

TURKS AND CAICOS ISLANDS



General Election 2021 Report on Political Financial Activities

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Executive Summary

This report produced by the Integrity Commission (the Commission) on the political financing of political parties and candidates during the 2021 General Election, which took place in February 2021. It focuses on the registration process, donations received by the Political Parties and Independent Candidates and also expenditure incurred by Independent Candidates. It also sets out the regulatory controls introduced and how these were managed and administered by the Commission. In addition, it briefly covers the Commissions role in relation to constitutional notice requirements.

Generally, the Commission found the veteran political parties had a very good understanding of the reporting requirements under the Ordinance. The two Independent Candidates reporting donations adjusted to their reporting requirements quite well and met the deadlines set by the Commission.

Transparency is a key principle that underpins the Ordinance and enables the public to have an understanding of how the parties and candidates are funded, and how they spend those funds. The Commission recognizes that confidence in the integrity of the political process is essential to the health of democracy in the Turks and Caicos Islands. We hope that this report will contribute to such confidence and so encourage even greater participation.

Introduction

The Political Activities Ordinance 2012 (hereinafter referred to as 'the Ordinance') came into force on 28 August 2012 and provides for the registration and for the regulation of the conduct of political parties. In March of 2016 an amendment was made to the Ordinance bringing Independent Candidates under the same rules that govern the Political Parties in relation to their financial activity and reporting requirements.

The Commission does not have responsibility for administering electoral registration or cover any aspect concerning the conduct of elections. This is the responsibility of the Elections Office under the direction of the Supervisor of Elections. All Political Party candidates and all Independent Candidates have to declare to the Commission, prior to being nominated to run in a General Election, any and all contracts they may have with the TCI Govt.(Constitutional Section 49 notice)

This was carried out quite well with all the candidates across the board, and the various S. 49 filings can be viewed at the offices of the Commission by interested persons.

The Commission's focus is always to raise awareness among Political Parties, Independent Candidates and the general public, to ensure they fully understand the legislative/statutory requirements which govern their operations.

The Registration Process

Parties:

The Commission is required, under Section 3 of the Ordinance, to establish and maintain a register of political parties.

Three Political Parties contested the 2021 General Election.

The listing of Political parties contesting the 2021 General Election were:

- Progressive National Party PNP #RP001
- Peoples Democratic Movement PDM #RP002
- Progressive Democratic Alliance PDA #RP004

Details of the contacts of the Political Parties have been retained by the Integrity Commission in the Register of Political Parties which is maintained for public inspection at the Commissions offices.

Independent Candidates:

In addition to political parties, the amendment to section 68 of the Ordinance in March of 2016, captured the requirement for Independent Candidates to also be registered by the Commission. The deadline for their registration fell five days after the date of the Election Proclamation. On registering with the Commission, all prospective Independent Candidates had to also file with the Commission, any and all donations received and expenditure incurred for the previous 365 days.

No notifications were submitted to the Commission to register any “third parties” who would be campaigning on behalf of any Political Party or Independent Candidate for the 2021 General Election.

Campaign Donations

In relation to donations, no limit has been set in the Ordinance on how much a Political Party or an Independent Candidate can receive in donations. The Ordinance does however limit the amount that can be received from any individual donor, in a twelve month period, to \$30,000. This therefore totals a maximum of \$120,000, over a four year period, from any individual donor.

In relation to donations received, Treasurers of the Political Parties and all Independent Candidates, must check that all donations over \$150 are from a permissible source – the Ordinance sets out who are permissible donors.

Under the Ordinance, all Political Parties and Independent Candidates are also required to publish all donations which exceed \$3,000.

Political Parties and Independent Candidates were required to submit weekly donation reports to the Commission during the election period that follows the proclamation of the General Election.

The three Registered political parties that contested the 2021 election, received a combined total of **\$956,799 in campaign donations**. The table below sets out the total amount of donations received by the parties, based upon total donations they reported to

have on hand on the 24th December 2020, when the House of Assembly was prorogued, and from the weekly reports submitted to the Commission during the General Election period between 25th December 2020 and 19th February 2021. The chart below shows the total donations from the reports submitted by the three registered parties.

Party	Election Period covered	Total donations received during election period	% of total by all parties
Progressive National Party	February 2020 to February 2021	\$483,999	50.6%
People's Democratic Movement	February 2020 to February 2021	\$472,800	49.4%
Progressive Democratic Alliance	February 2020 to February 2021	\$0	

Donations were received by two of the seven Independent Candidates. Mrs. Jacqueline Lightbourne RIC001 reported \$950.00, and Mr. Courtney Missick RIC006 reported \$2,345.00 bringing the total donations to the Independent Candidates to **\$3,295.00**.

Campaign Expenditure

Parties:

Spending by political parties and Candidates during the election period has also been regulated by the Ordinance and there is a maximum that each party or candidate can spend. In accordance with Section 46(8) of the Ordinance, the limits are as follows:

- \$30,000 in relation to each electoral district contested by the party (of which there were 10)
- \$40,000 in relation to the all-islands district (of which there were 5)

- \$100,000 in relation to each of the parties leaders

It was therefore possible for each party to spend a total of \$600,000 on their respective campaigns.

All political parties that put forward candidates for the 2021 General Election had to submit a campaign expenditure return. If their expenditure was under \$250,000 the report had to be to the Commission within three months of the election. If however their campaign spending was \$250,000 or more, the report has to be audited and submitted to the Commission within six months from the General Election date.

The Treasurers of two Registered Parties reporting to have received donations (PDM and PNP), informed the Commission, that their expenditure exceeded \$250,000 and as such, had their Audited Expenditure Returns to the Commission by the 19th August 2021. The remaining Registered Party (the PDA) that received no donations or expenditure, submitted to the Commission the usual documents stating as such, and a Statement of Accounts for the end of the Financial Year 2020/2021.

The diagrams below show the Registered Party's expenditure taken from the Campaign Expenditure Return documents submitted by the Treasurers of the three registered parties, along with category details

Party	Election Period covered	Total expenditure during election period	% of total by all parties
Progressive National Party	February 2020 to February 2021	\$402,931	47.8%
People's Democratic Movement	February 2020 to February 2021	\$440,023	52.2%
Progressive Democratic Alliance	February 2020 to February 2021	\$0	

	PNP Expenditure	PDM Expenditure
A. Party Political Broadcasts	\$ 24,805	\$ 63,017
B. Advertising/Publicity material	\$175,705	\$ 235,015
C. Unsolicited material	0	0
D. Manifesto	\$ 43,145	0
E. Market Research	\$ 4,751	0
F. Media	\$ 15,737	0
G. Transport	\$ 12,727	\$ 5,092
H. Rallies/ events	\$ 93,039	\$ 114,670
I. Overheads/Gen Admin	\$ 33,022	\$ 22,229
J. Other	0	0
TOTAL EXPENDITURE	\$402,931	\$440,023

Independent Candidates:

Independent Candidates were required to submit a record of their donations and all expenditure incurred by them during the election period after the General Election. Seven Independent Candidates stood for the December elections. These persons were:

- Jacqueline Almartha Lightbourne
- LeKensay K.D. Missick
- Jermaine Richardson Fulford
- Lucky Shemock Forbes
- Alicia Kaye Swann
- Courtney Mancur Missick
- George Lightbourne

As with Political Parties there was no limit on how much an Independent Candidate could receive in donations, however, the \$30,000 maximum individual donation, every 12 months, obtained.

The spending restrictions on the Independent Candidates were:

If running as an All-Island Candidate, the maximum allowed spend was \$100,000.

If running as a Candidate in a specific constituency, the maximum allowed spend was \$30,000.

All seven Independent Candidates ran as All Island Candidates. Five Candidates reported receiving no donations and incurring no expenditure, while two candidates reported receiving donations and expenditure.

As said earlier, details on Donations and Expenditure by the Political Parties and Independent Candidates will be published in due course.

The list of Donors of \$3000 and over for each Registered Party, is available for inspection at the offices of the Commission.

Advice and Guidance

Given the Covid pandemic the Commission began conducting virtual engagements with the Treasurers of the Registered Parties and all the Independent Candidates from mid-2020, so as to ensure that the new Independent Candidates understood the requirements imposed upon them by the Political Financial Activities Ordinance.

The Commission also circulated guidance notes to all Political Parties Leaders and Treasurers and all Independent Candidates on the following areas:

- Guidance note on the Registration Process
- Guidance note on Donations
- Guidance note on Corporate Donations and Dormant Companies
- Guidance note on Loans, how these are reported and what constitutes a loan on commercial terms
- Guidance Note on Campaign Expenditure
- Guidance Note on Interest in Contracts with Government.

The Treasurers and Independent Candidates all actively engaged the Commission with weekly queries during the Election period.

Constitutional Requirements

The Constitution of the Turks and Caicos which came into force on 15 October 2012 set out certain qualification requirements for elected or appointed members of the House of Assembly. Section 49 covers disqualifications for elected or appointed members of the House of Assembly. Section 49(1)(f) covers contracts or interests with Government and notice of any such contracts or interests were required to be submitted to the Commission prior to being nominated.

The Commission received responses from all thirty-eight (38) possible candidates prior to them being nominated, and, as is required under the Constitution, this information is available for inspection at the offices of the Integrity Commission in Providenciales and Grand Turk.

All elected and appointed members of the House of Assembly are now Persons in Public Life and are therefore subject to the Integrity Commission Ordinance. Under Section 36B, every member of the House of Assembly shall file with the Commission, in addition to the declaration under Section 25, a Statement of Registrable Interests.

In April 2021, the Commission held a briefing session with all Members of the new House of Assembly who are now subject to making the necessary declarations. This was to assist all in understanding the compliance requirements under the Integrity Commission Ordinance. For most new members of the House, it was their first interaction with the Commission in regards to the filing of their Declarations. In June 2021, the Commission also held Conflict of Interest sessions with the members of the House of Assembly where they were free to discuss their opinions and suggestions.

Closing Summary

The Commission's work in respect of monitoring the financing of political parties and candidates under the Ordinance is a continuous process. The diligence in complying with the requirements under the Ordinance, as exhibited by both the established Parties and the slate of Independent Candidates, indicates a very good understanding of the requirements of those who participated, and is something the Commission will expand upon. The Commission will continue to strengthen the guidance and advice that we provide to support the political parties and candidates in meeting their obligations, and in doing so, build on the already high levels of transparency in political financing in the Turks and Caicos Islands.

As is to be expected, the Commission will continue to impart advice and guidance to all in securing compliance with the Ordinance. We will be looking for opportunities to simplify the rules making them more effective, and to reduce the administrative burdens on parties and others who fall under the Jurisdiction of the Commission. We will therefore be working closely with the parties and others, in evaluating the work we have done so far, and to assess how we may be able to improve the process going forward.

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