



Report of Investigation

**Concerning Allegations of Conflict of Interest,
Irregularities and/or Impropriety in the
Appointment of Mrs. Olive Downer Walsh to the
National Board of Directors of the Rural
Agricultural Development Authority**

**Integrity Commission
September 2022**



This Publication until tabled in Parliament shall be confidential.

Sections 55 (4) and (5) of the Integrity Commission Act states:

"(4) Anything said or information supplied or any document or thing produced by any person for the purpose or in the course of any investigation by or proceedings before the Commission under this Act, shall be absolutely privileged in the same manner as if the investigation or proceedings were proceedings in a court of law.

(5) For the purposes of the Defamation Act, any report made by the Commission under this Act and any fair and accurate comment thereon shall be deemed to be privileged."

Section 56 of the Integrity Commission Act states:

"Subject to section 42(3)(b), every person having an official duty under this Act, or being employed or otherwise concerned in the administration of this Act (hereinafter called a concerned person) shall regard and deal with as secret and confidential, all information, statutory declarations, government contracts, prescribed licences and all other matters relating to any matter before the Commission, except that no disclosure made by the Commission or other concerned person in the proceedings for an offence under this Act or under the Perjury Act, by virtue of section 17(2) of that Act, shall be deemed inconsistent with any duty imposed by this subsection.

(2) The obligation as to secrecy and confidentiality imposed by this section, in relation to any documents, or information obtained under this Act continues to apply to a person despite the person having ceased to have an official duty, be employed or otherwise concerned in the administration of this Act.

(3) Every concerned person who is required under subsection (1) to deal with matters specified therein as secret and confidential who at any time communicates or attempts to communicate any such information, declaration, letter and other document or thing referred to in subsection (1) disclosed to him in the execution of any of the provisions of this Act to any person —

- (a) other than a person to whom he is authorized under this Act to communicate it; or
- (b) otherwise than for the purpose of this Act,

commits an offence and shall be liable on summary conviction in a Parish Court to a fine not exceeding one million dollars or to a term of imprisonment not exceeding one year.

Integrity Commission
1st Floor, PIOJ Building
16 Oxford Road
P.O. BOX 540
Kingston 5
Telephone: 876-929-6460/876-929-8560/876-929-6466
Fax: 876-929-7335

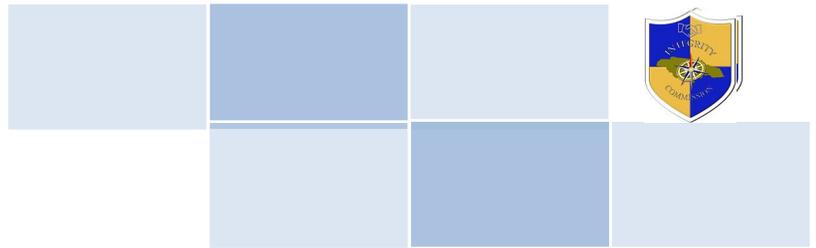


Table of Contents

Summary of Investigation 4

1.3 Summary of Key Findings 5

Initiation of the Investigation 7

Jurisdiction 7

Chapter 2 – Terms of Reference 9

Chapter 3 –Discussion of the Findings, Evidence and the Law 11

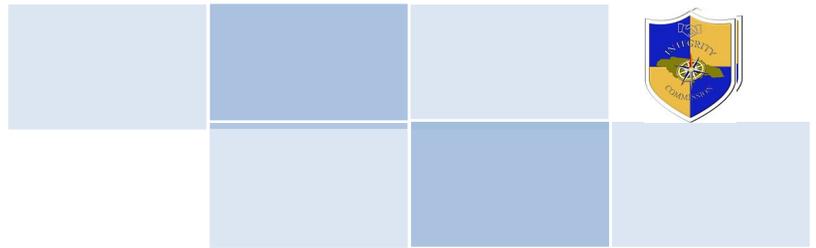
The Rules Governing Appointment to the National Board of Directors of the Rural Agricultural Development Authority (RADA)..... 11

The Appointment of Mrs. Olive Downer Walsh to the National Board of Directors of the Rural Agricultural Development Authority (RADA)..... 15

Chapter 4 – Conclusions..... 41

Chapter 5 - Recommendations and Anti-Corruption Initiatives 46

Appendices 50



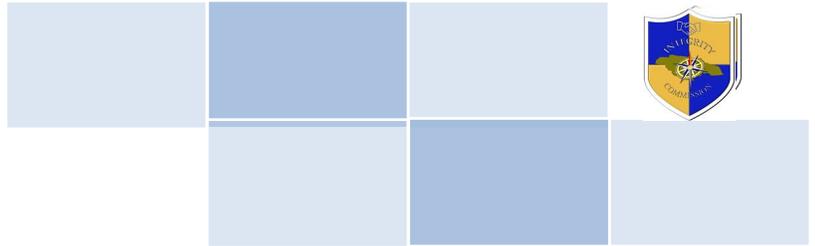
Summary of Investigation

- 1.1 On March 3, 2021, the Director of Investigation (DI) pursuant to the provisions contained in Sections 33(1)(a) and (b) and 52(1)(a) of the Integrity Commission Act, initiated an investigation concerning allegations of conflict of interest, irregularities and/or impropriety in the appointment of Mrs. Olive Downer Walsh to the National Board of Directors of the Rural Agricultural Development Authority (RADA).
- 1.2 The DI's decision to undertake the referenced investigation was prompted by an anonymous complaint dated July 10, 2020, which contained, *inter alia*, the following allegations:
- 1.2.1 That Mrs. Olive Downer Walsh is a Director at the Rural Agricultural Development Authority (RADA) and is also a Manager in the Agriculture Division of Hardware and Lumber Limited (H&L Limited);
 - 1.2.2 That the Agriculture Division of H&L Limited is one of the largest service providers to the Rural Agricultural Development Authority (RADA) and that Mrs. Downer Walsh is involved in approving programmes and large purchases for RADA; and
 - 1.2.3 That Mrs. Downer Walsh is a recurrent member of the National Board of Directors of RADA and has been on the Board for more than three (3) years.



1.3 Summary of Key Findings

- 1.3.1 Mrs. Olive Downer Walsh has been a member of the National Board of Directors of the Rural Agricultural Development Authority (RADA) since April 2016 and was reappointed to serve in June 2018 and November 2020. There is no evidentiary material to support a finding that Mrs. Downer Walsh served for a period in excess of the three (3) year term of office stipulated in section 4(1) of the Schedule of the Rural Agricultural Development Authority Act.
- 1.3.2 On two occasions, Mrs. Olive Downer Walsh made declarations to the Rural Agricultural Development Authority, indicating that she was employed to Hardware and Lumber Limited (H&L Limited) in the capacity of Deputy Chief Executive Officer.
- 1.3.3 There is an established commercial relationship between the Rural Agricultural Development Authority (RADA) and Hardware and Lumber Limited. During the period between January 2017 and January 2021, the Rural Agricultural Development Authority awarded 14 contracts to H&L Limited, with an aggregate value of \$135,975,658.24. Three of the referenced contracts, were endorsed by Mrs. Olive Downer Walsh, Deputy Chief Executive Officer on behalf of H&L Limited.
- 1.3.4 The appointment of Mrs. Olive Downer Walsh to the National Board of Directors of the Rural Agricultural Development Authority (RADA)



constituted a conflict of interest, within the meaning of Section 4.1 of the Government of Jamaica (GoJ) Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, in light of her professional engagement with Hardware and Lumber Limited and the nature of the established commercial relationship between the two entities.



Chapter 1 – Background

2.1 This chapter outlines the background information concerning the investigation.

Initiation of the Investigation

2.1.1 On March 3, 2021, the referenced investigation was initiated by the DI under Section 33 of the Integrity Commission Act.

Jurisdiction

2.1.2 Section 33(1)(a) and (c) of the Integrity Commission Act empowers the Director of Investigation to investigate any allegation involving an act of corruption or non-compliance with the provisions of the legislation on his own initiative, or on the basis of a complaint referred by the Commission or the Director of Information and Complaints. The referenced section is outlined in greater detail in Appendix 1, attached hereto.

The Investigation

2.1.3 During the course of the investigation, the DI conducted an analysis of the sworn statements, supporting documents and records provided by individuals considered pertinent to the investigation.



Individuals Pertinent to the Investigation

2.1.4 The following Public Officials/Officers, former and present, were required to provide sworn written responses and/or voluntary Statements to formal Requisitions directed to them:

- (a) The Honorable Mr. Floyd Green, Minister of Agriculture and Fisheries;
- (b) Mr. Dermon Spence, Permanent Secretary, Ministry of Agriculture and Fisheries;
- (c) Mr. Nigel Myrie, Former Chairman, National Board of Directors, Rural Agricultural Development Authority (RADA);
- (d) Mr. Peter Thompson, Chief Executive Officer, Rural Agricultural Development Authority (RADA); and
- (e) Mr. Sumnah Baker, Director of Public Procurement, Rural Agricultural Development Authority (RADA).



Chapter 2 – Terms of Reference

3.1 This chapter sets out the scope of the investigation and the issues that were explored.

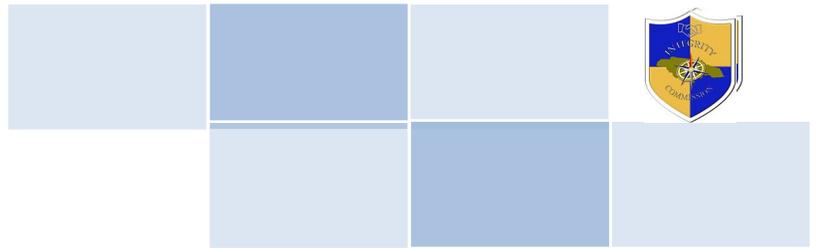
3.1.1 In conducting this investigation, the DI sought to establish the following:

3.1.1.1 To determine the veracity of the allegation that Mrs. Olive Downer Walsh is a recurrent member of the National Board of Directors of RADA and has been on the Board for more than three (3) years;

3.1.1.2 a current member of the Board of Directors of the Rural Agricultural Development Authority (RADA) and/or has been a member of the Board for in excess of three (3) years, in contravention of the Rural Agricultural Development Authority Act;

3.1.1.3 To determine the veracity of the assertion that Mrs. Olive Downer Walsh is employed as a Manager in the Agriculture Division at Hardware & Lumber Limited (H&L Limited);

3.1.1.4 To determine the circumstances surrounding the nature and/or extent of Mrs. Downer Walsh's involvement in approving programmes and large purchases for the Rural Agricultural



Development Authority (RADA) and the aggregate value of goods and services provided to RADA by Hardware & Lumber Limited (H&L Limited);

- 3.1.1.5 To determine whether the appointment of Mrs. Olive Downer Walsh to the National Board of Directors at the Rural Agricultural Development Authority (RADA) resulted in a conflict of interest, in light of her professional affiliation with Hardware & Lumber Limited (H&L Limited);
- 3.1.1.6 To determine whether recommendation(s) ought to be made to the Director of Corruption Prosecution (DCP); and
- 3.1.1.7 To determine whether recommendations ought to be made in respect of Anti-Corruption initiatives.



Chapter 3 –Discussion of the Findings, Evidence and the Law

4.1 This chapter sets out the discussion of the findings and the relevant legislation in respect of the investigation.

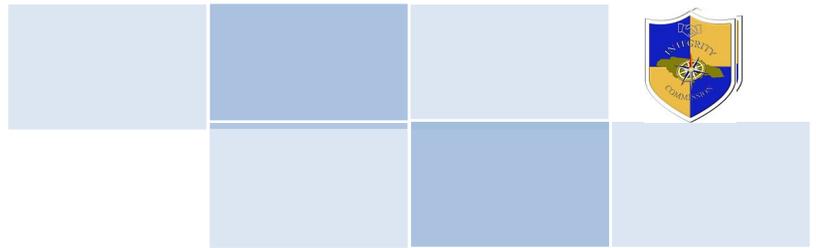
The Rules Governing Appointment to the National Board of Directors of the Rural Agricultural Development Authority (RADA)

4.1.1 The Rural Agricultural Development Authority (RADA) is a statutory body established under the Rural Agricultural Development Authority Act of 1990. The Authority is Jamaica's chief agricultural extension and rural development agency.

4.1.2 It is alleged that the appointment of Mrs. Olive Downer Walsh to the National Board of Directors of RADA constituted a conflict of interest, in light of her professional affiliation with Hardware & Lumber Limited (H&L Limited). H&L Limited is a dominant private entity in the commercial agricultural industry, and is also alleged to be one of the largest providers of goods and services to the Authority.

4.1.3 In light of these allegations, the DI sought to determine the process involved in the recommendation, selection and appointment of individuals to the entity's National Board.

4.1.4 In this regard, Section 1(1) of the Schedule of the Rural Agricultural Development Authority Act (RADA Act) outlines that, "*The Authority shall*



consist of such number of persons, not being less than ten nor more than fifteen as the Minister may from time to time appoint.”¹

4.1.5 Section 1(2) of the referenced Schedule further empowers the Minister to appoint Board members from among persons demonstrating experience and capacity in matters relating to, “...agriculture, finance, administration or in such other matters as the Minister considers appropriate for appointment...”²

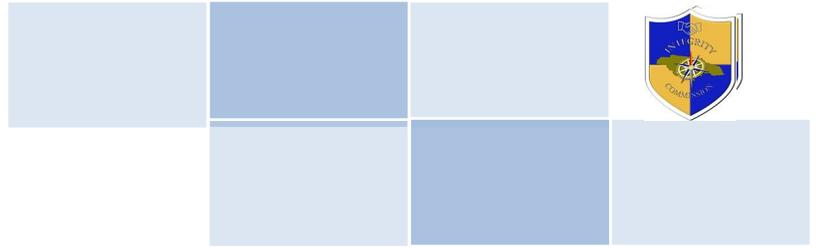
4.1.6 The Honorable Mr. Floyd Green, Minister of Agriculture and Fisheries echoed the sentiments of the RADA Act, in relation to the factors he considered in determining the suitability of candidates for appointment to the referenced Board.

4.1.7 Minister Green also indicated that recommendations for appointment were passed to the Ministry's Technical team for the “requisite background checks” to be conducted. It should be noted however, that the Minister did not expound on the nature and extent of any such background checks, despite a request for him to do so.

4.1.8 In relation to the aforementioned assertions made by Minister Green, Mr. Dermon Spence, Permanent Secretary, Ministry of Agriculture and Fisheries advised the DI that to his knowledge, “Individuals recommended are

¹ Section 1(1) of the Schedule of the Rural Agricultural Development Authority Act, 1990

² Section 1(2) of the Schedule of the Rural Agricultural Development Authority Act, 1990



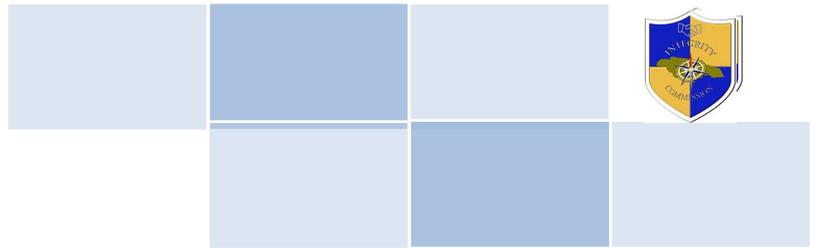
assessed based on their academic training and vocation, as well as their career background.”³

4.1.9 In addition to the provisions of the RADA Act, the DI also referred to Section 1.3 of the Government of Jamaica Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies⁴ which outlines five (5) guiding principles in the process for the nomination, selection and appointment of persons to serve on Boards of public bodies;

- (i) Merit/Competence, which is aimed at ensuring that candidates are selected based on their ability to contribute meaningfully as well as the candidate's competence pertinent to the technical needs of the relevant Board;
- (ii) Accountability/Integrity, which requires candidates to submit themselves for scrutiny as appropriate and to be responsible for their decisions and actions, free from undue influence;
- (iii) Transparency, which requires that the selection, nomination and appointment process follows a clear set of rules and regulations;
- (iv) Effectiveness/Efficiency, which is aimed at ensuring that the nomination, selection and appointment process allows for

³ Response #1(d) from the Statement of Mr. Dermon Spence, Permanent Secretary, Ministry of Agriculture and Fisheries, dated March 19, 2021 in response to the Integrity Commission's Notice dated March 3, 2021.

⁴ Section 1.3 of the Government of Jamaica Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, p2



timely actions and makes the best use of human and financial resources; and

- (v) Capacity to Serve, which requires that candidates devote sufficient time and energy to prepare for and participate in meetings and make a positive contribution to the benefit of the organization.

4.1.10 The Policy further outlines an eleven (11) step process for the selection, nomination and appointment of candidates to Public Boards, which begins with the identification of the competency profile for the specific Board, as a critical first step. According to the relevant guidelines, this step allows for the selection and appointment of candidates who collectively possess the skills and experience deemed necessary for the effective functioning of the public body.⁵

4.1.11 In conjunction with the foregoing, DI notes that the consideration and/or identification of a conflict of interest, as a basis for ineligibility on the part of a prospective candidate is undertaken at the fourth step of the referenced process, prior to and during the undertaking of 'Fit and Proper Tests'.

⁵ Government of Jamaica Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, p6



The Appointment of Mrs. Olive Downer Walsh to the National Board of Directors of the Rural Agricultural Development Authority (RADA) and the Conflict of Interest Implications

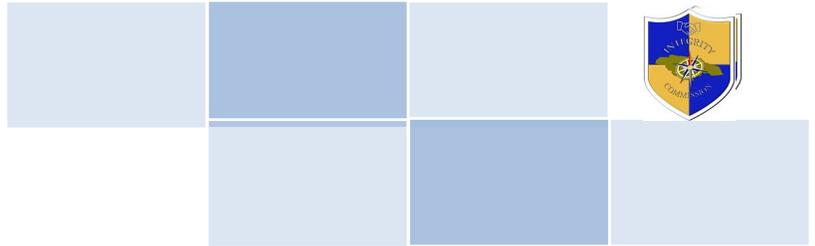
4.1.12 The DI then sought to determine from the Honorable Mr. Floyd Green, Minister of Agriculture and Fisheries, the veracity of the allegation that Mrs. Olive Downer Walsh was a member of RADA's National Board of Directors.

4.1.13 Minister Green confirmed that Mrs. Olive Downer Walsh has been a member of the Authority's National Board since 2016 and outlined his rationale for appointing her in the following terms:

“Based on her background in Agriculture, Mrs. Olive Downer Walsh fulfills the requirements of the RADA Act. In light of the new requirements stipulated by Cabinet pertaining to the composition of Public Boards, namely, inclusion of 30% females and retention of 1/3 previous board members, and her experience in agriculture she would have [sic] deemed suitably qualified for reappointment.”⁶

4.1.14 At this juncture, the DI highlights that section 4(1) and 4(2) of the Schedule of the Rural Agricultural Development Authority Act outline that the period of office of each member of the Authority “shall not exceed three years”

⁶ Response #4 from the Statement of Mr. Floyd Green, Minister of Agriculture and Fisheries, Ministry of Agriculture and Fisheries, dated March 30, 2021 in response to the Integrity Commission's Notice dated March 3, 2021.



and that every member of the Authority “shall be eligible for re-appointment”.⁷

4.1.15 The DI is in possession of documentation which indicates that Mrs. Olive Downer Walsh was appointed to the National Board of the Rural Agricultural Development Authority (RADA) on 3 occasions, which are as follows:

4.1.15.1 Copy Government Notice published in the *Jamaica Gazette Extraordinary* (Vol. CXXXIX, No. 46A) dated July 18, 2016, indicating that Mrs. Downer Walsh was appointed to the National Board by the then Minister Karl Samuda, with effect from April 25, 2016 to April 24, 2019.

4.1.15.2 Copy Government Notice published in the *Jamaica Gazette Extraordinary* (Vol. CXLI, No. 119) dated August 17, 2018, indicating that Mrs. Downer Walsh was reappointed to the National Board by the then Minister Audley Shaw, with effect from June 11, 2018 to June 10, 2021.

4.1.15.3 Copy document entitled *Rural Agricultural Development Authority Board Appointments 2016-2021*⁸ which indicated that Mrs. Downer Walsh was reappointed to the National Board

⁷ Sections 4(1) and 4(2) of the Schedule of the Rural Agricultural Development Authority Act, 1990

⁸ Exhibit marked “FG 2”, Response #2 from the Statement of Mr. Floyd Green, Minister of Agriculture and Fisheries, Ministry of Agriculture and Fisheries, dated March 30, 2021 in response to the Integrity Commission’s Notice dated March 3, 2021.



by the then Minister Floyd Green, with effect from November 16, 2020 to November 15, 2023.

4.1.16 In light of the foregoing details which indicate that Mrs. Downer Walsh was appointed to RADA's Board of Directors on three (3) occasions, the DI highlights that these appointments were made by three (3) different portfolio Ministers between 2016 and 2020. Notwithstanding, the allegations which form the basis of this investigation were received during the tenure of the Honorable Minister Floyd Green.

4.1.17 It should also be noted that the aforementioned documentation indicates that Mrs. Downer Walsh did not serve a full three (3) year term on either of the occasions in which she was appointed to the National Board, on April 25, 2016 and June 11, 2018.

4.1.18 Mr. Nigel Myrie, former National Board Chairman, RADA advised the DI that after his appointment in May 2016, there was a Cabinet reshuffle in in March 2018, which resulted in a change of leadership in the entity's parent Ministry. He stated that the entire Board resigned on that basis, "*...in keeping with established protocols...*"

4.1.19 Mr. Myrie added that on June 11, 2018, "*...She [Mrs. Olive Downer Walsh] was reappointed... ..and served until the Board resigned en masse in October 2020.*"



- 4.1.1 The DI then sought to determine the nature of Mrs. Downer Walsh's professional relationship, if any, with H&L Limited as well as the possibility of an actual or potential conflict of interest arising as a result of same.
- 4.1.2 Ms. Karla Nembhard, Human Resource Manager, H&L Limited confirmed that Mrs. Olive Downer Walsh was employed to H&L Limited in the capacity of Deputy Chief Executive Officer and that she has been employed to H&L Limited and/or its affiliates since 1987.
- 4.1.3 Ms. Nembhard stated that Mrs. Downer Walsh's appointment to the National Board of Directors of RADA was endorsed by the company and her letter of acceptance dated December 3, 2020, addressed to Minister Floyd Green, then Minister of Agriculture and Fisheries, was drafted on the company's letterhead, "*...underscoring her relationship with the Company from the get-go.*"⁹
- 4.1.4 Ms. Nembhard further stated that Mrs. Downer Walsh declared her interest as a senior executive at H&L and its subsidiaries to the RADA Chairman and Board of Directors by way of a Declaration of Interest dated December 9, 2020.
- 4.1.5 Ms. Nembhard also exhibited copies of correspondence drafted on the company's letterhead dated November 2, 2016 and February 13, 2018 which were addressed to the Chairman of the Board of Directors, in which

⁹ Response #2(c) from the Statement of Karla Nembhard, Human Resource Manager, Hardware and Lumber Limited, dated April 8, 2022.



Mrs. Downer Walsh declared, on behalf of H&L Limited, the company's intention to participate in bid submissions to RADA and/or MICAF. The referenced correspondence contained variations of the following opening sentence:

*"In my capacity as a member of the Board of Directors of the Rural Agricultural Development Authority, RADA, this serves to declare an activity that I have undertaken on behalf of Hardware & Lumber Ltd. Through its H&L Agro Division for which I have direct management responsibilities."*¹⁰

4.1.6 With regard to the possibility of the existence of an actual or potential conflict of interest in light of Mrs. Downer Walsh's concurrent obligations, Ms. Nembhard made the following representations, *"...there is no evidence that the Company has ever been awarded any contracts by RADA or the government other than in compliance with the usual public procurement procedures... ..we are not aware of any particular contract or award which is tainted or likely to have been tainted by conflict of interest or other irregularity in the procurement process."*¹¹

4.1.7 In light of the foregoing, the DI made inquiries of the management and Board Chairman of RADA, regarding their knowledge of Mrs. Downer

¹⁰ Letter dated February 13, 2018 addressed to Mr. Michael Stern, then Chairman of the Board of Directors of the Rural Agricultural Development Authority by Mrs. Olive Downer Walsh, Deputy Chief Executive Officer, H&L Limited.

¹¹ Responses #5(b) and #5(d) from the Statement of Karla Nembhard, Human Resource Manager, Hardware and Lumber Limited, dated April 8, 2022.



Walsh's professional relationship with H&L Limited and the possibility of an actual or potential conflict of interest arising as a result of same.

4.1.8 Mr. Peter Thompson, former Chief Executive Officer, RADA, confirmed his knowledge of Mrs. Downer Walsh's professional engagement with H&L Limited. He stated that, *"Based on declarations provided by Mrs. Downer Walsh, I am aware that she is the Deputy Chief Executive Officer at Hardware and Lumber Limited."*¹²

4.1.9 Mr. Nigel Myrie, former National Board Chairman, RADA also confirmed his knowledge of Mrs. Downer Walsh's professional engagement with the referenced entity. He advised the DI, *inter alia*, that, *"I was aware of Mrs. Downer Walsh's professional relationship and possible conflict of interest that could arise."*¹³

4.1.10 Having regard to whether Mrs. Downer Walsh's concurrent Board membership and professional relationship with H&L Limited created a conflict of interest, in light of the award of several government contracts to H&L Limited by RADA, Mr. Nigel Myrie provided the following response:

¹² Response #2(c) from the Statement of Mr. Peter Thompson, Chief Executive Officer, RADA, dated March 25, 2021.

¹³ Response #4(a) from the Statement of Mr. Nigel Myrie, former Chairman of the National Board, RADA dated March 29, 2021.



“The Board held a position that where a member is impacted by a potential conflict of interest, the said member would recuse him- or herself from any deliberation(s) where such conflicts presented.”¹⁴

4.1.11 In addition to the aforementioned assertions provided by Mr. Myrie, Minister Green advised the DI that, *“Where depending on the circumstances of government’s engagements potential conflicts may arise, there are sufficient steps in relation to governance that a board can take to remove those potential conflicts.”¹⁵*

4.1.12 Minister Green further stated that in an effort to mitigate the risk of actual or potential conflicts of interest, the Authority required all Board Members to disclose any relationship that may give rise to such a finding.

4.1.13 In furtherance of his representations, Minister Green exhibited to his statement, a document entitled *“Rural Agricultural Development Authority Board Appointments 2016-2021”*. The said document contained the names of all individuals appointed to the National Board within the referenced period, as well as a column entitled *“Declaration of Interest¹⁶”*

¹⁴ Response #4(b) from the Statement of Mr. Nigel Myrie, former Chairman of the National Board, RADA dated March 29, 2021.

¹⁵ Response #5 from the Statement of Mr. Floyd Green, Minister of Agriculture and Fisheries, Ministry of Agriculture and Fisheries, dated March 30, 2021.

¹⁶ Document marked “FG2” exhibited to the Statement of Mr. Floyd Green, Minister of Agriculture and Fisheries, Ministry of Agriculture and Fisheries, dated March 30, 2021 in response to the Integrity Commission’s Notice dated March 3, 2021.



4.1.14 On two of the three occasions on which Mrs. Downer Walsh was appointed, the Declaration of Interest column contained the following remarks:

“

Signed April 25, 2016

...

I am an employee (Deputy Chief Executive Officer) at Hardware and Lumber Ltd. The H&L Agro Division of the company (formerly AgroGrace) is a key supplier of inputs (pesticides, seeds, and other inputs) to the MICAF and RADA through responses to Invitations Bid or direct purchase requests. H&L Agro also partner [sic] with MICAF and RADA providing sponsorship and technical support to various projects.

Signed December 9, 2020

...

Director employed to Hardware & Lumber Ltd. General Manager of H&L RAPID True Value (trading in construction, home improvement and lawn and garden products). As the leading distributor of a wide range of products to the agricultural sector. H&L participates with response to Government (inclusive of RADA, MOAF & MOHW) direct quotation request, invitations to bid and purchase orders for supply of agricultural products directly through H&L Agro Business Unit. H&L Agro collaborates with representatives of RADA, MOAF and other stakeholder groups on technical information dissemination through various forms. H&L responds to some devastation of industry segments (eg. flood or fire damage to



*crops) with contributions such as agricultural inputs to the Minister in charge for distribution to affected farmers of the Ministry's selection...."*¹⁷

4.1.15 In light of the foregoing admissions, the DI highlights representations made by Minister Green, regarding the formal position of the Ministry of Agriculture and Fisheries, in relation to whether Mrs. Downer Walsh's concurrent membership of the National Board of Directors and professional relationship with H&L Limited, created an actual and/or potential conflict of interest, in light of the award of several government contracts to H&L Limited by RADA.

*"I am not of the view that a member of the Board who has the requisite experience or capacity in Agriculture by virtue of their professional association with a company who participates in Agriculture or with a company who engages with the government creates any actual conflict."*¹⁸

4.1.16 Conversely, the DI refers to Section 4.1 of the Government of Jamaica (GoJ) Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies which outlines that persons who are ineligible for selection to the Boards of Public Bodies include, "...Persons with conflict

¹⁷ Document marked "FG2" exhibited to the Statement of Mr. Floyd Green, Minister of Agriculture and Fisheries, Ministry of Agriculture and Fisheries, dated March 30, 2021 in response to the Integrity Commission's Notice dated March 3, 2021.

¹⁸ Response #5 from the Statement of Mr. Floyd Green, Minister of Agriculture and Fisheries, Ministry of Agriculture and Fisheries, dated March 30, 2021 in response to the Integrity Commission's Notice dated March 3, 2021.



of interest issues **material to the core business of the entity...**¹⁹ (DI's emphasis).

4.1.17 Section 4.2.1 of the referenced Policy further clarifies that, “*The interest of an individual in a matter is defined as something financial, familial or personal that could give rise to bias or the appearance of bias in his decision making and by consequence, negatively impact the operations of the public body.*”²⁰

4.1.18 However, the section outlines that the presence of an interest did not disqualify a prospective Board member from service, if the Minister, the Cabinet Secretary and the candidate were of the view that:

“

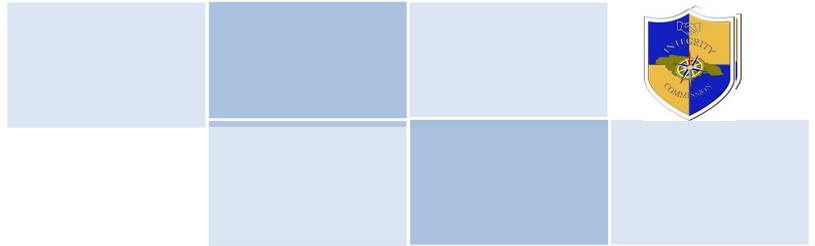
- (i) *The interest can be managed;*
- (ii) *The interest will not compromise the quality of the Board's decision making, or have an adverse effect on the operations of the entity; and*
- (iii) *The value of their expected overall contribution will justify their being appointed to the board provided that they do not participate in areas related to their interest.*”²¹

4.1.19 The DI then considered whether Mrs. Downer Walsh's professional engagement by H&L Limited, which she described as “*a key supplier of*

¹⁹ Section 4.1 of the Government of Jamaica (GoJ) Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, p.11

²⁰ Section 4.2.1 of the Government of Jamaica (GoJ) Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, p.12

²¹ Ibid.



inputs... to the MICAFA and RADA through responses to Invitations Bid or direct purchase requests....” and “the leading distributor of a wide range of products to the agricultural sector...” constituted a conflict of interest issue that was material to the core business of RADA, therefore rendering Mrs. Downer Walsh preliminarily ineligible to serve, in accordance with the stipulations of the referenced Policy.

4.1.20 In this regard, Minister Green stated that he was not of the belief that Mrs. Downer Walsh's professional engagement with a key supplier of agricultural inputs to RADA constituted a conflict of interest with her role as a Board member. He stated that the core business of the Rural Agricultural Development Authority was to provide extension services for farmers, which included providing them with learning, expertise and guidance.

“ ...So, if you have a director who is part of a company that deals in the supply of agricultural input, I would not say that that's a conflict of interest, because RADA's core business is not to supply agricultural input, right, that is not their core at all.

Now, do they do that from time to time? Absolutely, they do. Should they ensure that in doing that their processes are free from bias and that somebody who may have an interest in that aspect of their business should not be able to influence their business? Absolutely.

So, I would not say that Mrs. Downer-Walsh has, or prima facie – at start – a conflict in relation to RADA's core business, because that's not the core



*business. They do, do that, and as far as that may present a conflict, that is something that would have to be managed at the board level, right?*²²

4.1.21 The DI highlights that in her declaration of interest, upon her appointment in April 2016, Mrs. Downer Walsh described her title as Deputy Chief Executive Officer at H&L Limited. Upon her appointment in December 2020, she described her title as General Manager of H&L RAPID True Value.

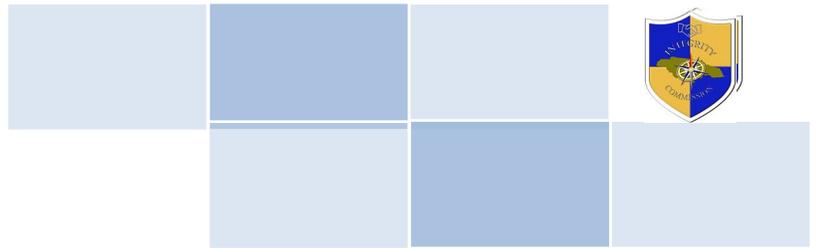
4.1.22 It is prudent to note that these titles raise the inference that Mrs. Downer Walsh occupies a position of great authority and influence within the organizational structure of H&L Limited.

4.1.23 A copy of Mrs. Downer Walsh's employment contract with H&L Limited, exhibited by Ms. Karla Nembhard, states that, *"...The Deputy Chief Executive Officer (DCEO) performs as part of the company's executive leadership with responsibility for driving the achievement of H&L's strategic goals."*²³

4.1.24 The referenced contract also includes the following remuneration clause:

²² Transcript of Judicial Hearing dated July 11, 2022 involving Minister Floyd Green, former Minister of Agriculture and Fisheries. Pgs. 38-39

²³ Schedule I, Copy Fixed Term Contract of Employment dated February 15, 2021, executed between Hardware and Lumber Limited and Mrs. Olive Downer Walsh. Pg. 15



"...Where the DCEO achieves annual performance targets as established by the Board... the DCEO may earn a cash bonus of up to... of base salary"²⁴

4.1.25 Against this background, the DI notes that Mrs. Downer Walsh's financial and personal interests in H&L Limited in the capacity of Deputy Chief Executive Officer could give rise to an implication of actual bias or the perception of bias in her decision making as a member of the Board and by consequence, negatively impact the operations of the Authority.

4.1.26 The considerations outlined in Section 4.2.1 of the Policy Guidelines, require an agreement that the interest can be managed, in such a way that does not compromise the quality of the Board's decision making. The Policy further indicates that the said agreement should maximize the value of the Board member's expected contribution, as a justification for their appointment, provided that they do not participate in areas related to their interest.

4.1.27 With regard to whether the aforementioned considerations outlined in Section 4.2.1 were observed, Minister Floyd Green, former Minister of Agriculture and Fisheries, proffered the following response, *"...it is hard to say whether in the process these elements may have been contemplated, in the process, but from my viewpoint, I do not believe that, at the base, a*

²⁴ Copy Fixed Term Contract of Employment dated February 15, 2021, executed between Hardware and Lumber Limited and Mrs. Olive Downer Walsh. Pg. 5



conflict arose and that there was the appearance of bias or could give rise to bias."²⁵

4.1.28 With regard to the implementation of other measures to manage the possible impact of Mrs. Downer Walsh's interest on the quality of the Board's decision making, Minister Green further stated that upon appointment to the RADA Board, "...based on my advice and understanding, people are given the opportunity to declare any interest that they may have, and that interest, that declaration, is used – based on my advice and understanding, is used to manage their engagement in relation to the board, right?"²⁶

4.1.29 However, with the exception of requiring Board members to declare possible conflicts of interest upon appointment, Minister Green did not indicate the implementation of any other measures to manage the possible impact of Mrs. Downer Walsh's interest on the quality of the Board's decision making. Minister Green also failed to outline the significance of Mrs. Downer Walsh's actual contribution to the Board which justified her reappointment.

4.1.30 Mr. Nigel Myrie, former National Board Chairman informed the DI that the following steps were taken by the Board in an effort to mitigate the risk of

²⁵ Transcript of Judicial Hearing dated July 11, 2022 involving Minister Floyd Green, former Minister of Agriculture and Fisheries. Pg. 31

²⁶ Transcript of Judicial Hearing dated July 11, 2022 involving Minister Floyd Green, former Minister of Agriculture and Fisheries. Pg. 32



an actual conflict of interest as a result of Mrs. Downer Walsh's Board membership:

“ ...

- i. Written & Verbal Declarations of Interest.*
- ii. The Board established a protocol governing situations where actual or potential conflicts presented; affected members are to recuse themselves from all such deliberations.*
- iii. Declaration of Interest was made a standard agenda item at all Board meetings.*
- iv. Members appointed by the Board of Directors to the RADA Procurement Committee must not have any known or declared conflict(s) of interest.”²⁷*

4.1.31 In the foregoing regard, Mr. Myrie provided copies of Minutes of meetings of the National Board held in August 2018, February 2019 and March 2019, which contained declarations of interest on behalf of Mrs. Downer Walsh and other Board members, under the “*Any Other Business*” section of the agenda.

4.1.32 The Minutes contain references to Mrs. Downer Walsh's involvement with an Audit Committee of the National Board. However, Mr. Myrie advised that Mrs. Downer Walsh was not a member of the Rural Agricultural Development Authority's Procurement Committee.

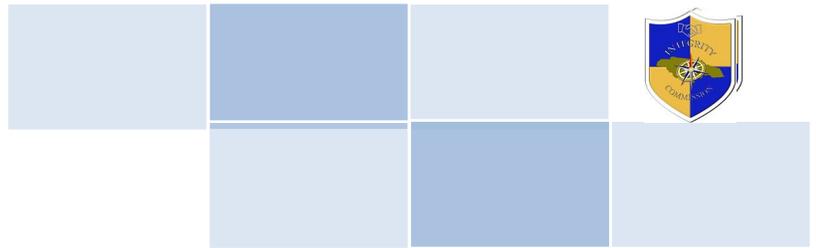
²⁷ Response #4(c) from the Statement of Mr. Nigel Myrie, former Chairman of the National Board, RADA dated March 29, 2021 in response to the Integrity Commission's Notice dated March 3, 2021.



The Nature and Extent of the Commercial Relationship between H&L Limited and the Rural Agricultural Development Authority

- 4.3.1 In light of the foregoing findings which established the existence of a conflict of interest in relation to Mrs. Downer Walsh's concurrent engagements, the DI sought to ascertain the nature and extent of the commercial relationship between H&L Limited and RADA, as well as the aggregate value of contracts awarded to H&L Limited by the Authority.
- 4.3.2 By way of a Statement, Mr. Sumnah Baker, Director of Public Procurement, RADA, provided documents which indicated that between January 2017 and January 2021, the Authority awarded 14 contracts to H&L Limited, with an aggregate value of \$135,975,658.24.²⁸
- 4.3.3 The DI notes that of the 14 contracts awarded during the referenced period, 7 contracts were awarded by way of the Direct Contracting procurement methodology and 4 contracts were awarded utilizing the Direct Contracting procurement methodology under emergency circumstances.
- 4.3.4 The 7 contracts awarded utilizing the Direct Contracting procurement methodology amounted to a combined value of \$3,136,861.80. The 4 contracts awarded by way of the Direct Contracting methodology

²⁸ Document marked SB1 exhibited to the Statement of Mr. Sumnah Baker, Director of Public Procurement, RADA, dated May 3, 2021, in response to the Integrity Commission's Notice dated March 3, 2021.



under emergency circumstances amounted to a combined value of \$95,191,341.25.

4.3.5 The DI then sought to ascertain the circumstances under which the emergency contracting methodology was utilized in each instance, given the vulnerability of this procurement methodology as a corruption enabling mechanism.

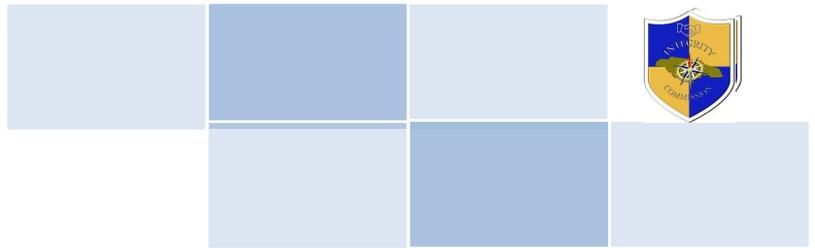
4.3.6 Mr. Baker advised that on 2 of the 4 occasions, the following justification was provided for the supply and delivery of pesticides and agricultural chemicals by way of the emergency procurement methodology, *“Based on prevailing weather conditions that was affecting the Irish Potato plants at the time, the urgent need for chemicals was needed to manage pest.”*²⁹

4.3.7 In the aforementioned instances, the contracts were awarded in May 2018 and April 2019 at a combined value of \$4,015,000.00.

4.3.8 In the other 2 instances, the supply and delivery of vegetable seeds were procured under the COVID-19 Relief Programme in June 2020 and the Production Incentive Special Programme in December 2020.

4.3.9 Mr. Baker outlined the rationale for the use of the emergency contracting methodology for each contract respectively, as follows,

²⁹ Page 4 of the document marked “SB1” exhibited to the Statement of Mr. Sumnah Baker, Director of Public Procurement, RADA, dated May 3, 2021 in response to the Integrity Commission’s Notice dated March 3, 2021.



“Seeds needed in light of the COVID-19 Pandemic” and “Following reports from the RADA parish offices regarding the impact of the flood rains... it was agreed to undertake emergency contracting to ensure that seeds are distributed to the farmers affected by the floods urgently...”³⁰

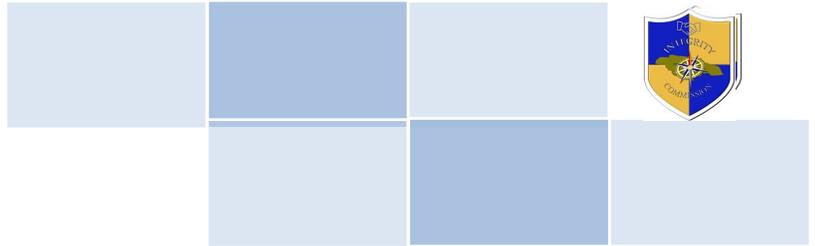
4.3.10 In the aforementioned instances, the combined value of both contracts amounted to \$91,176,341.25.

4.3.11 Mr. Baker further advised that on all four occasions, the use of the emergency contracting methodology was approved by Mr. Peter Thompson, Chief Executive Officer, RADA and supported by him in his capacity as Director of Public Procurement in collaboration with the Authority’s Technical Officers.

4.3.12 Mr. Peter Thompson, CEO, RADA confirmed that as the Head of Entity, he was authorized to approve the use of the emergency procurement methodology, and made the following representations in relation to the factors considered in determining whether that particular methodology should be utilized in any given circumstance:

“Emergency procurement is considered when there is a crop or animal disease outbreak or natural disaster resulting from severe drought, high winds, landslides; flooding etc. associated with storms and or hurricanes

³⁰ Pages 4-5 of the document marked “SB1” exhibited to the Statement of Mr. Sumnah Baker, Director of Public Procurement, RADA, dated May 3, 2021 in response to the Integrity Commission’s Notice dated March 3, 2021.



which caused destruction of farms and farm roads of farms. Based on the impact of these systems on specific crops or the agricultural sector in general and the impending food insecurity and the long term effect on the economy, emergency procurement may be utilized in an attempt to prevent or reduce the possibility of food shortage etc.³¹

4.3.13 At this juncture, the DI assessed the justifications provided for the use of the Direct Contracting procurement methodology under emergency circumstances by Messrs. Baker and Thompson of RADA, against the background of the guidelines outlined within the Government of Jamaica Handbook of Public Procurement Procedure (GPPH).

4.3.14 The DI refers to Section 1.1.5 of the Government of Jamaica Handbook of Public Procurement Procedure (GPPH) Volume II, which states, *inter alia*, that:

“Emergency contracting is permitted in any of the following circumstances:

(a) for the repairs or remedial action necessary to preserve public safety or property; or to avoid great social harm or significant public inconvenience;

(b) for the procurement of goods, services or works in any extenuating circumstances in which the Procuring Entity is likely

³¹ Statement of Mr. Peter Thompson, Chief Executive Officer, RADA, dated October 21, 2021 in response to the Integrity Commission's Notice dated September 28, 2021. pgs. 1-2



to incur or suffer financial loss if the procurement is not executed immediately;

(c) for the procurement of goods, services or works in any circumstance in which the national interest and/or national security considerations demand that the procurement be undertaken immediately; or

(d) for business-sensitive procurement of goods, services or works in any extenuating circumstances in which the operating functions or business objectives of a Procuring Entity are likely to be significantly impeded, or placed in jeopardy if the procurement is not executed in a limited timeframe.

The need for such procurement must be sudden, unexpected and a pressing necessity or exigency.³²

4.3.15 Further to the aforementioned assessment, the DI also notes Section 25(1)(d) of the Public Procurement Act, which states, *inter alia*, that:

*“the situation is one of emergency or extreme urgency and the engaging in any other method of procurement would be impractical because of the time involved in using any other method.”*³³

³² Section 1.1.5 of the Government of Jamaica Handbook of Public Procurement Procedures, March 2014, Volume II

³³ Section 25(1)(d) of the Public Procurement Act, 2015



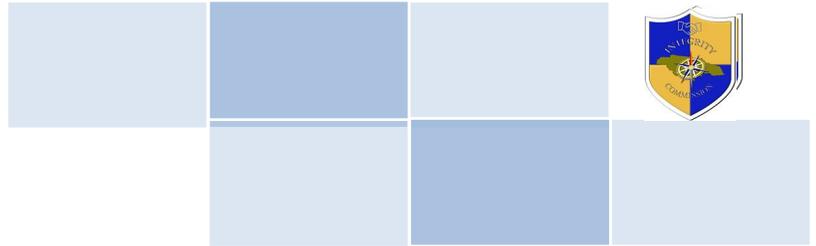
4.3.16 In light of the foregoing findings which indicated the existence of a high value commercial relationship between RADA and H&L Limited, the DI sought to determine the nature and extent of Mrs. Downer Walsh's involvement, if any, in the procurement processes which resulted in the award of the referenced contracts.

4.3.17 In this regard, Mr. Peter Thompson, Chief Executive Officer, RADA advised the DI that, *"Mrs Downer Walsh has no influence of how contracts are awarded in RADA as she is not a member of the Procurement Committee. Where tenders bids and contracts are to be determined regarding her company, it is mandatory that she recuse herself for any meeting where these matters will be discussed."*³⁴

4.3.18 Mr. Nigel Myrie, former Chairman, National Board of Directors, RADA, stated the following in his response:

"It was therefore accepted by the Board that, given Mrs. Downer Walsh's concurrent professional relationship with H&L Limited, any matter requiring a decision relating to procurement activities where H&L Limited has an interest or where an award of government contract to H&L Limited is in process, she would be excluded from such deliberations. During my tenure on the Board and to my recollection,

³⁴ Response 3(a)-3(c) of the Statement of Mr. Peter Thompson, Chief Executive Officer, Rural Agricultural Development Authority dated March 25, 2021, in response to the Integrity Commission's Notice dated March 3, 2021.



there was never an occasion concerning the award of contract involving H&L Limited which required Board approval.”³⁵

4.3.19 Mr. Myrie further stated that based on the applicable procurement guidelines, matters would only be referred to the Board of Directors for approval if the contract award exceeded the prescribed limit of \$30,000,000.00.

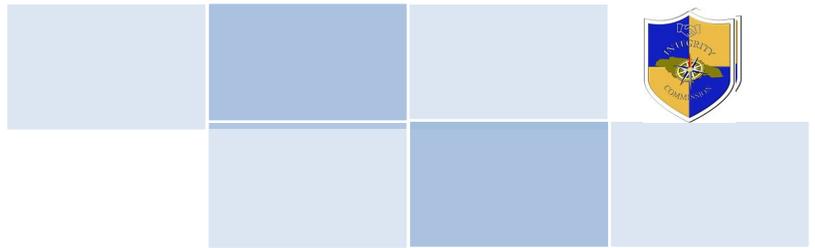
4.3.20 He added that, *“Therefore, all contracts awarded to H&L Limited would have been evaluated and deliberated at the level of the Procurement Committee with final approval from the Chief Executive Officer.”³⁶*

4.3.21 At this juncture, the DI highlights that Mr. Peter Thompson, CEO, RADA advised that the Authority’s National Board of Directors did not play a role in the approval of any contracts, irrespective of value and that contract approvals were only done by him in his capacity as Chief Executive Officer.

4.3.22 He further stated that while the National Board did not play a role in the approval of contract awards, all contracts exceeding \$1.5 million dollars were reported to the Board, through its Procurement Sub-Committee.

³⁵ Response 4(b) of the Statement of Mr. Nigel Myrie, former Chairman of the National Board of Directors, RADA, dated March 29, 2021, in response to the Integrity Commission’s Notice dated March 3, 2021.

³⁶ Ibid.



4.3.23 In this regard, the DI highlights Section 1.1.5 of the Government of Jamaica Handbook of Public Sector Procurement Procedures which outlines the following approval procedure for the award of contracts utilizing the Direct Contracting procurement methodology under emergency circumstances:

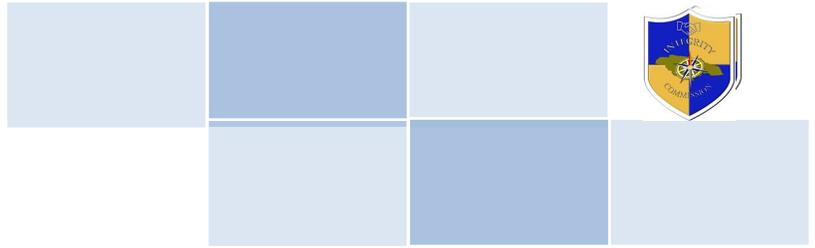
“The Head of the Procuring Entity shall give approval for the issuing of emergency contracts up to a maximum value of J\$100 million. This approval shall be in writing and shall form part of the procurement record to be kept by the Entity.”³⁷

4.3.24 Consequently, none of the 4 contracts awarded to H&L Limited by RADA by way of the referenced procurement methodology, between January 2017 and January 2021, required the approval and/or consideration of the Authority's National Board of Directors.

4.3.25 In this regard, the DI is in possession of four (4) copies of Memoranda dated May 10, 2018, April 17, 2019, May 22, 2020 and November 30, 2020, all of which were addressed to Mr. Peter Thompson, Chief Executive Officer by Mr. Sumnah Baker, Head of Procurement.

4.3.26 Despite representations made by Mr. Peter Thompson and Mr. Nigel Myrie, regarding efforts made to ensure that Mrs. Downer Walsh did not participate in any procurement activities involving H&L Limited, in her

³⁷ Section 1.1.5 of the Government of Jamaica Handbook of Public Procurement Procedures, Volume II, March 2014.

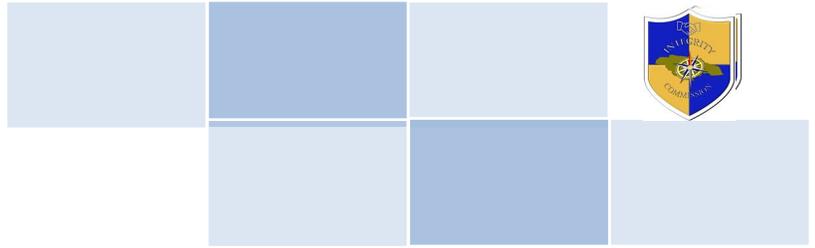


capacity as a member of the National Board, there is evidentiary material indicating that she was integral in the preparation and/or execution of H&L Limited's responses to the procurement opportunities at RADA, in her capacity as Deputy Chief Executive Officer of the entity.

4.3.27 The DI is in possession of a copy contract dated January 8, 2018 in the amount of \$1,740,000.00 for the supply and delivery of fungicides, seeds and fertilizers under the Irish Potato Programme 2017/2018. The contract was awarded by way of the Local Competitive Bidding methodology and signed by Mr. Peter Thompson, Chief Executive Officer, RADA and Mrs. Olive Downer Walsh, Deputy Chief Executive Officer, H&L Limited.

4.3.28 The DI is also in possession of another copy contract dated February 23, 2018 in the amount of \$29,982,455.19 for the supply and delivery of seeds under the Drought Mitigation Programme 2017/2018. The contract was awarded by way of the Local Competitive Bidding methodology and signed by Mr. Peter Thompson, Chief Executive Officer, RADA and Mrs. Olive Downer Walsh, Deputy Chief Executive Officer, H&L Limited.

4.3.29 The DI is also in possession of a third copy contract dated March 27, 2018 in the amount of \$5,925,000.00 for the supply and delivery of fungicides under the Farming Systems Production Incentive Programme 2017/2018. The contract was awarded by way of the Limited Tender methodology and signed by Mr. Peter Thompson, Chief Executive Officer, RADA and Mrs. Olive Downer Walsh, Deputy Chief Executive Officer, H&L Limited.



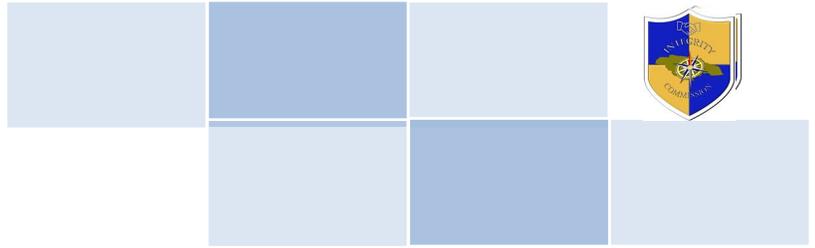
4.3.30 At this juncture, the DI notes the following representations made by Mr. Sumnah Baker, Director of Public Procurement, RADA in relation to the nature and extent of communication, if any, between his Department and Mrs. Downer Walsh regarding any contract awarded to H&L Limited by RADA:

“Over the years before Mrs Downer Walsh became a board member most request for quotations were either sent directly to her or she was sometimes copied on the email. If a contract was being prepared she would indicate the persons to sign from her company. However, I am not aware of any verbal, written or other communication between members of the Evaluation and Procurement Committees.”³⁸

4.3.31 In this regard, it should be noted that the DI is in possession of a copy Request for Quotation (RFQ) dated April 17, 2019, addressed to Mrs. Downer Walsh in her professional capacity from Mr. Sumnah Baker.

4.3.32 The DI is also in possession of copies of Letters of Acceptance dated June 8, 2020 and December 18, 2020, which were addressed to Mrs. Downer Walsh on behalf of H&L Limited and signed by Mr. Peter Thompson. The referenced letters communicated the Authority’s acceptance of the entity’s quotations and indicated that contract documents were enclosed.

³⁸ Response #4 from the Statement of Mr. Sumnah Baker, Director of Public Procurement, RADA, dated May 3, 2021 in response to the Integrity Commission’s Notice dated March 3, 2021.



4.3.33 In light of the foregoing, the DI notes that documents related to the procurement processes undertaken by RADA were directed to Mrs. Downer Walsh in her capacity as Deputy Chief Executive Officer of H&L Limited, while she served as a member of the Authority's National Board.

4.3.34 The DI emphasizes that the Commission is not in possession of evidentiary material indicating that Mrs. Downer Walsh was directly involved in the procurement processes in her capacity as a member of RADA's National Board of Directors.

4.3.35 However, her involvement in the preparation of procurement documents and the execution of contracts between the two entities, in light of her concurrent engagement by H&L Limited, in the capacity of Deputy Chief Executive Officer and her role as a Director of the National Board of RADA, resulted in the perception that the Authority's procurement processes were less than transparent, which may adversely impact public confidence in the operations of the Authority.



Chapter 4 – Conclusions

- 5.1 This chapter sets out the conclusions drawn from the investigation.
- 5.1.1 The DI concludes that Mrs. Olive Downer Walsh was first appointed to the National Board of Directors of the Rural Agricultural Development Authority (RADA) on April 25, 2016 and subsequently reappointed on June 11, 2018 and November 16, 2020.
- 5.1.2 The DI concludes that there is no evidentiary material to support a finding that Mrs. Olive Downer Walsh served as a member of the National Board of Directors of the Rural Agricultural Development Authority (RADA) for a period in excess of the three-year term of office stipulated in section 4(1) of the Schedule of the Rural Agricultural Development Authority Act.
- Further to the foregoing, the DI concludes that the reappointment of Mrs. Olive Downer Walsh to the National Board of Directors of the Rural Agricultural Development Authority (RADA) in 2018 and 2020 did not operate to contravene section 4(1) of the Schedule of the RADA Act.
- 5.1.3 Based upon representations made by Ms. Karla Nembhard, Human Resource Manager, Hardware and Lumber Limited (H&L Limited), the DI concludes that Mrs. Olive Downer Walsh is, and was at the material time, employed to the entity in the capacity of Deputy Chief Executive Officer of H&L Limited and General Manager of H&L Agro.

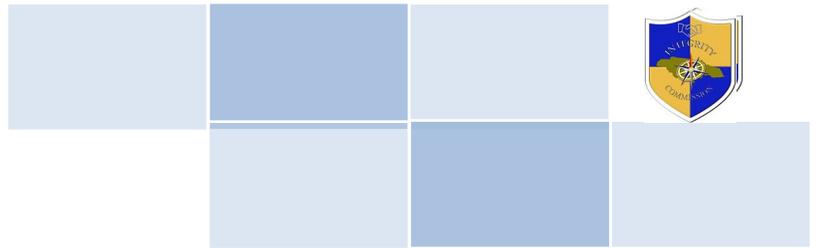


5.1.4 The DI concludes that there is an established commercial relationship between the Rural Agricultural Development Authority (RADA) and Hardware and Lumber Limited (H&L Limited).

The DI's conclusion is premised upon the fact that between January 2017 and January 2021 the Rural Agricultural Development Authority (RADA) awarded 14 contracts to H&L Limited, with an aggregate value of \$135,975,658.24. Moreover, by Mrs. Olive Downer Walsh's own admission, there was a commercial relationship prior to her initial appointment in 2016.

5.1.5 The DI concludes that the appointment of Mrs. Olive Downer Walsh to the National Board of Directors of the Rural Agricultural Development Authority (RADA) constituted a potential or perceived conflict of interest, within the meaning of Section 4.1 of the Government of Jamaica (GoJ) Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, in light of her professional engagement by H&L Limited and the nature of the established commercial relationship between the two entities.

The DI further concludes that the referenced potential conflict of interest involved an issue that was, "...*material to the core business of the [public] entity...*" given that H&L Limited is a major operator within the local agricultural industry and that the Rural Agricultural Development Authority's core functions include driving the development of the agricultural sector through the provision of agricultural inputs to key stakeholders. The volume and value of contracts awarded to H&L Limited by RADA during the



referenced period further substantiate the intersection between the core business of the two entities.

Furthermore, the risk of the potential or perceived conflict of interest being realised as an actual conflict was heightened by the incentive clause in Mrs. Downer Walsh's contract with H&L Limited which allowed for certain monetary reward to be paid to her based on her performance.

5.1.6 The DI concludes that in reappointing Mrs. Olive Downer Walsh to the Board in 2020, the Honorable Mr. Floyd Green, former Minister of Agriculture and Fisheries, failed to apply the considerations outlined in Section 4.2.1 of the Government of Jamaica (GoJ) Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies with respect to the appointment of individuals to the Boards of public bodies.

5.1.7 Furthermore, as it relates to the following rationale which was provided by the Honorable Mr. Floyd Green, Minister of Agriculture and Fisheries, regarding the circumstances of Mrs. Olive Downer Walsh's appointments to the National Board of Directors of the Rural Agricultural Development Authority, to wit:

"...Based on her background in Agriculture, Mrs. Olive Downer Walsh fulfills the requirements of the RADA Act. In light of the new requirements stipulated by Cabinet pertaining to the composition of Public Boards, namely, inclusion of 30% females and retention of 1/3

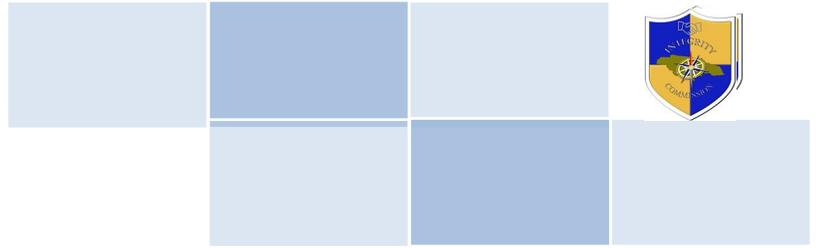


previous board members, and her experience in agriculture she would have been deemed suitably qualified for reappointment."

The DI concludes that the aforementioned rationale cannot be accepted in light of the conflict of interest implications raised by Mrs. Downer Walsh's concurrent professional relationship with RADA and H&L Limited. The DI's conclusion is made within the context of the established commercial relationship between the two entities, as well as Mrs. Downer Walsh's direct involvement in and proximity to the preparation of tender documents and the execution of contracts between both entities, in her capacity as Deputy Chief Executive Officer of H&L Limited. This proximity and involvement created the perception that the Authority's procurement processes were less than transparent, which may adversely impact public confidence in the operations of the Authority.

5.1.8 The DI concludes that the declaration of a conflict and recusal from matters associated therewith, were the main measures implemented by the National Board of Directors of the RADA to manage Mrs. Downer Walsh's conflict of interest, in an effort to maintain the quality of the Board's decision making.

The DI further concludes that the aforementioned measures were insufficient to guard against the potential conflict of interest created by Mrs. Downer Walsh's concurrent obligations being actualised. This conclusion is grounded in the fact that after her appointment to the Board, Mrs. Downer



Walsh engaged RADA regarding procurement activities and/or opportunities on behalf of H&L Limited and correspondence were addressed directly to her by RADA in her capacity as Chief Executive Officer of H&L Limited, regarding the said activities and/or opportunities. This is antithetical to the tenets of fairness, integrity and transparency in public procurement. A fortiori, Mrs. Downer Walsh's membership on the Board gives her access to privileged information and sufficient proximity to influence decisions that indirectly impact on opportunities available to H&L. At its lowest, this constitutes an actual conflict of interest.



Chapter 5 - Recommendations and Anti-Corruption Initiatives

- 6.1 This chapter outlines the recommendations and corruption prevention initiatives identified by the Director of Investigation.

Recommendations to the Minister of Agriculture and Fisheries

- 6.1.1 The DI recommends that the Minister ensures strict adherence to the stipulations outlined in the Government of Jamaica Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, with regard to the ineligibility of candidates on the basis of the existence of a conflict of interest that is **“material to the core business of the entity”** and the definition for same provided therein.

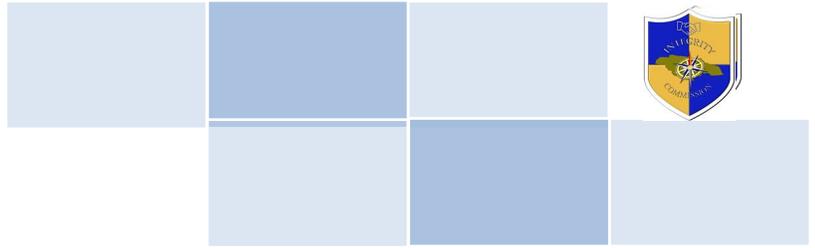
The DI's recommendation is premised upon the fact that the referenced policy guidelines directly contemplate issues of a similar nature to the present circumstances. However, despite the clarity provided within the guidelines, in relation to classes of persons who are not eligible for selection to the Boards of Public Bodies, it does not appear that the Minister of Agriculture and Fisheries acted in accordance with same, in his assessment of the risks and the implementation of suitable measures to manage the conflict of interest.



6.1.2 The DI recommends that in circumstances where a conflict of interest is identified in relation to a candidate and the relevant parties are “of the view” that the interest can be managed, within the meaning of Section 4.2.1 of the Government of Jamaica Policy Guidelines for the Nomination, Selection and Appointment of the Boards of Public Bodies, the Minister of Agriculture and Fisheries implement and maintain a mechanism for documenting and monitoring the following:

- i. The specific rationale for the conclusion that the interest can be managed;
- ii. The strategies and/or means by which the interest will be managed;
- iii. The expected overall contribution of the candidate to the relevant Board which would justify the initial appointment;
- iv. In the event of the possibility of a reappointment, the evaluation of the management of the conflict of interest within the member’s previous term; and
- v. In the event of the possibility of a reappointment, the actual contribution of the candidate within the previous term.

6.1.3 Having regard to the findings of this investigation in relation to conflict of interest, it is recommended (if not yet done) that the Hon. Minister of Agriculture and Fisheries gives serious consideration to removing Mrs. Downer Walsh from the Board of the Rural Agricultural Development Authority, Mrs. Downer Walsh should likewise consider her own position as a member of that Board. The DI’s recommendation is made having

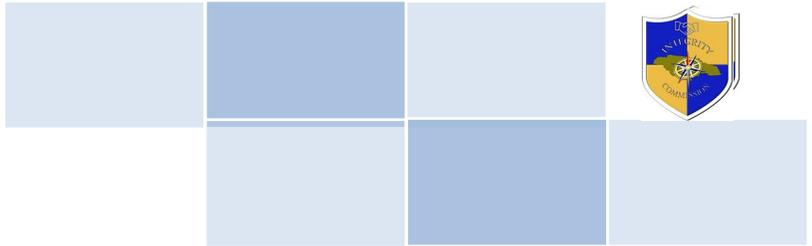


regard to the risk posed generally by Mrs. Downer Walsh's concurrent positions on the Board and at H&L Limited and the commercial relationship between the two entities. More particularly, the existence of the incentive clause in Mrs. Downer Walsh's Employment Contract is an aggravating factor militating against her continued presence on the Board.

Recommendations to the Rural Agricultural Development Authority

6.1.4 The DI notes and accepts that the COVID-19 pandemic and its impact on local food security and production created a sudden and unexpected pressing exigency, within the meaning of the aforementioned guidelines. However, The DI recommends that the Accounting Officer of the Authority incorporate greater foresight and future planning in their approach to mitigating the effects of seasonal weather conditions and the impact of flood rains on the agricultural sector, in order to avoid an abuse of the emergency contracting methodology. The aforementioned recommendation is premised upon the abundance of projections and other documentation regarding adverse weather patterns in Jamaica.

The DI's recommendation is founded on the premise that the overarching principles of the Government of Jamaica Handbook of Public Procurement Procedure (GPPH) provides that a competitive bidding process is the preferred method of procuring goods, services and works.



Furthermore, section 1.1.5 of Volume II of the referenced Handbook indicates that the need for emergency procurement must be sudden, unexpected and a pressing necessity. Under circumstances where the Authority possesses the capacity to map and predict seasonal weather patterns and agricultural challenges, sustainable procurement strategies should be devised to treat with same.

Kevon A. Stephenson, J.P
Director of Investigation

September 2, 2022

Date



Appendices

Appendix 1

Section 33(1) (a) and (c) of the Integrity Commission Act

“33.—(1) The Director of Investigation shall –

- (a) Without prejudice to the provisions of any other enactment, and subject to any general or specific direction of the Commission, investigate, in the manner specified by or under this Act, any allegation that involves or may involve an act of corruption or any allegation relating to non-compliance with the provisions of this Act, on the basis of any complaint, information or notification referred to him by the decision of the Commission or by the Director of Information and complaints;*
- (b) ...*
- (c) subject to the general direction of the Commission, investigate, on his own initiative, in the manner specified by or under this Act, any matter that may involve an act of corruption or non-compliance with the provisions of this Act;”*