



Government of the Republic of Trinidad and Tobago

Ministry of Finance and the Economy

Media Release

Attention All Editors

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Howai issues call to State Enterprises to adopt T&T Corporate Governance Code

Finance and the Economy Minister, Larry Howai is urging State Boards to encourage their respective organizations to adopt the Trinidad and Tobago Corporate Governance Code.

Speaking at the State Boards Seminar on Corporate Governance hosted by the Ministry of Finance and the Economy, today, Minister Howai impressed upon State Boards the urgent need to implement the T&T Corporate Governance Code which will lead to greater transparency and accountability and by extension improve the efficiency and delivery of service to the public by their organizations.

“Good corporate governance and ethical conduct are central to a more stable business environment and the role and contribution of the board of directors (in both the public and private sectors) in establishing ethical standards and good governance is critical.” Minister Howai said.

Minister Howai impressed upon the Directors the need for them to treat their positions with the highest degree of respect and stated that there was a continual need to reinforce public confidence in the positions which they hold.

“In my capacity as Corporation Sole, I am focused on adding value to “societal shareholders” that is, adding value to society and protecting the public interest. As such, this seminar is geared towards enhancing the way the assets and resources of the State Enterprise sector is managed.”

The Minister reminded the Directors of the requirements of Section 99(1) of the Companies Act which mandates that all Directors of companies must act honestly and in good faith when discharging their duties and exercise the necessary care, diligence and skill in the execution of their powers.

Minister Howai also urged Directors to internalize all other pieces of legislation which treat with the conduct of directors of State entities while urging them to also abide by the State Enterprises Performance Monitoring Manual of the Ministry of Finance and the Economy.

He stressed that Directors of State Enterprises are charged with the responsibility of safeguarding the resources of their respective institutions by ensuring that value for money is obtained at all times adding that decisions made must be both justifiable and capable of withstanding public scrutiny.

Today's discussions, Minister Howai said, was intended to concretize the expectations of Directors and impress upon them the urgent need for their actions to be guided by the conditions of the prevailing macro-economy, the nature of the industry and the adoption of good corporate governance principles and practices.

"As members of State Boards you are, an important part of the system of checks and balances instituted to ensure that there is no abuse of power and that decisions are made in the institution's and the nation's best interests." Minister Howai stated.

The Minister announced that a new semi-automated process of monitoring State Agencies will be implemented within the next 12 months and is intended to bring about significant changes in the operations of all stakeholders.

Directors were also advised that the Ministry of Finance and the Economy will be more active and vigilant in the coming months in the review of business plans, and minutes of Board meetings as well as in ensuring compliance with the measures outlined in the State Enterprise Monitoring Manual.

"The Ministry's Central Audit Unit will also be requested to closely monitor transactions and contracts given out to ensure compliance with required procedures and to make the noise associated with the award of contracts a thing of the past." Minister Howai noted.

Minister Howai further stressed that the effective functioning of the governance framework requires committed leadership and an ethical environment supported by the tone set by the board and management.

"To build the level of public confidence in the sector, you must strive to lead with respect and integrity and to report accurately and on a timely basis."

Minister closed by impressing upon the Directors that they are working for the citizenry of Trinidad & Tobago and that they are expected to deliver a high quality product that offers value for money efficiently and effectively.