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Harmon's trip to China... Major investors courted

By Staff Reporter - April 15, 2016



State Minister Joseph Harmon has not appeared at press briefings for months

...says Chinese embassy had requested help for Bai Shan Lin

Minister of State Joseph Harmon on Thursday cleared the air about his recent trip to China and his involvement in the halting of an exercise by the Guyana Revenue Authority's (GRA) to seize vehicles belonging to Bai Shan Lin. In the statement, which was submitted to Cabinet but seen by this newspaper, Harmon said arrangements were made by China's Ambassador to Guyana, Zhang Limin for him to visit four Chinese companies that intend to invest in Guyana. According to the statement, the Chinese Ambassador was in China at the time Harmon visited. The four companies he said were located in Beijing, Shanghai, Hebei and Heilong Jiang Provinces. As a result, it was necessary for the Minister of State to travel to those provinces by air. "...this required that I fly to those places having regard to the significant distances involved and time available. The Ambassador of China to Guyana in this regard, made arrangements for these companies to provide executive service, both air and land, for me to travel to their offices," the statement said.

Additionally, Harmon named one of the four Chinese companies that have the intention of investing over US\$500M in Guyana initially. That company, LongJiang Forest Industries Group, a state-owned company, has also acquired 55 per cent shares in Bai Shan Lin, the Chinese logging company here that is in the middle of the controversy with the Minister of State.

Harmon who visited that company on March 27 said LongJiang Forest Industries intends to "fully take over the company (Bai Shan Lin) by June, 2016." The Minister of State said he was accompanied by two officials from that company along with two officials from Bai Shan Lin on the aircraft to the meeting. They travelled with him from Beijing to HeilongJiang Province.

"The Vice-Director of the company, Mr Wong Dong Xu, in the presence of officials of Bai Shan Lin, gave the assurance that the company will be in Guyana by May 2016 to complete due diligence for the takeover," said Harmon in his statement.

The company that has since acquired 55 per cent shares in Bai Shan Lin also intends to expand on the obligations made by Bai Shan Lin. The Minister of State's explanation of his trip to China and his presence on a private jet was not communicated in an initial statement by the Ministry of the Presidency. According to the Ministry of the Presidency, Harmon's trip to China was in relation to money outstanding to the Government of Guyana for the purchase of 20 per cent of Shares in the Guyana Telephone and Telegraph Company (GTT).

"Minister of State Mr. Joseph Harmon and In-House Legal Counsel at the National Industrial and Commercial Investments Limited (NICIL), Ms. Natalia Seepersaud, yesterday returned from an official trip to the People's Republic of China. The purpose of the visit was to engage in discussions with regard to the payment of the US\$5 million balance owed for the purchase of 20 percent of Guyana Telephone and Telegraph Company (GTT) shares by Chinese company, Datang Telecom Technology and Industry Group from NICIL in 2012. This deal was entered into by the previous administration but only US\$25 million of the agreed US\$30 million was paid," the statement read.

The statement by the Ministry of the Presidency followed much ruckus about Harmon appointing businessman Brian Tiwarie as Business Advisor to the Government; an appointment which was later rescinded by President David Granger. It also followed statements in the media that said Harmon had been accompanied to China by Tiwarie.

Vehicle seizure

Meanwhile, Harmon informed Cabinet through his statement that he intervened in the matter of Bai Shan Lin's movable property being seized by the GRA because he was contacted by the Commercial Officer of the Embassy of China here who was acting on behalf of Ambassador Limin. According to him, he was contacted on March 17, 2016 and was informed that "personnel of the Guyana Revenue Authority (GRA) had gone to the premises of Bai Shan Lin in furtherance of a Tax demand of \$1.5B by GRA. The GRA personnel were intent on seizing movable assets of the

company.”

Harmon said he was informed that the principals of the company were not present in Guyana at the time and requested a “stay of execution of the GRA action pending their return to Guyana in 14 days, when they would go into GRA to settle their indebtedness.” The Minister of State told Cabinet that he was provided all assurance that none of the assets of the company would be removed and as such, “I requested of GRA the facility as required by the Chinese Embassy and this was granted.”

Harmon, an attorney by profession, said he believes that Guyana and China share an “important enough” relationship to request the stay of execution by GRA on appeal by China. Harmon has also been heavily criticised for his intervention in this matter. Additionally, the Alliance For Change (AFC), a member of the coalition government issued a statement calling for the power and responsibilities of Harmon to be trimmed. President Granger has however made it clear that there is no need for Harmon’s responsibilities to be lessened. When contacted on Thursday for a comment on his statement, the Minister of State told the Guyana Chronicle that he had not issued a statement as per the directive of the President and noted that the statement circulating via the media was leaked by someone within Cabinet. “I would like to know who did it... it was circulated to Cabinet...I will issue a separate statement for the media tomorrow [today],” he said.

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