



MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT

Government of the Cook Islands

WHISTLEBLOWING PROCEDURE

2018

1. INTRODUCTION

The Ministry of Finance and Economic Management (MFEM) considers fraud and corruption as detrimental to the realisation of the vision and objectives of the Ministry. As such, the MFEM has adopted an Antifraud and Anticorruption Policy. The main elements of this Policy can be summarised as follows:

- Establishing a systematic commitment to the implementation of the Antifraud and Anticorruption Policy for all staff members, consultants and service providers who collaborate with the MFEM; this includes consequences for involvement, directly or indirectly, in an act of fraud, corruption or wrongdoing.
- Establishing proactive prevention by means of a due diligence obligation for MFEM staff.
- Considering integrity and impartiality in all stages of tenders examination and assessment, selection of suppliers and procurement procedure or during services implementation or payment. Each member involved, from within or external to the MFEM, has to commit to the fight against fraud, corruption and wrongdoing.
- Providing an independent and confidential whistleblowing procedure to report any reprehensible practice, conduct necessary investigations, and regulate reported acts.

The present document summarises MFEM procedure for the treatment of fraud, corruption or similar acts, with all transparency, independence, and rigour.

2. SCOPE OF APPLICATION

The MFEM expects all its staff, suppliers, service providers and consultants to read and subscribe to its antifraud and anticorruption policy by avoidance of committing reprehensible acts and condemning them in case of occurrence. These reprehensible acts may relate to financial management aspects or to one or several steps of procurement/implementation procedure or payment. They are expected to report all reprehensible acts directly to the Cook Islands Audit Office.

The MFEM considers reprehensible practices which are: fraud, corruption practices, collusive practices, coercive practices, abusive, conflict of interest, obtrusive practices and retaliation.

This whistleblowing procedure is also aligned to the Cook Islands Government Whistleblowing Policy, Cook Islands Government Financial Policies and Procedures Manual, Cook Islands Government Procurement Policy, and Public Expenditure and Review Committee and Audit Act 1995-1996.

3. CONTENT

3.1 GENERAL POINTS

In accordance with its antifraud and anticorruption policy, the MFEM has set up a whistleblowing procedure which directly involves the Cook Islands Audit Office (CIAO), and the Public Expenditure Review Committee (PERC). Hence, any individual who becomes aware of any reprehensible practice related to fraud, corruption, wrongdoing, collusion or any similar act, shall report with all confidentiality to the CIAO, who shall examine and the complaint and refer to the PERC for directions on investigation.

Whistleblowing may concern staff members, suppliers, service providers and any person involved in the implementation of MFEM activities or projects.

Whistle-blowers are encouraged to provide ample information on the alleged reprehensible practices in their reports. They may consider providing answers to the following questions while writing their report of allegation:

- What is the nature of the act reported?
- Who are the person(s) and/or entities involved?
- How did the reported act occur?
- What is the amount of the reprehensible act reported? Its financial and non-financial extent?
- When did the reported act occur?
- Where did the act occur?
- In what way does the reported act concern the MFEM?

Complaints of a financial nature should be submitted to the Director of Audit. The Director then will refer the complaint to the PERC for investigative instructions. The Chairperson of PERC may also refer the complaint to the Anti-Corruption Committee. For complaints related to performance management of MFEM staff members, suppliers, consultants and service providers, these can be submitted to the Office of the Public Service Commissioner and/or to the Office of the Ombudsman.

3.2 TREATMENT OF COMPLAINTS IN CASE OF FRAUD OR SIMILAR ACT

Upon receipt of complaints of a financial nature, the Director of Audit submits these to the PERC, which shall carry out a preliminary evaluation to determine if an in-depth investigation is necessary. The evaluation shall be based on the information and documentary evidence provided by the whistle-blower or complaint to determine if the complaint is based on reliable information and was made in good faith.

If the preliminary assessment reveals tangible and credible information in line with the actions specified in the MFEM Antifraud and Anticorruption Policy, a proper investigation is launched by the Cook Islands Audit Office.

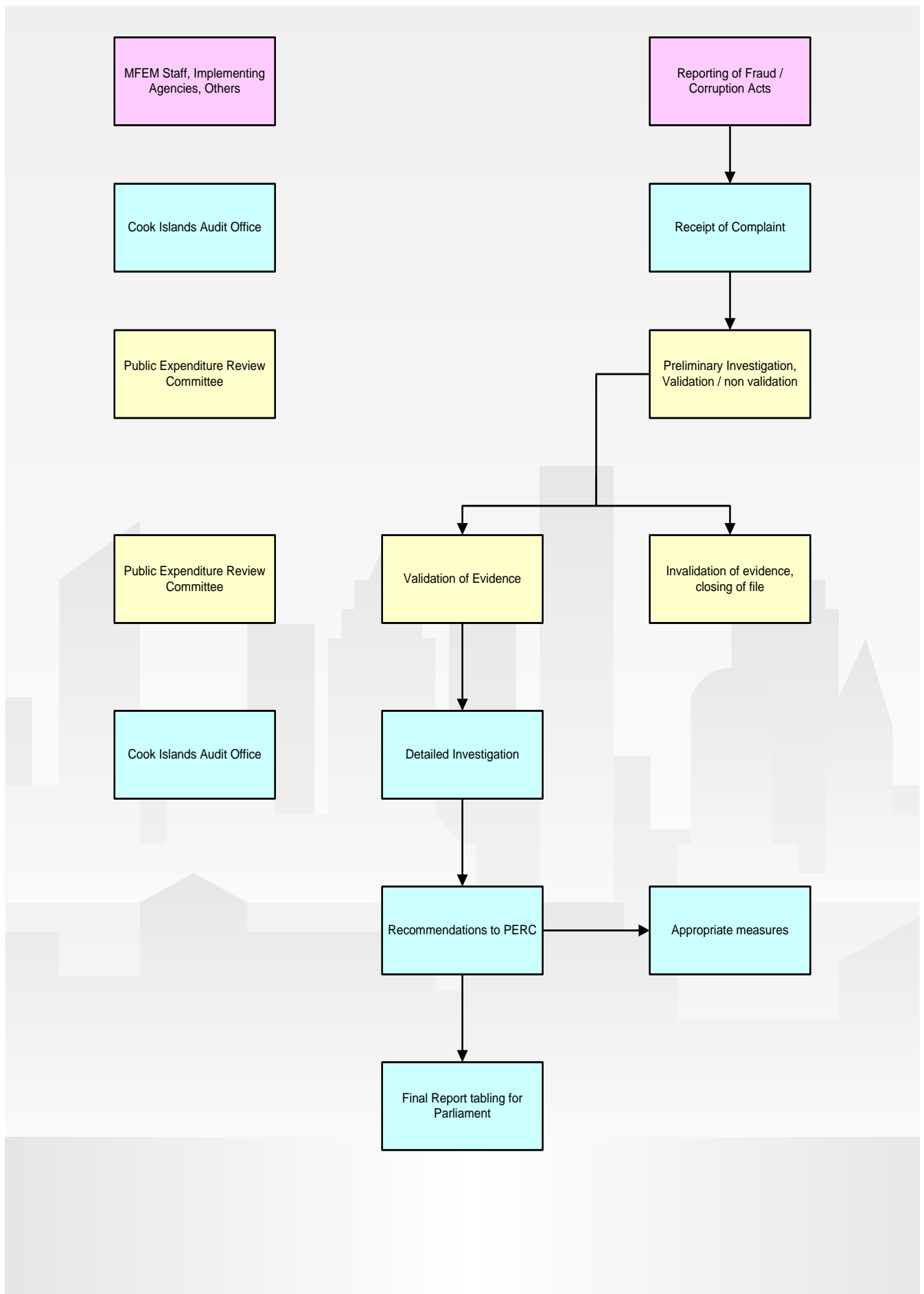
The party or parties concerned shall be informed, unless the Director of Audit considers that such communication might adversely affect the investigation process.

The CIAO may, if appropriate, take precautionary measures to protect whistle-blowers and rectify the situation.

The CIAO will submit recommendations, deemed necessary, to the PERC and to the Minister of Finance, who will take the appropriate actions required. Where there is a case to be answered for, this is referred to the police.

All investigation reports conducted by the CIAO and authorised by PERC, will be tabled to Parliament.

COMPLAINTS IN CASE OF FRAUD/CORRUPTION



WHISTLEBLOWING PROCEDURE FOR FRAUD/CORRUPTION COMPLAINTS

WHAT	HOW	WHO
Step 1 – reporting of fraud/corruption acts	<ul style="list-style-type: none"> • Elaboration of a complaint • Sending by fax or email • Submission in person 	MFEM Staff, Implementing agencies, Other persons involved in projects funded via MFEM
Step 2 – Reception of Complaints	<ul style="list-style-type: none"> • Receipt by email • Receipt of submission in person to: Director of Audit Cook Islands Audit Office Level 2, MFEM Building Avarua Telephone: +682 21 231 Fax: +682 25 231 Email: allen.parker@cookislands.gov.ck 	Cook Islands Audit Office
Step 3 – Preliminary Investigation	<ul style="list-style-type: none"> • Verification of the validity of report and evidence provided • Validation or non-validation of complaints 	Public Expenditure Review Committee (PERC)
Step 4 – Investigation launching order	<ul style="list-style-type: none"> • Instruction to investigate 	Public Expenditure Review Committee (PERC)
Step 5 – Investigation	<ul style="list-style-type: none"> • In-depth investigation • Precautionary measures to protect whistle-blower and rectify the situation • Recommendation to PERC 	
Step 6 – Regular monitoring of corrective measures	<ul style="list-style-type: none"> • Final report • Planning of supervision and assessment follow up • Planning of external audit missions (if necessary) 	Cook Islands Audit Office MFEM

REPORTING FRAUD AND CORRUPTION FORM

Instructions:

1. Please download and save this document to your desktop.
2. Fill in the form
3. To process your completed form please email it to: allen.parker@cookislands.gov.ck

Audit Office (PERCA) Formal Complaint Form		
Complainant details		
Name:		
Phone:		
Email address:		
Nature of complaint: (Include the nature of the violation and the legislation or code of conduct it is in connection with if possible)		
Supporting Documentation:		
Desired Result: e.g. disciplinary action, retender, reverse a decision etc.		
Disciplinary action as required		
Office use only		
Registration Number		
Received by		Date:
Referred for Investigation by		Date: