



Tuvalu

**FINANCIAL INSTRUCTIONS
(AMENDMENT) 2024**

December 2, 2024





Tuvalu

FINANCIAL INSTRUCTIONS (AMENDMENT) 2024

LN of 2024

MADE UNDER SECTION 5 OF THE PUBLIC FINANCE ACT

1 Citation

This Notice may be cited as the FINANCIAL INSTRUCTIONS (AMENDMENT) 2020.

2 Commencement

The Instruction shall commence on the date of publication.

3 Amendment to Instruction 334

“334. The Internal Audit Unit will be headed by the Head of Internal Audit, who shall have the authority to plan, execute, and report on all internal audit activities in accordance with the Internal Audit Unit Charter and relevant government policies. To effectively carry out its mandate, the Head of Internal Audit shall have the following powers and duties:

- a) The Internal Audit Unit shall have unrestricted access to all government records, systems, accounts, assets, and personnel necessary for the execution of their duties.
- b) The Internal Audit Unit has the authority to investigate any case of fraud, finance irregularities, inefficiency, or other activities contrary to the Public Finance Act and Financial Instructions, including interviewing relevant personnel and obtaining necessary documentation.
- c) The Internal Audit Unit shall operate independently and shall be protected against any form of intimidation, coercion, or retaliation

when carrying out their duties. Any such instances must be reported directly to the Secretary for Finance and Economic Development and the Audit Committee. The following procedures shall apply:

- i. The Internal Audit Unit must document and report any threats or acts of intimidation to the Secretary for Finance and Economic Development and the Chair of the Audit Committee without delay.
 - ii. Upon receiving a report, the Secretary for Finance and Economic Development shall immediately to notify the Minister and relevant authorities. Including law enforcement, to provide adequate security and protection for the Internal Audit Unit.
 - iii. The Commissioner of Police shall immediately initiate a formal investigation into the source and nature of the threat and, upon sufficient evidence, take the individual(s) responsible to court for prosecution under applicable laws.
 - iv. All reports and communications regarding the threat must be treated with the utmost confidentiality to protect the Internal Audit Unit and the integrity of the investigation.
 - v. The Internal Audit Unit may suspend direct engagement with individuals or entities under investigation until the threat is resolved, with interim actions delegated to a senior representative from their office.
 - vi. A formal investigation into the source and nature of the threat must be initiated by law enforcement or a designated investigative body, with progress regularly reported to the Secretary for Finance and Economic Development and the Audit Committee.
 - vii. Following resolution, a review of the incident must be conducted to identify any systemic vulnerabilities and to implement measures to prevent future occurrences.
 - viii. Any threats reported and resolved shall be documented and summarized in the Audit Committee's annual report, ensuring transparency while maintaining confidentiality of sensitive details.
- d) The Internal Audit Unit shall prepare and submit comprehensive audit reports to the Secretary for Finance and Economic Development, and the Audit Committee.
- e) The Internal Audit Unit shall provide recommendations to improve financial management and operational efficiencies and shall follow up to ensure the implementation of corrective actions.

f) If serious financial misconduct or fraud is detected, the Internal Audit Unit has the authority to escalate the matter directly to the Audit Committee.

g) The Internal Audit Unit shall collaborate with external auditors, including the Auditor General, to ensure a cohesive audit approach and to avoid duplication of efforts.

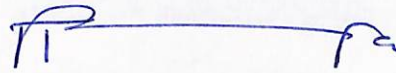
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HON. PANAPASI NELESONE

Minister of Finance and Economic Development

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DR TUFOUA PANAPA

Secretary to Government