



Minister Winston Dookeran's Speech
At Conference co-hosted with the
International Institute for Governance and Risk Initiative

Hyatt - Monday 9th August, 2010

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Honourable Minister of National Security, our leader of Government Business in the Senate, the Minister of State in the Ministry of National Security, Governor of the Central Bank, the Director of the International Governance and Risk Institute, Mr. Cleo Papas, Professor Nicos Pasas from North Western University a scholar with an international reputation here with us today, and all delegates to this very important conference that is taking place in Trinidad and Tobago, Welcome.

Let me from the outset say that very rarely have I seen such a dynamic and rich agenda that will be presented to you over the next four days. I want to congratulate the Director of the International Institute for Governance and Risk Initiative for putting together what appears to be perhaps one of the best international conferences to have taken place in our country on a very vexing problem that we must face together.

It is in that context therefore that I thought having this conference in Trinidad and Tobago is of particular significance to us. Not only because the new Government, which has been recently installed represents a call from the population to have partnership across party lines across various sectors and the region in order to tackle the varied problems that the society and the Caribbean region is facing; but also, because within the context of our planning for fighting and preventing financial crimes, we have been able as a country to put in place new institutional infrastructure in this regard.

The Anti Corruption Terrorism Act, which now criminalizes the financing of terror, the Proceeds of Criminal Act and the Financial Intelligence unit Trinidad and Tobago Act that is directly under the prevue of the Ministry of Finance have all recently been put into place.

As you can see from these comments, we have been very busy but we are just beginning. We recognize that it is necessary not only to have the legislative authority in place, but to be able to have the enforcement capability and the political will without which the risk of failure in this particular area becomes larger. We do not intend to fail as we are determined to take a serious approach towards cleaning up the society's institutions from financial crimes and at the same time join in our partners in the Caribbean to acknowledge the regional international nature of this problem.

There's much more than legislation and enforcement measures required. What is required is a higher level of political will not only here in Trinidad and Tobago but throughout the region to deal specifically with this problem. Not only because it threatens the very institutions of self-governance in the country, but it also touches on the very aspect of the maintenance of the sovereignty of the region.

We are a small state and small states are seen to be fragile in the international criminal order of today. We're a vulnerable state, vulnerable states are easy to penetrate and difficult to keep; and those who wish to penetrate it may. It is because of these reasons and since we are

well aware that this is an international problem of immense proportion, the United Nations Office on Drugs and Crime has estimated that the worldwide illegal drug revenues now exceeds 320 billion US dollars per year. Not only is this figure enormous in size but it also reflects the growing rate of the criminal industry worldwide that must be stopped and the place that we can stop it is right here in Trinidad and Tobago.

It is in that context therefore, that these frightening figures and staggering growth gives much vent to the view that organized criminal groups that control large amounts of this money must now not only be prevented from targeting governments and institutions but we must also remove the economic forces that keep them alive. I see this conference taking place not only because it deals with some very important issues of the integrity of our institutions but it also deals with issues that will affect the performance of our economy.

The integrity of our institutions is clearly affected when our financial institutions, our regulatory bodies and our law enforcement bodies find the very integrity in the social objective being affected. In addition to the integrity of our institutions, there is the issue of the productivity of the economy that is affected by the growth of this industry. In the very allocation of our resources we spend too much money fighting unnecessary situations, where our allocations should be on resources that would bring about more emphasis on poverty issues, more emphasis on growth and stability issues. We spend far too much money as a nation in fighting off terrorist activities in the local scene as well as security issues.

Our allocation of resources is therefore distorted. But not only within the local warders of our country does this happen, our capital inflow for long term development in finance is also affected by the increasing growth of the

financial crimes industry in our country.

Over and above all of that are the very values of our society, as it taps the problems of corruption, we must deal with these issues to ensure that new values must now be embraced in the 21st century in the context of the global climate. Corruption must not be tolerated and steps must be taken by the institutions' law enforcement mechanisms and by the economic actors who must stop financing and allowing the financing of the criminal industry to take place. This is why prevention is so important and one of the mandates of this forum is to deal with prevention of financial crime. It is in this context and as the Minister of National Security has so eloquently explained that our government is intensifying its efforts to establish robust and effective anti-money laundering systems to counter terrorist financing and to establish sustainable regulatory infrastructure for the prevention of financial crimes.

This is why in Trinidad and Tobago we are building the Financial Intelligence Unit. This unit has been in existence for a few months dating back to 2009 when it was first established. We are seeking to provide it with the highest state of technology, staffing it with the right skilled personnel, seeking advice in counsel from many international experts including your institute and many others as we try to provide the necessary framework for a sound functioning and effective Financial Intelligence Unit. We shall stand, shoulder to shoulder, with all of you who are in this room from parts of the Caribbean and the world as we engage in the new assault against financial crime in our societies.

In this regard, Trinidad and Tobago has applied for membership in the Egmont group of FIUs and we hope that our application will be considered and approved in 2011 when the

plenary session of the Egmont group meets next June. That group would establish the credentials of the highest standards of professionalism that we must adapt and give us the credentials to claim that.

Next week we shall be welcoming in our midst those two countries, that have promoted us for membership, the British Virgin Islands and the Bahamas. We look forward to using the forum in June of next year to have our application for membership in the Egmont group approved and in so doing allow us to join in the ranks of those nations in the world who have established the highest standards for the fighting and prevention of financial crimes in Trinidad and Tobago. Clearly, this problem has a deep international dimension and it's not a problem that can be fought only within the national borders of any one country. This view was so well expressed by the Managing Director or rather the Deputy Managing Director of the International Monetary Fund when he said and I quote, *"Global financial stability inches on the collective action at the international level but also on the effectiveness of national systems. Robust anti-money laundering and combating the financing of terrorism regimes are important pillars of the international regulatory and supervisory system. And which is part and parcel of our current efforts to strengthen the global financial framework."*

We concur with these views and that is why we are very pleased that an international conference of this quality is taking place in Trinidad and Tobago at this time. It is a time when we are taking an assault on all our social, economic and political problems which we face but none of least has to do with the issue of financial crimes. Therefore, I believe that this forum on governance, regulation and financial crime prevention will provide us with a rich exchange of ideas, a rich sharing of experiences among the various participants who are here; and in the final analysis, a

designing of an approach that will be able to create better enforcement, stronger political will, and more effective results.

Until our society becomes safe again, not from the violence of crime but from financial crimes that provides the source of the criminal industry, we will not be able to embark with the same amount of confidence that we will like to deal with the problems of development, growth and poverty eradication. This to me is an essential prerequisite in the governance of our country at this time.

Your presence here today for us is a source of inspiration as you have come here to share your thoughts, your thinking, and your experiences with us. We have in our midst many of the officials of the Trinidad and Tobago Government and I have no doubt that this will be an enriching experience. One that would provide a new point of departure as we tackle this problem. I give you the assurance as the Minister of National Security did before that the Government of Trinidad and Tobago has placed the fight against financial crimes in Trinidad and Tobago high on its priority. I look forward to getting the results of what will be started here today and together we shall deal with this problem in a manner that is required at this time in both the global and national scenario.

I hope you have a wonderful evening not only with the doubles but also with the fine restaurants that we have here in Trinidad and Tobago.

Thank you for being here and enjoy the next few days and the hospitality of our people.