.

3.44 p.m.

Sir, this was not the moment. Frankly speaking, it would not have been difficult for us to speak unanimously, as a House,

and say, look it might be 90% or 95%, but if we are going to get 90%, let us secure the 90% for Guyanese businesses. It would not have been difficult to say so. Today was not the moment for cheap, partisan politics. Today was the moment for each of us to stand up and demonstrate to the world whether we do or do not stand on the side of Guyanese people, Guyanese nationals and Guyanese companies. The Hon. Member, Mr. Patterson, spoke with great aplomb, and he said that he would like this Bill to be referred to a special select committee. With aplomb, the Hon. Member then said that they are willing to work 24/7. We had an agreed meeting at 9.30 a.m. this morning. Do not bother about 24/7; bother about 9.30 a.m. this morning. We do not want 24/7. We only needed half of an hour this morning to discuss his amendments. We had a half of an hour meeting this morning, confirmed by the Hon. Minister, Ms. Teixeira, with the Hon. Leader of the Opposition for 9.30 a.m. There are some speculations about whether the newly elected leader of the People's National Congress/Reform (PNC/R) instructed that the meeting should not happen. I do not know whether that was the case or not.

**Mr. Speaker:** Hon. Minister, he is not here to defend himself.

**Dr. Singh:** I withdraw that, Sir.

**Mr. Speaker:** Thank you, Hon. Member.

**Dr. Singh:** It was not by any stretch of imagination my intention to be accusatory. I was saying I do not know if he did or did not.

**Mr. Speaker:** He might be soon though, who knows.

**Dr. Singh:** Sir, I would not be inclined to speculate on whether he would or would not. My concern is that there is an Hon. Member of this House coming here and grandstanding about 24/7 and all sorts of dramatic things. All we needed was half of an hour. Do you know what we wanted that half of an hour to do? It was to discuss their amendments. It was not to discuss our amendments. We received, yesterday, notice of some amendments proposed by the Opposition. We went through those amendments, diligently, and worked until late last night, as the Hon. Attorney General said. We examined each of them. As can be demonstrated by the amendments that we have since tabled through my distinguished Colleague, Hon. Minister Bharrat, having considered the merits of their amendments, we were happy to take to onboard most of those amendments. We have tabled those amendments. Instead of engaging with us to discuss

those amendments, we were greeted with an Opposition that, once again, when it mattered most, was missing in action. When it comes to protecting and serving the interest of the people of Guyana, that is their customary behaviour; they go AWOL – Absent Without Leave. They go missing in action. They were missing in action. I know that we are severely constrained for time. There is much that I would like to say. I want simply to make this point. This Bill seeks to write into law that oil companies, licensees, as the Bill calls them, and their contractors...this law binds those operators, licensees and their contractors to buy a minimum percentage of their inputs across 40 sectors from Guyanese companies and Guyanese nationals. That could only, in my mind, be a good thing. Sir, I saw you give me a signal about time. Was it five or 15 minutes I saw?

**Mr. Speaker:** [*Inaudible*]

**Dr. Singh:** Very well, Sir. Much was said about transparency. Let me make something clear. Something apparently is lost in translation. This Bill is about procurement by the oil companies. It requires, for the first time, mandatory public procurement. It requires mandatory filing of local content action plans and local content annual plans that include an employment sub-plan and a procurement sub-plan. An employment sub-plan, incidentally, is about jobs for Guyanese people. A procurement sub-plan is about business opportunities for Guyanese people. Then, regarding an issue that featured frequently in the comments made by some of our Colleagues on the other side of House, about capacity by Guyanese companies to take advantage of these opportunities, the plans required to be filed by these companies include a sub-plan that is dedicated to local capacity development, in recognition of the importance of building local capacity.

Like I said earlier, this was not the moment for empty rhetoric. I heard the Hon. Member, Mr. Shuman, refer to the participation by our Indigenous Peoples. We could not have agreed more. We agreed as fully as we possibly could. My submission is that this Bill had been circulated before this House for about two weeks. It has been in the public domain. The Hon. Members clearly had the time to reflect on what amendments they wanted. They submitted a list of amendments. I did not see the Hon. Member, Mr. Shuman, submit any amendments to include Indigenous Peoples in this Bill. I do not see a single amendment submitted by the Hon. Member, Mr. Shuman, for Indigenous Peoples. Let Mr. Shuman say that he had an opportunity, today, to table specific amendments, just like the Hon. Member, Mr. David

Patterson, did. Just as we considered his amendments...If the Hon. Member, Mr. Shuman, was sincere about serving and representing the interest of Indigenous Peoples, he was welcome to submit specific amendments, which he did not do. Instead, the Hon. Member chose to come today and engage in a general waffle with no concrete or practical suggestions of how this Bill could be enhanced. That is the note on which I would end. There is a well-known saying that has its origins in the writings of a French philosopher. I will not say it in French. I will say it in English. That is to say that we should not let the perfect be the enemy of the good.

We have a Bill that represents not only a good start but an excellent start. This Bill represents an excellent start. This Bill will secure business opportunities for Guyanese nationals and Guyanese businesses. Instead of supporting this Bill, our Friends on that side of the House are saying, do not pass the Bill, stall it; we are not satisfied. They are not satisfied with the five-year delay that they inflicted on the people of Guyana. They are not satisfied with the five-year delay occasioned by their failure to enact local content legislation. They wanted to stall this very good, dare I say, this excellent Bill even longer, in pursuit of some notional perfection that they believe exists out there. I submit to you, Sir, this represents a classic case of the perfect being made the enemy of the good.

**Mr. Shuman:** Mr. Speaker, I rise on a Point of Order.

**Mr. Speaker:** What is the Point of Order, Hon. Member?

**Mr. Shuman:** The Hon. Minister is putting my character in disrepute by stating that I... I will refer the Hon. Minister to the comments furnished, on draft number one, to the Hon. Minister, Mr. Vickram Bharrat.

**Mr. Speaker:** Hon. Member, again, just repeat the Point of Order. If it is a Point of Clarification or explanation, unless the Hon. Minister gives way for you to take the floor, I would not allow it.

**Dr. Singh:** Mr. Speaker, I have absolutely no problem with Mr. Shuman making his point. Please be my guest.

**Mr. Speaker:** Hon. Deputy Speaker, the Hon. Minister will give you a chance to speak.

**Mr. Shuman:** I thank the Hon. Minister for the opportunity to speak. I wish to refer the Hon. Minister to draft one of the Local Content Policy. When it was furnished, we provided a comprehensive review to the Hon. Minister, Mr. Vickram Bharrat, who, at the time, was responsible for the Bill. I

would refer the Hon. Minister, if there is an opportunity to look at the input that we had, to go back to that initial draft to contextualise my input into this debate. I thank you.

**Mr. Speaker:** Hon. Minister, I will give you back your two minutes to conclude.

**Dr. Singh:** Sir, I will use those two minutes to repeat what I said earlier. If the Hon. Member, Mr. Shuman, Deputy Speaker, wished to submit a specific amendment to this Bill, as it related to the interest of Indigenous Peoples, he was perfectly free to do so. I have perused and I have tumbled, my parliamentary papers, not once but twice, and I cannot find any amendments proposed by Mr. Shuman. This is mere grandstanding and empty rhetoric. This is mere posing. [**An Hon. Member:** He is *pampazetting*.] I heard the word *pampazetting*. It is a word I have used in this House before. I do not want to overuse it. This is mere posing.

I will conclude, as I was about to do, by saying, once again, that we have before us not just a good, but an excellent piece of legislation that serves and secures the interest of Guyanese nationals and Guyanese companies. I urge the Opposition to demonstrate that they are actually concerned about ensuring that Guyanese nationals and Guyanese companies get an optimal share of the business opportunities and employment opportunities that are available in our new and emerging oil and gas sector. I urge them that there is yet time to demonstrate that they are standing on the side of the Guyanese people by voting, when the opportunity presents itself shortly, in favour of this Local Content Bill 2021. Thank you very much, Sir. [*Applause*]

**Mr. Speaker:** I now call on the Hon. Prime Minister, Brigadier (Ret'd) Phillips, to make his contribution.

**Prime Minister [Brigadier (Ret'd) Phillips]:** Mr. Speaker, I rise in support of Bill No. 21 of 2021 that was presented to this House by my Colleague, the Minister of Natural Resources, Mr. Vickram Bharrat. I do not want to read what is in here for everybody. Everyone should have read this Bill.

3.59 p.m.

Based on what I am hearing from the Opposition, there is need for them to re-read the Bill. This is a Bill long in the making. This is a Bill that should have been presented to this House, by my reckoning, sometime in 2015, because we discovered oil sometime in 2015, just before elections. [**Mr. Mahipaul:** When you all lost]. We lost those elections, but we won the last elections. That is the reason this Bill is now

being presented to the House. It is because we have an Opposition that was in Government but was marking time.

I could only go to their own former Minister's comment in an article in *Kaieteur News* two days ago. Before I do that, I would like to recall that, 2,000 years ago, a Roman poet by the name of Horace asked us to seize the day. From that statement remains one of oldest philosophical mottos in western history. I submit that we have an Opposition who failed to seize the day when they were in Government. I said and I say again that this Bill should have been presented to this House since 2015. The fact that you did not present this Bill, and the fact that you have come today to debate this Bill without reading it thoroughly is like *adding insult to injury* – self-inflicted injury to you, the Members of the Opposition. If I should go further, as I mentioned, two days ago, your own former Minister, the Hon. Carl Greenidge, in an article where he was interviewed, mentioned that *ad nauseam* he had asked the Granger Government to come up with a master plan for oil and gas. [**An Hon. Member:** (*Inaudible*)] Comrade, go and read the article. It is in yesterday's paper. If you go to the Minutes of their Cabinet meeting, you will see that, over and over again, he kept telling and advising his colleagues to come up with a master plan for oil and gas. Do you know what? He went on to say a few things. Perhaps, if I read this part, it describes the Opposition clearly. *Kaieteur News* dated 28<sup>th</sup> December, 2021 states:

“...you don't have a vision, you will go where a chaotic market takes you and where chaotic actors in the community take you.”

We have a situation where we have an Opposition who, when they were in Government, exhibited no vision for oil and gas. The companies were drilling, and they were finding oil. We had a Government that sat down from 2015...I do not know if I could say thumb or bum in the House Mr. Speaker. They sat on their hands, and they did nothing. No vision. [**Dr. Singh:** No, PM. They printed a magazine]. They printed a magazine. I am corrected... by my Hon. Colleague on the other side who showed the magazine. They printed a magazine. Now, we are told that the magazine was their policy on oil and gas. That was just a magazine for light reading with a glass of wine or a cup of coffee. That was the magazine for dreamers. That was a magazine for people who are visionless. The world kept turning, the oil kept pumping and they were dreaming and reading their magazines. Now, they have come in this House to tell us that the magazine was their policy.

This Bill, today, will become law and this will become policy. This would guide us in ensuring that the people of Guyana share in their patrimony and share in the resources that all of us have been long waiting for to transform our lives. We promised 50,000 jobs in our manifesto. This is an opportunity to help us create those 50,000 jobs for all the people of Guyana. This is an opportunity for all Guyanese to get into the business of oil and gas. The oil and gas is Guyana's oil and gas. It is Guyanese oil and gas. We must benefit. That is what this Bill is telling us. That is what this Bill is protecting for all the people of Guyana and promoting for all the people of Guyana. It is to get into the business of oil and gas and benefit from it. The time has come for us to take corrective action. All the people of Guyana are depending, quite rightly so, on us, the PPP/C Government, to take those corrective actions. Seize the day. This will be passed today. This will become law. This will promote business in Guyana for the people of Guyana to get involved in business and create employment for more of the people of Guyana.

I ask that Members of the Opposition reconsider their demand to send this Bill to a select committee and vote for this Bill today. This and the other Bill to come are the two pillars on which we will build the oil and gas master plan that your former Minister, quite rightly, spoke about. As mentioned before, we first discovered oil in 2015. We had first oil, the first production, in 2019. For you to come to this House, today, and ask us to send this to a select committee is *adding insult to the injury* that you have already caused yourselves. The people of Guyana want this Bill to be passed today.

I will end by asking us not to fail to seize the day and pass this Bill today. When the Local Content Bill is signed into law, the Minister of Natural Resources, I could assure you, would move swiftly, immediately, to set up and operationalise the local content secretariat. That secretariat will be responsible for the monitoring of the companies involved in the oil and gas sector to ensure their adherence to the local content law and to ensure that all Guyanese benefit from oil and gas as we know it. Thank you, Mr. Speaker. *[Applause]*

**Mr. Ramjattan:** I could not have seen better grandstanding than was exhibited just now by both Mr. Ashni Singh and our Hon. Prime Minister. I want to make a point that is well known across this country. This country has an extraordinarily polarised community. One thing that brings at least an element of diminishing that polarised status is an acceptance by the Government of that which is necessary in

this Parliament. That is, to allow the Opposition to bring its viewpoints in relation to this Bill in a special select committee. It is not an unprecedented thing. You were there, I think, Mr. Speaker, when it took three and a half years to get the Procurement Act. **[Bishop Edghill:** Is that what you want to do again?] No. By virtue of your admission as to the amendments, you are saying that the Bill has lacuna inside. Only half of a night and certain admissions are now being made that the Bill is not complete. You had Parliament, in a way, not being held for a number of months, and you just do not want to give another month in a parliamentary committee to ensure that which could have been overlooked be brought here. Obviously, you overlooked the amendments you endorsed. You did bring a Bill, as was mentioned by Mr. David Patterson, Hon. Member, on 15<sup>th</sup> December. This Bill, as mentioned by Ms. Oneidge Walrond, Hon. Member, is something transformational. I agree. It is a landmark Bill. Inside of the Christmas holiday, Boxing Day and everything, along with two other major Bills, you just allowed us 14 days. You want the Human Organ and Tissue Transplant Bill and Natural Resource Fund Bill, and you do not want those transformational Bills to at least be given an opportunity for purposes of being looked over to scrutinize that which we found in a very short space of time.

There are a lot of elements in this Bill, and some were mentioned by my Hon. Colleague, Mr. David Patterson. It is a Bill that is, by nature, going to discriminate in favour of our local Guyanese. It is important. We are not saying that we are objecting. What we are saying is that, obviously, there would have been things overlooked or explanations not given, especially to the Opposition. This is because one could read a Bill and one could understand it one way. What is done in a special select committee, and it will take a short time, is to explain some of these concepts, why the definitions did not include a number of other things, why operators are not inside, as was explained by the Attorney to be outside. It is important that we understand that. By virtue of that, we could then come here and have consensus and unanimity. Do you know what? They are saying and grandstanding of the highest order that they love the local Guyanese business community and the local service providers to the extent that nobody else in Guyana wants to love.

4.14 p.m.

It is something that is so shallow and empty. To say that we are quibbling and whilst quibbling, all the contracts are being awarded. What is that? Do you understand the politics of this country, by virtue of the Opposition not being there, in

relation to a consensus arrangement for a transformational Bill? Would it be wrong to just ask that it go into that select committee? They come here and say that we did not do anything for five years. We did a major policy. It is called Guyana's Sectoral Local Content Policy. [**An. Hon. Member:** (*Inaudible*)] Not from scratch. They did their Bill. I am absolutely certain that there is content here that came from the local content policy. [**Mr. Ramson:** There is nothing.] Please. The fact that you are talking about contractors and all those things, we have that here. Moreover, for this policy, a whole lot of people were consulted. Every relevant institution was consulted from all over the place. This included civil society organisations and all the oil and service companies – ExxonMobil Corporation, Guyana Oil Company Limited (GuyOil), Tullow, Totaltec Oilfield Services, Repsol, and everybody. It is important then to understand that... There is this habit of them saying that nothing happened. There was a Natural Resource Fund Act that was in accordance with the Norwegian... we will come to that. Nothing happened in the oil sector. There was a policy document. By the way, Trinidad and Tobago with 100 years of oil production did not have a bill or an act. They controlled it by virtue of what is called a policy statement. [**Ms. Manickchand:** It is superior.] I agree and we are saying that it is important that we have an act. We are saying, why not just allow us to have a period of time in a special select committee with a deadline date for it to be brought back here? This is so all that we managed to find during the holidays, knowing that you have five big Bills, we still can find some other things that we can put inside. That is all that we are asking for. It is fortunate that because of the signing of the production agreement, we are seeing all this happening here.

When the oil was found and a production agreement had to be made, there was one set of galivanting and *pampazetting* from the Opposition. They said they were going to renegotiate. They had a model which we adopted and even got one percent more royalty. It was all of that. They are not talking about what we did. It is because the APNU/AFC Government signed a production agreement that they now could be inside of this halo and indicate that they are the ones doing all the good things. It is as if we never did anything whatsoever. [**Mr. Ramson:** It was the largest giveaway ever.] They could say whatever they want. Well, renegotiate it. You are talking about the sanctity of contracts now. Renegotiate it. That is the laughable matter. With all the other considerations that were taken into account for us to ensure that the production agreement happened, they are now coming with

all this. It is as if it was not that initial agreement that is now going to benefit Guyanese.

I am saying it is an important Bill. It is an important Bill to the extent that, yes, we will have local content. However, it is a Bill that still has, in my view, certain flaws which will be remedied by a period of time in a special select committee. It is in regard to that I urge it be sent to a special select committee. Take, for example, the same thing about not wanting the National Toshias Council (NTC), the Guyana Bar Association, the Parliamentary Opposition, and all those. They are now bringing it as an amendment because it was brought by us. What we would like to see happen is a period of time during which, obviously, there could be other amendments that they would like to also put in. They are indicating, too, that they have two other amendments. With all the work that they said they were doing, there are still 12 amendments that came here today. We are indicating that this is not how you do a major transformational bill. The oil sector in Guyana is going to be almost 10 times bigger than the other revenue streams that we have – gold, bauxite, rice, sugar, and all that. It is important that when we deal with local content and all the nuclear effect of the kind of businesses that will be created, to ensure that Guyanese, especially resident Guyanese, benefit, we get as near to perfection as possible. Look at what we had. There were 12 amendments in a short period of time with all the constraining factors of holidays and other Bills to deal with. Why not? This is with them knowing very well that unanimity and consensus are important. I am urging that, indeed, this Local Content Bill 2021 be... We do have that time period.

It is because we did not have the time period that I might not be in a position to state what it is. You do not just come here, throw a Bill on top of our desks, go back, and say that I gave you 14 days. You say that it is transformational and all that. What kind of politics is that? That is controlling politics. That is partisan politics. We do not want that kind of politics here. The last time we were here to debate bills, we went through a number of them because, quite frankly, almost all of them had come from our Government. We saw that they were brought here, and we supported them. I cannot believe that you have here now a Bill, which could very well be bettered, not being allowed to go through that process to ensure the... Take, for example, Mr. Speaker, the clause dealing with:

“local content’ means the monetary value of inputs from the supply of goods, or the provision of services....”

I would like to see stated, provided or supplied from a place of business in Guyana, by Guyanese. Put in that to ensure that the business is in Guyana, even if it is 90% or 100%, as we are asking for. That was excluded. So, you could have some Guyanese having a business somewhere else. It must be specific – provided or supplied from a place of business in Guyana – as an amendment. Whatever it is, you are now reading this Bill and there are a lot of loopholes and lacuna in it, but you are now jumping and saying that this is the best that we have. We indicated that it should also state that no contractor or sub-contractor or licensee shall enter into a contract in excess of three years. That is important. I do not know why...Was that an amendment? **[Mr. Patterson: (Inaudible)]** This amendment was put in. That one was put in. **[Mr. Patterson: They have not agreed.]** They have not agreed to it. What are you trying to say?

In relation to clause 17, it must be separately certified by a director and independent auditors. It is important just like – we have a new Speaker here – you have been mentioning. We need all of these to be impacted in a Bill that is going to be transformational, not only the version or the vision of the Members here now. I would love to see the words separately certified by a director or an independent auditor whenever you are doing this clause with the contractor and the 45 days of commencement of the calendar year and all of that. Of course, as we mentioned here, we want to not see the control of the Ministers and all these members appointed who were selected from these Government agencies. **[An. Hon. Member: Where must they come from?]** They could come from a lot of other places. The PPP/C Government has an extraordinary distrust for civil society. That is why they deleted it in the Natural Resource Fund Bill. We will come to that. They do not want to expand democracy. They do not want to be more inclusive; they minimised them. They will go back to their Ministries and get a set of officials who are going to tell them their things, especially things that they will want to hear, and then they will control the thing like that.

Providing the oversight of the secretariat with its discharge and fulgor and the Minister...All of these things are in the same clause 20. There is the inter-agency committee which I understand they have renamed the local content oversight committee in accordance with... This is important too. I want also to make an argument that when this Bill comes into being, whatever contracts and obligations were already made by contractors and sub-contractors under any Petroleum (Exploration and Production) Act should be given priority over those. This is because we could have conflicts with relation to the Petroleum (Exploration and Production) Act

and the contracts that were given there. What we can see is that local content now is going to be derogated from, as a result of those contracts, to the extent that many of the businesses, contractors, and local people will not get contracts. Put in something like clause 27 – this Act does not derogate from any obligations of Contractors, Sub-Contractors, or other persons under the Petroleum (Exploration and Production) Act. Provided where there is a conflict, this Act shall prevail – or some such draft.

What we can see is that even if another oil company finds oil and starts contracts with the contractors, sub-contractors, and all of those, they could say that under the Petroleum (Exploration and Production) Act, they are free to do that. It could be of conflict, something akin to when we have subterranean rights of the Guyana Lands and Survey Commission Act, the Amerindian Act, the Forestry Act, and so on. Which one takes precedence? It is important that we deal with that because there can be derogations as a result. All of these are serious matters. One of the most serious matters we have is that one with the Caribbean Community (CARICOM). We have entered into a treaty arrangement with CARICOM, the Treaty of Chaguamas. **[Mr. Patterson: It is Chaguaramas.]** It is the Treaty of Chaguaramas, I said Chaguamas. It has certain clauses in there. As I indicated, this thing is important to the extent that it is going to be a violation of the Treaty of Chaguaramas. How do we get around that? It is as if that is not countenanced and contemplated as a big issue, especially in the context of being taken to court by companies from Suriname and had to pay them big money. There was the cement company. What was the name of the cement company? It was the Trinidad Cement Limited (TCL). We had to pay a lot of money.

4.29 a.m.

What is it about a month's delay to ensure that we can get that right? No, they do not care. They say this is it, we want this, and we are going to get this.

Mr. Speaker, they would like me to sit, and I will take my seat. The trouble is that they should not come thinking, very puerilely, that this is a good Bill when the Opposition would like to have some time with it, just like it did. It has certain flaws I can see which can very well be explained away. As I indicated, we want our local Guyanese to benefit. That is why we did a policy statement on the issue in 2019. That is important because, as I said, we went internationally and got the best ingredients to make up this policy. It is very important that this set of policy objectives and the core

principles that are taken from this policy statement also be incorporated in a bill. I do not see that, and, especially, in a context of simply saying that we are going to give certain percentages which could obviously be increased. We are not going to, in an *ad hoc* manner, talk about why it should not be 100%. You come here today, and you admit that, at least, one of the amendments could be taken up to 100%. It is important that you do not grandstand, that you do not do that when an Opposition, in its entirety, is asking for you to grant some time.

Indeed, we are urging that this Bill be sent to a select committee for further perfections and explanations in relation to a lot of things that we find not in it, and which, obviously, would require some experts advise to, at least, fill up so that we can still have a better Bill. One month is not too long a period of time for us to report back to you with the Bill. If you feel that you took so long a time, Parliament did not meet for 68 days or whatever it was. You just did not meet. Yet, you are coming to say that we *gotto* deal with this Bill right away. What kind of business is that?

I urge again, let this Bill, basically, be sent for further clarification. There is another point that I wish to make. When we make the appeal that, if an applicant is refused, there is a review and an appeal board, the impression given by the Hon. Attorney General is that one can go to court. Almost all major transformational bills have had a review board. For Public Procurement Commission (PSC), there is an appellate board that one can go to. One does not go to court right away. It is also seen with the Public Service Commission. There is an appellate tribunal that one goes to. Indeed, one does not go to court. Court is an extremely costly and difficult exercise. Why is it that we cannot have an administrative appellate board that can deal with when, let us say, a person is wrongfully not granted a license under this Act? Please, to state all these things, as the Attorney General has mentioned, it is important that we talk to them about it. It has happened in very many other Acts, all these review boards. Even with the firearm licence, one can also apply to the President if one feels that the board or the Minister was wrong. [Mr. McCoy: You know that very well.] Of course, I know that. The whole point of it is to say that there is the court... [Mr. McCoy: *Inaudible.*] Hon. Member, you should not have stated that... to say that we are going to have a major bureaucratic nightmare with all these things and all of that.

Democracy, at its best, is bureaucracy. You need that check and balance. Democracy is bureaucracy. If you do not feel

that it is necessary, then you can go right ahead. But, it is important that there be checks and balances on a Minister and a secretariat, which is important for the purposes of ensuring that all Guyanese benefit. It is best we get it right than to get it wrong. If a delay of one month can solve the problem and we come back here consensually, then that is good politics. I urge that be done here in that context, Mr. Speaker. [Applause]

**Mr. Speaker:** Thank you very much, Hon. Member. Now we call on the Hon. Minister of Natural Resources to conclude the debate.

**Mr. Bharrat (replying):** Thank you, Mr. Speaker. I wish to thank my Colleagues on the Government side for their presentations in defending and presenting to the people of Guyana the Local Content Bill, and the benefits that will be derived from such a Bill after its passage today in this National Assembly. I also wish to thank the Members in the Opposition who spoke, regardless of the grandstanding and the usual act of trying to gain cheap political points using the Local Content Bill. We heard Members on the Opposition side spoke, glowingly and with care now, of sole traders of small businesses. This is the very Opposition that was in Government for five years from 2015-2020 and did nothing for the small business operators.

We heard many comments about the indigenous people. I wish to state that the indigenous communities and the hinterland regions have developed the most under the People's Progressive Party Civic Administration. Not a single village, as was mentioned by the Hon. Member Ferguson... We are speaking about over 200 villages that experienced development under our Administration. We do consider Indigenous or Amerindians as Guyanese. When we come and we speak about benefits to Guyanese, we mean all Guyanese. Our Amerindian brothers and sisters, Afro- Guyanese, Indo- Guyanese, every single Guyanese, will benefit from the Local Content Bill. In the Schedule, we have food supplies where 75% of it will come from Guyana. It means that our Indigenous farmers' produce will go offshore on the FPSO vessel. They will benefit from this. Today, we have Indigenous people who are welders, who are engineers and who are in the professional field, and not farming only. The Bill is designed to ensure that every single Guyanese benefit regardless of ethnicity and regardless of where they live. That is the point that we wish to make, Mr. Speaker; it is for Guyanese.

I am not sure what the Hon. Member, Mr. Ramjattan, was trying to say when they negotiated for an extra per cent of royalty. We probably have one of the worst production sharing agreements in the world, and the Hon. Member is here boasting about negotiating for one extra per cent when countries are enjoying five and seven per cent. The Hon. Member is boasting about a lopsided Production- Sharing Agreements (PSA) with 2% royalty. We had to negotiate. It was such a difficult task to re-negotiate for 1%. We should not use these opportunities to grandstand and to gain cheap political points. This is a Bill that should have shown nationalism. It is a Bill that should have shown patriotism, yet people come to the National Assembly and try to gain a few cheap political points or try to outdo themselves in the Opposition. Maybe, because they are running for General Secretary and Chairman position soon, so they try to outdo their own. A lot has been said about consultations. The Hon. Member waved her magazine. I would like to know if, in the crafting of that magazine, any consultation was done with the then Opposition. That magazine was published in January, 2020, a mere few weeks while we were preparing for elections.

The Government took Office in 2015 when oil was discovered. One month before the next election, they published this magazine, Mr. Speaker, if you read that magazine, it speaks more about benefits to the operators and not to locals. It is more of a foreign content policy and not much of a local content policy. The Hon. Member is waving it and is asking what we have done. We have a Local Content Bill in the National Assembly right now that we will pass in a few minutes from now. That is what we have, Mr. Speaker. We have a Bill that will go into legislation, not to depend on the good will of oil companies or contractors but it will compel them to do business with Guyanese. It will compel them to employ Guyanese in the oil and gas sector. That is what we have today in the National Assembly. All the Members on the Opposition side have called for this Bill to go to a special select committee. There is a fear among us. In the last Parliament, I can recall the Petroleum Commission of Guyana Bill going to special select committee, I can recall the Animal Welfare Bill going to a special select committee, I can remember the Food Safety Bill going to a special select committee, the Education Bill going to a special select committee. Where are these Bills today? *While the grass is growing, the horse is starving.* That is what you did. In five years you did nothing. You did nothing to build out architecture to manage the oil and gas sector. You have a magazine that you are waving now that was printed in

January, 2020, one month before the election. We do not trust the Opposition when it comes to sending Bills to special select committees.

The Local Content Bill is a working document. It is a living document. Nothing is stopping the Opposition from making submissions to us. We will continue the consultation after this Bill is passed in the National Assembly. This is not the end of it. After it is passed in the National Assembly, it is a continuous process of consultation, because we have committed ourselves to changing the Schedule from time to time based on our capacity. Based on our improvement in our capacity, we have committed ourselves to changing that Schedule. Obviously, we will have to keep consulting with every single stakeholder and every single group in the country as we move forward, because it cannot be a static document. It must change, and we are committed to that. The mere fact that we have tabled this Bill shows that we are committed to bringing benefits to Guyanese and Guyanese businesses. That is our commitment.

4.44 p.m.

It is obvious that we are even further committed to ensuring that we increase targets as we build capacity, and that we add new services to the list as we build capacity, and we have more investments in the sector by local companies and local businesses. That is our commitment, Mr. Speaker. On the question of the register, I am not sure how it is that the Hon. Member could come up with the register and the master plan being more red tape or adding more bureaucracy to the process. The register will be compiled by the local content secretariat. There will be two registers: one to deal with human resources employment and one to deal with business – goods and services. The local content secretariat will be responsible for compiling that. When a business or a person is registered with the local content secretariat, they will be given a certificate, which will be renewed on an annual basis to ensure that their information is updated and that people are not fronting for any foreign companies. That is why we need to ensure there are checks and balances. The Hon. Member termed it as adding more bureaucracy.

On the issue of the register, the Hon. Member, Mr. Patterson, mentioned that if a Mahipaul or if a Duncan shows up to be registered, that, as Minister responsible for petroleum, I would look at the faces or the association and not put them on the register. That is an accusation. Further, in the same proposed amendment by the Hon. Member, he is asking the very Minister to set up a review committee to review the



person's refusal. It is contradicting, Mr. Speaker. We cannot craft bills for people who have sinister thinking, that think negatively, and for people who do not trust each other. We cannot build bills for that; we cannot set bills for that. On the issue of a Guyanese only being qualified if he is born in Guyana, are we saying that if two Guyanese leave the shores and go to another country, have children and then decide they are going to come home because their country is developing and because Guyana is getting better now, that their children will not be qualified to do business with the oil companies? That is what the proposal is saying. That is what the proposed amendment is stating. It is stating that one must be born in Guyana to do business. It is illegal and it is wrong.

It is no secret that the oil and gas sector will stimulate growth in the other sectors. We have already seen that. We have already seen it in the tourism sector. Right now, it is difficult to get a hotel room in Georgetown because the tourism sector is booming. If one looks at the agriculture sector, it has been doing better. Every single sector will enjoy growth because of the oil and gas sector, and because oil and gas will stimulate growth in the other sectors. We want to ensure that, with this Bill, Guyanese benefit from that growth. We want to ensure that, as those sectors grow, Guyanese grow with them too. We know that the Bill is a working document. We know that targets will have to be adjusted. That is why we will continue to consult and, by a simple order, we will change that. We will change it based on capacity, but we can only know our capacity once we put it out. We can only know our capacity once we do a true assessment. There was no assessment done before, but this Bill will help us. This Bill will help us to truly assess our capacity in our businesses and also what capacity building we have to do in terms of our human resources. That is what we will also achieve through this Bill.

I want to say that, as a Government, we are committed to working with every single stakeholder, even if it is the Opposition, once they are serious in developing the oil and gas sector. Once they are serious in the development of the oil and gas sector, we are willing to work with them. There was nothing stopping the Opposition from making a submission to the Government. We had over one year of consultations. There was over one year where there was opportunity for the Opposition to make a submission to us. What is wrong with that? If you are serious about the development of our people and of our country, what is stopping you? You were elected by the people, so why did you not make a submission? You choose to come here today and cry about it so that you could gain some cheap political points. Is that how you are representing your constituency? Is

coming here and grandstanding more important than representing your constituency? We have to be serious about the development of our country and our people. As the Government, we are committed to that. We are committed to moving the sector forward in a transparent and accountable manner, and in a manner in which every single Guyanese will benefit from the sector.

Mr. Speaker, I wish to thank you and I ask that the Local Content Bill 2021 – Bill No. 21/2021 be passed in the National Assembly with the amendments that were proposed by the Government, and I ask that the Bill be read a second time.

**Mr. Speaker:** Thank you for your contribution, Hon. Minister. That concludes the debate.

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

**Mr. Chairman:** There are a number of amendments to deal with. Some amendments are from the Hon. Member, Mr. David Patterson, and some amendments are from the Hon. Minister, Mr. Vickram Bharrat.

#### **Clause 1**

*Clause 1 agreed to and ordered to stand part of the Bill.*

**Mr. Patterson:** Mr. Chairman.

**Mr. Chairman:** Yes, Hon. Member.

**Mr. Patterson:** I am just seeking your advice. How are you going to proceed? Under clause 1, there was a proposed amendment.

**Mr. Chairman:** Hon. Members, yes. For clause 1, there was an amendment.

**Mr. Patterson:** Are you going to go through it and then come back to the amendments?

**Mr. Chairman:** Hon. Member, your amendment 1 is actually for clause 2. Clause 1 states:

“This Act may be cited as the Local Content Act 2021.”

You are up next under clause 2 – Interpretation.

**Clause 2**

**Mr. Chairman:** There are a number of amendments for clause 2. Hon. Member Mr. Patterson...

**Mr. Patterson:** Sir, a proposed amendment was submitted that at the end of 'Guyanese national', there be a semicolon and you put 'by birth'.

**Minister of Parliamentary Affairs and Governance and Government Chief Whip [Ms. Teixeira]:** Mr. Chairman, we are at clause 2, and there is an amendment on the floor for clause 2. Mr. Patterson is at clause 6. Could we just do things in an orderly manner?

**Mr. Chairman:** Hon. Member, Mr. Patterson is on the floor for 'Guyanese national', which is at clause 2.

**Ms. Teixeira:** Mr. Chairman, the amendment by Mr. Bharrat on one of his documents is 'Guyanese company', which comes before 'Guyanese national'. Could we please deal with the amendments in order?

**Mr. Chairman:** Hon. Member Mr. Patterson, I think you are at clause 2. If I am guided correctly, there is 'Guyanese company' by Mr. Vickram Bharrat. That is just before you and then we will get to 'Guyanese citizen'. That is the observation the Hon. Minister is making. I am now again proposing the question that clause 2 stands part of the Bill. Hon. Minister of Natural Resources, do you have an amendment for 'Guyanese company' at clause 2?

**Mr. Bharrat:** Mr. Chairman, clause 2:

(1) "By the substitution for the definition of 'Guyanese company', of the following –

'Guyanese company' means – “

(a) Any company incorporated under the Companies Act –

(i) Which is beneficially owned by Guyanese nationals who ultimately exercise, individually or jointly, voting rights representing at least fifty-one percent of the total issued shares of the company; and

(ii) That has Guyanese nationals holding at least seventy-five percent of executive and senior management positions and at least ninety percent of non-managerial and other positions; or

(b) Any partnership between Guyanese nationals and a company constituted under subclause

(a) in accordance with the Partnership Act.”

**Mr. Chairman:** The proposal by the Hon. Minister is that the definition of "Guyanese company" as contained in clause 2... I am looking at...

**Mr. Duncan:** [*Inaudible*]

**Mr. Chairman:** Mr. Duncan. I am looking at that section being replaced by a new section:

“Guyanese company' means – ”

(a) Any company incorporated under the Companies Act –

(i) Which is beneficially owned by Guyanese nationals who ultimately exercise, individually or jointly, voting rights representing at least fifty-one percent of the total issued shares of the company; and

(ii) That has Guyanese nationals holding at least seventy-five percent of executive and senior management positions and at least ninety percent of non-managerial and other positions; or

(b) Any partnership between Guyanese nationals and a company constituted under subclause

(a) in accordance with the Partnership Act.”

Am I putting that correctly, Hon. Minister?

**Mr. Bharrat:** Yes, Mr. Chairman.

**Mr. Chairman:** That is what is being proposed.

*Amendment put and carried.*

**Mr. Chairman:** Hon. Member Mr. Patterson.

**Mr. Patterson:** Mr. Chairman, I propose, at the interpretation section, which has 'Guyanese national', after the semicolon, you add 'by birth'.

“...means a citizen of Guyana; by birth”

Is the proposed addition.

**Mr. Chairman:** The proposal is that the clause of the Bill which reads:

“Guyanese national’ means a citizen of Guyana;”

Be amended by the inclusion of a semicolon, and after that, add ‘by birth’. Hon. Members, I could only go with what is before me, and the Hon. Member’s proposal reads this way.

**Mr. Patterson:** Sir, what is meant is that the semicolon will go after ‘by birth’. It could probably be a typo or a dot matrix printer error.

**Mr. Chairman:** I will consider it a printer error before me.

*Amendment put and negatived.*

4.59 p.m.

**Mr. Chairman:** Hon. Members, we are going to have a little bit of tediousness as we go through the amendments to the clauses

*Clause 2, as amended, agreed to and ordered to stand part of the Bill.*

### Clause 3

*Clause 3 agreed to and ordered to stand part of the Bill.*

[*Mr. Chairman in aside with the Clerk.*]

**Mr. Chairman:** Hon. Minister, the Clerk is bringing to my attention your second set of amendments which states:

“Arrangement of Sections, Clause 2, Part V...”

I am not seeing a clause 2, Part V. Could you help me with this, Hon. Minister. I think it is Part V. Clause 2 is another printer’s error. It should be Part V. Am I correct?

**Mr. Bharrat:** Yes, Mr. Chairman.

### Clauses 4 and 5

*Clauses 4 and 5 agreed to and ordered to stand part of the Bill.*

### Clause 6

**Mr. Chairman:** We are at clause 6 and we have some amendments. Let us ensure we get them in order.

**Mr. Patterson:** We propose a new clause 6 (2) (a) which states:

“Any Guyanese national or Guyanese company, whose application has been refused has the right to

appeal to an independent review panel appointed by the Minister, comprising of not less than three persons, one of whom must be from civil society.”

**Mr. Chairman:** It is proposed that we have a new clause 6 (2) (a) as detailed by the Hon. Member, Mr. Patterson.

**Mr. Bharrat:** At clause 6, we are proposing:

By the insertion immediately after sub-clause 8, of the following...

**Mr. Chairman:** Hon. Minister, we are dealing with the proposed amendment. The inclusion of a new clause 6 (2) (a). We are doing the amendment as proposed by the Hon. Member, Mr. Patterson, which is the inclusion of a new clause 6 (2) (a).

*Amendment put and negatived.*

**Mr. Chairman:** Hon. Members, I propose the question that clause 6 subsections (3), (4), (5) (6), (7) and (8) now stands part of the Bill. Hon. Members, we have two amendments at...

**Mr. Patterson:** Mr. Chairman, may I?

**Mr. Chairman:** I will now call on the Hon. Member, Mr. Patterson, to propose his amendment to include a new clause 6 (9).

**Mr. Patterson:** Thank you, Sir. Sir, I propose the amendment of clause 6 (9) immediately after clause 8. A new clause 6 (9) ...

**Mr. Chairman:** Hon. Member, please I propose the question.

**Mr. Patterson:** Yes, Mr. Chairman.

**Mr. Chairman:** Go ahead, Hon. Member.

**Mr. Patterson:** It is just for formality.

“The Secretariat shall cause to be published on the website of the ministry responsible for petroleum or any other media in wide circulation on the Local Content Register, which shall be updated quarterly.”

That, Sir, is our proposal.

**Mr. Bharrat:** We are proposing clause 6 (9) ...

**Mr. Patterson:** My apologies, Hon. Minister. Mr. Chairman, just for formality, do you not put one amendment and say if it is passed or not? How are we going to do it?

**Mr. Chairman:** We are now dealing with the proposals, so let us hear the two proposals and then we will put one each.

**Mr. Bharrat:** I propose that clause 6 (9) reads:

“(9) The Secretariat shall cause the Local Content Registers to be published on the website of the Ministry responsible for petroleum or any other media of wide circulation.”

**Mr. Chairman:** Thank you very much. There are actually two different proposals. I will now come back to the proposal by the Hon. Member, Mr. Patterson. I put the proposal by the Hon. Member, Mr. Patterson, that a new clause 6 (9) stands part of the Bill.

*Amendment put and negatived.*

I will now put the question that the new clause 6 (9) as proposed by the Hon. Minister of Natural Resources stands part of the Bill.

*Amendment put and carried.*

*Clause 6, as amended, agreed to and ordered to stand part of the Bill.*

#### **Clauses 7 to 12**

**Mr. Chairman:** Hon. Members, according to the amendments I have before me the next amendment would be to insert a new clause 13(7). Noting that, I will put the question that clauses 7, 8, 9, 10, 11, and 12 stand part of the Bill.

*Clauses 7 to 12 agreed to and ordered to stand part of the Bill*

#### **Clause 13**

**Mr. Chairman:** I now propose the question that clause 13 subsections (1) to (6) stand part of the Bill. Hon. Member, Mr. Patterson, you want an inclusion of a new subsection (7) of clause 13. If I put subsections (1) to (6), I will close it off, so you better introduce it now.

**Mr. Patterson:** Thank you, Sir. I am so guided, Sir. We propose a new clause 13 (7):

“A Contractor, Sub-Contractor or Licensee without the written permission of the Minister acting on the advice of the Secretariat and the Local Content Oversight Committee, shall not enter into any contract in excess of three (3) years.”

Sir, that is the amendment we are proposing.

**Mr. Chairman:** Let us take a step back. I did propose that subsections (1) to (6) of clause 13 stands part of the Bill. We did not put subsection (7) of clause 13 yet. I now propose the question as the Hon. Member, Mr. Patterson, has moved that there be a new subsection (7) under clause 13. Mr. Patterson, again, just restate your amendment.

**Mr. Patterson:** Clause 13 (7):

“A Contractor, Sub-Contractor or Licensee without the written permission of the Minister acting on the advice of the Secretariat and the Local Content Oversight Committee, shall not enter into any contract in excess of three (3) years.”

**Mr. Chairman:** That amendment was proposed. I now put the amendment by the Hon. Member, Mr. Patterson, that there be a new subsection (7) of clause 13.

*Amendment put and negatived.*

5.14 pm

#### **Clauses 14 to 19**

*Clauses 14 to 19 agreed to and ordered to stand part of the Bill.*

#### **Clause 20**

**Mr. Chairman:** We are at clause 20 and there are two sets of amendments to clause 20. I would first call on the Hon. Member, Mr. Patterson to propose his amendments.

#### **Part V**

**Mr. Patterson:** The first amendment that we have is for Part V, that we delete the words “Inter-agency Committee” and replace them with “Local Content Oversight Committee”. Thank you, Sir.

**Mr. Chairman:** Are you saying Part V? All right. We have to be very careful, clause five, subsection five, Part I, Part V. Is it Part V? The proposal is Part V, the heading “Inter-agency Committee” to be changed to “Local Content Oversight Committee”.

**Ms. Teixeira:** By substituting the words, “Inter-agency Committee” and “Inter-agency Advisory Committee” with the words “Local Content Advisory Committee” wherever they appear. We dealt with this already, we have passed it. Therefore, this supersedes what Mr. Patterson is bringing because it is the exact section he is talking about now in his amendment and we dealt with that already. It was one of the first things we did here.

**Mr. Patterson:** Mr. Chairman, of course, we will be guided by you, a long-standing Parliamentarian. I know I would have submitted my proposed amendments way in advance of the Hon. Minister and the Government. As far as I know, it has to be put, I do not know if they could pass an amendment that deletes all my proposals *en bloc*. Sir, you are the Chairman of this Committee of...

**Mr. Chairman:** Hon. Members, I am *old and slow*, so I will take it step wise.

*Amendment put and negatived.*

**Mr. Chairman:** We are now at clause 20(1).

**Mr. Patterson:** Sir, just for correctness, in my amendment there is a proposal to put a new Marginal Note in Part V, so you would still have to put that and, of course, the Government will do what they have been doing and reject it. I would assume, Sir.

**Mr. Chairman:** The proposal is that the Marginal Note be amended to “Local Content Oversight Committee”. If that is the proposal, I now put the question.

*Amendment put and negatived.*

**Mr. Chairman:** We are now at clause 20(1). I would now call on the Minister of Natural Resources, Part V and the Explanatory Memorandum. Do you have an amendment Hon. Minister?

**Mr. Bharrat:** Thank you Mr. Speaker. I am proposing the substitution for the words “Advisory Committee” of the words “Local Content Advisory Committee” wherever it appears.

**Mr. Chairman:** No, we have not gone back, we have now reached here. Hon. Members, the proposal for Part V by the Hon. Minister is that wherever the words “Inter-agency Committee” appear, they are substituted for “Inter-agency Advisory Committee” of the words “Local Content Advisory Committee” wherever they appears.

*Amendment put and carried.*

**Mr. Chairman:** That takes care of the Part V, the Introductory Amendments to Part V itself. We would now go to Clause 20 under Part V. We have two amendments, the Hon. Member, Mr. Patterson...

**Clause 20**

**Mr. Patterson:** We propose to amend clause 20 (1).

**Mr. Chairman:** Was that the one we disposed of?

**Mr. Patterson:** Pardon me.

**Mr. Chairman:** I think we had disposed of that one. You may go ahead.

**Mr. Patterson:** Sir, I am referring to clause 20 (1).

**Mr. Chairman:** Yes, clause 20 (1).

**Mr. Patterson:** Yes, that is what I am referring to. May I proceed?

**Mr. Chairman:** Yes, but I think...

**Mr. Patterson:** “There is to be established a committee to be known as the “Local Content Oversight Committee”. Thank you.

*Amendment put and negatived.*

**Mr. Chairman:** Hon. Minister, do you have some amendments under clause 20 (1).

**Mr. Bharrat:** We are proposing that, immediately after...

**Mr. Chairman:** Hon. Minister, just let me hold you again. The Hon. Member Mr. Patterson has an amendment to clause 20 (2) which would come before your amendment.

**Mr. Patterson:** We propose to amend clause 20 (2), quite important for parliamentary oversight.

“The committee shall consist of not more than seven members appointed by the President after nominations from the agencies adumbrated in 20 (3) are deliberated on by the Committee on Appointments of the National Assembly.”

So, we put that.

**Mr. Chairman:** I propose the amendment from the Hon. Member. I now put the amendment for clause 20 (2) by the Hon. Member.

*Amendment put and negatived.*

**Mr. Chairman:** We are now at clause 20 (3), and there are two sets of amendments to clause 20 (3), one by the Hon. Member, Mr. Patterson and one by the Hon. Minister of Natural Resources.

**Mr. Patterson:** We propose to amend clause 20 (3).

“The Member appointed to the committee shall be selected from the following agencies:

- (a) Office of the President;
- (b) Ministry of Labour;
- (c) Private Sector Commission;
- (d) National Toshias Council;
- (e) Guyana Bar Association;
- (f) Labour Union representative;
- (g) Parliamentary Opposition;
- (h) Guyana Association of Professional Engineers;
- (i) Transparency Institute Guyana Inc; and
- (j) Representatives of local petroleum organisations.”

Thank you, Sir.

**Mr. Chairman:** I propose the amendment as stated by the Hon. Member. I now put the amendment by the Hon. Member, Mr. Patterson.

*Amendment put and negatived.*

**Mr. Bharrat:** We are proposing for clause 20, sub-clause 3, that we insert immediately after paragraph "(o)" the following:

- “(p) National Toshias Council;
- (q) Guyana Bar Association;
- (r) Parliamentary Opposition; and
- (s) Representatives from local petroleum organisations.”

**Mr. Chairman:** Hon. Members, the amendment is proposed. I now put the question that the amendment, as proposed by the Hon. Minister of Natural Resources to clause 20, sub-clause 3, be included in the Bill.

*Amendment put and carried.*

**Mr. Chairman:** Hon. Members, we also have amendments to clause 20 (4). I call on the Hon. Member, Mr. Patterson, to propose his amendment.

[*Interruption*]

**Mr. Patterson:** I propose the amendment for clause 20 (4) as follows:

“The President shall appoint a Chairman of the Committee from amongst the members of the Committee”.

*Amendment put and negatived.*

**Mr. Chairman:** Hon. Minister of Natural Resources, do you have an amendment to sub-clause 4?

**Mr. Bharrat:** For sub-clause 4, we are proposing the deletion of the words “and a Vice Chairperson”.

*Amendment put and carried.*

5.29 p.m.

**Mr. Chairman:** Hon. Member Mr. Patterson, you have a proposal for a new clause 20(4)(a).

**Mr. Patterson:** Sir, we propose a new clause 20(4)(a) which states:

“A Vice Chairperson of the Committee shall be elected at the first meeting of the Committee”.

*Amendment put and negatived.*

**Mr. Chairman:** Hon. Minister of Natural Resources, I see you have an amendment.

**Mr. Bharrat:** Thank you, Mr. Chairman. We propose the insertion immediately after subclause 4, the following:

“A Vice Chairperson of the Committee shall be elected at the first meeting of the Committee.”

*Amendment put and carried.*

**Mr. Chairman:** Hon. Members, we have from the Hon. Member, Mr. Patterson, an amendment to clause 20(5).

**Mr. Patterson:** Yes, Mr. Chairman. I propose to amend clause 20(5) which states:

“The Members of the Committee shall be appointed for a term of two years, which term may be renewed by the President.”

*Amendment put and negated.*

**Mr. Chairman:** I propose the question that clause 20(6) forms part of the Bill.

*Question put and carried.*

**Mr. Chairman:** Hon. Minister of Natural Resources, you need to move that amendment proposed before by renumbering the clauses. We need to put all of that.

**Mr. Bharrat:** Mr. Chairman, we propose the renumbering of subclauses (5), (6), (7), (8), (9), (10) and (11) to subclauses (6), (7), (8), (9), (10), (11) and (12).

*Amendments put and carried.*

**Mr. Chairman:** Hon. Member Mr. Patterson, you had an amendment – clause 20 (7) which is your numbering. It has now been renumbered. I will still give you the opportunity to put your amendment which is to the function of the Committee, to provide oversight of the Secretariat.

**Mr. Patterson:** I proposed to amend previously clause 20 (7) to read:

“The function of the Committee is to provide oversight of the Secretariat in the discharge of the functions and to provide the Minister with recommendations.”

*Amendment put and negated.*

**Mr. Chairman:** Hon. Members, we have two other amendments to this clause. The first is the original clause 20(8) and I call on the Hon. Member, Mr. Patterson, to propose that amendment.

**Mr. Patterson:** Mr. Chairman, I propose to amend clause 20(8) to read:

“The Committee may determine and document its own procedure for discharging its functions.”

*Amendment put and negated.*

**Mr. Chairman:** Hon. Minister of Natural Resources, you have the floor.

**Mr. Bharrat:** Thank you, Mr. Chairman. I propose that in the new subclause 8 by the insertion immediately after the word “capacity” of the words “and to provide the Minister with recommendations.”

*Amendment put and carried.*

**Mr. Chairman:** Hon. Minister of Natural Resources, you have the floor.

**Mr. Bharrat:** In the new subclause 9, immediately after the word “determine”, insert the words “and document”.

*Amendment put and carried.*

*Clause 20, as amended, agreed to and ordered to stand part of the Bill.*

#### **Clauses 21 and 22**

*Clauses 21 and 22 agreed to and ordered to stand part of the Bill.*

#### **Clause 23**

**Mr. Chairman:** We are at clause 23. I know there are some proposed amendments in front of us. Hon. Minister of Natural Resources, you have the floor.

**Mr. Bharrat:** Thank you, Mr. Chairman. We propose that in subclause (3)(g) the insertion immediately after the words “summary conviction” of the words “fine of”.

*Amendment put and carried.*

*Clauses 23, as amended, agreed to and ordered to stand part of the Bill.*

#### **Clauses 24 to 26**

*Clauses 24 to 26 agreed to and ordered to stand part of the Bill.*

#### **FIRST SCHEDULE**

**Mr. Chairman:** Hon. Members, we now move to the First Schedule. We have some amendments. We have two sets of amendments, one by the Hon. Member, Mr. Patterson, which is covering, I think, all of the different Parts – 1 to 20. Am I correct, Hon. Member Mr. Patterson?

**Mr. Patterson:** No, Sir. For my amendments, I think I would have indicated the number against the original which I am seeking to amend. It is not all. If you look at my submission, it is 1, 2, 3, 4, 5, 9, 10 and 11, *et cetera*.

**Mr. Chairman:** Okay. We also have some amendments that the Hon. Minister of Natural Resources will propose. Let us take the amendments by the Hon. Member, Mr. Patterson to the first part of the First Schedule. He is proposing that items 1, 2, 3, 4, 5, 9, 10, 11, 12, 13, 21, 26, 29., 30, 34, 35, 36, 39 and 40, be amended as he proposed. Thank you.

**Mr. Patterson:** Just for completeness, Sir, I thought you would have done like items 1 to 5, then put item 6 or you would want to do it *en bloc*.

**Mr. Chairman:** We will do all of it.

**Mr. Patterson:** Pardon?

**Mr. Chairman:** We are proposing all of them.

**Mr. Patterson:** Very good, Sir. I am proposing that -

#### FIRST SCHEDULE – PART 1

1. Rental of Office Space move to 100%;
2. Accommodation Services (apartments and houses) goes to 100%;
4. Surveying to 90%;
7. Construction Work for Buildings – onshore goes to 100%;
8. Structural Fabrication – (cutting, bending, and assembling of steel products) – onshore goes to 75%;
9. Waste Management (disposal and waste transport services) – Non- hazardous Waste goes to 100%;
10. Waste Management (disposal and waste transport services) – Hazardous Waste goes to 60%;
11. Storage Services (warehousing) to 100%;
12. Janitorial and Laundry Services to 100%;
13. Catering Services which is 13 goes to 100%;
21. Pest Control Exterminator Services is goes to 100%;
26. Transportation Services a. and b. Trucking and Ground Transportation – movement of personnel to 100%;

29. Industrial Cleaning Services - onshore to 100%;

30. Security Services to 100%;

34. Local Insurance Services to 100%;

5.44 p.m.

35. Accounting Services to 90%;

36. Local Legal Services to 100%;

39. Engineering and Machining, I propose to subdivide them into Engineering – 75%; Machining – 5%; and

40. Local Marketing and Advertising Services (public relations) to 100%.

Those were the proposed changes to the First Schedule.

**Mr. Chairman:** Thank you, Hon. Members. We have the proposed amendments to the First Schedule, Part 1, by the Hon. Member.

*Amendment put and negatived.*

**Mr. Bharrat:** Thank you, Mr. Chairman. Since the Opposition did no consultation or assessment of capacity, we are proposing:

34. Local Insurance Services – substitution of “90%” to “100%”;

35. Accounting Services – by the insertion of the word “local” immediately after the words “Accounting Services” and the substitution of “20%” to “90%”.

*Amendment put and carried.*

*First Schedule, as amended, agreed to and ordered to stand part of the Bill.*

#### SECOND SCHEDULE

**Mr. Bharrat:** Mr. Chairman, in the Second Schedule we are proposing the following:

1. the substitution of the headnote “1. Employment Sub-Plans” to the headnote “Employment Sub-Plan”.
2. In paragraph 1 (b) (iii) of the Employment Sub-Plan, by the insertion of the words “including equal remuneration” immediately after the words “Guyanese nationals”.



3. In clause 1 (a) (iii) of the Procurement Sub-Plan by the renumbering of subclauses “(4), (5), (6), (7), (8), (9) and (10)” to subclauses “(aa), (bb), (cc), (dd), (ee), (ff) and (gg)”.

*Amendment put and carried.*

*Second Schedule, as amended, agreed to and ordered to stand part of the Bill.*

*Question put and carried.*

*Assembly resumed.*

*Bill reported with amendments, read a third time and passed as amended.*

**Mr. Speaker:** Thank you, Hon. Members. This is a good time to take a suspension for 45 minutes.

*Sitting suspended at 5.49 p.m.*

*Sitting resumed at 6.58 p.m.*

**Mr. Speaker:** Thank you, Hon. Members. Kindly be seated. We are now going to proceed with the Natural Resource Fund Bill 2021- Bill No. 20 of 2021.

**Opposition Chief Whip [Mr. Jones]:** Thank you very much, Cde. Speaker. At this late hour, as it relates to the Natural Resource Fund Bill, it has come in for sharp criticism from political parties, organisations, churches, *et cetera*, essentially calling for the Government to delay the passage of this Bill to allow wide consultation so that all Guyanese citizens can have an opportunity to contribute to this Bill. I believe that this Bill is beyond us in this House. It speaks about the future of this country for generations.

**Mr. Speaker:** Thank you, Hon. Chief Whip.

**Mr. Jones:** With that, Cde. Speaker, we ask that this Bill be sent to a special select committee.

**Mr. Speaker:** Hon. Chief Whip, I heard your comment. Your Members will have ample opportunity to continue to make that plea, but as the Standing Orders go, I must now call on the Hon. Minister to move that the Bill be read a second time. Hon. Senior Minister in the Office of the President with Responsibility for Finance, you have the floor.

*[Interruption by Members of the Opposition.]*

**Mr. Jones:** Mr. Speaker, we stand in objection to that Bill.  
*[Interruption]*

**Mr. Speaker:** Hon. Members, please, allow the Minister to continue.

*[Interruption by Members of the Opposition.]*

Hon. Member Mr. Jones, you have the floor.

**Mr. Jones:** Yes, Sir.

**Mr. Speaker:** Hon. Member Mr. Jones, I see that you have 18 Members standing.

**Mr. Jones:** My apologies, Cde. Speaker? *[Interruption]*

**Mr. Speaker:** Hon. Member Mr. Jones, I am asking you to have your Members take their seats.

*[Interruption by Members of the Opposition.]*

Hon. Member Mr. Jones, you have the floor. Hon. Member Mr. Jones, you have 18 Members on their feet. I am not in favour of your move for this Bill to be sent to a special select committee until I hear this debate. I am asking you, once again, if not, I will have to start calling on Members.

*[Interruption by Members of the Opposition.]*

Hon. Member Mr. Jones, Hon. Members of the Opposition, I am on my feet. I am on my feet, Hon. Members. I am on my feet.

*[Interruption by Members of the Opposition.]*

Mr. Duncan, the placard. Hon. Members, I am asking that the Hon. Members Ms. Sarabo-Halley, Mr. Duncan, Mr. Cox, Mr. Mahipaul and Ms. Ferguson withdraw from the Assembly.

Hon. Minister, you may proceed.

*[Interruption by Members of the Opposition.]*

## **(2) Natural Resource Fund Bill 2021 – Bill No. 2/2021**

A BILL intituled:

“AN ACT to establish the Natural Resource Fund to manage the natural resource wealth of Guyana for the present and future benefit of the people and for the sustainable development of the country, and for connected matters.”

*[Senior Minister in the Office of the President with Responsibility for Finance]*

**Dr. Singh:** Mr. Speaker, I rise to speak in support of the Natural Resource Fund Bill 2021. A Bill that comprises this second instalment of a two-part set of legislation aimed at improving, significantly, the governance of Guyana's new and emerging oil and gas sector. It would be recalled that we just...

**Mr. Speaker:** Hon. Minister, I am taking a short suspension.

*Sitting suspended at 7.06*

*Sitting resumed at 8.04*

**Mr. Speaker:** Hon. Members, please be seated. Hon. Senior Minister in the Office of the President with Responsibility for Finance, you may continue with your presentation on the Natural Resource Fund Bill.

*[Interruption by Members of the Opposition.]*

**Dr. Singh:** Thank you very much, Mr. Speaker. I rise to move the passage of the Natural Resource Fund Bill 2021 – Bill No. 20 of 2021, which is the second of two major pieces of...

*8.06 p.m.*

*[Interruption by Members of the Opposition.]*

**Mr. Speaker:** Hon. Minister, one moment. Hon. Members, Ms. Flu-Bess, Ms. Walton-Desir, Ms. Natasha Singh-Lewis, Mr. Vinceroy Jordan, Mr. Mahipaul, Mr. Christopher Jones, Mr. Shurwayne Holder and Mr. Sherod Duncan, I am asking you to withdraw from the Assembly. Continue, Hon. Minister.

**Dr. Singh:** Thank you very much. As I was saying, I rise today to move on behalf of the People's Progressive Party/Civic Government, the Natural Resource Fund Bill – the second of two major pieces of legislation critical for the governance of Guyana's new and emerging oil and gas sector. This Bill comes before this House after a robust debate on the Local Content Bill. Perhaps, it is of tremendous significance that the Bill comes, as it does, after the debate on the Local Content Bill. I say so because there are two or three critical issues that leapt to my attention during the course of the debate on the Local Content Bill which, I believe, are absolutely critical to the public and parliamentary understanding of the context within which this Natural Resource Fund Bill is, today, being considered before the National Assembly. Sir, it could not have escaped any of our

notice... The presentations made during the course of the debate on the Local Content Bill, when in particular...

*[Interruption by Members of the Opposition.]*

**Mr. Speaker:** Continue, Hon. Minister.

**Dr. Singh:** During the debate on the Local Content Bill, it would be recalled that the Hon. Member, Mr. Khemraj Ramjattan, waxed lyrically on the importance of Opposition input into the examination of the Local Content Bill. The Hon. Member, Ms. Annette Ferguson, argued fervently on the subject of excessive ministerial involvement in the Local Content Bill. These two points are of absolutely critical importance and relevance for reasons that I will outline shortly. More significantly, I wish to highlight a point that was made when we were debating the local content legislation. For five years after the APNU/AFC came into Office, they did not bring to the National Assembly any local content legislation. However, I wish to highlight certain critical events that arose during the course of November and December, 2018. On 15<sup>th</sup> November, 2018, the former President and former Hon. Leader of the Opposition, now Vice President, Dr. Bharrat Jagdeo, submitted to the National Assembly a No Confidence Motion. If we examine the history of the Natural Resource Fund Act, which the APNU/AFC forced through the Parliament, it was published in the *Gazette*, rather suspiciously, on the same day – 15<sup>th</sup> November, 2018. It was read in the National Assembly on 19<sup>th</sup> November, 2018. I want the world at large to consider those dates. A No Confidence Motion was presented to the National Assembly on 15<sup>th</sup> November. The APNU/AFC read their Natural Resource Fund Bill for the first time on 19<sup>th</sup> November. The No Confidence Motion was considered on 21<sup>st</sup> December, 2018 and, as we all know, that No Confidence Motion was successfully piloted through this National Assembly.

The passage of a No Confidence Motion is expected to trigger certain events. In particular, it is expected to trigger the dissolution of Parliament, the resignation of the Cabinet and a convening of an election within 90 days. Instead of respecting the consequences of the No Confidence Motion and the Constitution of Guyana, the APNU/AFC, the then Government, insisted on defying the Constitution, remained illegally in this National Assembly and came back to the National Assembly on 3<sup>rd</sup> January, 2019 and forced through the Parliament a Natural Resource Fund Act. In fact, that Natural Resource Fund Act is one of the most vulgar...

*[The Mace was removed by Members of the Opposition.]*

We are now witnessing unprecedented vulgarity in the National Assembly of Guyana, consistent with the vulgarity of the Natural Resource Fund Act that the then APNU/AFC Government...

**Mr. Speaker:** One second, Hon. Member.

[A replacement Mace was used thereafter.]

Hon. Member, you may proceed.

**Dr. Singh:** Mr. Speaker, instead of respecting the consequences of the No Confidence Motion, the then APNU/AFC, a party that is currently engaging in unprecedented thuggish behaviour in the National Assembly, stayed on in the Parliament. It refused to respect the Constitution of Guyana and forced through the National Assembly a Natural Resource Fund Bill that, in fact, embodied tremendous vulgarity. Indeed, that Natural Resource Fund Bill was highly sinister in its timing, contents and intent. I want to speak about some of the sinister, devious and deceptive contents of the APNU/AFC's Natural Resource Fund Act. First of all, the Act did not have any semblance of a governance structure. Indeed, the Act vested all executive power and authority in a single individual – the Minister of Finance. The Minister of Finance was granted and given the power to oversee the overall management of the Fund – to approve the investment mandate of the Fund; to approve the investment policies of the Fund; to appoint the investment committee; to appoint the macroeconomic committee; to appoint the investment analyst; to determine the economically substantial amount; to determine the fiscal substantial amount; and, therefore, to determine the amount that could be transferred to the budget. Therefore, there was an absurd concentration of power into a single, autocratic and all powerful APNU/AFC Minister of Finance. The concentration of that power in their Minister of Finance is what explains why they forced the Bill through the National Assembly at that time.

In fact, it offered a significant premonition of the events that would transpire during 2019 and 2020 when they demonstrated a clear intent to steal the 2020 elections, remain in office and pilfer and squander the Natural Resource Fund. It was not an accident that this Bill was brought to the National Assembly after the No Confidence Motion had been submitted by the Leader of the Opposition. It is not an accident that this Bill concentrated power in the APNU/AFC's Minister of Finance. Additionally, they sought to create a smokescreen to give the impression that there was some kind of governance and participation by civil society.

They established a Public Oversight and Accountability Committee, but that was a mere smokescreen. If one examines the functions of that Public Oversight and Accountability Committee, it has no decision-making authority. The Committee has no role to play in the governance of the Fund in terms of making decisions or approving anything. The Public Oversight and Accountability Committee, the smokescreen that it was, solely played the role of *ex-post* monitoring and evaluation and consultation. In other words, the Public Oversight and Accountability Committee was, in fact, just a mechanism for passive observation of the management of the Fund, rather than a mechanism to exercise effective governance oversight and management.

In addition to that, there were other fundamental defects in the APNU/AFC's Natural Resource Fund Act. These include a formula to determine the transfer of funds from the Fund to the budget that was designed to be opaque, to be devoid of transparency and to be infected with ministerial capacity to influence and infiltrate, and, in fact, is incomprehensible of the overwhelming majority of Guyanese. We have witnessed, in the last few days, a lot of commentary about how simple and transparent our formula is that we are proposing to introduce in our Bill. We have heard a lot of commentary about how much money will be transferred under our simple and transparent formula.

8.21 p.m.

It is significant to note that not a single commentator has been able to indicate how much money would have been transferred under the APNU/AFC's formula. The reason for that is that it was designed to be a mystery. It was designed to be *mumbo jumbo* and *hocus pocus*, the exclusive preserve of a dictatorial and autocratic APNU/AFC Minister of Finance, and part of a dictatorial and autocratic APNU/AFC Government. Those defects were not by accident.

In addition, their Act created multiple opportunities for expenditure to be met from the Fund without coming to Parliament, expenditure in relation to fees for advisors, expenditure in relation to the Public Accountability and Oversight Committee and expenditure for a variety of items. We are proposing to outlaw that and to require every dollar that comes out of the Fund to be appropriated by this National Assembly. I submit to you that it is not an accident that we are witnessing this disruptive and thuggish behaviour by the APNU/AFC. This Bill represents a dramatic improvement in transparency, in accountability and in contributing to

accelerated economic development in Guyana. With those words, I am honoured, on behalf of this People's Progressive Party/Civic Government, led by His Excellency, President Dr. Mohamed Irfaan Ali, to bring this Bill to Parliament today, to submit it, and to move, at the appropriate time, that it be read a second time and, subsequently, be read the third time and be passed. I thank you very much, Sir.

**Mr. Speaker:** Thank you very much, Hon. Minister. Thank you very much, Hon. Members. You may take your seats please, Hon. Members. Hon. Minister, Gail Teixeira, you have the floor.

*[Interruption by Members of the Opposition]*

**Ms. Teixeira:** Mr. Speaker, I move that the question be now put and that the Bill be put to the vote. Thank you.

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*[Unavailability of audio due to technical difficulties experienced.]*

*[Opposition Members withdrew from the Chamber.]*

### **(3) Fiscal Management and Accountability (Amendment) Bill 2021 – Bill No. 17/2021**

A BILL intituled:

“An Act to amend the Fiscal Management and Accountability Act and the Audit Act.”

*[Senior Minister in the Office of the President with Responsibility for Finance]*

**Dr. Singh:** ...a number of perversities, including a fragmentation of the budget by carving out the budgets of constitutional agencies, removing the consideration of those agencies from the consideration of the national budget, requiring those budgets to be submitted directly to Parliament and requiring the Parliament to consider the budgets of those constitutional agencies without a full macroeconomic or fiscal picture. The National Assembly was being asked to vote on budget for constitutional agencies without being told what the economic growth for the year would be, what the fiscal revenues for the year would be and what the other

competing calls on the existing fiscal space would be – that is to say, what the other calls on expenditure would be.

8.36 p.m.

Under this framework that was established by the APNU/AFC's 2015 amendments, the National Assembly was required to vote blindly on the budgets of constitutional agencies. In fact, it would be recalled that the then Minister of Finance would come here with a recommended number, would offer no explanation about what was happening with the growth, revenue, or any such things and would simply say that he was recommending a number because of fiscal space. In fact, it would be recalled by those who served in that Parliament that this became almost a standing joke. Fiscal space was the explanation proffered. It was fiscal space, and you were expected to vote on the number. This perversity continued from 2015, 2016, onwards, and through 2020. Since that arrangement remained in place, it continued until very recently. When we came back into Government in 2020, we sought to correct that perversity by removing this absurd fragmentation of the budget and the budgetary process and by restoring the unity of the budget process and the integrated nature by requiring the budgets to be brought to the National Assembly together – constitutional agencies and budget agencies.

We brought to the National Assembly a 2020 or 2021 amendment to the Fiscal Management and Accountability Act that sought to correct the perversity that was inflicted on the budgetary process by the APNU/AFC's 2015 legislation. We did so, I daresay, with considerable success. Indeed, the APNU/AFC or some of its Members subsequently went and instituted legal action. They went to court for this matter. The learned judge pronounced on the enactments that were made, both in 2015 and 2021. I might be getting the year wrong; it is either 2020 or 2021. It was early 2021. The learned judge pronounced, first and foremost, that the 2015 amendments, brought by the APNU/AFC, violated and were in collision with the Constitution, particularly, the role ascribed and assigned to the Executive in the budgetary process. The learned judge ruled definitively that a significant part, if not all the enactments in 2015, were unconstitutional. He went further and confirmed that the process that we had outlined in 2021 was almost entirely in conformity with the Constitution. It preserved the Executive and was consistent with its role. It respected the separation, the independence, and the autonomy of these entities. He did make one observation and that is in relation to a single clause in our Fiscal Management and

Accountability (Amendment) Bill 2021 that listed these constitutional agencies as budget agencies.

I should add that the learned judge in his decision pointed out, too, that there existed certain lacuna in the budget process for constitutional agencies, which lacuna we are currently seeking to address. This Fiscal Management and Accountability (Amendment) Bill 2021 to the Fiscal Management and Accountability Act (FMAA) seeks to do the following. It seeks to address the matter raised in relation to the inclusion of constitutional agencies as budget agencies. We are removing constitutional agencies from the list of budget agencies and giving them a special status. We are prescribing – as is required, mandated, and expected by article 222A – a process of procedures to govern the submission, consideration, approval, and execution of the budgets of these constitutional agencies. I believe that we are seeking to do that through a new Section 80 (a) and (b) in the FMAA. What this Bill seeks to do is, hopefully, finally put to rest this matter of the treatment of constitutional agencies. This Bill articulates a transparent process by which the budgets of constitutional agencies would be submitted, brought to the National Assembly, considered, and approved; and a transparent process by which their budgets will be executed while, at the same time, respecting all the other constitutional provisions as they relate to fiscal management. Most importantly, it respects, preserves, and reinforces the independence with which these constitutional agencies will be able to manage their finances.

So, with those remarks, I wish to commend this Fiscal Management and Accountability (Amendment) Bill 2021. Were I to be availed an opportunity to speak again on the Bill, perhaps if our friends on that side of the House were to return to the House and discharge their responsibilities...They did not discharge their responsibility in Government. I made the point that they did not discharge their responsibilities in Government, and they are not doing so in Opposition. During the ruckus and cacophony that they inflicted upon this House, I made the point that when the No Confidence Motion was passed, they did not rush to the National Assembly to get the local content legislation through the National Assembly. I made the point earlier and would amplify it because of its relevance, given their absence from the consideration of such an important Bill. In 2018, when the No Confidence Motion was submitted by the Hon. Vice President, the then APNU/AFC Government did not rush to the National Assembly with local content legislation. Might I, perhaps, refresh our collective memories?

The No Confidence Motion was submitted to this House by the Hon. Vice President on the 15<sup>th</sup>. I want Hon. Members to pay keen attention to these dates, with your permission, Sir. These dates are important. On 15<sup>th</sup> November, 2018, the Hon. Leader of the Opposition submitted a Motion of No Confidence. It was on 15<sup>th</sup> November, 2018. Miraculously, on the same day, the Natural Resource Fund (NRF) Bill was published in the *Official Gazette*. Miraculously, it was on the very same day, the 15<sup>th</sup> of November 2018. These dates are important to understand why the NFR Bill was formulated in the manner it was. That Natural Resource Fund Bill was read for the first time in this House on 19<sup>th</sup> November, 2018. Mind you, on 15<sup>th</sup> November, a No Confidence Motion came. On 15<sup>th</sup> November, they submitted a Bill, too, and on the 19<sup>th</sup> they stood up and read it for the first time in the National Assembly. On 21<sup>st</sup> December, 2018, that No Confidence Motion was considered and passed in this National Assembly. It should have triggered a constitutionally specified sequence of events. That constitutionally specified sequence of events did not happen. The Cabinet did not resign, the Parliament was not dissolved, and an election was not called within 90 days. Instead, the APNU/AFC came back to the National Assembly on 3<sup>rd</sup> January. They made a big hullabaloo about coming back at Christmas. With a No Confidence Motion having been passed in this National Assembly on 21<sup>st</sup> October...Do you remember their hullabaloo about Christmas and New Year? [**Mr. Dharamlall:** It was December.] It was December, I am sorry. With a no confidence motion having been passed on 21<sup>st</sup> of December, 2018, they came back on 3<sup>rd</sup> January, 2019. If that is not indecent haste, I do not know what indecent haste is.

They rushed through the National Assembly this Natural Resource Fund Bill that is now the Natural Resource Fund Act. When you examine that Act, you get to understand the true reason they were so anxious to rush it through. The pieces of the puzzle have to be put together. The discarding of 18 nominees for the chairmanship of the Guyana Elections Commission (GECOM). It was not six nor 12; it was 18. The unilateral and unconstitutional selection of a nominee and appointment of a Chairman of the GECOM. The refusal to respect the No Confidence Motion. There was the manner in which they exercised economic authority by inflicting hardship on thousands of Guyanese people by taxing them heavily. When one witnessed the manner in which the APNU/AFC imposed and inflicted hardship on the people of Guyana by introducing Value-Added Tax (VAT) on electricity and water; taking away the grants for school children; taking away the subsidies on electricity and water

for elderly people; and taxing medicines and education. Anybody who believes in democracy had to have asked themselves: do these people not believe that they are ever going to face the electorate again? Clearly, they did not, and they were not planning on it.

When you put those pieces of the puzzle and then you add the following piece to it, a Natural Resource Fund Bill, now an Act, which, as I said earlier, vested omnipotent powers in their Minister of Finance... For emphasis, with your permission, Sir, I will repeat some of those powers. There was the power and responsibility for the overall management of the fund. There was no board of directors. There were no two, three, or five persons. The Minister was responsible for the overall management of the fund. There was the approval of the investment mandate by the Minister of Finance. There was the execution of the operational agreement with the Central Bank by the Minister of Finance. There was the hiring of the Senior Investment Analyst by the Minister of Finance. There was the appointment of the Investment Committee plus the naming of quite a few of the members by the Minister of Finance. There was the appointment of the Macroeconomic Committee, the termination of those appointments, and the determination of the remunerations for all these people. They made a hullabaloo about the Macroeconomic Committee that they were setting up. They said that they were planning to get a Nobel Prize winner, apparently. Sir, this Macroeconomic Committee was not going to determine the economically sustainable amount under the Natural Resource Fund Act. That Macroeconomic Committee was only going to make recommendations. The economically sustainable amount was determined in the opinion of the Minister of Finance. Then, they introduced another concept called the fiscally sustainable amount. Do you know who was calculating the fiscally sustainable amount? It was the same Minister of Finance. They set up an elaborate schedule to create the false veneer and the smokescreen of rigor; the pseudo-intellectualism outlining benchmark petroleum revenue, production constrained benchmark petroleum revenue.

8.51 p.m.

The fiscally sustainable amount, but guess what, Sir? Throughout that formula, that elaborate formula, the Minister of Finance's judgement is everywhere including, to give you an obvious example, to determine what benchmark production level would be and, therefore, by extension, to determine what production constraint benchmark revenue would be and, in turn, therefore, to determine what the

fiscally sustainable amount would be. The fingerprints of the APNU/AFC's Minister of Finance were all over the Natural Resource Fund (NRF). The fingerprints of the APNU/AFC were all over this Natural Resource Fund established under their Natural Resource Fund Act. Sir, they then created another smokescreen. Recognising that the Santiago Principles, the international standards by which sovereign wealth funds are guided and governed, knowing that the Santiago Principles require a governing body to be involved in oversight and management of the fund, they created a second smokescreen – the Public Accountability and Oversight Committee. The only problem is that, if one reads the functions and responsibilities of this Committee, this Committee has no decision-making authority. Its role is to monitor, to consult, to exercise, for the greater part, ex-post external monitoring.

Passive ceremonial observation – creating the smokescreen that civil society will be involved in the management of the fund when, in fact, civil society would not be getting near to the management of the fund. The management of the fund was exclusively the preserve of their Minister. They created the smokescreen of this Public Accountability and Oversight Committee. To add to the smokescreen, to enhance the smokescreen further, they put 22 Members. As a matter of fact, Sir, I do not believe that it is an accident that many of their committees have even numbers. If I am not mistaken, the investment committee had four members and two non-voting members. Their public accounts have four Members. Their Public Accountability and Oversight Committee had 22 members. Sir, imagine, I heard someone making... Hon. Mr. Seeraj raises the point about rounding up and rounding down. Any one of us, who has ever served on any committee, would know the perils associated with being on a committee with an even number. These committees were designed for deadlock. It is not an accident that the investment committee had four persons, it is not an accident that the Public Accountability and Oversight Committee had 22 persons. These committees were designed for deadlock. To expand even further, the omnipotent powers, the omniscient reach of the APNU/AFC Minister of Finance... it was not an accident, Sir. My submission, as I made earlier, is that this Natural Resource Fund represented an extremely ominous piece of legislation.

I would go further to say that the APNU/AFC Natural Resource Fund Act of 2019, with the overreach of its Minister, with the absence of a governance framework, with an oversight committee whose powers are confined... I emphasise that the oversight committee cannot be a substitute for the board of directors. They are not one and the same;

they have different roles. With the deliberately complicated and opaque formula to transfer resources from the fund to the budget, designed with the sole objective of opacity and opacification, designed to conceal, and deceive, and designed to facilitate, once again, the sticky fingers of the APNU/AFC Minister of Finance, or does that name belong to another one amongst their number? These features in the APNU/AFC Natural Resource Fund Act were not by accident. They represented another piece in the puzzle – the Guyana Elections Commission (GECOM) puzzle; the taxation of people to death, the political persecution of political opponents; the unlawful and unconstitutional behaviour; the ramming down the throats of the Parliament and the people of Guyana, a Natural Resource Fund Act; and the pervasive powers of their Minister. This NRF Act of 2019 was just another piece in the APNU/AFC's dictatorial design and intention. It was nefarious in its intent; the 2018 Bill, the 2019 Act. It was ominous and dangerous for our country.

We saw, for example, in full view of the world, the attempt to conceal an \$18 million signing bonus. Sir, if they will try to hide \$18 million, imagine what they will do when hundreds of millions start to come in. They watched the people of Guyana in their faces, the same Minister of Finance of the APNU/AFC watched the people of Guyana in their faces and said that they neither received nor requested a signing bonus when, several months before, a letter was issued by his Ministry to the Central Bank to open a special account to part the signing bonus and conceal it. Several months before that statement was made, a letter had already been written to open a secret bank account to divert those moneys which, at that time, belonged in the Consolidated Fund and which, at that time, expenditure should have been and was required, lawfully, to be appropriated. Instead, they siphoned off the US \$18 million and hid it in a bank account and met expenditure. Up to now, the people of Guyana do not know what expenditure they met from that. They came up with all manner of stories. The story changed every time they were confronted. First, they did not know, they did not know who negotiated it, they did not know who came up with the amount, they did not know that there was a signing bonus, and then, at some point in time, apparently, it was a gift. You would recall the then Minister of Finance saying that he thought that it was a gift. At some point in time, he said that the person who was negotiating on their behalf mislead them about the nature of the payment. Sir, there is a letter from the Ministry of Finance to the Central Bank asking them to please open a bank account and deposit the signing bonus of

US\$18 million. I believe that letter is in the public domain. One has to understand.

Mr. Speaker, it is not by accident that this Natural Resources Fund Act of the APNU/AFC is replete with devices that can only be described as smokescreens. For the Public Accountability and Oversight Committee (PAOC), the formula comes to mind. When I observed the public commentary on the NRF Bill that we brought, which was just passed by this National Assembly, and, in particular, when I observed the comments made by APNU/AFC and those continuing to be made by the APNU/AFC, I am reminded of a children's fable written by a Danish storyteller called Hans Christian Anderson. Those amongst us who are familiar with Hans Christian Anderson's children fables would know that, amongst them, there is one called the *Emperor's New Clothes* or the *Emperor's New Suit*, dependent on which translation one is reading.

In that story, two swindlers approached the emperor, I believe it might have been the Emperor of Denmark considering that Hans Christian Anderson was Danish, but I do intend no disrespect to rulers of Denmark, past or present. According to that fable, two swindlers approached the then Emperor of Denmark and said to him that they will sew a suit for him that is made of magic fabric and only very smart people could see this fabric. They said that, to those who are ignorant or stupid, this fabric was invisible. Sir, the Emperor smiled, and he said that was the fabric he wanted and that he wanted a suit made by that fabric. These two swindling tailors made a suit with this magic fabric which, of course, needless to say, was non-existent. The emperor was not about to say that he was having great difficulty seeing the fabric or the suit, so he shook his head and he said that it was a beautiful suit that they had sewn for him, that it was wonderful, that he loved it, and that he would like to go for a parade in the streets of Copenhagen. The swindling tailors encouraged him to do so and said that he will see which of his subjects were smart and which of his subjects were stupid. Those who were stupid would be unable to see the suit, those who were smart will admire the beauty of the fabric with which they have sewn the suit. It was said that the emperor went for a parade down the streets of Copenhagen and all of his subjects, most of the subjects said 'what a wonderful suit, Your Majesty; such exquisite fabric, Your Majesty.' Apparently, it was green and gold fabric. The Hon. Member, Mr. Seeraj, I do not believe has Danish blood in him, but he is obviously familiar with this fable and the colour of them plus the fabric. The emperor's subjects said: 'what a wonderful suit, Your Majesty'. They all bowed down and saluted him, except for a

little boy who said that he was not seeing anything. He said that he was not seeing anything and that Your Majesty was not wearing anything at all, and that he was naked. Sir, the Emperor puffed out his chest, somewhat like the APNU/AFC is akin to do. He puffed out his chest, held his head even higher and continued to his parade. You might ask about the relevance of this story to my presentation.

9.06 p.m.

These things, like this formula in this Natural Resource Fund Act about economically sustainable amount, fiscally sustainable amount and benchmark petroleum revenue, non-petroleum revenue, production constrained revenue, I detect a little bit of a green and gold emperor's suit. I suspect that is why they do not want to participate in this debate, because they knew I was going to ask them to tell me how much was transferred under their formula and explain to the people of Guyana. None of them over there even understand what is in their own Bill. Nobody wants to put up their hands. None of them over there wants to put up their hands and say that this does not make sense, that they do not understand it and that it looks like stupidity. Instead, they say that it is a rigorous formula – what a beautiful suit. None of the 32 of them is brave enough, like that young Danish boy who put up his hand and said that he could see the suit. Why do you think they made all this noise and ran away? It is because they are making a big *hullabaloo* about how much will be transferred under our formula. I challenge any APNU/AFC Member of Parliament (MP) to disclose to the nation how much was transferred to the budget under their formula and the computation by which they arrived at that amount. They cannot calculate it, none of them. None of them, Sir.

This formula was a classic parallel. It was the equivalent of the *Emperor's New Suit*. It was presented in a lot of fancy, technical jargon so that nobody wants to put up their hand and say that they do not really understand what is being spoken about. Everybody was shaking their heads. All of them over there shook their heads and said that it was a great and wonderful Act. They were like the subjects of the emperor. [Mr. Nandlall: 122 oversight] Twenty-two people were overseeing. It is not an accident that it is an even number. Do you remember the story about... I cannot imitate the voice, Sir, I cannot imitate the tone. There is a famous video by a certain gentleman about how one divides by two and adds one. I cannot replicate the tone of voice, Sir. [Mr. Dharamlall: The round up part.] The rounding up, yes. I make this point really to say that what we are witnessing today, in the absence... Even if they want to express an

objection to the Natural Resource Fund Bill, we have the people's business to attend to. This Fiscal Management and Accountability Act (FMAA) is an important piece of legislation that goes to the core of preserving the independence of constitutional agencies. They have chosen to absent themselves. Once again, this Bill is necessitated by their own tampering with the legal framework. We are in the situation we are in today because of the 2015 legislation they took to Parliament, which was subsequently ruled to be unconstitutional. That is perhaps another 'emperor's new suit'. Perhaps, on that occasion, they were again bowing down and saying that it was a wonderful framework that was put in place, being completely oblivious to the fact that it collided with the Constitution.

We are coming today, as we did earlier this evening... We came earlier today to seek parliamentary approval for a Local Content Bill, which we have now secured. That Local Content Bill will create employment and business opportunities for Guyanese businesses and Guyanese nationals throughout. They wanted to stall that. Then we came to seek parliamentary approval for the Natural Resource Fund Bill. This is a Bill that, very substantially, resembles theirs. As a matter of fact, we preserved about 21 clauses. Despite its flaws, we did not want to discard entirely what they brought to the National Assembly, so we preserved 21 clauses. We addressed and corrected the most egregious and offensive of the clauses. The ones like the one that created the 'emperor's new suit' in the Schedule, the formula. We addressed the obscene ministerial overreach, strengthening transparency, requiring reporting to the Parliament and publishing in the *Official Gazette, et cetera*. We strengthened those. Sir, do you know why they want to delay the Natural Resource Fund Bill? No other reason than that this Bill, once enacted, will enable the utilisation of Guyana's petroleum revenues to advance and accelerate the development agenda. They do not want that accelerated development agenda to take place. The whole story here is about obstructing development and obstructing the improvement of peoples' lives. [Mr. Ramson: Remind them of the Amaila Falls.] I am reminded of the very APNU/AFC which obstructed the Amaila Falls Hydropower Project (AFHP). They were making noise about blackouts earlier today. Had they not obstructed the Amaila Falls Hydropower Project in 2014, we would have had the Amaila Falls supplying power to the national grid today.

This Bill is going to facilitate an accelerated development agenda; it will facilitate investment in critical infrastructure. It will facilitate investment in critical infrastructure; it will



facilitate investment in critical social services; and it will improve peoples' lives. I should add that, unlike under their framework where all sorts of expenses of unknown quantity had been met through the fund, unlike their framework that allowed them to dip into the fund to meet expenditure, every single dollar that is to be spent from the Natural Resources Fund under our Bill, the Bill that we just secured parliamentary approval for, will require *ex-ante* approval by the National Assembly in an appropriation bill. Every single dollar to be spent will be subject to parliamentary scrutiny in the budgetary process *ex-ante*, and in the *ex-post* auditing process, and scrutiny by the Public Accounts Committee (PAC) and those established parliamentary constitutional and parliamentary structures that are in place.

This cacophony, as I described it earlier, that we witnessed today was designed to delay and frustrate development, just like they did with the Amaila Falls Hydropower Project. A Colleague of mine used the term 'a pattern of behaviour'. This is a pattern of behaviour. The APNU/AFC is destructive and obstructive when it comes to development for the people of Guyana. They are destructive and obstructive. Let us be clear. The objections to this Bill have nothing to do with any of these contrived arguments that they offered. We have introduced not one but two oversight mechanisms. There is still a public oversight committee and there is a board of directors. They made a big story about who is to appoint the board of directors. We are moving from a point where we did not have a board of directors, only a Minister, to a point where we no longer have the Minister. We have a five-man board... How could one quarrel with that? How could one disagree with the fact that, moving from a point where there was a one-man autocracy, comprising the Minister, to a point where there is a five-man board. How could one disagree with that constituting improvement in the governance architecture? Like my Colleague said, and I will borrow the phrase, this is a pattern of behaviour. It is a pattern of behaviour.

Be that as it may, as I said then and with your permission, Sir, I will repeat, it was my honour earlier this evening to be able to move, on behalf of the People's Progressive Party/ Civic Government led by His Excellency President Mohammed Irfaan Ali, the second and third readings of the Natural Resource Fund Bill. It is similarly now my honour to move, at the appropriate time, with your leave, the second and third readings of the Fiscal Management and Accountability Act, which cures, finally, a mischief committed by the APNU/AFC when they tampered with the fiscal management architecture and enacted legislation that the courts have now

declared to be unconstitutional. This is yet another example of unconstitutional behaviour by the APNU/AFC. Sir, I thank you very much. Like I said, it would be my pleasure to move the second and third readings at the appropriate time. [Applause]

**Mr. Speaker:** Thank you very much, Hon. Minister. Hon. Attorney General and Minister of Legal Affairs, I now invite you. You may have to use your public voice.

**Mr. Nandlall:** Thank you very much, Sir. The Hon. Senior Minister in the Ministry of the Presidency with Responsibility for Finance did an excellent job in outlining the historical evolution of this Bill. I will only add a few remarks to those that he has made.

Since 2003, I think, the Principal Act was enacted, and every budget was prepared based upon the regulations contained in that statutory framework, without any objection from anyone, including APNU and their predecessor, the People's National Congress Reform (PNC/R), when they were in the House. Suddenly, in 2015, when they won the Government, they felt that the entire way that budgets were being presented in the House, particularly as they relate to independent constitutional agencies, was wrong. As a result, they tabled a series of amendments to the Fiscal Management and Accountability Act. In those amendments, they, for example, removed from the Executive, the ascribed constitutional responsibility of preparing and laying before the National Assembly of our country, the national estimates and expenditure for a given year. They resided that in the Clerk of the National Assembly, putting the poor Clerk in a hapless position. At the time when they tabled those legislations, those amendments, I asked them to point to a single place on planet earth where the Clerk of the National Assembly receives budgetary submissions from agencies within the State and outside of the Executive presentation to the House. Mr. Speaker, article 218 of the Constitution is written in the clearest of language. It states this:

“The Minister responsible for Finance or any other Minister designated by the President shall cause to be prepared and laid before the National Assembly before or within ninety days after the commencement of each financial year estimates of the revenues and expenditure of Guyana for that year.”

All of the agencies, which estimates require approval before this House, must be prepared by the Minister of Finance and presented in this House.

9.21 p.m.

This simple linguistic formulation they could not understand. They changed it for some inexplicable reason and empowered the Clerk to receive budgetary proposals from a series of constitutional agencies. That was clearly wrong. They made some other consequential amendments which we felt were wrong. We objected to it when they were tabling them in the National Assembly. We spoke at length against those amendments being promulgated. As usual, they overruled us and that became the order of the day. At every budget time, there was a virtual circus in the National Assembly where the Minister of Finance would stand and cut the constitutional agencies' budgets, one by one, as they were being presented, I think, by a motion. We could not leave that on the statute books. We made the necessary amendments in 2021 to write those wrongs, and they took us to court. Mr. Ganesh Mahipaul, Ms. Coretta McDonald, Ms. Dawn Gardener, Mr. Michael Somersall... Mr. Speaker, listen to the line-up of names. I will call it again. The names are Mr. Ganesh Mahipaul; Ms. Coretta McDonald, the General Secretary of the Guyana Teachers Union (GTU); Ms. Dawn Gardener, the First Vice-President of the Guyana Public Service Union (GPSU); Mr. Michael Somersall, the Chairman of the Public Service Commission (PSC); Mr. Clinton Conway, a Member of the Police Service Commission (PSC); the Police Service Commission itself; and Mr. Allan Munroe, the Chairman of the Teaching Service Commission (TSC).

Many of these agencies are by themselves independent constitutional agencies. That was lost upon them. They teamed up with Mr. Ganesh Mahipaul to bring these proceedings and they were represented by Mr. Roysdale Forde, Mr. Raphael Trotman, Mr. Khemraj Ramjattan and all the other lawyers in this House. That did not, in any way, illustrate anything to them. They did not see the wrong and the incest in what this action by itself represented. It was a coalition of independent or supposedly independent constitutional bodies teaming up with partisan politicians in an attempt to take the Government to court. We went to court, and the judge heard all the arguments, and what was under review. Mr. Forde challenged the constitutionality of our amendments. As a result, I was afforded the opportunity of explaining why we passed the 2021 amendments, and to explain what transpired in 2015. This is how the judge ruled – Your Honour, the High Court Judge, Justice Nareshwar Harananan. Under the caption 2015 Amendments, the judge stated as follows:

“(i) The 2015 Amendment, though well intentioned, new section 80B removed a function of the Executive, and placed it within the realm of the Legislature, by requiring the Constitutional Agencies to submit their budget proposals to the Clerk of the National Assembly (or in the case of the Office of the Auditor General, through the Chair of the Public Accounts Committee), who were then both charged with submitting it to the National Assembly.

(ii) The clear, and unambiguous language of Article 218(1) of the Constitution establishes that the preparation and presentation of the financial estimates of revenue and expenditure of Guyana (the National Budget) is an executive responsibility under the doctrine of the separation of powers and the current statutory framework...”

That is identical to what we said to them when they passed those amendments. The judge continued:

“(iii) Those amendment provisions also abrogated the doctrine of separation of powers, by permitting those agencies to intrude upon the functional responsibilities of the Executive, that is to say, the preparation, and presentation of the national budget to the National Assembly. For this reason, this Court is of the view that subsections (1) to (4) of section 80B would have been violative of Article 218 of the Constitution...”

The judge knocked down their 2015 Amendments from sections 1 to 4 and ruled it to be unconstitutional on the very ground that we said they were at the time they were being debated in this House. The judge went on to make these important points that there is also some belief that the constitutional agencies have a power to determine their own budget, and the judge pronounced on that issue as well. I want to put this on the record of this House.

“...Further to the doctrine of separation of powers, it is therefore undisputed that the Executive bears the responsibility for the general control and direction of the State. The control of the purse strings of the country is one of the function of the Executive...”

That apparently is the source of contention in some quarters. Well, the Judiciary has pronounced. We must no longer be in doubt who controls the purse strings in relation to any agency of the State. It is the Executive that must determine what is the nation's financial affordability for any fiscal year for the

purpose of budget. Some constitutional agencies and their advocates believe that they can submit a proposal to the Minister of Finance and he, somehow, is mandated to bring it before this House without any assessment of the country's capabilities to honour that budgetary proposal for any given year. Here the Judiciary has pronounced firmly on that. Sir, we know there are certain agencies whose budgetary finance constitutes a direct charge on the Consolidated Fund. Though that has been in our Constitution since independence, my research shows that, since independence when the budgets were prepared, those expenditures, though a direct charge on the Consolidated Fund, for some inexplicable reason, were included in the Appropriation Act and were appropriated as a lumpsum. That happened under the PNC/R Government from 1966 until recently. That is how budgets were done. I do not have an explanation as to why.

The judge pointed out, and I agree with him, that if it is a direct charge on the Consolidated Fund, then it cannot be appropriated. The judge ruled that, in so far as we appropriate moneys that constitutes a direct charge on the Consolidated Fund as part of the Appropriation Act, is wrong and that the Constitution supports. I agree with that. This amendment seeks to rectify that position. The judge identifies it here. He speaks about a *lacuna* in the Executive.

“This Court is of the view that there exists a *lacuna* between the Executive's statutory and constitutional mandate to prepare and lay before the National Assembly estimates of the revenue and expenditures of Guyana, and the process of determining the expenditures of the Constitutional Agencies which are financed as a direct charge on the Consolidated Fund, and which has to be approved by the National Assembly during the national budget process...”

This Bill seeks to correct that *lacuna*. I believe that the Minister of Finance will now lay a motion constituting or consolidating the estimates for these constitutional agencies. Then we have a very unhappily drafted article in the form of 222A. I will read that article because, in my view, it presents a conflict, and the judge recognised that conflict when he said:

“These agencies budgets though a direct charge must receive the approval of the national Assembly. Those are contained in the expressed language of article 222A.

Article 222A reads:

“In order to assure the independence of the entities listed in the Third Schedule,

- (a) the expenditure of each of the entities shall be financed as a direct charge on the Consolidated Fund...”

I want to pause there. That should have been the end of the matter in proper constitutional principles. Our Constitution goes on to say:

“...(a) the expenditure of each of the entities shall be financed as a direct charge on the Consolidated Fund, determined as a lump sum by way of an annual subvention approved by the National Assembly after a review and approval of the entity's annual budget as a part of the process of determination of the national budget;”

The Constitution itself, though there are direct charges on the Consolidated Fund, mandates that they be assessed and approved by the National Assembly. I did not put this here. This Bill seeks to rectify that. That will be done now separately and not in the Appropriation Act. To comply with this requirement, we have decided to use the mechanism of a motion.

The other important component of this Bill has to do with accountability and transparency. These agencies are funded with public moneys. Like any agency, in any democratic society funded by public moneys, there must be transparency and accountability. At the end of the day, as the judge pointed out and as the Constitution states, the financial responsibility or the responsibility for the finances of the State remains that of the Executive. While these agencies have independence, the financial responsibility for the management of the State remains that of the Executive. It is the duty of the Executive to ensure that, because the Executive collects taxes, the Executive manages public finances, and the Executive also begins the process of disbursements. Those combinations of responsibilities devolve upon the Executive a duty to ensure that there are mechanisms in place that will mandate these agencies to spend their moneys with some degree of fiscal responsibility.

9.36 p.m.

They are already getting these moneys as a direct charge and by a lump sum payment. Currently, in our law, there is nothing that regulates them post, after the lump sum disbursement; there is absolutely nothing. An agency could

very well receive its lump sum disbursement at the beginning of the financial year and squander it. The Executive would be forced to intervene to bring order in the country, to get that constitutional body to discharge its duties by providing additional fiscal assistance, as we have to do so many times, for example, with the Georgetown Mayor and City Council. This Bill promulgates a series of regulations that seek to make these agencies comply with a process that would ensure that there is accountability and there is some measure of oversight over how they spend. It is in no way intended or designed to interfere with the manner in which they spend. They make their budget; they spend in accordance with that budget. There are periodic disbursements, but there is no other control over the way they spend. Of course, they must procure in accordance with the National Procurement Act, and the other pieces of legislation in the country. This Bill, for the first time, seeks to provide a transparent, responsible network of rules that would apply to constitutional agencies to ensure that there is some fiscal responsibility there. We derive that authority to move those aspects of the Bill from article 222 A itself. Article 223 A (b) states:

“Each entity shall manage its subvention in such manner as it deems fit for the efficient discharge of its functions, subject only to conformity with financial practices and procedures approved by the National Assembly to ensure accountability;”

That is exactly what we are doing. We are enshrining with the approval of the Parliament, practices and procedures to ensure that this lump sum disbursement... to ensure accountability in relation to these expenditures. The judge in his judgement also recognised that there should be some post disbursement regulation. His honour directed us to another mechanism, another act. We decided not to pass a different act as we have the Fiscal Management and Accountability Act No. 20 of 2003 here. All that we decided to do, to capture the letter in spirit of that which is being articulated by article 223 A, as well as to register or to take on board the sentiments of His Honour, and to create an additional segment to the Fiscal Management and Accountability Act No. 20 of 2003 which would apply to constitutional agencies, and that is what this Bill seeks to do.

The Bill is a small piece of legislation, but it has very far-reaching ramifications. First of all, it ensconces the independence of important constitutional agencies. The judiciary, the Director of Public Prosecutions (DPP), all of the service commissions, the Ethnic Relations Commissions, all of the constitutional commissions, all these agencies are

important agencies in the apparatus of our independence. They all have a statutory or a constitutional role to play, they have an important oversight task to perform. As part of their oversight, they must receive moneys from the Executive to fund them in a transparent and in a way that does not compromise their functional responsibilities. This Bill seeks to regulate all of that, and seeks to entrench those important concepts, so that these agencies could continue to perform their important constitutional oversight role. This is a landmark piece of legislation, like all the others which we have debated today. I am pleased to commend this Bill to the House and offer my support to it. *[Applause]*

**Mr. Speaker:** Thank you, Hon. Attorney General. I am checking to see if there is any other person. Senior Minister within the Office of the President with responsibility for Finance, Hon. Ashni Singh, you have the floor.

**Dr. Singh (replying):** Thank you very much, Mr. Speaker. Not much remains for me to say, but that this legislation represents yet another instalment of our Government’s commitment to respecting the Constitution, and, indeed, giving our commitment, not only to respecting the Constitution, but giving meaning to the spirit and intent of the Constitution. This particular instance by ensuring the financial independence of constitutional agencies is protected and preserved by the establishment of a framework, which perhaps, some might argue is somewhat overdue, but which resolution became necessary. Like I said in my earlier presentation, as a result of the reckless tampering with the Constitution and the Fiscal Management and Accountability Act No. 20 of 2003 in 2015, in defiance by the APNU/AFC I should add, in defiance of the very cogent and persuasive arguments that were made by the People’s Progressive Party’s Members of Parliament at the time, including the now Attorney General. It is indeed our honour to be able to bring to Parliament this very important, it might seem like an innocuous piece of legislation, but it really is in many respects a seminal piece of legislation because it finally brings closure to a matter that has been pending for some time. Like I said, it was exacerbated by reckless legislative tampering in 2015 by the APNU/AFC which, of course, as the Attorney General indicated earlier, and as I did in my first presentation, which was with subsequently the APNU/AFC tampering in 2015 with the Fiscal Management and Accountability Act No. 20 of 2003, which was recently deemed to be unconstitutional. Yet another example of unconstitutional behaviour by the APNU/AFC.

I am pleased that we have finally been able to bring that saga to a closure, and to put in place a legal framework that hopefully addresses this matter once and for all. With those words, I wish to move that the Fiscal Management and Accountability (Amendment) Bill 2021 be read a second time.

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed as printed.*

### **Views of the Deputy Speaker**

**Mr. Speaker:** You may go ahead Hon. Prime Minister. Before you move the adjournment, let me ask the Hon. Deputy Speaker if he would like to say something. That is if he is connected, we had 'blackout' at one stage. Let me see if I could get the Hon. Deputy Speaker, I know he is online.

**Mr. Shuman:** Can you hear me, Mr. Speaker?

**Mr. Speaker:** Yes, we could hear you, Sir.

**Mr. Shuman:** First, let me say to my Colleagues and the nation listening that I wish to distance myself from the events that happened with my Parliamentary Colleagues. I think that the behaviour in itself was unparliamentary and it does not set a good example for the nation. I think that leadership in itself should take a better course in resolving conflict and addressing long standing parliamentary procedures, and the constitutionality of Parliament in itself. I wish to express my sincere regrets to the nation and to everyone listening.

At this juncture, I also wish to register my concern that I have not been heard even though I attempted to get not only your attention, but that of the Clerk and the Minister of Parliamentary Affairs and Governance through the mayhem, to register my remarks on the Natural Resource Fund Bill 2021. I am not sure what juncture that Bill is at the moment because I lost the feed. I wish to ensure that my remarks get registered in the *Hansard*, if possible.

*9.51 p.m.*

**Mr. Speaker:** Thank you, Hon. Deputy Speaker. Is that it?

**Mr. Shuman:** Mr. Speaker, I really have no other recourse. I really wish that I could have contributed to that debate. Given the opportunity that the House would indulge me for a few minutes, I would be more than happy to, at least, get it in the *Hansard* even though the Bill in itself has been concluded and passed.

### **Events in the National Assembly**

**Mr. Speaker:** Thank you, Hon. Deputy Speaker. Hon. Members, just to let those who were not able to follow everything that happened this evening – persons invaded the Control booth and disconnected the microphones, the internet feed and disrupted the communication devices that I had on my desk. I only got them back just after 9.19 p.m. My apologies to those who missed all of the liveliness in our very aggressive House.

### **New Year's Greetings**

I want to join with the Hon. Prime Minister and everyone else in wishing all Members and their families a happy New Year and also to all the staff at the Arthur Chung Convention Centre, the Media, the caterers and all of us who keep the business of this country going. Let us hope that 2022 brings you a safe, blessed and prosperous New Year. Hon. Prime Minister...

**Mr. Shuman:** Mr. Speaker, ...

**Mr. Speaker:** Hold on, Hon. Prime Minister. Yes, Mr. Deputy Speaker...

**Mr. Shuman:** Yes, Sir. I still wish if the House would permit me. It will take no more than five minutes, Sir.

**Mr. Speaker:** Continue, Sir.

**Mr. Shuman:** Yes, Sir. Mr. Speaker, I wanted to ... It was my intent to be extremely brief in my presentation. I wanted to commend the Government for tabling this piece of legislation to a legitimate process.

**Mr. Speaker:** Unfortunately, Mr. Deputy Speaker that occasion has gone and now we are about to adjourn the Assembly for today.

**Mr. Shuman:** Well, thank you, Sir. Let me take this opportunity then, to wish all my Parliamentary Colleagues and the nation a very fantastic close to the old year. I look forward to a very productive 2022. I wish all my Colleagues and the nation at large, a very happy New Year in advance. I

look forward to doing the public's work in a more dignified and civil manner in 2022. Thank you, Sir.

**Mr. Speaker:** Thank you, Hon. Deputy Speaker. Mr. Prime Minister, you have the floor.

#### **ADJOURNMENT**

BE IT RESOLVED:

“Mr. Speaker, I move the adjournment of the Assembly to a date to be fixed.”

*Motion put and agreed to.*

**Mr. Speaker:** Hon. Members, the Assembly is now adjourned to a date to be fixed.

*Adjourned accordingly at 9.54 p.m.*