



Any reply or subsequent reference to this communication should be addressed to the Contractor-General and the following reference quoted:-

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MEDIA RELEASE

OCG TO INVESTIGATE ALLEGATIONS OF AWARD OF MULTI-MILLION DOLLAR SUGAR COMPANY OF JAMAICA CONSULTANCY CONTRACT TO AUBYN HILL

Kingston, Jamaica; October 16, 2009 – The Office of the Contractor General (OCG) has today taken the decision to commence a formal Investigation into allegations that Aubyn Hill and/or his company, Corporate Strategies Limited, are the beneficiaries of a consultancy contract which has been awarded by the Sugar Company of Jamaica (SCJ) to guide the country’s sugar assets divestment process.

The allegations, which were first aired over the electronic media yesterday, are of special interest to the OCG, particularly because of reports that approx. \$27 Million has already been paid out under the contract since July 2008 and the fact that Mr. Hill is also the Chairman of the Board of Directors of SCJ Holdings, which holds the assets of the SCJ.

During the coming week, the Minister of Agriculture, Dr. Christopher Tufton and the Permanent Secretary in the Ministry of Agriculture, Mr. Donovan Stanberry, will be formally notified of the OCG’s decision. Both of these State officials will also be formally requisitioned by the OCG to assist it in its Special Investigation.

The OCG’s Special Investigation will seek to determine whether there is any truth to the allegations. If the allegations are in any way true, the Investigation will be guided by the following terms of reference:

- (1) To ascertain the terms of the contract and whether any other member of the Government’s Sugar Cane Industry Privatization Negotiating Team is being paid under similar or other terms;



- (2) To determine the overall circumstances of the contract award and the persons and authorities who negotiated and/or approved same;
- (3) To determine whether the contract was awarded impartially and on merit and in circumstances which did not involve impropriety or irregularity;
- (4) To determine the procurement methodology which was utilized to award the contract and whether applicable Government Procurement Procedures were complied with. Prior to September 22, 2008, sole source contract awards in excess of \$1 Million in value would have required, among other things, the prior evaluation and endorsement of the National Contracts Commission (NCC) as to justification and cost competitiveness. In addition, the prior approval of the Cabinet would have had to be secured if the projected value of the contract was in excess of \$15 Million;
- (5) As Mr. Hill is also the Chairman of SCJ Holdings, to determine if the disclosure and conflict of interest provisions of the Companies Act, the Public Bodies Management and Accountability Act or any other law were in any way violated; and
- (6) To determine whether the contract has, so far, been implemented in accordance with its terms.

As has been formally documented in the OCG's 2008 Annual Report to Parliament, the OCG has been monitoring the sugar asset divestment process despite questionable attempts by the Agriculture Minister in January 2008 to challenge the lawful authority of the OCG to do so. Once the Investigation is completed, copies of the OCG's Report of Investigation will be submitted to the Speaker of the House of Representatives and the President of the Senate for tabling in both Houses of Parliament.

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