



MINUTES OF PROCEEDINGS

OF

The Honourable the House of Assembly

At a meeting of the House of Assembly at the Parliament Buildings on Tuesday, the 18th day of November, 2014, pursuant to the adjournment.

PRESENT

- His Honour M. A. Carrington, Q.C., B.A., LL.B. (*Speaker*)
Her Honour Mrs. M-J. M. Thompson, B.A., M.Sc. (Ph. Ed.) (*Deputy Speaker*)
Mr. G. A. Clarke, J.P., B.Sc., Dip. Ed.
Mr. R. St. C. Toppin, LL.B. (Hons.)
Hon. D. St. E. Kellman (*Minister of Housing, Lands and Rural Development*)
Hon. Miss M. A. Mottley, Q.C., LL.B. (*Leader of the Opposition*)
Miss C. Y. Forde, J.P., L.C.P.
Hon. R. D. Jones, B.A. (Hons.), M.A. Ed., J.P. (*Minister of Education, Science, Technology and Innovation*)
Dr. the Hon. D. C. Estwick, B.Sc., M.B., B.S. (*Minister of Agriculture, Food, Fisheries, and Water Resource Management*)
Mr. D. D. Marshall, Q.C., LL.B. (Hons.), L.E.C.
Hon. M. A. Lashley, LL.B. (Hons.) (*Minister of Transport and Works*)
Hon. R. L. Sealy, B.Sc., M.B.A. (*Minister of Tourism and International Transport*)
Rt. Hon. F. J. Stuart, Q.C., B.A., LL.M. (*Prime Minister, Minister of National Security, The Public Service and Urban Development*)
Hon. J. D. E. Boyce, M.Sc., C. Eng. (*Minister of Health*) (*Leader of the House*)
Hon. S. D. Blackett (*Minister of Social Care, Constituency Empowerment and Community Development*)
Dr. the Hon. D. S. Lowe, Dip. Theology, B.A., M.Ed., Ed.D. (*Minister of Environment and Drainage*)
Hon. A. D. Brathwaite, Q.C., LL.B. (Hons.) (*Attorney General and Minister of Home Affairs*)
Hon. S. A. Lashley, B.Sc., LL.B. (Hons.), L.E.C. (*Minister of Culture, Sports and Youth*)
Hon. D. O'N. Inniss, B.Sc., M.B.A. (*Minister of Industry, International Business, Commerce and Small Business Development*)
Hon. C. P. Sinckler, B.A., M.Sc. (*Minister of Finance and Economic Affairs*)
Mr. T. A. Prescod, B.A.
Mr. K. D. Symmonds, B.A., LL.B.
Lt. Col. J. D. Bostic, MVO, B.A. (Hons.)
Mr. E. G. Hinkson, LL.B. (Hons.), L.E.C., LL.M.
Mr. D. G. Sutherland, B.Sc., M.Sc., M.B.A. (Dist.)
Miss S. J. O. Bradshaw, LL.B. (Hons.)

ABSENT

Rt. Hon. O. S. Arthur, M.Sc. (Econ.), Mr. G. W. Payne, Q.C., Mr. J. D. Paul, B.Sc. (*Chairman of Committees*) and Dr. M. M. Agard, J.P., B.Sc., M.Sc., D.D.S.

Mr. Speaker took the Chair at 10.15 a.m.

Prayers were taken by Rev. Canon Ivan Harewood.

MINUTES

The Minutes of the meetings of Friday, 7th November, 2014 and Tuesday, 11th of November, 2014, were taken as read and were confirmed on the separate motion of Hon. J. D. E. Boyce seconded by Hon. A. D. Brathwaite.

PAPERS

Hon. A. D. Brathwaite by command laid the Prisons (Amendment) Rules, 2014.

Hon. C. P. Sinckler by command laid the Financial Report and Financial Statements of the Accountant General for the Financial Year 2012–2013.

FIRST READINGS OF BILLS

On the motion of Hon. C. P. Sinckler seconded by Hon. D. O’N. Inniss the Income Tax (Amendment) Bill, 2014 was read a first time.

ORDERS OF THE DAY**SUSPENSION OF STANDING ORDERS**

On the motion of Hon. J. D. E. Boyce seconded by Hon. A. D. Brathwaite, Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 were suspended for the remainder of the Sitting.

GOVERNMENT BUSINESS**ORDER NO. 22****RESOLUTION RE MEMBERSHIP OF
THE DEVELOPMENT BANK OF LATIN AMERICA (CAF)**

Hon. C. P. Sinckler spoke on the following Resolution:

WHEREAS by section 2 of the *Special Loans Act*, Cap. 105 the Government is authorized from time to time to borrow from any bank, corporation, company or other institution sums of money not exceeding in the aggregate BDS\$2,500,000,000.00 on such terms as may be agreed upon between the Government and the lender of any such sum of money;

AND WHEREAS by section 3 of the said Act it is provided that any money borrowed under the authority of the Act shall be appropriated and applied to such purposes as Parliament may approve by resolution and that such money and any interest payable thereon is charged upon the general revenues and assets of Barbados;

AND WHEREAS the Government considers it necessary to borrow the sum of US\$25.0 million from First Citizens Bank Limited for the purpose of funding the initial deposit required for the Government of Barbados to become a “C” member of the Development Bank of Latin America, on the terms and conditions contained in the Agreement, the main provisions of which are set out in the *Schedule*;

AND WHEREAS the said sum of US\$25.0 million is within the authorized borrowing limit given to the Government under section 2 of the said Act;

RESOLVED therefore that Parliament approve the borrowing of the said sum of US\$25.0 million from First Citizens Bank Limited to fund the initial deposit required for the Government of Barbados to become a “C” member of the Development Bank of Latin America on the terms and conditions contained in the Agreement, the main provisions of which are set out in the *Schedule*.

SCHEDULE**TERMS AND CONDITIONS**

Borrower:	Government of Barbados (GOB).
Lender:	First Citizens Bank Limited or any of its affiliates.
Amount:	US\$25,000,000.00.
Purpose:	To fund the initial deposit required for the Government of Barbados to become a “C” member of the Development Bank of Latin America (CAF).
Facility Type:	Short term demand loan.
Tenor:	Nine (9) months.
Repayment:	Interest payable monthly and principal to be liquidated in full at maturity.
Commitment Fee:	1.375% of the facility, 0.69% of which is payable upon acceptance of the offer.
Interest Rate:	Six (6) month LIBOR plus 6.42% p.a. Current effective rate 6.75%, net of withholding tax.
Conditions precedent:	<p>The disbursement of funds on the facility is conditional upon the preparation, execution and delivery of legal documentation in the form and substance satisfactory to the Lender and its Attorneys incorporating substantially the terms set forth in the Term Sheet subject to all conditions precedent being satisfied including but not limited to:</p> <ul style="list-style-type: none"> (i) Letter of Undertaking from Ministry of Finance and Economic Affairs (MOFEA) of Barbados indicating that they will utilize the initial CAF loan facility obtained for the repayment of the proposed facility. (ii) Authorisation from all Government Regulatory authorities in Barbados with respect to the facility. (iii) Any additional documents as guided by the Attorney-at-Law engaged in the matter. (iv) Any further downgrade in credit ratings of Barbados during the term of the loan may result in the review of the terms and conditions of the loan at the Lender’s discretion including but not limited to an adjustment to the interest rate. In the event of a further one notch downgrade the interest rate may be increased by 0.5% to 0.75% per annum. The Lender retains the right to renegotiate the terms and conditions of the Credit Facility should downgrades persist. (v) Copies of the signed agreements evidencing that the Government of Barbados was considered, assessed and pre-qualified for “C” membership in CAF which

is to be reviewed by in-house Legal Counsel and found acceptable to the Lender.

- (vi) Confirmation from CAF that the Government of Barbados will be accepted as a “C” member upon payment of the initial US\$25.0 million and benefit from full rights of a “C” member, evidenced by signed agreement between CAF and the Government of Barbados to this effect.
- (vii) Confirmation from CAF regarding the availability of a minimum US\$25.0 million in the first six (6) months of membership being granted.
- (viii) Written confirmation from CAF that loan proceeds may be used to repay proposed facility, to be reviewed by in-house Legal Counsel and found acceptable to the Lender.
- (viiii) Confirmation from the Central Bank of Barbados that there will be no hindrance to the Government of Barbados remitting the full amount due at maturity to the Bank in accordance with exchange control regulations of Barbados.

Legal expenses and other expenses:

All legal and out-of-pocket expenses incurred by the Bank in connection with the facility is for the account of the Borrower.

Events of default:

Usual and customary for transactions of this type, to include, without limitation, non-payment of principal, interest and fees; violation of covenants; inaccuracy of representations and warranties; cross defaults; bankruptcy. Also any material adverse change being any change in circumstances including without limitation financial and/or trading and/or economic conditions and the political situation whether or not relating to the Borrower, which in the reasonable opinions of the Lender would be likely to have a material adverse effect on the Borrower or the ability or willingness to perform or comply with any of its obligations under the facility or under any related finance or security document.

Cross default:

Where

- (a) the Borrower has financial indebtedness to any other financial institution and such financial institution becomes entitled to declare such financial indebtedness due and payable prior to its specified maturity as a result of an event of default; and
- (b) any encumbrance to secure any financial indebtedness of the Borrower to any other financial institution becomes enforceable, the Lender shall immediately be entitled to declare that the facility is cancelled, and/or to demand repayment of all advances together with all interest and other monies due under the Term Sheet, including legal fees and related costs that might also be incurred if the facility

is cancelled whereupon the same shall become immediately due and payable without presentment, demand, protest or any other notice whatsoever.

Taxation: All payments by the Borrower will be made free and clear of all present and future taxes, withholdings or deductions of whatsoever nature. The Borrower will also be responsible for the due payment of all levies, imposts, taxes and duties or charges incurred in connection with this facility.

Governing law: Laws of the Republic of Trinidad and Tobago,

and moved that the Resolution be passed.

Mr. Speaker vacated the Chair in favour of Madam Deputy Speaker.

Hon. Miss M. A. Mottley began to speak.

Hon. C. P. Sinckler spoke on a point of elucidation.

Hon. Miss M. A. Mottley resumed her speech.

Mr. Speaker resumed the Chair.

Hon. Miss M. A. Mottley concluded her speech.

SUSPENSION

On the motion of Hon. J. D. E. Boyce seconded by Hon. A. D. Brathwaite the Sitting was suspended until 2.15 p.m.

At 12.40 p.m. Mr. Speaker suspended the Sitting.

RESUMPTION

On resumption Mr. Speaker resumed the Chair.

ORDER NO. 22 (resumed)

Hon. D. St. E. Kellman spoke.

Hon. C. P. Sinckler began to speak.

Mr. Speaker spoke and the Member withdrew certain remarks.

Hon. C. P. Sinckler spoke in reply.

The Resolution was passed.

ADJOURNMENT

On the motion of Hon. J. D. E. Boyce seconded by Hon. R. D. Jones the Sitting was adjourned to Friday, 28th November, 2014, at 10.00 a.m.

At 3.20 p.m. Mr. Speaker adjourned the Sitting.

N. R. JONES

Deputy Clerk of Parliament.

The Minutes were certified correct and confirmed the
, 2014.

day of

Speaker.

HOUSE OF ASSEMBLY

FIRST SESSION OF 2013 – 2018

MINUTES

Tuesday, 18th November, 2014.

Government Printing Department.