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NEWS

Rowley leaves TT on Sunday

Govt to sign new agreement with Shell

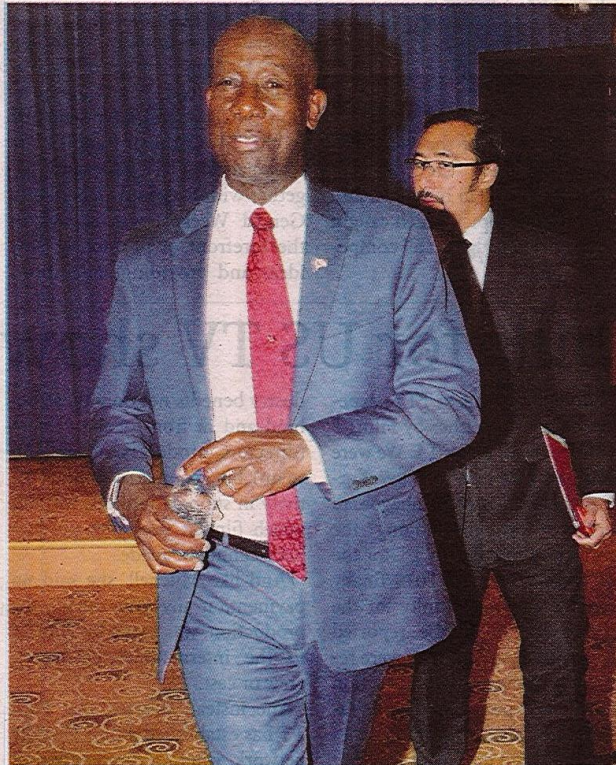
JULIEN NEAVES

GOVERNMENT will be signing a new agreement with Shell during a trip next week, announced the Prime Minister.

He was speaking yesterday at the post-Cabinet media briefing held at the Diplomatic Centre, Port of Spain.

Dr Rowley reported that Sunday he leaves for a ten-day trip leading a Government delegation to the headquarters of the major oil companies operating in TT. He will be going to Holland on the invitation of Shell, meet BP and TT nationals in London and stop off in Houston to meet Shell's technical people. He said the trip will involve a number of Government officials including the Energy Minister and technical people from the National Gas Company.

He recalled following "challenging negotiations" with all contributors to oil and gas to the economy especially as some contracts, including long-term contracts, had come to an end. He said it was decided that both Government and the companies would establish an empowered negotiation team who can speak for each interest and authorised to make decisions.



STEPPING OUT: The Prime Minister leaves the post-Cabinet media briefing at the Diplomatic Centre in St Ann's yesterday.

PHOTO BY KERWIN PIERRE

"So we've had that going on for quite some time and we are not in a position to tell you the final outcome of that because there are still some minor points to be

tied up. But we are at a stage now where I think we have concluded those negotiations and I dare say satisfactorily."

He said the visit to Holland is

to sign an agreement with Shell from the outcome of negotiations as Cabinet has just approved the outcome. He added there are other issues that have to be raised with other companies during the trip.

Asked about the three bids out of six received for the shallow-water bid round this week, and all from one bidder - a BPTT/Shell consortium- Rowley said "there has been some combining of effort in our area." He said initially BP was off the east coast and then, when BP got involved with BHP, BHP became the major partner on the east coast with BP as junior partner. He noted BP was now focusing on the southern basin while Shell has consolidated and become the major player.

"Now with the bid round where before you would have Shell looking for its own acreage and BP looking for its own acreage but they aren't enemies. They're in the same business."

He said the companies talk to one another and, instead of each going after different acreage, they combine.

"Which is a good thing for TT-we get the best of both companies. And some acreage was taken up and are focused on that side of it."