

Khan: Shell, EOG, BP and BHP still on board

JULIEN NEAVES

ENERGY Minister Franklin Khan has reported that international oil companies (IOCs) Shell, BP, BHP and EOG have assured their continued investment in the upstream sector in TT contrary to negative assertions by detractors.

"It is this commitment that has resulted in an increase in gas production from 3.3 bcf (billion cubic feet) per day in 2016 to the current rate of 3.8 bcf per day."

He made the comment yesterday while provide a statement on Government's strengthening of the energy sector and provided an update on the outcome of negotiations between a team led by the Prime Ministers and the IOCs.

He reported the outcome of Phase 1 negotiations with Shell

resulted in an agreement to pay the Government approximately US \$397 million to the end of 2019 and the parties are moving onto Phase 2 of the negotiations which surround the restructuring of Atlantic LNG.

"The agreement on the upstream issues has also cleared the way for the finalisation of a new Shell's gas supply contract with NGC. The finalisation of the negotiations with Shell and BP has been a major achievement. The impact will redound to the benefit of the country with improved revenues and increased upstream activity resulting in a stable and improved gas supply."

He said the heads of agreement with Shell was signed on may 29 at the Hague, Netherlands at the Head Office, Royal Dutch Shell and will be followed by definitive agreements which will be final-

ised over the next two months. Khan expressed thanks to the IOCs for the professional manner in which the negotiations were conducted and their appreciation of the Government's team's concerns.

"This led to agreements which are to our mutual benefit."

Pointe-a-Pierre MP David Lee asked how many billions had been lost under this Government due to transfer pricing.

Khan replied: "We haven't lost significant revenue." He said the multinationals had broken no law and the solution was the three years of negotiation and engaging the companies as equals.

"And the very UNC that accused us of breaking the sanctity of contracts. So if you were in power it would have remained the status quo. Today we have changed the status quo."

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