



PRESS STATEMENT

From: Office of the Commissioner-General
To: All Media Houses
Date: June 7, 2010
Topic: **Kaieteur New article Malicious and misleading – vibrant audit system in place -GRA**


The Guyana Revenue Authority is urging the Kaieteur News to desist from publishing misleading, malicious and fabricated stories about the organisation. Commissioner-General (ag) Mr. Clement Sealey said that the story which appeared in the Sunday June 6th 2010 edition of the Kaieteur News captioned “GRA containers’ scam busted.....Two senior officials transferred during probe,” should have been verified with management before being published, since this action is having a negative impact on staff.

In additional comments regarding the news item, it was explained that the GRA has a very vibrant internal audit department which constantly runs checks, both to prevent such activities and to curtail the operations of those who would even contemplate the idea of committing fraud.

It was further pointed out that the robust audit system of the GRA has served and is serving to expose those persons, whether internal or external, who would have been undetected in the past and who would have felt very comfortable and perhaps complacent that they would never be detected.

He explained that the main challenge that the Customs officers face is that importers who lodge their entries complain about the time it takes to have their goods released. According to Mr Sealey in excess of 4,500 entries are processed by the Customs on a monthly basis and while a majority of these entries are processed and payments made initially to have the good released within one to three days, a few are subject to other processes which are being perfected that give rise to the detection of unscrupulous acts such as under valuing, false invoices being used and improper classification all of which contribute to substantial loss of revenues that go undetected every day. It must be emphasised that this happens all over the world and is not peculiar to Guyana.

However, since the introduction of TRIPS (Total Revenue Processing System) there has not only been a remarkable improvement in the processing time of entries lodged at the CTA but the level of detection of such practices. Mr Sealey further stated that he is not aware of any senior officers being sent on leave or any massive fraud being detected which according to the newspaper article has resulted in millions of dollars in loss of




revenue. It must be emphasised too that the declarations made for the clearance of goods are done by the business community and any suggestion of fraud has to be first addressed by those external stake holders before any acts of complicity can be directed at the GRA. It may be appropriate for the newspaper to carry out a survey to determine at what values goods are being declared by the multitude of businesses in this country based on country of origin and different categories of goods starting with newsprint and printing ink according to Mr Sealey, and to have such information published so that the public is better informed of who is unscrupulous.

It was further noted that while it is likely that agencies such as the GRA will be susceptible to temptations thereby leading to fraudulent attempts, it is important to note that the systems in place have the ability to detect these.

He said that hallmarks of the organisation are accountability and transparency and the organisation has made significant improvement in these areas.

It was stressed that the organisation continues to grapple with unscrupulous businesses and individuals and cautioned reporters to be more responsible in their reporting and not to lose sight of the 'culture' under which the GRA operates, noting that the GRA alone cannot change it, but rather the society at large needs to be engaged in stamping out corruption.



Mr. Sealey said the GRA will continue to work above board and put systems in place to ensure transparency throughout its operations.

