



**Government of the Republic of Trinidad and Tobago
MINISTRY OF ENERGY AND ENERGY INDUSTRIES**

Opening Address

By

Senator The Honourable Franklin Khan

Minister of Energy and Energy Industries

Inspiring Trinidad and Tobago's Future

Launch of the Ministry of Energy and Energy Industries

Mentorship Programme

Hyatt Regency Trinidad

August 14, 2019

It is with great pleasure that I announce the commencement of the Mentorship Training Programme in the Ministry of Energy and Energy Industries aptly titled ‘inspiring Trinidad and Tobago’s future’. The driving force behind the programme is Dr the Honourable Keith Rowley, Prime Minister of Trinidad and Tobago (T&T) whose vision for the creation of a cadre of energy professionals has been adopted by the Ministry of Energy and Energy Industries (MEEI). Early in the term at the Standing Committee on Energy Meetings, the Prime Minister asked me ‘where is the next generation of energy leaders?’ This landmark initiative will ensure that Trinidad and Tobago (T&T) continues to be equipped with the intellectual capacity and capability to service the domestic energy sector.

In its mandate, the MEEI has the responsibility for the management of the energy sector of T&T comprising crude oil, gas, renewable energy and minerals. The importance of the energy sector can be gauged by its economic contribution to this country. The sector has consistently been the largest contributor to Gross Domestic Product (GDP) currently around at 26% to 30%, the generator of the largest foreign exchange inflows and a major contributor to Government’s revenues.

The sector had its challenges but it is steadily turning around. Gas production, which had reached a low point in 2015, is cautiously on the rise. There have been significant gas finds in our deep-water blocks and in the not too distant future commercial production will commence from this area. Oil production too is set to get a major boost from our East Coast Area and Gulf of Paria (Ruby Field and Trinmar). These developments have created a renewed confidence and interest in Trinidad and Tobago as an oil and gas province. As the result, the major upstream companies have been seeking extensions to their licences and contracts. Recently we received bids

for three (3) of the blocks offered in our shallow water bid round. The evaluation of these bids are currently ongoing and should be completed shortly.

We have also received unsolicited offers for the other blocks in that bid round which were not the subject of any bid, this being an indication of the prospectivity of these blocks.

The resurgence of the domestic energy sector does not take into consideration our cross-border gas fields with Venezuela or the Venezuelan Dragon Field for which discussions are currently on hold but has great promise for the future.

Given the outlook for the future, the MEEI has determined that in the current form it is short on the skill sets and is not structured to effectively execute its mandate. The lack of proper succession planning, critical manpower shortages and an uncompetitive remuneration has led to a high turnover of its technical staff and impaired its ability to effectively manage the sector. Hence the need for restructuring of the organization and the development of its Human Resource capacity. The Ministry is therefore fully aligned with the vision of the Honourable Prime Minister.

The work of the technical and professional staff of the MEEI is of a specialised nature and not **ipso facto**, applicable to the wider Public Service. As a consequence, the Ministry cannot look to the wider public service for the recruitment of professional staff. Neither can the Ministry look to the private or state sectors for the recruitment of energy professionals due to the uncompetitive remuneration. Accordingly, the focus has to be on the development and retention of staff. In 1998, given the attrition of staff a professional allowance ranging from 85% to 90% of the existing base remuneration of designated technical staff was introduced. Similarly,

in 2007, a duty allowance was paid to petroleum inspectors. The introduction of these allowances served to reduce the gap between remuneration of professionals in the MEEI, the state energy companies and the private sector and induced a measure of stability among the technical staff.

The introduction of the professional allowance did curtail at that time, the level of departures by professional and technicians in the years immediately following its implementation. Between 1998 and 2004, only two (2) members of staff tendered their resignation. However from 2005 to present there has been a constant stream of resignations with the principal reason being the disparity in compensation between the MEEI and the rest of the energy sector. As at December 2018, a further fifty-six (56) officers had resigned to take up better paying energy sector positions. This exodus of officers has not been limited to permanent staff as the Ministry also lost contract officers to the energy sector over the same period.

Several of the Ministry's staff were recruited by companies in the domestic energy sector but many have taken up employment abroad. Officers who were recruited locally include Dr. Hasley Vincent, Geologist and Rakesh Jhilmit, Petroleum Engineer both who are with Heritage, Gabriella Kokoram, Geologist, who is with Perenco and Stephen Jagdeo, Geophysicist who is with BPTT. Former employees, who have been recruited by foreign energy companies, include Vanessa Harry-Kissoon, a Petroleum Engineer who is with Exxon, Christie Ramlal a Geophysicist who is with Conoco, Marcia Mc Millan, a Petroleum Engineer and Ryan Kassie, a Geologist who are all with US based energy companies.

Just recently, we lost Sandy Singh, an island scholar and Chemical Engineer, to the Gas Exporting Countries Forum (GECF) where she will join a former Ministry

employee, Adrian Sookhan, Chemical Engineer, at the GECF Secretariat, in Doha, Qatar. We also lost Arvin Hardeo, Chemical Engineer to the Financial Commercial Bank (FCB) recently. In January of this year, we lost Lisa Sharpe-George, a young scholar to the accounting firm Deloitte of Washington, DC, USA. Lisa played a pivotal role in the decision by Government to pursue with the energy companies a more equitable return of revenue earned from LNG. Poten and Partners in the Gas Master Plan had calculated a massive revenue leakage from LNG. It was Lisa, who highlighted the great disparity in revenue earned from LNG by T&T, when compared with other countries, in which the same energy companies operate. Today, I can announce that following intense negotiations with the energy companies we have made great strides in closing that revenue gap.

The fact that many of the former Ministry's employees can be found working abroad in energy industries in the multi-national and national oil companies is testimony to quality of personnel resource, exposure and training provided by the Ministry. This is further evidenced by the industry's stalwarts whose training and experience, were grounded in the MEEI. They include Professor Andrew Jupiter, a former Permanent Secretary and President of National Energy Corporation of Trinidad and Tobago Limited. Mr. Frank Look Kin former Chief Technical Officer and President, National Gas Company of Trinidad and Tobago Limited, Dr. Lorraine Sobers, Lecturer, University of the West Indies and the late Mr. Trevor Boopsingh, former Permanent Secretary and Chairman, Petroleum Company of Trinidad and Tobago Limited.

Our current energy professionals are not to outdone. In November 2018, the 20th Ministerial Meeting of the Gas Exporting Countries Forum (GECF) was convened in Port of Spain, Trinidad and Tobago under the Chairmanship of Minister of Energy

and Energy Industries of Trinidad and Tobago. On the sidelines of the Ministerial Meeting was a Gas Symposium for which the Honourable Prime Minister gave the keynote address, which was well received. The author of that keynote address was our own energy professional Melissa Mannan, a Chemical Engineer, and may I add that the speech was delivered without a single amendment from the Honourable Prime Minister.

Trinidad and Tobago has been in the oil and gas business for over one hundred (100) years. A major contributing factor to the sustainability of the industry has been our skilled workforce. The availability of a skilled workforce translates into lower costs vis-a-vis imported labour for operating companies. The combination of skilled labour, a stable political environment, a favourable fiscal regime and prospective geology have all resulted in this country being an attractive destination for investors.

However, the reputation we have gained as a location with the requisite skilled Human Resources is being slowly eroded by industry employment practices where services are contracted or relocated abroad. Consequently, employment in the sector has seen a steep drop of thirty-three percent (33%) over the last five (5) years that is from 21,700 in 2014 to 14,600 persons in 2019. Evidence of this under-employment by the industry became apparent when the Ministry invited applications for entry-level technical positions and was overwhelmed by the deluge of applications.

As a country where in excess of TT\$600M was disbursed through the Gate Programme, which created the University of Trinidad and Tobago, as a Technology Institution and through Production Sharing Contracts, numerous energy related scholarships were granted. The under-employment of our energy professionals is unacceptable.

Given the importance of the energy sector, Dr the Honourable Keith Rowley Prime Minister of Trinidad and Tobago decided that this state of affairs as regards the erosion of the skills base could not be allowed to take root. The Honourable Prime Minister therefore instructed that steps be taken to ensure that the MEEI acquire its complement of key technical staff and that a mentorship programme be developed to accelerate the learning curve and development period of newly graduated energy professionals.

Pursuant to the direction provided by the Honourable Prime Minister, the MEEI developed a mentorship programme for newly graduated energy professionals. The Programme was approved by Cabinet, as was a request to upgrade the professional allowances for its professional and technical staff.

The Mentorship Programme designed by the MEEI is the first of its kind instituted for the Ministry. To be eligible the graduates must have attained qualifications in energy sector disciplines following the award of National Scholarships and/or graduated from their respective energy sector fields of study with First Class Honours or at the Masters Level with Distinction. The initial programme will comprise of forty (40) graduates. The Ministry has identified twenty-seven (27) graduates with the requisite qualification within its current employ and through the Scholarship Division of the Ministry of Education has identified thirteen (13) candidates to achieve the complement of forty (40) participants. Of the forty (40) mentees, thirty (30) are island scholars and the rest have First Class Honours in their respective profession. The skills include geo-science, geo-physics, petroleum engineering, chemical and process engineering, mechanical engineering and information technology. Letters of Commencement will be issued to those selected energy professionals present at today's ceremony.

The Mentorship Programmes comprises three Tiers spread over a period of five years. The entry level, Tier I, is for graduates with First Class Honours or National Scholarship recipients with no experience and runs for one year. Tier 2 is for graduates with First Class Honours or National Scholarship recipients, with two years' experience and is for a period of two years. Tier 3 is for graduates with First Class Honours or a Distinction at the Masters Level, with two years' experience and is for a period two years. On the expiration of Tier 3, the energy professionals will have an opportunity to apply for available vacant positions in the Ministry.

The training programme for participants comprises an orientation programme, technical workshops (both local and foreign), short-term assignments with operating companies, field exposure and specific duties. Each participant will be assigned to a supervisor/mentor who will provide guidance, monitor and report on the participant's progress and once I am here, I will be 'Mentor in Chief'.

The curriculum for the programme was developed by a committee headed by our Permanent Secretary Mrs. Azizah Baksh-Backredee, and included Mr. Wendell Mottley, Mr. Selwyn Lashley, Mr. Leroy Mayers and Mr. Richard Jeremie.

We are also in the process of recruiting the world-renowned energy consultants Wood/Mc Kenzie to further develop the programme and to assume overall responsibility for its implementation.

Ladies and Gentlemen, the Energy Business is an international business – one has to be instinctively competitive to survive. The professionals must attain international standards to compete. The only way to achieve this is to build the institutional framework to attain quality human resource capacity.

This programme is a landmark initiative in the energy sector. It is the vision of the Honourable Prime Minister in his quest to ensure that the energy sector of T&T continues to be serviced by a cadre of energy professionals whose performance is of an international standard. As the Minister of Energy and Energy Industries, I wish to thank the Honourable Prime Minister for his support and his guidance in making this programme a reality.

To the successful participants, please accept my congratulations on your selection to the programme. You are deserving of the selection by virtue of your outstanding academic achievements. To whom much is given, much is expected. It is my expectation that the commitment and attitude that resulted in your excellent academic performance will be carried over on the assumption of your new undertaking.

In closing, let me quote from the famous Lee Kuan Yew's book 'From Third World to First—The Singapore Story.' In speaking about building Singapore's human resource capacity, he quoted an old Chinese saying 'You do not take good steel and make nails.' As a country, we have taken our best steel and made it into nails. This group of scholars are the country's best steel. We will not make them into nails but lasting structure for the future of T&T.

Finally, I wish to thank the Permanent Secretary, Members of the PS Secretariat and the staff of the Human Resources Division who were instrumental in structuring the programme and in organizing today's event.

I thank you.