

Friday 13 Nov 2015

## INVESTIGATION TASK-FORCE SWEEP

### Progressive Update

It is in the public interest to disclose the progress report of Investigation Task Force Sweep (ITFS) investigations. This report contains ITFS' accomplishments and challenges from August 2011 to present. A copy of this report had been submitted to the Prime Minister and all other respective authorities on 20th October 2015.

The years 2014 and 2015 had been difficult years for ITFS. ITFS faced an onslaught of operational interference arising out of its decision to mount a case against the Prime Minister and other high profile persons in relation to the allegations of official corruption and others.

### **Complaints and Pending Investigations**

The acute financial constraints seriously impaired all fresh and pending investigations. ITFS registered more than 350 cases of fraud, money laundering and all other forms of corruption. ITFS received numerous allegations of inflated contracts and commission structuring recently. ITFS could not progress any of these fresh investigations due to the predicament ITFS is currently subjected to. In due time, should the government allocate funding, we will progress them and inform the respective complainants.

### **Prosecution Update**

ITFS initiated a total of 93 criminal cases. Of this, 12 convictions were secured so far. Apart from the ones serving jail term as listed below, there are cases pending execution of arrest warrants, committal, trial, and verdict on conviction and sentencing. There are also cases that were forestalled by judicial review proceedings in the civil courts. A number of cases had been struck out and/or dismissed as well. ITFS maintains a close track of these cases and facilitates the attendance of witnesses for the respective hearings of these cases.

*The Successful Prosecutions so far are listed in the table below.*

Case No. Prisoner Offences Committed Status Update

1. Paul Tiensten, Former MP & Minister for National Planning Directed payment of K10m to Travel Air Ltd. Convicted and Sentenced to 9 years Imprisonment with Hard Labour. Serving jail term.
2. Paul Tiensten, Former MP & Minister for National Planning Directed payment of K3.4m to Tol Port Services Ltd. Convicted and sentenced to 4 years imprisonment with hard labour (to be served together with 9 years from 1). Serving jail term.
3. Francis Potape, Member for Komo Magarima Dishonestly approved and received JDP&BPC sitting allowances of K330,000 Convicted and Sentenced to 2 ½ Years with hard labour. Prisoner released by Supreme Court on bail after serving 7 months upon successful appeal. National Court retrial pending. His two co-accused cases are pending trial whilst other co-accused are yet to be arrested and charged.
4. Jabri Kalub Zebedee, Businessman For defrauding K4.75m from the State. Convicted and sentenced to 11 years imprisonment. Serving jail term.
5. Benjamin Salatiel Tobung, Businessman Payment of K7.5m through a company called Metlik Plantations Ltd. Co-accused to Eremas Wartoto. Convicted and sentenced to 6 years imprisonment. Serving Jail term whilst his co-accused case is still pending trial.
6. Charles Aopi, Former Chief Financial Officer of National Parliament Defrauded

K150,000 from National Parliament. Convicted and Sentenced to 4 Years Imprisonment. Serving jail term.

7. Neve Lepson, Parliament Staff Co-accused of Aopi Convicted and Sentenced to 3 years imprisonment. Serving jail term.

8. David Kumalau Pondros, Consultant Defrauded K400,000 for a purported jetty project Convicted and Sentenced to 5 years imprisonment. Serving Jail term. He has another K6m case pending trial.

9. Otto Wangilen, Public Servant Co-accused of David Pondros in the K400,000 fraud. Convicted and Sentenced to 5 years imprisonment. Serving Jail term.

10. Peter Tokunai, Businessman Defrauded K1.5m for Malaguna Catholic Church. Convicted and sentenced to 7 years imprisonment. Serving jail term.

11. Mark Maludu, Senior Public Servant, NDoH For defrauding more than K51,000 Convicted and suspended sentence.

12. Benjamin Selep, Area Medical Store Manager, NDoH Defrauding area medical store Convicted and suspended sentence.

The Office of the Public Prosecutor is commended for the successful prosecutions.

### **Referrals to Ombudsman Commission for Leadership Actions**

A total of fourteen (14) leaders implicated for breach of the leadership code were referred to the Ombudsman Commission for further investigation and action.

### **Administrative Actions**

A total of 28 public servants were recommended for Disciplinary Actions. Most of them were suspended and dismissed as a consequence of our investigations.

### **Tax Recovery Actions**

ITFS has, using the tax powers, raised a total of K242,035,10.00. Of these, K25,546,151.00 had already been paid to Internal Revenue Commission. IRC Debt collection division is working on collecting the outstanding balance owed under the tax assessments after the taxpayer objections are duly accorded.

### **Proceeds of Crime Recovery**

Proceeds of Crime Recovery on ITFS instigated cases stands at K8.3 million. A number of assets and bank accounts had been frozen by Australian Authorities relating to ITFS cases. There is a potential to recover more than this amount once criminal prosecutions are successfully concluded.

### **The Paraka Related Cases**

Most of the cases are being forestalled by various interlocutory and appeal proceedings filed by the various defendants arrested in connection with the investigations into Paul Paraka Lawyers' alleged illegal settlement of legal bills by the State.

### **Cases against PM**

The cases concerning and relating to the yet-to-be executed arrest warrant against the Prime Minister and number of other senior politicians are currently before the Civil National and Supreme Courts where the criminal warrant is being challenged. The Courts have issued a stay on the execution of the warrants. The hearings are scheduled for this month.

## **ITFS Politically Compromised?**

A number of public statements were made branding ITFS and its members as 'politically compromised or rogue', which was one of the reasons used to disband the ITFS team.

The allegations were tested in court, from the District Court all the way to the Supreme Court. In most of those instances, the Courts removed the 'rogue' tag placed on ITFS members and placed it on the accusers. For example:

- In OS No. 444 of 2014, the National Court, on a cursory appreciation of the facts, found that the disbanding of ITFS was improper and not in the best interest of the country hence issued an interim stay on the NEC Decision that purported to disband ITFS.
- In OS No. 115 of 2014, The National Court found that "There is in fact no evidence that the current criminal investigations of the plaintiffs are the work of rogue policemen or that the investigations are politically-motivated as described by the Prime Minister in his affidavit."
- In SCA 87 of 2015, the Supreme Court held that Messrs. Matthew Damaru and Timothy Gitua "maintain strict business discipline as case officers" whereas the Police Commissioner finds comfort in cooperating and collaborating with the Finance Minister James Marape and Prime Minister Peter O'Neill.

## **Total Funding since 12th August 2011**

ITFS received a total of K15.5 million from the Government since its establishment on 12th August 2011 by way of a NEC Decision. That is: - 2011 – K5.8m, 2012 – K3.0m and 2013 – K6.5m.

ITFS was allocated K7 million in 2014 followed by K5 million in 2015 through the Annual Budget. Although Parliament approved those funds, our attempts to draw-down were ignored. ITFS therefore remained defunded for the last two years. In the face of extreme financial drawbacks, ITFS continued to function.

In the 2016 Budget which was passed by Parliament on 3 November 2015, ITFS was allocated no funds.

It is also interesting to note that National Anti-Corruption Task-Force overseeing the establishments of ICAC as well as ICAC itself have no funding allocation in the 2016 National Budget. This body was allocated K20 million in 2013, K20 million in 2014 and K5 million in 2015.

## **Conclusion**

For the K15.5 million that the Government provided to ITFS since its establishment, ITFS had arrested and charged 93 suspects, secured 12 convictions with many more to follow, recovered more than K242 million in tax recovery, proceeds of crime recoveries of funds and assets including restraining of funds and assets in Australia relating to ITFS initiated matters, and recommended many public officials to the Ombudsman Commission and Government Departments (including DPM) for leadership and administrative actions respectively.

ITFS was defunded for the fiscal years 2014 and 2015 despite a National Court Order allowing it to continue its operations. It was very difficult to do much under the circumstances.

We are still following up with the Government for the provision of funds so that we could continue with our operations and complete some of these pending investigations.

Authorized for Release  
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Chairman