

Results at a glance

Evaluation of the Integrated Market Enforcement Teams Reserve Fund (December 2016)

The Integrated Market Enforcement Teams (IMET) Initiative is an interdepartmental initiative mandated to investigate serious Criminal Code capital market fraud offences that are of regional or national significance and that may threaten investor confidence or economic stability in Canada. As a component of the Initiative, the IMET Reserve Fund is designed to support prosecutions by Provincial Attorneys General of serious *Criminal Code* market-fraud offences investigated by IMET by defraying exceptional costs associated with these prosecutions.

WHAT WAS FOUND

- With the Reserve Fund limited specifically to extraordinary costs, few opportunities to access the Reserve Funds are a direct outcome of the limited number of IMET prosecutions. Prosecutors at the federal and provincial level could benefit from opportunities to share best practices and explore knowledge exchanges activities on the few IMET prosecutions that do occur.
- The Reserve Fund acts as a backstop contingency fund for supporting the prosecution of capital market fraud. A significant challenge that the Reserve Fund faces in fulfilling its objectives is the absence of applications from Provincial Attorneys General. Some of the reasons for the lack of applications can be attributed to limited numbers of IMET cases where charges are laid; a general lack of awareness that the Fund exists; the restrictive terms and conditions; a lack of understanding of what can be funded; and the perception of an onerous application process.
- While the Fund received limited applications, it nevertheless has been administered effectively and economically. The program management of the Fund also supports Department of Justice representation at the IMET Executive Council Committee.

- Evidence gathered as part of the evaluation emphasize the possibility of unpredictable future demand. The federal government's efforts to combat capital market fraud combined with regional economic volatility could possibly encourage provincial Crowns to apply more often to the Reserve Fund.

RECOMMENDATIONS

- The Department should explore the possibility of amending the Terms and Conditions of the IMET Reserve Fund to expand the scope of the criteria for admissible expenses.
- The Department of Justice's Policy Implementation Directorate should re-examine the intended outcomes of the IMET Reserve Fund with a view to ensuring that they can be realistically achieved.

WHY IT WAS DONE

The Department of Justice Canada's grant and contribution programs are evaluated every five years to meet the accountability requirements of the Treasury Board's Policy on Results, address requirements of senior management and to inform the renewal of programs and agreements.

WHAT WAS DONE

The evaluation covers all activities over the past five years (2010–11 to 2014–15). In accordance with the 2009 Treasury Board Policy on Evaluation, it addresses both the relevance and the performance of the Fund.

For the full report, please visit the Evaluation Division website:

<http://www.justice.gc.ca/eng/rp-pr/cp-pm/eval/2016.html>

