

EAIT 21

It is of paramount importance that employees of the Department who are involved with management, disbursement and collection of public funds discharge their responsibilities in such a way as to be entirely above reproach in financial dealings in all circumstances.

In summary, employees who are entrusted with the management of public funds should be especially watchful not to:

- (a) accept any compensation or reward in connection with the performance of their duties (see Acceptance of Gifts and Offers of Reward):
- (b) conspire or collude with any other person to defraud:
- (c) permit any violation of the law by any other persons:
- (d) wilfully make or sign any false entry on any document or wilfully make or sign any false certificate or return:
- (e) demand, accept or attempt to collect directly or indirectly, for themselves or others, as payment or gift any sum of money or other thing of value:
- (f) promise, offer or give any bribe to colleagues connected with the management, disbursement or collection of public funds with the intent of:
 - (i) influencing a decision or action on any question or matter related to his functions, or
 - (ii) influencing him/her to commit, aid or abet in committing any fraud.

All employees should bear in mind that under Canadian law any employee found guilty of an offence under (a), (b), (c), (d) or (e) is liable on conviction to a fine not exceeding \$500 and imprisonment for any term up to five years; under (f) to a fine not exceeding three times the amount of the bribe offered or accepted and to imprisonment for any term not exceeding five years (*Financial Administration Act* (revised), Sections 80 and 81).

2.14 Disposal of Personally Owned Goods

Although conventions governing privileges and immunities make no specific reference to the right to dispose of items imported or purchased free from taxes, most countries, as a courtesy, permit the sale of such goods at the termination of postings or after a specified period of ownership. This privilege is primarily designed to permit persons to sell personal possessions that are unlikely to be of use to them on their next assignment.

2.14.1 Purchase, importation and sale abroad of personal motor vehicles and other personal goods under diplomatic or consular privileges

- (1) **Exemptions under the Vienna Conventions.** The Vienna Conventions on Diplomatic and Consular Relations provide for certain exemptions from taxation and customs duties in respect of the representatives of sending States and their families. They are not exempt from all taxes and customs duties. Amongst those to which they would be subject for example are taxes on private income having its source in the receiving State; capital taxes relating to investments made in commercial activities in the receiving State; and customs duties and taxes on articles which are not for the personal use of the representatives or their families. Also, under the Conventions, diplomatic agents and career consular officers may not practise for personal profit any professional or commercial activity in the receiving State. The purpose of the privileges and immunities under the Convention is not to benefit individuals